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CONSULTATION PAPER ON PROPOSED CHANGES TO PLANNING POLICY STATEMENT 6: PLANNING FOR TOWN CENTRES

RESPONSE BY BUSINESS IN THE COMMUNITY

PPS6 Comments: Overall

The project welcomes several positive changes in the proposed revisions to PPS6, particularly the continued promotion of town centres and of a plan-led approach, as well as the acknowledgement of social exclusion and deprivation issues and the role that retail can play in alleviating these through regeneration projects. While recognising that the primary purpose of PPS6 is to guide planning policy, promoting town centres first, we also welcome the proposed impact test's reference to the specific needs of deprived areas and the link between retail and wider regeneration and social exclusion objectives.

Towards that end, we make the following suggestions:

- **Need for a Stronger Recognition of Retail-led Regeneration**
There is a need to strengthen the reference to retail-led regeneration in PPS 6 through inclusion of a single paragraph setting out the clear role retail investment can play in tackling unemployment, social deprivation and exclusion, and the desire for it to be used as a catalyst for wider regeneration. There are many examples of retail-led regeneration projects which, through allied local employment, training and business support packages, have had measurable long-term positive impact on the area. However, the wide-ranging discussions with practitioners held as part of the USM project dissemination programme have shown that there remains confusion at the local level regarding the extent to which retail-led regeneration is promoted by national policy. The revisions to PPS6 represent a good opportunity to clarify and strengthen the message to both the private and public sector that investment should act as a catalyst for providing social and economic benefits.
- **Emphasize the Need for Strategies to Achieve Socio-Economic Benefits**
The message that in order to secure the above benefits it is necessary for local authorities to require retail schemes to be accompanied by effective regeneration strategies setting out the socio-economic benefits that will result also needs to be strengthened in the PPS. The benefits of retail investment in deprived areas is best

realised when strategies are in place to promote increased employment and training opportunities, local business development and community partnerships
The USM project has found that level of knowledge and expertise among local authorities in negotiating effective retail-led regeneration schemes is variable and some sharing of good practice and transferable knowledge would be highly beneficial.

- **Guidance Must Provide Clarity on Investing in Deprived Areas**

There is a need for the guidance which will accompany the PPS to clearly show how retail development can help regenerate deprived areas, using a strongly plan-led approach. The proposed introduction of a new impact test represents a good opportunity to address such issues, without it becoming a 'loophole' to circumvent the 'town centres first' approach. However, as many have pointed out, an approach which aims to draw out both qualitative and quantitative impacts will necessarily be more complex and in terms of application of such a test much will depend on how guidance is drafted. In particular in order to limit the potential complexity of the impact test approaches such as recommending that authorities carry out an initial scoping stage as with EIA could be beneficial.

- **Link PPS 6 Tests to Other Policies that affect Regeneration and Development**

It is important to recognise that retail-led regeneration and deprived areas fits with the wider strategic context within which local authorities currently operate. In particular, there are clear links with the Sub-national Review and the related local duty to prepare an economic assessment including the proposed worklessness assessment as part of the Working Neighbourhood Fund allocation, National Regeneration Framework, and PPS 4 on Economic Development.

- **Strengthen Link between Regeneration of Deprived Areas and Place-making**

Regional Spatial Strategies – particularly the new proposed regional strategies in "Prosperous Places" – and Local Development Frameworks are critical to emphasising when and where investment can play a role in addressing the needs of deprived areas. PPS6 revisions represent an opportunity to stress plan-making and in particular to reinforce the role of Regional Spatial Strategies, Core strategies and local documents such as community strategies.

- **Provide Clarity on 'Regeneration exception' within Competition Test**

Following a two-year investigation into the groceries market, the Competition Commission indicated that planning applications for grocery stores larger than 1,000 sq metres should be assessed by the Office of Fair Trading, rather than local authorities, to determine their impact on local competition. The test would prohibit entry to a local market - defined as an area within 10 minutes' drive from the proposed store - if the retailer would gain a 60 per cent share or more of that market. Yet the commission recognized that local authorities should be able to override the OFT if they determine that a development would provide benefits that "outweigh the detriment to local people" from dominance by a retailer, and if a development "would not take place" without the retailer's involvement. Clarity should be provided on how

supermarket-led regeneration schemes could be judged to be exempt from a proposed competition test aimed at preventing a grocery retailer from dominating an area to ensure real regeneration is achieved, rather than used as a loophole.

Conclusion

We believe that private sector investment is a prerequisite for Government to meet the needs of under-served communities and to successfully tackle social and economic deprivation; PPS6 has a crucial role in sending this clear and unambiguous signal to all stakeholders, whilst at the same time balancing the need to protect urban and rural spaces.

We have intentionally focused only on how we believe PPS6 should act to encourage and facilitate investment in deprived areas, as consistent with policy. As a corollary to these aims, we would also welcome the opportunity to comment and work with CLG on forthcoming good practice guidance.



Bill Boler
Director, Underserved Markets