

EHDC/5/C
APPENDIX
TO
PROOF OF EVIDENCE
OF
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ON BEHALF OF
EAST HERTFORDSHIRE DISTRICT COUNCIL

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PREPARED AT THE OFFICES OF

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Overview of Retail Planning Policy Framework

1. National Planning Policy

PPS6: Planning For Town Centres – 2005

1.1 National planning policy for retail development is currently contained in Planning Policy Statement 6: Planning for Town Centres issued in 2005 **(CD/A5)**.

1.2 Since the late 'nineties Government Policy has consistently promoted a 'town centre first' approach toward new retail development. Chapter 3 of the existing PPS sets out the considerations that should be taken into account when considering proposals for new retail development – including new stores as well as the redevelopment and/or extension of existing facilities. Applicants are required to demonstrate:

- (i) the need for the development;
- (ii) that the development is of an appropriate scale;
- (iii) that there are no more central sites for the development;
- (iv) that there are no unacceptable impacts on existing centres; and
- (v) locations are accessible by a variety of modes of transport.

These considerations have formed the basis of the retail submissions made by both Tesco and Sainsbury's – and duly assessed by Chase & Partners.

1.3 Government Policy also seeks to enhance consumer choice by making provision for a range of shopping, leisure and local services, and supporting an efficient, competitive and innovative retail sector. However, in recognition of the concerns raised in the Barker Review of the planning system¹ and how the planning process may have inhibited competition, the Government issued Proposed Changes to PPS6 in July 2008 which placed a new emphasis on the need to promote competition between retailers and enhance consumer choice, raise productivity and support an efficient competitive and innovative retail sector.

¹ Barker Review of Land Use Planning – Final Report & Recommendations
HM Treasury - December 2006

Proposed Changes to PPS6 (July 2008) & Integration with PPS4: Planning for Prosperous Economies (May 2009)

- 1.4 As well as promoting competition and consumer choice, the Proposed Changes envisage the removal of the existing 'need' test and the introduction of a new impact test to assess whether the impact of any proposal is positive or negative on town centre consumer choice, retail diversity, investment and town centre trade.
- 1.5 Having undertaken this consultation, the Government did not then proceed with the proposed amendments, but, as part of its initiative to streamline and simplify its policy, it decided to consolidate the proposed changes to PPS6 into the new Planning Policy Statement 4: 'Planning for Prosperous Economies' **(CD/A4)**.
- 1.6 Draft PPS4 was issued for consultation in May 2009 and sought views on combining all national planning policy on economic development in both urban and rural areas as well as town centres into one consolidated and streamlined PPS. If adopted in its proposed form it will not only replace the existing PPS4, Planning for Sustainable Economic Development, but also PPG5, Simplified Planning Zones and the economic development elements of PPS7, Sustainable Development in Rural Areas as well as PPS6.
- 1.7 In terms of retail development, this latest draft PPS takes on board the earlier changes to PPS6 which were proposed in the previous consultation. Whilst seeking to promote consumer choice and retail diversity, it continues to promote the vitality and viability of existing of town centres and to continue to "put town centres first"².
- 1.8 The draft, for the first time, sets out a series of specific policies for both plan-making at both regional and local level together with policies for:
- supporting evidence for planning applications for town centre uses (Policy EC18);
 - the consideration of sequential assessments for planning applications for town centre uses (Policy EC19);
 - impact assessments for town centre uses not in accordance with the development plan (Policy EC20);

²

Consultation Paper on a new Planning Policy Statement 4: Planning for Prosperous Economies – Department of Communities and Local Government – May 2009 (page 9)

- the consideration of planning applications for town centre uses not in a centre or in an up to date development plan (Policy EC21); and
- the consideration of planning applications for extensions to existing town centre developments in edge of centre or out of centre locations (Policy EC22).

- 1.9 In the light of concerns raised about the proposed removal of the 'need test' and its effect on existing town centre policy, the cross-party Communities and Local Government Committee invited evidence and undertook a short inquiry in May 2009 and, in July, issued its report entitled 'Need and Impact – Planning for Town Centres'. The Committee's conclusion and recommendations will inform the latest consultation and is designed "to influence the Government's thinking before it finalised its changes to town centre planning policy".
- 1.10 The Committee has concluded that, contrary to Kate Barker's recommendations, it is unconvinced that the 'need test' is having undesirable effects and that it continues to serve a useful function. The Committee recommends that it should remain part of planning guidance - alongside the new impact assessment framework - as to remove it, particularly in the current economic climate, could put town centres at unnecessary risk.
- 1.11 In common with the Proposed Changes to PPS6, the consultation draft does not address the recommendation for a competition test emanating from the Competition Commission's Investigation of the Groceries Market³. Although the Government's response to the Commission's report published in July 2008⁴, accepted this was an important recommendation, the inclusion of a test as part of PPS6 was put "on hold" following Competition Appeals Tribunal decision to uphold Tesco's appeal against the inclusion of this recommendation⁵. In July 2009, the Commission issued its provisional decision on the competition test with the aim of issuing a new decision on this matter by October 2009. It is only when the principle of whether a 'need test' should form part of the formal consideration of any major foodstore proposal is established will any changes be made to national planning policy guidance in a revised PPS4.

