



Report for: Cabinet 1st April 2010

Subject: Planning Policy Statement 4: Planning for Sustainable Economic Growth

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Introduction

- 1 The purpose of this report is to inform members of the publication of Planning Policy Statement 4: Planning for Sustainable Economic Growth (referred to as 'the Statement'). The Statement will inform the development of future planning policy and will be a material consideration when determining planning applications.
- 2 Members may recall that a report was taken to Cabinet in July 2009 to advise of the consultation on the draft version of the Statement and to seek approval for a response to the consultation on behalf of the Borough Council.
- 3 The main policies that the Statement replaces are:
 - Planning Policy Statement 4: Industrial, commercial development and small firms
 - Planning Policy Statement 6: Planning for town centres
 - The economic elements of Planning Policy Statement 7: Sustainable Development in rural areas

By combining the key planning policy statements relating to the economy, the Government hopes to create a coherent and modern set of policies designed to meet economic challenges, both long and short term, and to provide greater certainty to businesses.

- 4 The Statement defines 'economic development' as:
 - Development with the B Use Classes¹
 - Main Town Centre Uses²
 - Development that provides employment opportunities

¹ B1 - Business, Offices, research and development, light industry. B2 - General industrial. B8 - Storage or distribution.

² Retail, leisure, entertainment facilities, intensive sport and recreation uses, offices and arts, cultural and tourism uses.

- Development that generates wealth
- Development that produces or generates an economic output or product

The Statement does not apply to Housing, which is covered by Planning Policy Statement 3: Housing.

- 5 The Statement is divided into 'Plan Making Policies' (policies that guide how policy should be prepared at both the regional and local levels) and 'Decision Making Policies' (policies that guide how decision on planning applications should be taken). In addition there are specific policies addressing the evidence base needed to support the Borough Councils work on economic development, the new monitoring requirements, the application of local parking standards for non-residential development and the use of conditions for main town centre uses.

Plan Making Policies

- 6 These policies set out what Regional Planning Bodies and Local Planning Authorities should ensure is included in their development plans. For Gedling Borough Council this includes the Core Strategy, Development Control Policies and any Area Action Plans produced. Both the Regional and Local tiers are required to:
 - Set a clear economic vision and strategy which positively and proactively encourages sustainable economic development;
 - Identify priority areas for regeneration;
 - Support existing business sectors and identify and plan for new or emerging sectors whilst remaining flexible;
 - Encourage and plan for clusters of knowledge based businesses;
 - Make efficient and effective use of land, prioritising suitable previously developed land, and reflect the needs of businesses;
 - Encourage and plan for key distribution networks and hubs;
 - Plan for the infrastructure needed to support the planned economic development;
 - Facilitate new working practices
- 7 In addition, it is a requirement that the Regional Spatial Strategy provides a disaggregated target for jobs for local authorities. This will aid the Borough Council in meeting our requirement to identify a range of sites to facilitate sustainable economic development by providing a clear target. Local Authorities are also required to consider how this land can be delivered and encourage the reuse of vacant and derelict buildings.
- 8 The bulk of the policies in this section deal with planning for Town Centres. They require that a strategy for the management and growth of centres is included as part of the economic vision for the area. A network and hierarchy of centres should be developed identifying where centres needs to be expanded, promoted or demoted, in line

with evidence of need and deficiencies. Out-of-centre shopping areas of a regional or sub-regional scale should be considered through the regional spatial strategy.

- 9 The extent of the centre and the primary shopping area (the area of the centre where retail is primarily concentrated) should be defined on the Proposals Map and policies should set out permitted uses in the primary shopping area and any secondary shopping area identified.
- 10 In order to enable the Impact Assessment (see paragraph 18) to reflect local circumstances Local Authorities are able to set different thresholds and also identify locally important impacts to be tested as part of the assessment.
- 11 Local Authorities should also proactively plan to promote competitive town centres and consumer choice. This requires that centres provide a diverse range of uses contributing to a strong retail mix with a range and quality of retail provision meeting the needs of the local community. Support should be given to shops and services in local centres and villages and also to markets ensuring that they remain attractive and competitive.
- 12 The evening and night time economy should also be managed with encouragement for a range of complementary uses within centres to cater for a wide spectrum of the community. The number and scale of leisure developments to be encouraged should be set out in policies taking account of cumulative impacts.
- 13 If a need for an increase in the amount of land for main town centre uses is demonstrated, Local Authorities should identify an appropriate range of sites taking account of the following:
 - The role and function of the centre within the hierarchy and catchment;
 - The sequential assessment (see paragraph 17);
 - The impact assessment (see paragraph 18); and
 - The regeneration benefits of different locations.

