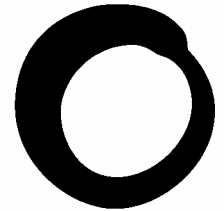


March 2004



**Friends of
the Earth**

Consultation Response

Planning Policy Statement 6: Planning For Town Centres

A response by Friends of the Earth

Friends of the Earth inspires solutions to environmental problems, which make life better for people.

Friends of the Earth is:

- the UK's most influential national environmental campaigning organisation
- the most extensive environmental network in the world, with almost one million supporters across five continents and over 60 national organisations worldwide
- a unique network of campaigning local groups, working in over 200 communities throughout England, Wales and Northern Ireland
- dependent on individuals for over 90 per cent of its income.

To join or make a donation call us on 0800 581 051

Friends of the Earth, 26-28 Underwood Street, London N1 7JQ

Tel: 020 7490 1555 Fax: 020 7490 0881 Email: info@foe.co.uk Website: www.foe.co.uk

Friends of the Earth Limited company number 1012357

♻️ Printed on paper made from 100 per cent post-consumer waste

Planning Policy Statement 6: Planning For Town Centres

Introduction

Friends of the Earth considers that the current PPG 6 has made a significant contribution to reversing the decline of town centres and encouraging renewed investment in the UK's high streets. We broadly welcome the restatement of these principles in the draft PPS 6. However, there are areas where we consider that the draft policy needs to be strengthened in order to address some remaining problems, such as the continued loss of independent shops, and to reflect new trends in retailing. We also consider that the new PPS 6 should reflect new Government policy in particular on rural economies and social exclusion.

We welcome the Government's desire to see the development of sustainable communities and the acknowledgment of the vital role of a diverse retail base in sustaining and regenerating existing communities. The core purpose of PPS 6 must be to provide local communities with the power and confidence to be able to shape their own retail futures in ways that meet the needs of the whole community for retail, leisure and essential services while upholding the principles of sustainable development. This objective inevitably means restraining those private sector strategies which have acted against the public interest by exacerbating the decline of many central areas. The consequences of these strategies must be checked if we are to achieve sustainable urban centres which meet the diverse commercial, social and environmental needs of modern communities.

This response is structured in three sections. Section one deals with general comments on the vision and scope of PPS 6, section 2 deals with our detailed comments and drafting suggestions and section 3 deals with Friends of the Earth's proposals for a retail floorspace cap.

1. General comments/Core vision and purpose

The Decline of retail diversity and viability

1.1 PPS 6 should recognise more forcibly the very significant decline of small to medium scale retailing and the consequent negative effect on the diversity and viability of many village, town and city centres. Data from the DTI [Business Start-Ups and Closures VAT Registrations and De-registrations 1994-2002] shows that over the last decade some 30,000 independent food, beverage and tobacco retailers were lost. The knock on effect on other small businesses is apparent, with a 10 per cent drop in wholesale suppliers and a nearly 12 per cent drop in small-scale food manufacturers over the same period.

1.2 PPG 6 attempted to deal with the large-scale growth of out-of-town development but restrictions of location alone will not deal effectively with the impact of large format stores located on the edge of town centres or on the high street. As PPG 6 has successfully restrained the development of new out-of-town stores the multiple retailers have found other ways of expanding including extensions to existing stores; new edge of centre sites in market towns; and the return to central sites in the form of 'metro' or 'local' formats. We are concerned that rather than reinvigorating the high street this has instead caused new problems for smaller businesses who find it difficult to compete with the multiples. The multiples have the ability to enter into aggressive price wars on a limited range of items without damaging their profitability, small or medium sized retail businesses cannot compete against this. The loss of independent shops is decreasing diversity in the high street, and once competition is driven out, the multiples can raise prices, once again disadvantaging those on low incomes. The Competition Commission in its report on the Safeway mergers also indicates that where a major retailer such as Tesco has little competition in an area

Planning Policy Statement 6: Planning For Town Centres

prices are likely to go back up making any consumer advantage of low prices a short term one. The difficulty faced by smaller chains and independents due to the market power of the biggest four supermarkets (then Tesco, Asda, Sainsbury's and Safeway) was highlighted by the Competition Commission in 2000 when it concluded that the practice of selling goods below price, and the aggressive way in which the major supermarkets extracted favourable terms from suppliers gives them "*substantial advantages over other smaller retailers, whose competitiveness is likely to suffer as a result, again leading to a reduction in consumer choice*". In the Safeway merger report the Competition Commission raised specific concerns about Tesco acquiring Safeway stores in particular locations where Tesco already has a significant market share (54 cases of 'regional concentration' were identified for Tesco). Although we recognise that the loss of a major competitors store in the case of a takeover has a more significant impact on competitiveness than the building of an additional store we are still concerned that within the same areas Tesco may be encouraged via this draft guidance to build a new store therefore gaining an even stronger hold on the local market.