³ Competition Commission Investigation of the Groceries Market – Provisional Decision on Planning Remedies – Feb 2008

⁴ Government Response to Competition Commission Report 'The Supply of Groceries in the UK Market Investigation' BERR July 2009

⁵ Competition Appeal Tribunal Tesco plc vs Competition Commission–Judgement March 2009

2. Regional Planning Policy

The East of England Plan (Regional Spatial Strategy)

- 2.1 The Regional Spatial Strategy (The East of England Plan) was published on 12 May 2008 by the Government Office for the East of England (**CD/B1**). It supercedes Regional Planning Guidance for East Anglia that had previously been contained in RPG6 together with relevant sections of the former Guidance for the South East and Thames Gateway (RPGs 9, 9A & 3B/9B).
- 2.2 The aims of the East of England Plan are, broadly, to provide a high quality of life for East of England residents by meeting their housing needs in sustainable, inclusive communities. In doing so, it aims to reduce the impact upon climate change and the environment generally.
- 2.3 **Policy SS3** sets out the key centres for development and change in the Region. These include centres such as Chelmsford, Ipswich, Watford, Cambridge, Harlow and Stevenage but do not include any of the existing towns in East Hertfordshire.
- 2.4 **Policy SS4** of the RSS states that Local Development Documents will define the approach to development in towns other than these key centres. In other words, the approach to development in towns such as Hertford and Bishop's Stortford is devolved to the local level, i.e. Local Development Frameworks. In this regard **Policy SS6** requires Local Development Documents to *inter alia*:
- Define the role (or redefine it where necessary) of each town centre and a strategy to manage change, promote a healthy mix of uses, build upon positive elements of its distinctive character, and support the development and consolidation of the local cultural heritage;
 - ensure that land is allocated, or can be made available, to meet the range of identified needs in these town centres; and
 - protect and enhance existing neighbourhood centres and, where the need is established, promote the provision of new centres of an appropriate scale and function to meet local day-to-day needs.
- 2.5 **Policy E5** then sets out the regional hierarchy of towns and cities with regard to economic development, including new retail development, two tiers are defined:
- Regional Centres – including Cambridge, Chelmsford, Ipswich, Norwich, Peterborough and Watford; and

- Major Town Centres - including Harlow, Hemel Hempstead, Luton, St Albans, Stevenage and Welwyn Garden City.

None of the existing towns in East Hertfordshire are identified as part of this hierarchy; the policy states:

"Below the level of the centres of regional strategic importance local development documents will identify a network of more local town centres, district centres, neighbourhood centres and village centres"

In keeping with requirements of Policy SS4 it is left to Local Development Frameworks to set the local hierarchy and the approach towards future development to be taken in these smaller settlements.

3. Local Planning Policy

East Herts Local Plan Second Review 2007

- 3.1 The current local plan for the District is the East Herts Local Plan Second Review, adopted in April 2007 (**CD/B6**). This was prepared under the provisions of the Planning and Compulsory Purchase Act 2004 and is therefore "saved" by Secretary of State Direction for three years from the date of adoption with an expiry date of April 2010.
- 3.2 The Adopted Plan states that proposals for new retail development on sites in town centre or edge of centre locations, will be determined in accordance **Policy STC1**; this states:
- (I) *The preferred location for new retail development and proposals for other key town centre uses, will be town centres followed by edge-of-centre sites in line with the sequential approach. Such development will be permitted where all the following criteria are met:*
 - (a) *the proposed development is consistent with the character and role of the town centre;*
 - (b) *the proposed development would be accessible by a choice of transport means other than the private car;*
 - (c) *where appropriate the proposed development will provide for the effective use of upper floors; and*
 - (d) *parking provision, access, and traffic generation are satisfactory, in accordance with Council's adopted standards.*
 - (II) *In edge-of-centre locations, proposals will be required to demonstrate need for the development*

(III) An assessment of the impact on other neighbouring town centres will be required:

(a) for a significant development in a town centre;

(b) in edge-of-centre locations, for developments proposing over 2,500 square metres gross floorspace and for smaller development if it is likely to have a significant impact on smaller centres.

The East Herts Local Development Framework

- 3.3 Work has commenced on the East Herts Local Development Framework and Consultation on the Core Strategy is ongoing with the final version due to be published in 2010/2011. When adopted, the LDF will replace the adopted East Herts Local Plan Second Review and, in combination with the East of England Plan, it will provide the planning framework in East Herts District.

Chase & Partners

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