

retail FORUM

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PPS4 – one more heave

NRPF Secretary George Nicholson on the Forum's input to the PPS4: *Planning for Prosperous Economies* consultation process

In July, as the final piece of the PPS4 consultation jigsaw, CLG, with the assistance of NRPF, staged a series of consultation workshops in Nottingham, Leeds and London. Hosted by the Government's Regional Offices, attendance was good given the tight timescale, and a variety of reactions to the proposed changes was on show, ranging from enthusiasm to scepticism.

Nick Ward and Nick Tenant from CLG's Planning for Business team were both upbeat about the nature and need for the proposed changes enshrined in the new-format PPS – which, in their view, is clearer and easier to use, as well as being significantly shorter. For retail planning, the main change is the long-trailed replacement of the former 'need test' with a new 'impact test'. The emphasis on planning for economic development and a positive 'plan-led approach' is aimed at getting in place a set of policies to support economic recovery. Retail planning consultant Jonathan Baldock – an NRPF Director – also gave a presentation at each workshop on the proposed practice guidance, drawn up for CLG by Chris Goddard of GVA Grimley.

The CLG presentation revealed a striking shift in emphasis: the success of the earlier PPS6 in shifting the balance of retail development back in favour of town centre locations had previously been trumpeted, but now the current 40% level is seen as a failure of policy. This is driving the proposed 'gateway test', whereby any application failing the sequential test would automatically be refused, whereas previously other circumstances would be taken into account. Further proof of a tougher, more

comprehensive, evidence-based approach is the new 'impact test', comprising eight components, each meriting refusal. Other impacts, including the positive regeneration effects of development, have been relegated to subsidiary status, causing great concern among the supporters of BITC's Under-served Markets (USM) project. They and others have suggested that the new PPS is unbalanced in relegating the positive benefits of retail development.

Other concerns to do with the extra resources needed to compile the amount of evidence now being required, and indeed whether the level of required expertise exists in local government,

were aired at each workshop, as was the call for more information on different business models.

In its formal response to CLG, NRPF emphasised the need for a sound set of national data to underpin the plan-led approach, and suggested that more content was required behind some of the draft policies. NRPF also sounded a cautionary note as to whether, even with the new emphasis on a 'proactive system', in reality it would be able keep up with ever-changing retail requirements. The need for a coherent roll-out programme when the new PPS is finally published, later this year or early next, was also emphasised. ■

Re-invigorating the High Street

Re-invigorating the High Street, a new report by London First on the health of London's high streets, has just been published.

London's network of over 1,000 town centres range from the West End – an international centre – to high streets and street markets that play a vital role for local communities. More than 400,000 people work in retail in London in over 40,000 shops.

The report was the product of the London Retail Commission. A steering group of experts chaired by Jeremy Newsum, Chief Executive of Grosvenor, helped to draw up a series of 20 key recommendations to 'reinvigorate the high street, encourage retail diversity and support town centres in London'. Each recommendation is assigned to those

relevant to the ownership and running of day-to-day activities in high streets, from individual landlords and retailers to the Mayor of London and CLG.

From basics such as the need to properly define a centre – a key first step (often misapplied) – through to a series of ideas on how to better manage, plan for and market town centres, the report is designed as a 'tool-kit' for practitioners. Case studies review a range of centres and high streets, and the significance of street markets is covered for the first time in a London retail report, along with a series of recommendations for their improvement. The importance of business incubation and support, planning for the long-term health of centres, and the importance of the public realm are also examined. ■

Visit the NRPF website – <http://www.nrpf.org/>

Improving understanding of planning and its impact on retailing through dialogue and research

Education for retail planning

Jonathan Baldock looks at ways to address the severe shortage of retail planning specialists

Retail planning is a specialist subject and a distinct branch of town and country planning. As such it requires specialist training for its practitioners. However, a recent review of planning degree courses undertaken for NRPF by Cliff Guy, formerly Professor of Planning at Cardiff University, showed that there are no longer any specialised retail planning modules in UK planning degree courses.

The principal demand for retail planning expertise comes from planning consultancies, since few local authorities have to deal with retail planning issues sufficiently often to justify employing such specialist staff on a permanent basis. Despite the trend to amalgamate smaller districts, most local authorities will continue to outsource retail planning work to consultants.