1.3 The Draft PPS 6 must move away from retail policy which has been driven by the locational needs of larger format stores who often identify sites solely for their commercial needs with little or no consideration of the wider impact on the community. The central deficiency in the current draft is a failure to provide clear guidance to Local Authorities on the need to restrain such large format stores. Instead it actively encourages the provision of large format edge-of-centre sites (paragraph 2.35). In our view PPS 6 should encompass a presumption against any retail development facility larger than 3000 square metres. In addition Local Authorities should set much tighter floorspace caps to suit their specific localised needs. The idea of a retail floorspace cap is well developed throughout the rest of Europe and our detailed proposals are described in Section 3. The retailers which operate out of large store formats are on the whole the largest multiples, including supermarkets such as Asda-Walmart (the world's largest company) and Tesco and DIY companies such as B&Q and Homebase. These companies already have a dominant position in the UK market so for planning guidance to contain such a clear bias in their favour is likely to have adverse effects on local competition leading to loss of choice and diversity. For example Asda and Tesco between them already control 43% of the grocery market (45% if non-food goods are included) and market concentration can be even higher at the regional or local level. Tesco is continuing to expand by building new stores; according to the Competition Commission (report on the Safeway mergers, 2003) it has opened 63 stores of more than 1,400 sq metres over the past three years; over the same period it made 74 planning applications for new stores above 1,400 sq metres, of which 26 were successful and 28 were still outstanding. In addition to building new stores and extensions Tesco is also expanding by means of taking over chains of smaller stores, although it was blocked from taking over Safeway it is being cleared to grow cumulatively by buying up convenience store chains e.g. on Friday 5th March the Office of Fair Trading cleared Tesco's takeover of 45 convenience stores in London even though Tesco already controls a third (33.3%) of the grocery market in London. Consumers will be left with little choice of where to shop if a combination of bias in the planning system and lack of intervention by the competition authorities allows unchecked growth of the biggest retailers.

Managing Decline

1.4 Friends of the Earth is extremely concerned about the introduction into PPS 6 of the concept of the managed decline of retail areas (paragraph 2.1 & 2.6). Such decline is clearly happening and is related to a much broader agenda of social decline in particular localities. However, recognising that such a decline is a reality, does not imply that its continuation should be regarded as inevitable or acceptable. PPS 6 should make clear that managing

Planning Policy Statement 6: Planning For Town Centres

decline is an absolute last resort and that Local Authorities must first make every effort to roll back the drivers of decline.

Integrating community and business needs

1.5 In our view, policy contained in PPS 6 continues to prejudice the needs and views of the business sector over and above those of the wider community (paragraphs 2.4 & 2.37). The requirements if the business sector are part of the diversity of views within any existing community and should not be treated separately or given privileged status in the decision making process. In our view this policy bias is taken to an extreme length in paragraph 2.35 which seeks to give privileged policy treatment to one narrow section of the business community who require large format stores. This is particularly unacceptable given that the operation of large-format retailers has done significant damage to many town and city centres.

1.6 It is unclear why in paragraph 2.35 the need for additional retail floorspace is presumed to equate to a need for a particular type of retail format. In our view a need for additional floorspace could equally be met by a more diverse range of smaller stores. Similarly the assumption in the Partial Regulatory Impact Assessment that the new guidance will lead to the “allocation and assembly of edge-of-centre sites for large-format operators” (Option 2 page 36) implies that the guidance favours a particular type of retailer and is contradictory in that it implies the failure of the sequential test to prioritise development of town centre sites.

