Planning shapes the places where people live and work and the country we live in. It plays a key role in supporting the Government’s wider social, environmental and economic objectives and for sustainable communities.

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

APPLICATION OF THIS PLANNING POLICY STATEMENT

1. Planning policy statements (PPS) set out the Government’s national policies on different aspects of spatial planning in England. This document sets out planning policies for economic development. These policies complement but do not replace or override other national planning policies and should be read alongside other relevant statements of national planning policy. Guidance to help practitioners implement this policy is provided in PPS4: Town Centre Practice Guidance.

2. The plan making policies in this PPS should be taken into account by regional planning bodies in the preparation of revisions to regional spatial strategies, by the Mayor of London in relation to the spatial development strategy for London, and by local planning authorities in the preparation of local development documents. The preparation of development plans should not be delayed to take the policies in this PPS into account.

3. The policies in this PPS are a material consideration which must be taken into account in development management decisions, where relevant. The development management policies in the PPS can be applied directly by the decision maker when determining planning applications. It is only necessary for the development plan to reformulate development management policies in this PPS if there are specific factors justifying variation of these policies.

WHAT IS ECONOMIC DEVELOPMENT?

4. For the purposes of the policies in this PPS, economic development includes development within the B Use Classes, public and community uses and main town centre uses. The policies also apply to other development which achieves at least one of the following objectives:

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1 See Annex A for a full list of cancelled policy and guidance.
2 These policies will apply to responsible regional authorities and regional strategies under the Local Democracy, Economic Development and Construction Act, when implemented.
4 See paragraphs 4.31-4.32 of Planning Policy Statement 12: Local Spatial Planning.
5 The Town and Country Planning (Use Classes) Order 1987 (as amended).
1. provides employment opportunities  
2. generates wealth or  
3. produces or generates an economic output or product  
5. These policies do not apply to housing development\(^6\).  
6. The policies for economic development in this statement apply to rural areas as they do to urban areas, subject to the requirements of policy EC6, EC7 and EC10.  
7. The main uses to which the town centre policies in this PPS apply are:  
1. retail development (including warehouse clubs and factory outlet centres)  
2. leisure, entertainment facilities, and the more intensive sport and recreation uses (including cinemas, restaurants, drive-through restaurants, bars and pubs, nightclubs, casinos, health and fitness centres, indoor bowling centres, and bingo halls)  
3. offices, and  
4. arts, culture and tourism development (including theatres, museums, galleries and concert halls, hotels and conference facilities)  
8. References to town centre(s) or to centre(s) apply to all types of centre defined in Annex B to this PPS which are identified in development plans. Unless they are identified as centres in regional spatial strategies or in development plan documents, existing out-of-centre developments, comprising or including main town centre uses, do not constitute town centres for the purposes of this statement.

**THE GOVERNMENT’S OBJECTIVES FOR PROSPEROUS ECONOMIES**

9. The Government’s overarching objective is sustainable economic growth\(^7\).  
10. To help achieve sustainable economic growth, the Government’s objectives for planning are to:  
   • build prosperous communities by improving the economic performance of cities, towns, regions, sub-regions and local areas, both urban and rural  
   • reduce the gap in economic growth rates between regions, promoting regeneration and tackling deprivation

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\(^6\) See Planning policy statement 3: Housing.  
\(^7\) 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.
• deliver more sustainable patterns of development, reduce the need to travel, especially by car and respond to climate change.8

• promote the vitality and viability of town and other centres as important places for communities. To do this, the Government wants:

– new economic growth and development of main town centre uses to be focused in existing centres, with the aim of offering a wide range of services to communities in an attractive and safe environment and remedying deficiencies in provision in areas with poor access to facilities

– competition between retailers and enhanced consumer choice through the provision of innovative and efficient shopping, leisure, tourism and local services in town centres, which allow genuine choice to meet the needs of the entire community (particularly socially excluded groups)

– the historic, archaeological and architectural heritage of centres to be conserved and, where appropriate, enhanced to provide a sense of place and a focus for the community and for civic activity

• raise the quality of life and the environment in rural areas by promoting thriving, inclusive and locally distinctive rural communities whilst continuing to protect the open countryside for the benefit of all

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8 See Planning Policy Statement 1: Delivering sustainable development and the supplement to PPS1: Planning and climate change.
USING EVIDENCE

POLICY EC1: USING EVIDENCE TO PLAN POSITIVELY

EC1.1 Regional planning bodies and local planning authorities should:
   a. work together with county and unitary authorities preparing local economic assessments to prepare and maintain a robust evidence base to understand both existing business needs and likely changes in the market. Annex C sets out a range of data that will be relevant to preparation of the evidence base
   b. ensure that the volume and detail of the evidence they gather is proportionate to the importance of the issue

