

Planning Policy Statement 4: Planning for Sustainable Economic Growth (PPS4)



Communities and Local Government (CLG) published PPS4 on 29 December 2009. The document is accompanied by a Practice Guide – Planning For Town Centres, prepared by GVA Grimley on behalf of CLG

PPS4 brings together all of the Government's key planning policies relating to the economy in both urban and rural areas into one single PPS. It replaces PPG4: Industrial and Commercial Development and Small Firms; PPG5: Simplified Planning Zones (which will be re-published as practice guidance); PPS6: Planning for Town Centres; the economic development policies in PPS7: Sustainable development in rural areas and car parking standard policies in PPG13: Transport.

In addition to the widely expected abolition of the needs test, the Government has taken the opportunity to emphasise its support for sustainable economic growth and the need for LPAs to take a positive approach to identifying sites, and determining applications. However, it also sends an unambiguous message that applications which fail to adopt a sequential approach, or which would have a 'significant' impact, should be refused.

This reinforces the need for the long awaited Planning for Town Centres Practice Guide

which is intended to help practitioners to interpret the policies of PPS4, and to guide LPAs, applicants and other stakeholders through the process of preparing effective town centre strategies and preparing sequential site and impact assessments.

The new PPS4

The new streamlined policy statement brings the Government's town centre policies into line with its wider policies for economic development. Predictably, the statement covers a range of policy objectives and agendas: climate change; social inclusion; accessibility and inclusive design all feature alongside the need for an efficient, competitive and innovative retail and leisure sector. But for the first time these objectives are set within a clear overarching policy to promote sustainable economic growth.

The main change is the abolition of the needs test at the application stage. The five tests in PPS6 are replaced by two – the sequential approach and the 'new' impact test, on the face of it a move to deregulate the system.

The sequential approach remains largely unaltered. The onus still rests on the applicant to demonstrate compliance with the approach, and to demonstrate they have shown sufficient 'flexibility' when considering whether their proposals can be accommodated in a town centre.

The 'new' impact test in practice raises no new hurdles, although a key issue will be how practitioners determine what constitutes a 'significant' adverse impact, given that Policy EC17 directs that LPA's should refuse planning permission where an edge or out of centre proposal has failed to demonstrate compliance with the sequential approach or is likely to lead to a significant impact.

As a consequence, while the overall tone of the Guidance appears to be re-regulatory and supportive of new development, it will be even more critical that edge or out of centre proposals including 'town centre' uses are properly supported by sequential site assessments, and a thorough assessment of impact. Whilst the formal requirement to assess need may be lost, where a need exists for a particular scale and form of development, this may still be highly relevant in order to properly address the sequential approach/impact tests.

The final issue which is worthy of note is the suggestion that local planning authorities should tailor aspects of the policy to local circumstances. PPS4 in effect sets a default position on key impact tests, the thresholds for the preparation of impact assessments, and maximum parking standards (consistent with PPG13), but delegates to individual LPAs the role of setting different thresholds and standards, and applying local impact criteria. It will be interesting to see how many LPAs seek to customise the policy, and on what basis.

Planning for Town Centres: Practice Guidance On Need, Impact and The Sequential Approach

The Practice Guidance, prepared by GVA Grimley on behalf of CLG is intended to help practitioners to interpret the policies of PPS4, and to guide LPAs, applicants and other stakeholders through the process of preparing effective town centre strategies and determining planning applications involving key town centre uses.

The Guidance follows the same structure as PPS4, with the emphasis on positive planning, including; how to assess the need for retail, leisure and other key town centre uses; how to prepare effective town centre strategies; and practical advice on development management, including unpacking the sequential approach and the new impact test.

The Guidance sets out a step by step approach to assessing quantitative and qualitative need, including different approaches to assess the needs at the RSS and LDF level, and the key variables. It also explores qualitative needs, including gaps in the market, the importance of choice/competition, over trading, 'location specific' needs, and other qualitative factors.

There is a step by step approach to preparing effective town centre strategies, again drawing on examples of good practice. This builds on the identification of needs for retail, leisure and other key town centre uses, to include:-

- Centre audits, eg health checks.
- The approach LPAs should take to allocate sites.
- Identifying and evaluating alternative options.
- Developing and implementing the strategy.
- The role of ongoing monitoring.

The Guidance also helps to interpret key development policies for development management; notably the sequential approach and impact tests:-

- In the case of the sequential approach, the Guidance goes back to the basic principles and objectives and cautions against the obsession with definitions – advocating a more pragmatic, commonsense approach about judging the effects of proposals in different locations on the basis of their accessibility and ability to encourage linked trips; the Guidance sets out how the sequential approach should apply to different uses, and to establishing priorities for scarce town centre sites; it also clarifies by way of examples what is meant by flexibility and what constitutes 'suitable, viable and available'.
- On the impact test, the Guidance highlights the role for scoping assessments,

emphasising the need that assessments are fit for purpose, avoid duplication, are proportionate and focus on the key issue. The Guide sets out the proper approach to take to different uses including convenience, comparison retail, leisure and other town centre uses, and sets out guidance on how to measure town centre impacts and what is likely to constitute a 'significant' impact in different circumstances.

Finally, the Guidance offers advice on the effective use of conditions, emphasising where and when these are likely to be necessary and the scope and role for conditions relating to net sales, unit sizes, range of goods etc.

To view copies of the documentation please click on the links below.

- [PPS4](#)
- [Practice Guidance](#)

GVA Grimley is a leading adviser on retail and town centre related issues. The firm was responsible for the Good Practice Guidance which accompanies the latest PPS4, and regularly advise regional planning bodies, local planning authorities, retailers, leisure operators, developers and investors on all aspects of retail/leisure and town centre policy. If you have any queries on the new policy please do not hesitate to contact Chris Goddard, or any one of our regional offices

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