A presumption against Out of Town retail development

1.7 Out-of-town development has had a major and detrimental impact on the vitality and viability of local shops and town and city centres. Although PPG 6 has been largely successful in restraining out-of-town development ODPM has acknowledged that “*out-of-centre and out-of-town supermarkets continued to take trade from town centres as a result of the continuing development of new out-of-centres stores and the large number of extensions to existing out-of-centre stores, on which the policy appeared to have had far less impact*” [Competition Commission, Safeway mergers report, 2003]. The economic and social costs of such development have been extremely high and the promotion of high levels of car use wholly unsustainable. PPS 6 should create an emphatic presumption against any new development or extension of out-of-town retailing facilities. Developers must recognise that they will need to identify wholly exceptional circumstances to justify the approval of such facilities. In addition PPS 6 should make clear that Local Authorities should not normally allow edge-of-town and out-of-centre large retail formatting unless a clear lack of retail capacity can be demonstrated.

Encouraging SME's and Local Food Economies

1.8 Friends of the Earth recognises that planning policy is not the only way in which the Government can or should support local shops or local food economies but we believe that planning policy can and should help to deliver on the Government's objectives on encouraging SME's and strengthening regional economies. Similarly Friends of the Earth also believes that planning policy has a key role to play in delivering on the Government's policies on sustainable rural economies.

1.9 The specific role of retail planning guidance should be to protect existing smaller retail chains and independent stores and to encourage new and innovative forms of retailing such as farmers markets and high street shops selling local or regional farm produce. The Government's Strategy for Sustainable Farming and Food [2002] recognises the importance

Planning Policy Statement 6: Planning For Town Centres

of local food initiatives noting that they “*not only benefit producers, but help bring life to town centres and connect consumers with the rural economy*”. PPS 6 should provide more emphatic encouragement to Local Authorities to take a favourable and proactive approach to local food retailing including the provision of new market facilities. PPS 6 should make clear links between a desire for entrepreneurship and a diverse retail sector which can offer access to the market for small and medium-sized rural businesses.

Social Inclusion

1.10 The new PPS provides an ideal opportunity to connect retail planning policy with social exclusion policies. We welcome the fact that meeting the needs of the socially excluded is a specific aim of the draft but are concerned that this does not translate into a clearer proactive policy to ensure the retention and provision of accessible local shops. The Social Exclusion Unit's report on transport promised that ODPM would strengthen and clarify national planning guidance to strengthen local shopping provisions [Making the Connections: Final Report on Transport and Social Exclusion, Social Exclusion Unit, 2003]. We believe that in order to deliver on this promise PPS 6 should follow the recommendation from the Department of Health's National Strategy for Neighbourhood Renewal that planning should be much more proactive in strengthening local retail centres and working with communities to develop locally generated solutions. The Department of Health recommended that Local Authorities should discourage the provision of new stores over 1,000 square metres gross floorspace outside named major centres [Department of Health Policy Action Team 13, National Strategy for Neighbourhood Renewal; Improving Shopping Access for People Living in Deprived Neighbourhoods, 2000]. PPS 6 needs to recognise more forcibly that people on low incomes may shop in a very different way, making frequent trips on foot to a range of shops rather than doing a weekly car-based shop to a superstore. We are also concerned by the increasing emphasis on large format stores (such as Tesco Seacroft) as a solution to 'food deserts'. We are not convinced that this is the best way to provide access to healthy food especially if the opening of a large store results in the loss of the last remaining local shops in a deprived neighbourhood. In addition, such an approach completely fails to address the needs of the less affluent and less mobile who do not live within the immediate vicinity of the superstore. Food poverty is not necessarily confined to specific geographical areas, and those on lower incomes and the elderly are particularly vulnerable to impacts on local shopping provision. Considering that large retail formats can have impacts on small businesses at a considerable distance, the benefits to those in the immediate vicinity of the development need to be weighed against the negative impacts on people living within the area of influence of the new development, which could have a diameter of several miles.

Productivity Vs Diversity

1.11 PPS 6 should explore more clearly how the desire for increased retail productivity can be matched by the promotion of broad diversity and social inclusion. PPS 6 suggests that retail productivity as represented by economies of scale (paragraph 2.43) is an important Government objective. Friends of the Earth is concerned that such an extremely narrow view of productivity should be used in this document. A productivity assessment based purely on financial performance will not necessarily allow Local Authorities to make decisions that would benefit local economies and local communities: improved financial productivity is largely irrelevant if the returns are simply exported out of the locality. A wider approach to productivity than purely financial would be a much more useful tool for local decision-making and could cover issues such as economic returns to the local community, production of improved social capital (community cohesion and addressing social exclusion) and production of enhanced public capital and public goods.