EC1.2 At the regional level, the evidence base should:
   a. be based on an understanding of the economic markets operating in and across the area
   b. assess, in broad terms, the overall need for land or floorspace for economic development including main town centre uses over the plan period. Evidence on the overall need for main town centre uses should focus on comparison retail, leisure and office development for five-year periods, having particular regard to the need for major town centre development of regional or sub-regional importance and to the capacity and accessibility of centres. When assessing the need for new office development, take account of forecast future employment levels and assess the physical capacity of centres to accommodate regionally significant new office development, reflecting the role of such centres in the hierarchy
   c. identify any deficiencies in the network of higher level centres where a need for growth has been established
   d. identify locations of deprivation to prioritise for remedial action and to address the drivers of decline within these areas

EC1.3 At the local level, the evidence base should:
   a. be informed by regional assessments
   b. assess the detailed need for land or floorspace for economic development, including for all main town centre uses over the plan period
   c. identify any deficiencies in the provision of local convenience shopping and other facilities which serve people’s day-to-day needs

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d. assess the existing and future supply of land available for economic development, ensuring that existing site allocations for economic development are reassessed against the policies in this PPS, particularly if they are for single or restricted uses. Where possible, any reviews of land available for economic development should be undertaken at the same time as, or combined with, strategic housing land availability assessments.

e. assess the capacity of existing centres to accommodate new town centre development taking account of the role of centres in the hierarchy and identify centres in decline where change needs to be managed.

EC1.4 When assessing the need for retail and leisure development local planning authorities should:

a. take account of both the quantitative and qualitative need for additional floorspace for different types of retail and leisure developments.

b. in deprived areas which lack access to a range of services and facilities, give additional weight to meeting these qualitative deficiencies. However, any benefits in respect of regeneration and employment should not be taken into account, although they may be material considerations in the site selection process.

c. when assessing quantitative need, have regard to relevant market information and economic data, including a realistic assessment of:

i. existing and forecast population levels

ii. forecast expenditure for specific classes of goods to be sold, within the broad categories of comparison and convenience goods and for main leisure sectors and

iii. forecast improvements in retail sales density

d. when assessing qualitative need for retail and leisure uses:

i. assess whether there is provision and distribution of shopping, leisure and local services, which allow genuine choice to meet the needs of the whole community, particularly those living in deprived areas, in light of the objective to promote the vitality and viability of town centres and the application of the sequential approach.

ii. take into account the degree to which shops may be overtrading and whether there is a need to increase competition and retail mix.
POLICY EC2: PLANNING FOR SUSTAINABLE ECONOMIC GROWTH

EC2.1 Regional planning bodies and local planning authorities should ensure that their development plan:

a. sets out a clear economic vision and strategy for their area which positively and proactively encourages sustainable economic growth identifying priority areas with high levels of deprivation that should be prioritised for regeneration investment, having regard to the character of the area and the need for a high quality environment

b. supports existing business sectors, taking account of whether they are expanding or contracting and, where possible, identifies and plans for new or emerging sectors likely to locate in their area, such as those producing low carbon goods or services. However, policies should be flexible enough to accommodate sectors not anticipated in the plan and allow a quick response to changes in economic circumstances

c. positively plans for the location, promotion and expansion of clusters or networks of knowledge driven or high technology industries. The regional level should set criteria for, or identify the general locations of strategic sites, ensuring that major greenfield sites are not released unnecessarily through competition between local authority areas

d. seeks to make the most efficient and effective use of land, prioritising previously developed land which is suitable for re-use and, subject to the specific policy requirements of this PPS for town centres, reflects the different location requirements of businesses, such as the size of site required, site quality, access and proximity to markets, as well as the locally available workforce

e. identifies, protects and promotes key distribution networks, and locates or co-locates developments which generate substantial transport movements in locations that are accessible (including by rail and water transport where feasible), avoiding congestion and preserving local amenity as far as possible

f. plans for the delivery of the sustainable transport and other infrastructure needed to support their planned economic development and, where necessary, provides advice on phasing and programming of development

g. at the regional level, disaggregates minimum job targets to local authority level

h. at the local level, where necessary to safeguard land from other uses, identifies a range of sites, to facilitate a broad range of economic development, including mixed use. Existing site allocations should not be carried forward from one version of the development plan to the next without evidence of the need and
reasonable prospect of their take up during the plan period. If there is no reasonable prospect of a site being used for the allocated economic use, the allocation should not be retained, and wider economic uses or alternative uses should be considered.

