

Jonathan Taylor  
Office of the Deputy Prime Minister  
Planning Policies Division (C)  
Zone 4/J6  
Eland House  
Bressenden Place  
London, SW1E 5DU

19 March 2004

Dear Mr Taylor,

### **Consultation Paper on Draft Planning Policy Statement 6**

#### **Introduction & Summary**

We write on behalf of Accessible Retail and Shopping Parks Investors Forum in response to the PPS6 consultation. Together, we represent a significant part of the commercial property and retail industries in the UK with major commitments in both town centre and out of centre retailing. A number of our members will have also written to you independently.

We support the objective of the proposed revised policy guidance to enhance and protect town centres and to promote them as preferred locations for new retail investment. However, we believe this aim must be part of a balanced approach in which recognition is also given to:-

- The importance of enhancing customer choice through the provision of a range of shopping services
- The promotion of an efficient, competitive, friendly and innovative retail sector
- The importance of taking account of qualitative need in securing these aims.

Generally, the policy guidance needs to reflect more understanding of how town centres have evolved to serve a wide variety of purposes and the dynamics leading to growth and decline, as well as the highly competitive environment retailers operate in to meet customer needs. It should recognise there is a complementary role for development in locations outside town centres where it would not harm the vitality and viability of centres and would assist in meeting other Government aims.

The main circumstances where these prerequisites would be met are:-

- Bulky goods generally
- Other goods where sequential testing shows that, for a particular business model, sites are not available in town centres, or sites cannot be made available within a reasonable amount of time.

For these two kinds of development, we believe the current restrictive policy can be eased without damaging town centres. This could be done by acknowledging in the guidance that some goods, particularly bulky goods, are less suitable for town centres than others. In the case of bulky goods, requiring their location in town centres may be detrimental to these centres and overall restrictions on both kinds of development damages the consumer, society and the UK economy by inhibiting competitiveness and growth.

### **Policies which are Supported**

The following policies are welcomed:-

- Recognition that all town centres should perform their appropriate role in meeting the needs of their catchments
- Recognition that there is not one model for town centres based on a full range of retail outlets, but a range with, in some centres, functions such as culture, tourism or evening entertainment complementing other primary activities
- The removal of sequential testing for extensions to existing development
- Single retailers do not have to split their stores into separate sites
- The duties placed on Local Planning Authorities to:-
  - i) take account of real difficulties in operating the applicant's business model from the sequentially preferred site
  - ii) plan actively for growth including sites adjoining existing centres
  - iii) be sensitive to the needs of developers
  - iv) recognise the importance of viability
  - v) plan for decline in some town centres

These new policies indicate acceptance that market changes occur in the pattern and provision of retail services and that historical precedence is not always the best guide to policy. Also, that existing retail developments whether in town centre or out of centre, at all levels of provision, require alteration and improvement if they are to be able to respond to changing customer needs. We believe these changes indicate a wish to work more closely with retailers and the development industry, which should improve the understanding, which Local Planning Authorities have of the dynamics of retailing and the viability of proposals leading to better decision making. In particular, Local Planning Authorities must demonstrate commercial realism when adopting policy to manage decline. These new policies will benefit the industry generally reflecting the complementary relationship between the town centre and out of centre retail sector. The greater flexibility created will assist in the introduction of a range of non-retail uses and the creation of sustainable town centres.

## **Weaknesses in the Policy Guidance**

Notwithstanding these improvements, PPS6 will not succeed fully in its aim of sustaining and enhancing town centres until it recognises and addresses the real causes of town centre decline. Indiscriminately, it sees out of centre retail warehousing as the principal cause of the decline of centres and guidance has been aimed at preventing the development of a range of purpose-built shopping malls. In short, there has been strong resistance to the idea of developing American-style car-borne shopping centres that are perceived as likely to harm the environment and wider objectives aimed at encouraging social inclusion.

This view of the negative impact of retail warehousing is not shared by many UK owners and investors, nor by many leading retailers, as is evidenced by their willingness to invest in both town centre and out of centre locations and by the fact that they operate in both formats and have not closed their town centre stores. It is contradicted, also, by the continuing strength of the vast majority of our town centres including those with out of centre provision located within their catchment. The industry's view is that both sectors can be accommodated as retailers have different requirements that are met from the formats and business models demanded by each type of location. In fact, retail warehousing constitutes the majority of out of centre retailing rather than regional shopping centres and food superstores and is seen by other retailers as complementary and forming part of the total retail provision available to customers within retail catchments.

For these reasons, we oppose the continuing undiscerning restriction on new retail growth outside town centres. Not only is it unjustified, but it denies to UK economy the significant benefits of GDP growth, lower prices and enhanced employment opportunities which result from growth in this sector. Retail warehousing is now a part of customers' expectations and if it is lacking in quality or quantity the town centre can also be adversely affected. Understanding the real causes of decline should be the cornerstone of policy in PPS6 and we are willing to commission independent research into its causes. Such a study should identify reasons retailers and their landlords attribute to town centre decline and would need to examine other issues such as the impact of the major expansion by food supermarkets into the selling of non-food goods, loss of employment and falling residential populations, internet trading, and poor accessibility by car.