Planning Policy Statement 6: Planning For Town Centres

1.12 Increases in retail scale have important and significant social and economic costs which the planning system must understand. Out and edge-of-town retailing, resulting in a decline of existing small to medium-size businesses leads to a disproportionate removal of services from central urban areas, neighbourhood shopping parades and rural villages. This decline represents a high social cost in relation to the exclusion of particular communities and the investment required to regenerate the retail core. PPS 6 should acknowledge this tension more clearly and recognise that there will be many occasions when a desire for retail productivity must be balanced and outweighed by a broader view of the social benefits of vibrant and vital town centres.

1.13 We are concerned that PPS6 as drafted could adversely effect local competition, and so result in reduction in choice and diversity, by favouring particular companies that operate from large format stores. The large format retailers already have a dominant position in the grocery market nationally, regionally and in many cases locally. Tesco has over 25% of the grocery market nationally and up to 44% regionally (East England) [Competition Commission, report on Safeway mergers, 2003]. The policy bias in draft PPS 6 could open the way for more local monopolies by offering new opportunities for already dominant retailers such as Tesco to locate large stores on edge-of-centre sites where smaller, centrally located independent shops or smaller chains would struggle to compete. There is evidence that the most dominant supermarkets use their greater buyer power to push down prices to levels which smaller retailers simply cannot match eventually resulting in the exit of those smaller retailers from the market. The competition authorities are beginning to take a closer interest in the negative impacts of local monopoly situations and it would be inconsistent for planning policy to work against this.

The Sequential approach

1.14 Friends of the Earth welcomes the continued sequential approach to site selection in the draft PPS 6. Support for this approach is well documented not least by the inquiry into supermarket competition by the Environment, Transport and Regional Affairs Committee in 2000.

Retail and Regeneration

1.15 We note the statement given by the Deputy Prime Minister [Parliamentary Statement on Town Centre Planning Policies, 10/04/03] that 'regenerative need' should not be used to support out-of-town supermarkets. We would welcome clarification as to how the contents of paragraph 2.43 should be read in relation to this statement and the contents of paragraph 2.30. The current wording appears to be both contradictory and confusing.

1.16 Assuming that 'regenerative needs' are related to social and economic aims, we would argue that both are better met by local shops than out-of-town or even edge-of-town supermarkets. Certainly the Social Exclusion Unit [Making the Connections: Final Report on Transport and Social Exclusion, Social Exclusion Unit, 2003] notes that out-of-town retail development has disadvantaged people without access to a car and raises concerns about the loss of local food shops. We are concerned that large format edge-of-centre stores could be equally damaging to smaller shops. There is also evidence that independent local stores keep money circulating within the local economy and therefore bring more economic regenerative benefits to the local area. Unfortunately we are currently losing about eight independent shops every day. There are clearly sound arguments for retaining and strengthening existing policy to restrict out-of-town development. However Friends of the Earth is concerned that the loss of independent local shops has continued since the

Planning Policy Statement 6: Planning For Town Centres

introduction of PPG 6 and so we would also like to see a more proactive stance in the new PPS 6 about encouraging small and medium sized retail businesses.

1.17 The Government's wider policy aims include the creation of new and additional employment opportunities in deprived areas (paragraph 1.4). It is well known that the creation of jobs by the opening of a supermarket or superstore is offset by the loss of jobs due to other businesses closing down. The National Retail Planning Forum [The Impact of out-of-centre food superstores on local retail employment, 1998] found that every time a large supermarket opens on average 276 jobs are lost. Although there have been large developments in which the retailer has committed to specifically taking on employees from deprived areas, there is no real evidence as to whether this actually offset the negative impacts from the loss of small local businesses, and in addition it is unclear to what extent this employment strategy is successful at providing employment to people from deprived areas in the longer term¹.