i. at the local level, encourages new uses for vacant or derelict buildings, including historic buildings

j. At the local level, considers how sites for different business types can be delivered, including by the use of compulsory purchase to assemble sites and other planning tools including area action plans, simplified planning zones and local development orders.

k. facilitates new working practices such as live/work

**POLICY EC3: PLANNING FOR CENTRES**

EC3.1 Regional planning bodies and local planning authorities should, as part of their economic vision for their area, set out a strategy for the management and growth of centres over the plan period. Regional planning bodies should focus on higher level centres (those of more than local importance) in the region to provide a strategic framework for planning for centres at the local level. As part of their strategy regional planning bodies and local planning authorities should:

a. set flexible policies for their centres which are able to respond to changing economic circumstances and encourage, where appropriate, high-density development accessible by public transport, walking and cycling.

b. define a network (the pattern of provision of centres) and hierarchy (the role and relationship of centres in the network) of centres that is resilient to anticipated future economic changes, to meet the needs of their catchments having:

i. made choices about which centres will accommodate any identified need for growth in town centre uses, considering their expansion where necessary, taking into account the need to avoid an over concentration of growth in centres. Identified deficiencies in the network of centres should be addressed by promoting centres to function at a higher level in the hierarchy or designating new centres where necessary, giving priority to deprived areas which are experiencing significant levels of ‘multiple deprivation’

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11 Typically those within the most deprived 10% of ‘super output areas’ as identified in the English Indices of Deprivation and defined by the Index of Multiple Deprivations (IMD).
there is a need for better access to services, facilities and employment by socially excluded groups

ii. ensured any extensions to centres are carefully integrated with the existing centre in terms of design including the need to allow easy pedestrian access

iii. where existing centres are in decline, considered the scope for consolidating and strengthening these centres by seeking to focus a wider range of services there, promoting the diversification of uses and improving the environment

iv. where reversing decline in existing centres is not possible, considered reclassifying the centre at a lower level within the hierarchy of centres, reflecting this revised status in the policies applied to the area. This may include allowing retail units to change to other uses, whilst aiming, wherever possible, to retain opportunities for vital local services

v. ensured that the need for any new, expanded or redeveloped out-of-centre regional or sub-regional shopping centre or any significant change in the role and function of centres is considered through the regional spatial strategy.

c. at the local level, define the extent of the centre and the primary shopping area in their Adopted Proposals Map having considered distinguishing between realistically defined primary and secondary frontages in designated centres and set policies that make clear which uses will be permitted in such locations

d. at the local level, consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development which should be subject to an impact assessment under (EC16.1) and specify the geographic areas these thresholds will apply to

e. define any locally important impacts on centres which should be tested (see policy EC16.1.f)

f. at the local level, encourage residential or office development above ground floor retail, leisure or other facilities within centres, ensuring that housing in out-of-centre mixed-use developments is not, in itself, used as a reason to justify additional floorspace for main town centre uses in such locations

g. at the local level, identify sites or buildings within existing centres suitable for development, conversion or change of use

h. at the local level, use tools such as local development orders, area action plans, compulsory purchase orders and town centre strategies to address the transport, land assembly, crime prevention, planning and design issues associated with the growth and management of their centres
POLICY EC4: PLANNING FOR CONSUMER CHOICE AND PROMOTING COMPETITIVE TOWN CENTRES

EC4.1 Local planning authorities should proactively plan to promote competitive town centre environments and provide consumer choice by:

a. supporting a diverse range of uses which appeal to a wide range of age and social groups, ensuring that these are distributed throughout the centre

b. planning for a strong retail mix so that the range and quality of the comparison and convenience retail offer meets the requirements of the local catchment area, recognising that smaller shops can significantly enhance the character and vibrancy of a centre

c. supporting shops, services and other important small scale economic uses (including post offices, petrol stations, village halls and public houses) in local centres and villages.

d. identifying sites in the centre, or failing that on the edge of the centre, capable of accommodating larger format developments where a need for such development has been identified

e. retaining and enhancing existing markets and, where appropriate, re-introducing or creating new ones, ensuring that markets remain attractive and competitive by investing in their improvement

f. taking measures to conserve and, where appropriate, enhance the established character and diversity of their town centres