Land should be identified and allocated to meet at least the first five years need. This is similar to the requirement to have a five-year supply of housing land. The inference is that it is possible that if we are unable to demonstrate that we have met the requirement of the Statement that it may be more difficult to resist applications for main town centre uses in out of centre locations.

- 14 The Statement also includes policies specifically relating to the development of policies in the rural areas. The basis of this approach is that the countryside is protected for the sake of its intrinsic value and that development away from settlements or areas allocated for development should be strictly controlled. Policies should support the reuse of suitable buildings for economic use, set out the permissible

scale of replacement buildings and identify appropriate villages as 'service centres' to be locations for employment, housing and other facilities and services. The Statement also includes policy approaches to the provision of tourist facilities in rural areas. However, the policies in the Statement do not override the protection afforded to Green Belts. Proposals for economic development within the Green Belt will also need to comply with the requirements of Planning Policy Guidance 2: Green Belts.

Development Management Policies

- 15 The Statement requires that a positive and proactive approach should be taken and identifies a number of impacts that should be assessed when determining planning applications for all economic development (including main town centres uses). These include:
- Whether the development has been planned to limit CO₂ emissions and be resilient to climate change;
 - The accessibility of the proposal by sustainable transport methods;
 - Whether the design is high quality and inclusive; and
 - The impact on economic and physical regeneration and on local employment.

In determining applications for economic development (other than main town centre uses) that do not accord with the development plan, Local Authorities will need to balance market and economic indicators alongside environmental and social factors and have regard to any long term benefits of the proposal and the wider objectives of the development plan.

- 16 In rural areas, the Statement requires that development that enhances the vitality and viability of market towns is supported and that small development can be permitted away from accessible locations where it is the most sustainable option. Consideration will need to be given to whether there are any 'market towns' in Gedling Borough in line with the Department of Environment, Food and Rural affairs definition. The statement highlights the importance of maintaining a supply of land for economic development in rural areas and where proposals will lead to a loss of this land it will be important to take this into consideration. The reuse of buildings, especially those close to villages, is supported. Again, any proposals will also need to comply with PPG2: Green Belts.
- 17 In relation to shops and services in villages and 'local centres', including those in urban areas, the Statement acknowledges the importance these have to the local community. The statement seeks to protect existing facilities especially where they provide for day-to-day needs.
- 18 A sequential assessment is required for all main town centre uses outside the boundaries of centres as defined on the proposals map (see paragraph 9). Ancillary uses and extensions under 200 square

metres are exempt from this requirement. The sequential assessment requires that sites in or on the edge of centres are prioritised over out of centre sites. Developers are required to demonstrate that they have been flexible in terms of scale, format and car parking and have explored the possibility of disaggregating specific parts of the development into sequentially better sites. The statement also states that evidence which claims that the class of goods proposed to be sold cannot be sold from the town centre should not be accepted. Further work will be undertaken to consider the impact of this on applications for 'bulky goods' and our defined out-of-centre retail parks.

- 19 Where local thresholds have not been set (see paragraph 10), an impact assessment is required for all proposals for main town centre uses above 2500 square metres in edge of centre or out of centre locations or not in accordance with the development plan. Further consideration will need to be given to how to address proposals below this threshold in terms of their impacts. The impacts to be assessed include those listed in paragraph 14, any locally important impacts identified (see paragraph 10) and the following:
- The impact on public and private investment;
 - The impact on vitality and viability, consumer choice and the range and quality of the retail offer;
 - The impact on sites outside of town centres allocated for retail (i.e. new town centres identified as part of the development plan);
 - For edge of centre proposals, whether it is of an appropriate scale in relation to the role and function in the hierarchy of the centre.

An impact assessment may also be required where a development in a centre will substantially increase the attraction of that centre resulting in an impact on other centres.

- 20 Developers must demonstrate that there are no sequentially better sites and that there are no 'significant' adverse impacts in terms of those listed in paragraphs 14 and 19. The Practice Guide produced in association with the statement indicates that it is for the decision maker to determine what constitutes an 'acceptable' impact, an 'adverse' impact or a 'significant' adverse impact. If either the sequential assessment or impact assessment is failed then permission should be refused. If no 'significant adverse' impact is identified then the positive and negative impacts of the proposal and the cumulative impact of recent permissions should be taken account of.

Recommendation

It is RECOMMENDED that members note the contents of this report.