Public Participation in retail strategy

1.18 We welcome the commitment in PPS 6 for community involvement in the preparation of retail strategy in the Local Development Framework. It should be an absolutely central policy objective that the future shape of villages, towns and city centres be resolved in the civic realm by the active participation of the community. It should not be resolved, as has often been the case, by the investment strategies of large multiple retailers. PPS 6 should recognise and incorporate the principles laid out in the ODPM policy document 'Community Involvement in Planning: the Government's objectives (2004).'

Promoting diversity and vitality in existing retail centres

1.19 PPS 6 should recognise more forcefully the benefits of retail diversity including its contribution to: entrepreneurship, quality-of-life, vibrant tourism etc. PPS 6 should emphasise the positive role that Regional Spatial Strategies and Local Development Frameworks have in promoting vibrant diversified and localised retail development. This requires a new approach to understanding the needs of small and medium sized retailers and combating the continued loss of such businesses.

1.20 In order to do this, it is not sufficient to rely simply on the increased restriction of new out-of-centre developments but is also necessary to increase the attractiveness of existing centres to shoppers and other visitors, as well as to retailers and developers. The strengths of existing shopping centres are that they include a wide range of service and leisure facilities as well as shops, and are generally the focus of public transport services. Their weaknesses are that they are often perceived to be inconvenient, cluttered, dirty, poorly designed, traffic congested, unsafe and not to be adapting to the changing needs of shoppers and retailers. Further perceptions are of a lack of pedestrian facilities and little weather protection. In order for town centres to achieve their full potential and continually improve as retail destinations it will be appropriate and necessary for planning authorities to adopt a pro-active approach in enhancing the vitality and viability of their centre(s).

1.21 Retail planning policy should, therefore reinforce investment in urban renewal by seeking to support the continuing role of town and district centres. This should include the effective use of master planning, action plans and supplementary planning guidance on issues such as urban design. Friends of the Earth recognises that planning policy is not the

¹ Wrigley N, Guy C & Lowe M (2002) Urban regeneration, social inclusion and large store development: The Seacroft development in context *Urban Studies* 39:2101-2114

Planning Policy Statement 6: Planning For Town Centres

only way in which the Government can or should support local shops but we believe that planning policy can and should help to deliver on the Government's objectives on improving access to healthy and affordable food. PPS 6 provides an ideal opportunity to explicitly connect retail planning policy with social exclusion policies.

Promoting diversity and vitality in new developments

1.22 The principles discussed above for existing retail centres should also apply to new developments. This will be particularly important in areas of major housing expansion such as Thames Gateway and Milton Keynes. These growth areas provide an opportunity to put into practice the principles of sustainable development and to demonstrate the benefits of a pro-active approach to encouraging vibrant district and local centres. In creating large areas of new housing access to local shopping facilities must be provided in order to avoid increased reliance on car use. Reliance on existing facilities, rather than provision of new local facilities, would also encourage more travel from the extended area. The proposed growth areas include provision for affordable housing, so it follows that adequate access to a range of retail outlets must be provided for those without access to a car. Access to corner shops and neighbourhood retail centres should therefore be a vital part of the master plan of any major housing development. If this does not happen, social exclusion will be built into the growth areas from the outset.

1.23 There is a danger that dependence on private injection of finance into major schemes may encourage the proliferation of the biggest retailers in the form of large 'one stop shop' formats, at the expense of a more diverse and more local retail provision. There is a trend for major grocery retailers to move into non-food goods so that it would be attractive to companies such as Wal-Mart to develop 'superstores' in growth areas, selling everything from food to televisions and clothes. However it is vital that contributions from major retailers to infrastructure, housing, sports or other facilities should not override the principles of PPS 6 or the need to create long term sustainable and socially just communities.

The need to reduce car based shopping trips

1.24 We welcome the re-iteration in the introduction to the draft of the need to promote more sustainable patterns of development with less reliance on the car. However we do not consider that this aim is supported strongly enough within the draft guidance. We are concerned that the draft is significantly weaker in this respect than PPG 6 because although it promotes "choice" of means of transport it does not require local planning authorities to explicitly discourage car use as clearly as PPG 6. Impact on travel and car use was included in PPG 6 as a key test for assessing new retail developments.

2. Detailed Comments

Chapter One

2.1 Generally Friends of the Earth supports the overall objectives set out in Chapter One of PPS 6. We do believe there are serious policy gaps between the aspirations identified in this chapter and the detailed delivery mechanisms discussed elsewhere. These gaps exist in areas such as:

- The desire for economies of scale to deliver retail productivity and the need for diversity and choice.
- The failure to deliver meaningful policy protection of rural market towns from the impact of large format stores.