EC4.2 Local planning authorities should manage the evening and night-time economy in centres, taking account of and complementing the local authority’s Statement of Licensing Policy and the promotion of the licensing objectives under the Licensing Act 2003. Policies should:

a. encourage a diverse range of complementary evening and night-time uses which appeal to a wide range of age and social groups, making provision, where appropriate, for leisure, cultural and tourism activities such as cinemas, theatres, restaurants, public houses, bars, nightclubs and cafes, and

b. set out the number and scale of leisure developments they wish to encourage taking account of their potential impact, including the cumulative impact, on the character and function of the centre, anti-social behaviour and crime, including considering security issues raised by crowded places, and the amenities of nearby residents
POLICY EC5: SITE SELECTION AND LAND ASSEMBLY FOR MAIN TOWN CENTRE USES

EC5.1 Local planning authorities should identify an appropriate range of sites to accommodate the identified need, ensuring that sites are capable of accommodating a range of business models in terms of scale, format, car parking provision and scope for disaggregation. An apparent lack of sites of the right size and in the right location should not be a reason for local planning authorities to avoid planning to meet the identified need for development. Local planning authorities should:

a. base their approach on the identified need for development
b. identify the appropriate scale of development, ensuring that the scale of the sites identified and the level of travel they generate, are in keeping with the role and function of the centre within the hierarchy of centres and the catchment served
c. apply the sequential approach to site selection (see policy EC5.2)
d. assess the impact of sites on existing centres (see policy EC5.4).
e. consider the degree to which other considerations such as any physical regeneration benefits of developing on previously-developed sites, employment opportunities, increased investment in an area or social inclusion, may be material to the choice of appropriate locations for development

EC5.2 Sites for main town centre uses should be identified through a sequential approach to site selection. Under the sequential approach, local planning authorities should identify sites that are suitable, available and viable in the following order:

a. locations in appropriate existing centres where sites or buildings for conversion are, or are likely to become, available within the plan period
b. edge-of-centre locations, with preference given to sites that are or will be well-connected to the centre
c. out-of-centre sites, with preference given to sites which are or will be well served by a choice of means of transport and which are closest to the centre and have a higher likelihood of forming links with the centre

EC5.3 Sites that best serve the needs of deprived areas should be given preference when considered against alternative sites with similar location characteristics
EC5.4 In assessing the impact of proposed locations for development under EC5.1.d, local planning authorities should:
   a. take into account the impact considerations set out in Policy EC16, particularly for developments over 2,500 sqm or any locally set threshold under EC3.1.d, ensuring that any proposed edge of centre or out of centre sites would not have an unacceptable impact on centres within the catchment of the potential development
   b. ensure that proposed sites in a centre, which would substantially increase the attraction of that centre and could have an impact on other centres, are assessed for their impact on those other centres, and
   c. ensure that the level of detail of any assessment of impacts is proportionate to the scale, nature and detail of the proposed development

EC5.5 Having identified sites for development, local planning authorities should allocate sufficient sites in development plan documents to meet at least the first five years identified need. Where appropriate, local development frameworks should set out policies for the phasing and release of allocated sites to ensure that those sites in preferred locations within centres are developed ahead of less central locations.

EC5.6 Local authorities should make full use of planning tools to facilitate development, including compulsory purchase orders and other planning tools including area action plans, simplified planning zones and local development orders

POLICY EC6: PLANNING FOR ECONOMIC DEVELOPMENT IN RURAL AREAS

EC6.1 Local planning authorities should ensure that the countryside is protected for the sake of its intrinsic character and beauty, the diversity of its landscapes, heritage and wildlife, the wealth of its natural resources and to ensure it may be enjoyed by all.

EC6.2 In rural areas, local planning authorities should:
   a. strictly control economic development in open countryside away from existing settlements, or outside areas allocated for development in development plans
   b. identify local service centres (which might be a country town, a single large village or a group of villages) and locate most new development in or on the edge of existing settlements where employment, housing (including affordable housing), services and other facilities can be provided close together
c. support the conversion and re-use of appropriately located and suitably constructed existing buildings in the countryside (particularly those adjacent or closely related to towns or villages) for economic development  
d. set out the permissible scale of replacement buildings and circumstances where replacement of buildings would not be acceptable  
e. seek to remedy any identified deficiencies in local shopping and other facilities to serve people’s day-to-day needs and help address social exclusion  
f. set out the criteria to be applied to planning applications for farm diversification, and support diversification for business purposes that are consistent in their scale and environmental impact with their rural location  
g. where appropriate, support equine enterprises, providing for a range of suitably located recreational and leisure facilities and the needs of training and breeding businesses that maintain environmental quality and countryside character.