Most planning consultants are engaged in advocacy planning, assisting their clients to optimise the value of their property interests by engaging in the plan-making process or by obtaining planning permissions. A smaller number also advise local planning authorities on retail planning: undertaking retail studies and advising on town centre and retail development strategies; preparing critiques of retail assessments submitted by advocacy planners and advising on planning applications for retail development; and providing expert witness services at Public Inquiries.

Advocacy planners tend to be generalists, with retail just part of a wider range of planning work. However, some staff at consultancies do whatever retail planning work is available, and so to an extent become retail planning specialists. Few planners in Britain specialise exclusively in retail planning; and very few specialise in advising local planning authorities. ('Planners' is here used loosely to describe all those engaged in retail planning to any significant degree, whether or not they are Chartered Town Planners.)

Retail studies undertaken for local authorities are particularly demanding technically, as they form part of the evidence base for LDFs, and so may be challenged by advocacy planners on behalf of their clients. And of course, local authorities have a right to expect high technical and professional standards and due objectivity from their consultants in such work. Critiques undertaken for local authorities of retail assessments submitted in support of planning applications are also technically demanding, because they may have to be defended at Public Inquiry.

Recruitment of planners with substantial experience of retail planning is very difficult. Planners with some peripheral experience of retail planning are not uncommon, but recruiting genuine specialists is close to impossible. The result is that much retail planning is undertaken by non-specialists; and some of it does not provide reliable evidence of

retail need and impact – even when undertaken for local planning authorities.

The lack of dedicated retail planning modules in planning degree courses is one reason for the lack of retail planning specialists. However, few planning students have sufficient knowledge of planning at the undergraduate or even postgraduate stage to be able to choose the field in which they want to specialise – nor is such early specialisation always wise. A second reason is that retail planning is widely perceived to be only 'number crunching', thus putting off the non-numerate. Thirdly, it can be perceived as adversarial, with consultants acting for applicants and those acting for local planning authorities battling over the minutiae of data and assumptions.

This suggests that the role of the universities should be to focus on the context for retail planning; and to provide education in its basic principles of it, but not the technicalities of application.

Applied retail planning as a professional discipline is now almost entirely learnt on the job – unfortunately sometimes from others who themselves are non-specialists. Beyond broader contextual education by the universities, the primary focus of retail planning training should therefore be job-related rather than academic. This suggests the establishment of short CPD modules focused specifically on the detailed application of retail planning.

The principal aim would be to train up a cadre of retail planners to the standard needed for reliable retail planning for local authorities. Some may already be employed by local authorities, but most will probably be in the consultancy sector. By raising standards to the level required for a reliable evidence base for LDFs, standards of retail planning generally should rise as such knowledge becomes more widely disseminated. The quality of retail assessments produced to support planning applications should then also rise, since poor-quality and highly subjective work will be more readily apparent. Retail planning will also be demystified and established as a rigorous professional discipline in its own right, subject to objective technical standards.

There are a number of possible ways in which such a two-pronged strategy to improve the quality of retail planning

Boost for traditional retail markets

Following its inquiry into traditional retail markets earlier this year, the House of Commons Communities and Local Government Committee published its final report, *Market Failure? Can the Traditional Market Survive?*, in late July.

NABMA – the National Association of British Market Authorities, the voice of local authority markets – has been both surprised and pleased by the immediate response to the report, which has seen CLG set up a new cross-departmental Working Group for Traditional Markets. It will be overseen by Rosie Winterton MP in her dual roles as Minister of State for Local Government at CLG and Minister for Regional Economic Development and Co-ordination in the Department for Business, Innovation and Skills (BIS). A champion for markets in government was one of the key recommendations in the report. The Working Group will also report to Jim Fitzpatrick MP, Minister for Food, Farming and Environment at Defra. A statement announcing the formation of the Working Group also set out the Government's belief that markets are an important part of the strong retail mix. ■

(contextual education in the universities and applied training via CPD) could be implemented.

In the case of the **universities**, these could include: developing a new syllabus for obligatory retail planning modules, to be included in all RTPI-accredited degree courses; industry sponsorship to enable experienced practitioners to teach degree level modules without becoming full-time academics; the establishment of university Chairs in Retail Planning; and commissioning and publish a 'standard textbook' on retail planning, setting out how to undertake retail need and impact forecasting to rigorous objective standards.