Planning Policy Statement 6: Planning For Town Centres

- The prejudicial treatment of large format stores which seeks to give them privileged status in the planning decision making process.

Chapter Two

2.2 Friends of the Earth welcomes the plan led approach to retail policy. We strongly believe that retail planning should be strategic, comprehensive and participative. Local Authorities should be encouraged to take the opportunity to integrate other local strategies so that the needs of the community can be reflected in retail policy.

2.3 Paragraph 2.4 appears to directly bias retail policy in favour of large format stores. This provides selective encouragement to one group of retailers. PPS 6 has not provided similar detail for small to medium-sized retailers on format issues. Paragraph 2.4 should be omitted particularly when it's taken together with the established damage which large-format edge of town stores have done.

2.4 Paragraph 2.6 represents significant policy contradiction. The retail function of a district or local centre provides a vital direct service as well as contributing to the financial viability of services such as post offices. Local Authorities would not be able to sustain a local service provision while planning and managing retail decline. This important relationship between retailing and other service provision along with accessibility, liveability and security should be acknowledged.

2.5 Friends of the Earth strongly welcomed the policy for networks and hierarchies of centres (paragraphs 2.7 - 2.9).

2.6 Friends of the Earth broadly supports the objectives for regional planning identified at paragraph 2.11. However, we are disappointed that the draft does not provide more explicit guidance to local and regional authorities on major growth areas. These areas should be regarded as opportunities to provide a sustainable, innovative, diverse and accessible pattern of retail development, with a very strong presumption against reliance on large format out-of-town or –edge-of-town developments.

2.7 We support the approach on out-of-town development of paragraph 2.12 but we believe the policy should provide for a clear presumption against such development (see paragraph 1.7 above).

2.8 Paragraph 2.14 continues to reflect the privileged status of business interests in the local planning process and should be redrafted as follows: 'Local Planning Authorities should work in conjunction with the community to:

2.9 Friends of the Earth believes that much greater policy encouragement should be given to the promotion of street markets, covered markets and farmers markets. The policy as drafted in paragraph 2.20 focuses on the retention and enhancement of such facilities. Policy should make clear that street, covered and farmers markets should be seen as an essential way of meeting new demands and should encourage the provision of new facilities wherever possible.

2.10 Friends of the Earth strongly supports the policy towards site selection and land assembly at paragraph 2.23 and the broad criteria for establishing need in paragraphs 2.26 - 2.31.

Planning Policy Statement 6: Planning For Town Centres

2.11 We strongly welcome the approach of paragraph 2.33 in creating retail size limits in relation to the hierarchy of retail centres (see section 3).

2.12 We object to the policy bias in paragraph 2.35 which again singles out the requirements of large format stores and gives encouragement to meeting their needs. There is no such other special treatment for any other form of retailing or leisure provision.

2.13 Paragraph 2.37 implies directly that the needs of businesses will have a privileged status in decision-making. Local Planning Authorities should not be sensitive to 'needs of developers' but to the needs of the wider community, of which the development industry is only one part.

2.14 We object to the inclusion of bullet point 3 in paragraph 2.43 (see our comments in paragraph 1.11 above in relation to economies of scale as a measure of retail productivity).

2.15 We strongly support the approach to new retail centres identified in paragraph 2.45.

2.16 We remain very concerned that the policy on rural centres (paragraph 2.50) does nothing to meet the very significant decline of rural market towns resulting from the development of large format stores. If the Government is to meet its objectives for thriving market towns we strongly believe that there should be a presumption against the development of large-format edge of centre retail provision in market towns unless there is a clearly established need which cannot be met by the development of the existing retail core.

2.17 The Government's Rural White Paper (2002) recognised the tourism potential of market towns. We suggest that this potential is closely related to the offer of a diverse shopping experience often including the provision of locally produced foods. This potential would therefore be lost if local shops close down due to the opening of an edge-of-centre large format stores.

Chapter Three

2.18 We welcome the systematic approach to development control laid out in paragraph 3.4. We are however deeply concerned at the paragraph which follows which is confusing and appears to undermine these principles. As a result we suggest that paragraph 3.4 be omitted.