Another weakness is that PPS6 fails to recognise that bulky goods trading formats are not suitable for town centre locations and often unwanted by other town centre retailers. This is due to the large space requirements, which cannot be disaggregated without losing competitive pricing and the need for customers to remove purchases only by car. These stores also need to be serviced by large vehicles which can cause town centre congestion and require large service yards. We believe the policy to direct these large buildings to edge of centre sites will create unacceptable environmental impact displacing more appropriate uses, creating nuisance by attracting traffic and increasing town centre congestion and are therefore unsustainable. Again, we are willing to commission an independent survey of the views of town centre retailers on having bulky goods traders as immediate or near neighbours.

It presumes, also, that out of centre stores are socially divisive because the greater choice and lower prices they offer are not available to largely non car owning

disadvantaged groups. We know of no evidence to support this assertion; in fact, existing data points to the opposite. Only 6% of households do not have access to a car and of these only one-third of households (i.e. 2% overall) wish to shop in out of centre locations and are prevented from doing so. We are willing to commission further research to improve understanding of this important issue. A further presumption is that out of centre stores are less sustainable. Bearing in mind that it is comparative CO2 emissions, not the number of car trips that is crucial, single trips on uncongested roads to out of centre locations may well be more sustainable than the multiple trips on congested roads needed to purchase the same amount of goods in town centres. The purchase of bulky goods in town necessitates delivery, which generates additional van and lorry movements. Again we are willing to commission research.

For all these reasons, we believe a less restrictive policy can be operated towards bulky goods format stores/parks provided they are located in accessible sites and other non-food goods should be exempt where specific conditions exist (for example, where there is no room to expand the town centre or the chosen format and business model poses no competitive threat. This policy could be incorporated into PPS6 relatively simply as it maintains the present test but extends the range of exclusions. In the longer term, a more sensitive approach could be to introduce a new test based on the logistical characteristics of different retail business models rather than the now largely redundant distinction between convenience (largely food based) goods and comparison goods (non food) used in PPS6. We would like to explore this concept which takes account of the modern dynamics of retailing in more detail with you.

We have a number of concerns with the requirement in the guidance that Local Planning Authorities should prescribe the maximum gross floor space of an individual development which would be acceptable in different types of centres in their areas. For example, in some centres, this could conflict with the recognition given in the guidance that the role and function of some town centres will have to change. Where town centres are competing against higher order centres, new developments may well have to be on a larger scale than they presently accommodate. Scale should only be inappropriate where it would cause harm to the vitality and viability of the centre as a whole or it would have unacceptable physical or environmental consequences.

Lastly, whilst the plan-led approach is supported, in our view the proposals to achieve this in the guidance require further consideration. Our concerns are:-

- The ability of the development process, even with the new procedures, to deliver the aims of PPS6 speedily and effectively
- How strategy can be delivered 'top down' by Regional Planning Guidance and Spatial Strategies if the assessment of the physical capacity of town centres and sites will be carried out at the local plan level
- A 5-year planning horizon may be insufficient as town center developments and out of center brown field regeneration projects often take much longer to implement
- The approach advocated would place a considerable cost and resource burden on Local Authorities and retailers/developers

- Only a limited number of national retailers are able to make representations to most plans and developers tend to be contractually tied to a specific site after the plan process is completed
- The sites identified in local plans tend to reflect present rather than future potential

Regarding the latter point, consideration should be given to an alternative approach in which local plans would be required to identify the qualities and characteristics of suitable locations including areas requiring regeneration rather than specific sites.

A further concern is that in the past, Local Planning Authorities have not paid sufficient attention in the formulation of policy to the assessment of need, preferring to leave that function to developers and seeing the role of PPG6 as a development control tool only. The guidance in PPS6 should make it clear that Local Planning Authorities must carry out need assessment as part of the plan preparation and review process, publish the full content of the assessment and update them regularly.

## **Conclusions**

We consider that these weaknesses would be avoided and guidance strengthened if PPS6 sets a clear vision for the role expected of town centres and how they can continue to be successful locations for investment and the community. This would enable all parties to fully understand how their proposals can be best adapted to meet national objectives.

We would welcome the opportunity to explore our views in more detail with you. We suggest this would be best achieved through a formal and on-going industry/ODPM working party similar to that established by ODPM to examine planning obligations. Such a group could supervise the four research projects we are prepared to commission (we estimate about two or three months would be needed). If these were started immediately after the consultation period closes, they would be completed by the early summer which should not seriously prejudice the Government's decision making processes and programme to publish PPS6.

Yours Sincerely

Andrew Lewis-Pratt, Chairman Accessible Retail  
Martin Clews, Chairman Shopping Park Investors Forum