In the case of **applied CPD training**, implementation could include: working with existing CPD providers to run structured retail planning modules (for example Planning Summer School), defining the syllabus and arranging teaching to a defined standard by experienced practitioners; setting up new retail planning CPD courses, potentially setting examinations and awarding a qualification, such as an 'NRPF Diploma in Retail Planning'; preparing and publishing standard specifications for retail planning work, and leaving it to the market to raise the performance of retail planners to that level; and commissioning and publishing research on aspects of retail planning which are currently subject to differences of interpretation (for example trading characteristics of superstore extensions, allowances for special forms of trading, town centre sales densities), so as improve the understanding and use of important retail planning parameters.

Any such approach will take time and resources to organise. In the short term it makes sense to focus on the forthcoming PPS4 guidance, so as to ensure that it will in practice raise the standard of retail planning. The current 'living draft' published in spring 2009 does not prescribe objective technical standards for retail need and impact assessments and so is unlikely to achieve that objective. NRPF has already started a campaign to raise awareness, through discussions with the RTPI and RICS for example. In the longer term, a more radical approach may well be needed – if possible timed so that more retail planners are available when retail development starts to grow again after the recession. ■

Jonathan Baldock is a Town Centres & Retail Planning Consultant. **A longer version of this article may be found on the NRPF website.**

Small stores – an inconvenient truth

Recent research conducted by the University of Southampton throws doubt on some popular views about the health of small and specialist stores on Britain's high streets

The Competition Commission's Groceries Market Inquiry analysis in 2007 of entry and exit conditions among small stores across more than 1,000 British high streets provided a landmark piece of research on a topic in which debate and policy recommendations had moved significantly, and arguably dangerously, ahead of the available evidence base. Within a general context of a continuing long-term decline of specialist small stores in British town centres and high streets, it cast considerable doubt on the popularly held view that a broad-based decline of the independent convenience store sector was taking place across the UK, or that Britain's high streets were experiencing an accelerating decline in their small and specialist stores.

Even more controversially, the Commission's analysis was able to demonstrate that competitive entry by larger-format corporate food retailing was not inevitably and uniformly associated with negative impacts on the small-store sector.

The Commission's research was paralleled by an identical analysis conducted on behalf of one of the main parties to the Groceries Market Inquiry by the University of Southampton. The first component of the Southampton analysis, which both corroborated and extended the Commission's findings, is available in the public domain.¹ A new paper now presents the second component of the Southampton analysis, which similarly both corroborates but also extends the vitally important 'conditional entry' dimension of the Commission's research, focusing directly on the extent to which entry into the small-store sector during the early to mid-2000s might have been constrained by, and exit from the sector accelerated by, the competitive impacts of larger-format foodstore openings by the major corporate retailers.

The paper shows: (a) that there is an important missing regional dimension within the Commission's analysis; and (b) that entry and exit into the small-store sector in the UK during 2000-06 was constrained and/or accelerated by the competitive impacts of supermarket opening in a different fashion within 'London and prospering southern England' than elsewhere in the country. That is to say, in the region of the UK in which arguments about the threat of corporate retail to the diversity of the small-store sector has often proved particularly heated, the Southampton analysis shows small shops in town centres and high streets to have been more robust to the competitive opening of larger-format corporate foodstores than elsewhere in the UK.

In that context, the paper suggests that the findings represent an 'inconvenient truth' which deserves consideration both in policy debate and in future processes of planning regulation reform. The paper was accepted for publication before the publication of the new draft PPS4, but the relevance of the findings in respect of the proposed changes to PPS6 released for consultation by CLG in 2008 is presented.