2.19 The assessment of need described in paragraph 3.7 should not be restricted to large-format edge and out-of-town stores. Significant new retail capacity being proposed in existing town centres also needs to be assessed against established need if it is not to have a major impact on the vitality and diversity.

2.20 We welcome the encouragement for Local Planning Authorities to apply retail floorspace caps in paragraph 3.12.

2.21 We strongly believe that impact assessment should be carried out for all new forms of development and not simply those on edge of town locations.

2.22 We welcome the policy guidance of paragraph 3.23 on assessing the impact of new development.

2.23 We are concerned that PPS 6 is weaker on reducing car use than policy currently contained in PPG 6 (e.g. 3.26). Paragraphs 2.41 and 3.26 should contain a much stronger

Planning Policy Statement 6: Planning For Town Centres

emphasis on the need to reduce car use rather than simply stating that accessibility by a choice of means of transport is needed. We are concerned that paragraph 3.26 in particular, which encourages local authorities to "take full account of customers' likely travel patterns", could suggest that existing levels of car use should be planned for rather than encouraging shoppers to use alternative means of transport.

2.24 We would welcome the reiteration of advice from PPG 6 that parking provision at peripheral developments is not set at high levels because such provision would disadvantage town centres. We would also welcome reiteration of the advice that where new parking is provided in town centres it should serve the centre as a whole and not an individual development.

2.25 We welcome the confirmation to Local Planning Authorities in paragraph 3.31 that restricting the type of goods to be sold is a valid use of conditions if granting planning permission for an extension to an existing store. An extension to a supermarket which is used to sell non-food goods can completely change the nature of the store and therefore the impacts of that store in terms of traffic generation and impact on the vitality of town centre stores. However we remain concerned that the application of such conditions is not as effective as reformed structure of the Use Classes Order in order to make a clearer distinction between the types of retailing.

3. Draft proposals for a retail floorspace cap

3.1 There are clearly sound arguments for retaining and strengthening existing policy to restrict out-of-town development but there is also a clear logic in extending restrictive policy to any form of development which undermines existing retail centres.

3.2 As result Friends of the Earth recommends the adoption of a retail floorspace threshold to restrict the development of large scale retail outlets that would damage existing retail centres. Friends of the Earth is persuaded that the approach adopted by a number of European nations and English RPG documents of a retail floorspace cap or threshold has significant merits. We welcome the fact the current PPS 6 accepts the principle that a Local Planning Authority can set localised floorspace restrictions when establishing policy in the Local Development Framework. As a result Friends of the Earth recommends that the following policy test be incorporated into the final version of PPS 6:

In future, all development plans should incorporate clear policies and proposals for retail development including a cap of 3,000 m² of net retail floorspace in retail outlets. There will be a presumption against the approval of developments above the threshold except in the following exceptional circumstances;

- ***Local retail strategies have identified a specific need for large format retail facilities;***
- ***where the development would have no detrimental impact on vitality diversity of existing retail centres. Applicants will be expected to submit a detailed Economic impact assessment of both the quantitative and qualitative impacts of the proposed development.***
- ***satisfy the principles of sustainable development.***
- ***The development would result in the regeneration of an existing centrally located building;***
- ***The development can clearly be shown to contribute to the diversity of the local retail or food production economy.***

Planning Policy Statement 6: Planning For Town Centres

The presumption against approval will also apply to any change of use or extension which would result in the total net retail sales space of an outlet contravening the floorspace threshold. Local Authorities should consider setting lower floorspace thresholds in LDF's where this is justified in protecting the diversity, viability and character of retail centres.

3.3 In cases where the applicant already has a significant market share in the local area the Local Authority should inform the Office of Fair Trading of the application in order that the implications for local competition can be assessed and an investigation carried out by the competition authorities where necessary.

Conclusion

In summary we consider that in order to encourage a more diverse, equitable and sustainable pattern of retailing, the new PPS 6 must strengthen existing policy to restrict out-of-town retail development and must also take a much more proactive stance on encouraging local shops and local food initiatives. Friends of the Earth is very concerned by the policy bias towards large format stores on edge of town locations in the new PPS 6. This could only benefit the major multiple retailers and would be a disaster for town centres and local communities. Such a move would soon eradicate the achievements of PPG 6 over the last seven years.