

CHESHIRE EAST COUNCIL

REPORT TO: >STRATEGIC PLANNING BOARD

Date of Meeting: 10 February 2010
Report of: Adrian Fisher, Head of Planning and Policy
Subject/Title: Planning Policy Statement 4 Planning for Sustainable Economic Growth (PPS4)

1.0 Report Summary

- 1.1 The report is intended to advise the Board about the publication and the implications of Planning Policy Statement 4: Planning for Sustainable Economic Growth (PPS4) published by the Government on 29 December 2009.

2.0 Recommendations

- 2.1 That the report be noted.

3.0 Reasons for Recommendations

- 3.1 PPS 4 sets out the Government's comprehensive policy framework for planning for sustainable economic development in both urban and rural areas. It brings together policies for town centre and economic development related policies into a single, streamlined document and replaces the following existing policy statements / guidance documents:
- Planning Policy Guidance 4: Industrial, Commercial Development and Small Firms (PPG4) (November 1992)
 - Planning Policy Guidance 5: Simplified Planning Zones (PPG5) (November 1992)
 - Planning Policy Statement 6: Planning for Town Centres (PPS6) (March 2005)
 - Planning Policy Statement 7: Sustainable Development in Rural Areas (PPS7) – Sections that relate to economic development (August 2004)

4.0 Wards Affected

- 4.1 All

5.0 Local Ward Members

- 5.1 All

6.0 Policy Implications including - Climate change / Health

- 6.1 PPS4 has been subject to extensive public consultation. It sets out the Government's overarching aims and objectives for the achievement of sustainable economic development. This is defined as growth that can be sustained and is within environmental limits; but also enhances environmental and social welfare and avoids greater extremes in future economic cycles.

7.0 Financial Implications for Transition Costs (Authorised by the Borough Treasurer)

- 7.1 None.

8.0 Financial Implications 2009/10 and beyond (Authorised by the Borough Treasurer)

- 8.1 None.

9.0 Legal Implications (Authorised by the Borough Solicitor)

- 9.1 None

10.0 Risk Management

- 10.1 N/A

11.0 Background and Options

- 11.1 The Communities and Local Government Department (CLG) has published new advice for Local Planning Authorities which brings together all of the Government's key planning policies relating to the economy in both urban and rural areas into one single Planning Policy Statement.
- 11.2 The revised policy advice places retail and town centre development in a wider context described as relating to "economic development"..
- 11.3 The policy advice within PPS 4 also applies to development which provides employment opportunities, generates wealth and produces or generates an economic output or product. It should be noted however that policies contained in PPS4 do not apply to housing development which is considered in Planning Policy Statement 3: Housing.
- 11.4 The emphasis in PPS4 remains on a "plan led" approach. Local Planning Authorities are requested to establish a clear economic vision and strategy through

Local Development Documents. Local Planning Policies contained in Local Development Documents should be fully informed by Regional Assessments and be based on a robust evidence base which is proportionate to the issue identified. To achieve this aim, PPS 4 sets out the requirement for Authorities to produce Local Economic Assessments to assist in the establishment of an effective evidence base.

- 11.5 PPS 4 states that the economic vision for an area should define a network and hierarchy of centres; and set flexible policies which are able to respond to changing economic circumstances. The classification of hierarchies can be changed dependent on the relative economic performance of that centre with factors such as high levels of assessed deprivation taken into account. Local Development Documents should identify the need for land and floorspace for all town centre uses. This should be monitored amongst other indicators through the Annual Monitoring Report.
- 11.6 PPS4 emphasises support for the protection of the vitality and viability of town centre areas.
- 11.7 The policy statement retains the “sequential test” which promotes economic development in town centre sites first for shops, leisure facilities and offices rather than out of centre sites. PPS4 has also introduced a requirement for an “impact test” that assesses economic, social and environmental factors so that Councils can better establish the impact of a development.
- 11.8 Notably PPS 4 removes the “need” test for the determination of retail planning applications. In future retail planning applications will be determined on the basis of the sequential approach and impact assessment. However the assessment of quantitative and qualitative need for additional retail floorspace and town centre use remains a fundamental aspect of the evidence base for Local Development Documents.
- 11.9 The additional “impact test” consists of an assessment for all economic development and an additional assessment for town centre uses only. This assessment of impact focuses in particular on the first five years after the implementation of a proposal. Under this new requirement, retail and town centre uses which might harm town centres will be assessed against key factors including climate change, impact on the high street, consumer choice, consumer spending and jobs. But the “competition test”, recommended by the Competition Commission, following its probe into grocery shopping, is not included in PPS 4.
- 11.10 PPS4 will allow Local Authorities to plan for economic development in rural areas subject to appropriate protection of the countryside. The policy statement requires them to strictly control economic development in open countryside locations. It also requires the identification of local service centres and states that most new development should be located where it enhances the vitality and viability of market towns and other rural services. In addition it stresses the need to protect local services and rural economies through assessing the contribution of rural services to the local community and also protect rural facilities such as local shops which provide for people’s day-to-day needs.

12.0 Overview of Year One and Term One Issues

12.1 N/A

13.0 Access to Information

The background papers relating to this report can be inspected by contacting the report writer:

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