

Meeting **JOINT COMMITTEE ON STRATEGIC PLANNING AND TRANSPORT**

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From **JOINT OFFICER STEERING GROUP**

Report

PLANNING POLICY STATEMENT 4 (PPS4) 'PLANNING FOR SUSTAINABLE ECONOMIC GROWTH'

1. This report informs councillors about Planning Policy Statement 4 'Planning for Sustainable Economic Growth', which was published on 29 December 2009 following a consultation in May 2009. It is accompanied by Town Centre Practice Guidance on need, impact and the sequential approach assessments.
2. The PPS states that the Government's overarching objective is sustainable economic growth, within which sit the Government's objectives for planning, which include to deliver more sustainable patterns of development, reduce the need to travel, especially by car and respond to climate change.
3. The PPS defines sustainable economic growth as that which can be sustained and is within environmental limits, but also enhances environmental and social welfare and avoids greater extremes in future economic cycles. It also defines economic development as B Use Classes (Business, General Industry and Storage and Distribution), public and community uses and main town centre uses but also any development (except housing) that provides employment opportunities; generates wealth or produces or generates an economic output or product.
4. The PPS is split into two sections; Plan Making Policies and Development Management Policies.

Plan Making Policies (EC1-EC9)

5. The emphasis remains on the plan led approach and the need to base regional and local plan policies on robust evidences bases. These would include employment land assessments and economic forecasting.
6. The most notable aspect of PPS4 is that it removes the 'need' test for determining planning applications for retail development. In future applications will be determined on the basis of compliance with the sequential approach and a revised 'impact' assessment. The PPS also excludes any specific proposals for a 'competition test', on which the

Competition Commission reported in October 2009, on which the Government will decide and issue a response later this year.

7. The 'need' assessment remains the key input for plan making, identifying the need for land and floorspace for all town centre uses. Deficiencies in the network of 'higher level' centres and deprivation priorities are to be identified at regional level. Deficiencies in facilities serving people's day-to-day needs remain to be identified at the local level.
8. There is a requirement to consider the provision and distribution of services, and whether there is a need to increase competition and retail mix. Additional weight is given to qualitative deficiencies in deprived areas. Sites that best serve the needs of deprived areas should be given preference when considered against alternative sites with similar location characteristics.
9. Local Planning authorities are also required to:
 - i) set out a clear economic vision and strategy, identifying regeneration investment priorities;
 - ii) set flexible policies for their centres to respond to changing economic investment circumstances;
 - iii) plan to promote competitive town centres, provide consumer choice and ensure a diverse range of uses are provided throughout a centre
 - iv) encourage residential or office uses above ground floor town centre uses within centres, ensuring housing in out-of-centre development is not, in itself, used to justify additional retail floorspace in such locations;
 - v) ensure that the scale of sites identified for development and the level of travel they generate, is in keeping with the role and function of the centre;
 - vi) identify sites in, or failing that, on the edge of a centre, capable of accommodating large format developments, where there is a need for such development; and
 - vii) consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development which should be the subject of an impact assessment and specify the areas where this will apply.
10. In relation to rural areas the PPS states that economic development should be strictly controlled away from existing settlements, or on land not allocated for development. New development should be located in or on the edge of existing settlements to allow services and facilities to be close together. The re-use of suitable rural buildings, equine enterprises and farm diversification is supported and local authorities should set out permissible scales of replacement buildings and circumstances where replacement of buildings is not acceptable.

11. Sustainable tourism and leisure developments are supported provided they benefit rural businesses, communities and visitors and do not harm the countryside.

Development Management Policies (EC10-EC19)

12. Proposals for retail and town centre uses must be located in an existing centre and accord with an up to date development plan, or they must satisfy the 'sequential approach' and a 'significant adverse impact' test before their positive and negative impacts and other material considerations are assessed.
13. The impact test consists of two sets of assessments; one applying to all forms of economic development and the other to town centres uses only, the objective of the impact assessment is to focus on the first five years after construction, including the cumulative impact of developments. The PPS also requires the assessment to be proportionate to the scale of development proposed and encourages pre-application discussions on the type and level of information required within an impact assessment.
14. In terms of the sequential approach sites are required to be assessed for their availability, suitability and viability. PPS4 makes it clear that where an applicant has not demonstrated compliance with the sequential approach and where there are 'significant adverse impacts' then planning applications should be refused.

Comment

15. PPS4 reinforces the Government's application of the 'plan led approach' and the 'town centre first' principles to retail and all other town centre uses. It provides clarification on how such proposals should be considered. Weight is to be given to the regeneration, social inclusion and mixed use development benefits of retail and town centres use schemes, but only where these comply with town centre planning policy, rather than being used as a justification for development contrary to policy.
16. The requirement for applications to satisfy the sequential approach and show no significant adverse impacts, either individually or cumulatively, will be critical. However, the term 'significant' is not defined. This gives local planning authorities some discretion on how to interpret the new PPS and, if they decide the impact is not significantly adverse, to consider the positive and negatives impacts of the application. There is no apparent discretion for an authority to decide to waive non-compliance with the sequential approach.
17. The new PPS4 concentrates on Town centres to a great extent and gives little explicit attention either to more general employment, despite the wider definition, or to rural employment. There is specific mention, for example of equine-related employment uses, but not other rural employment except by implication from a general context.

18. There is also limited reference to sustainable development and carbon reduction, except in the context of sustainable economic growth, rural settlements, car parking and transport.

RECOMMENDATION

It is recommended that the Committee note the contents of the report.

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