The paper is published in the academic journal *Environment & Planning A*,² but in order to make these important findings available to a wider, non-academic retail planning audience, the publishers Pion Ltd have kindly agreed to make the paper available free of charge through the NRPF website at www.nrpf.org/PDF/Wrigley_et_al_2009.pdf

Notes

1 See www.competition-commission.org.uk/inquiries/ref2006/grocery/pdf/third_party_submissions_other_org_geodata_report_2.pdf

2 N. Wrigley, J. Branson, A. Murdock and G. Clarke: 'Extending the Competition Commission's findings on entry and exit of small stores in British high streets: implications for competition and planning policy'. *Environment & Planning A*, 2009, Vol. 41 (9), pp.2063-85

Data developments

The need for good-quality statistics for basic retail planning is highlighted yet again by the consultation draft of PPS4: *Planning for Prosperous Economies*, with its strong emphasis on a sound evidence base for policy formulation and monitoring. However, many local authorities have expressed concerns that they do not have the necessary resources or access to data, and the recent House of Commons Communities and Local Government Select Committee report, *Need and Impact: Planning for Town Centres*, remarked upon the need for better provision of consistent local level data.

Of course this is nothing new: the same issue was raised by the Commons Environment Select Committee back in the mid-1990s. In response, the Government promised regular and consistent retail statistics for town centres nationwide and commissioned a project to define consistent and comparable town centre boundaries and statistics. Despite initial slow progress, the CLG Town Centres Statistics eventually provided annual floorspace and employment figures, and boundaries, for over 1,000 centres in England and Wales, free of charge.¹

However, changing priorities within CLG has meant the last published figures are for 2004, although much of the underlying system is still used to produce the CLG national statistics on the proportion of new retail development within town centres. The latest such figures, for 2007, have just been released,² and, for the first time, local authority level statistics are available on request.³ These show five-yearly average proportions of floorspace developed within or on the edge of centres for each authority, giving an indication of policy effectiveness, but many figures are suppressed for disclosure reasons, and there are no absolute figures, nor any indication of whether this is new or replacement stock.

The NRPF Research Group has long been pressing for the publication of basic local-level retail statistics, and earlier in the year set up a working group to investigate how these could best be provided. Local authorities currently obtain data on an ad hoc basis for their

LDF retail studies, mostly from commercial sources which are not comparable over time, let alone between different centres; this is particularly problematic for sub-regional planning.

There is a clear need for regular, consistent and comparable basic statistics for all town centres and local authorities, covering floorspace at the very least. Central government provision would be the most cost-effective way of doing this, while also allowing the most accurate data sources to be used; and the model already developed for the Town Centres Statistics provides an obvious method. This would not compete with commercial providers, but rather would provide a basic, common statistical platform to which others could add value.

The NRPF Research Group has produced a paper setting out its findings in more detail, *Evidence-Based Retail Planning and the Need for Data*, at www.nrpf.org/PDF/Retail_Stats_090826a.pdf. NRPF has formally written to CLG about this. If the new draft PPS is serious about evidence-based retail planning, CLG must act to provide basic timely and robust retail statistics. We will keep you posted on further developments. ■

Miles Davis

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Notes

- 1 See www.planningstatistics.org.uk/
- 2 See www.communities.gov.uk/publications/corporate/statistics/retaildevelopment2007
- 3 See www.nrpf.org/PDF/Final%20values%20LA%20and%20Regions.pdf

What's new on the NRPF website

We've been continuing to add more useful retail planning information to our website – www.nrpf.org, including the NRPF paper on *Evidence-Based Retail Planning and the Need for Data*, the academic paper on small-store entry and exit, and an NRPF scoping paper on *Education for Retail Planning*, all discussed elsewhere in this newsletter.

Recent additions also include materials from our summer conference 'Retailing out of Recession – The Challenges Ahead', held in Birmingham in July as part of an ongoing series of regional events. Keynote speakers included Andrew Smith from Aberdeen Investors and Robin Butler of Lend Lease. The day also included a session by Nick Ward and Nick Tennant from CLG on PPS4,

as well as contributions from the NRPF's Jonathan Baldock, Simon Birnbaum of Tesco, Martin Eade from Birmingham City Council, and Cllr Mike Haines from the LGA, on building an evidence base.

All the presentations are available on the NRPF website, at www.nrpf.org/Event_Birmingham_July09.htm.

We also endeavour to highlight and link to relevant reports and news items from other organisations, with frequent updates.

The NRPF Knowledge Base is regularly updated, with Briefing Notes added throughout the year – the latest looking at eco-towns.

All in all, the NRPF website continues to be a unique, and free, resource for retail planning. ■

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