POLICY EC7: PLANNING FOR TOURISM IN RURAL AREAS

EC7.1 To help deliver the Government’s tourism strategy\textsuperscript{12}, local planning authorities should support sustainable rural tourism and leisure developments that benefit rural businesses, communities and visitors and which utilise and enrich, rather than harm, the character of the countryside, its towns, villages, buildings and other features. Local planning authorities should, through their local development frameworks:  
a. support the provision and expansion of tourist and visitor facilities in appropriate locations where identified needs are not met by existing facilities in rural service centres, carefully weighing the objective of providing adequate facilities or enhancing visitors' enjoyment or improving the financial viability of the facility with the need to protect landscapes and environmentally sensitive sites, and  
b. wherever possible, locate tourist and visitor facilities in existing or replacement buildings, particularly where they are located outside existing settlements. Facilities requiring new buildings in the countryside should, where possible, be provided in, or close to, service centres or villages but may be justified in other locations where the required facilities are required in conjunction with a particular countryside attraction and there are no suitable existing buildings or developed sites available for re-use

\textsuperscript{12} \textit{Winning: a Tourism Strategy for 2012 and Beyond}, Department for Culture, Media and Sport strategy document.
c. support extensions to existing tourist accommodation where the scale of the 
extension is appropriate to its location and where the extension may help to 
ensure the future viability of such businesses

d. ensure that new or expanded holiday and touring caravan sites and chalet 
developments are not prominent in the landscape and that any visual intrusion 
is minimised by effective, high-quality screening and examine the scope for 
relocating any existing, visually or environmentally-intrusive sites away from 
sensitive areas or from sites prone to flooding or coastal erosion

e. recognise that in areas statutorily designated for their natural or cultural 
heritage qualities, there will be scope for tourist and leisure related 
developments, subject to appropriate control over their number, form and 
location to ensure the particular qualities or features that justified the 
designation are conserved

POLICY EC8: CAR PARKING FOR NON-RESIDENTIAL DEVELOPMENT

EC8.1 Local planning authorities should, through their local development frameworks, 
set maximum parking standards for non-residential development in their area, 
ensuring alignment with the policies in the relevant local transport plan and, where 
relevant, the regional strategy. Local planning authorities should not set minimum 
parking standards for development, other than for parking for disabled people.

EC8.2 In setting their maximum standards, local planning authorities should take into 
account:

a. the need to encourage access to development for those without use of a car and 
   promote sustainable transport choices, including cycling and walking

b. the need to reduce carbon emissions\textsuperscript{13}

c. current, and likely future, levels of public transport accessibility

d. the need to reduce the amount of land needed for development

e. the need to tackle congestion

f. the need to work towards the attainment of air quality objectives

g. the need to enable schemes to fit into central urban sites and promote 
   linked trips

\textsuperscript{13} See climate change supplement to Planning Policy Statement 1: Delivering Sustainable Development.
h. the need to make provision for adequate levels of good quality secure parking in town centres to encourage investment and maintain their vitality and viability
i. the need to encourage the shared use of parking, particularly in town centres and as part of major developments
j. the need to provide for appropriate disabled parking and access
k. the needs of different business sizes and types and major employers,
l. the differing needs of rural and urban areas
MONITORING

POLICY EC9: MONITORING

EC9.1 Regional planning bodies and local planning authorities should use their annual monitoring reports to keep the following matters under review in order to inform consideration of the impact of policies and planning applications:
   a. the network and hierarchy of centres (at both the regional and local levels)
   b. the need for further development and
   c. the vitality and viability of centres (at the local level)

EC9.2 To measure the vitality and viability and monitor the health of their town centres over time and inform judgements about the impact of policies and development, local authorities should also regularly collect market information and economic data, preferably in co-operation with the private sector, on the key indicators set out at Annex D to this planning policy statement.
DEVELOPMENT MANAGEMENT POLICIES

POLICY EC10: DETERMINING PLANNING APPLICATIONS FOR ECONOMIC DEVELOPMENT

EC10.1 Local planning authorities should adopt a positive and constructive approach towards planning applications for economic development. Planning applications that secure sustainable economic growth should be treated favourably.

EC10.2 All planning applications for economic development should be assessed against the following impact considerations:

   a. whether the proposal has been planned over the lifetime of the development to limit carbon dioxide emissions, and minimise vulnerability and provide resilience to, climate change

   b. the accessibility of the proposal by a choice of means of transport including walking, cycling, public transport and the car, the effect on local traffic levels and congestion (especially to the trunk road network) after public transport and traffic management measures have been secured

   c. whether the proposal secures a high quality and inclusive design which takes the opportunities available for improving the character and quality of the area and the way it functions

   d. the impact on economic and physical regeneration in the area including the impact on deprived areas and social inclusion objectives

   e. the impact on local employment

POLICY EC11: DETERMINING PLANNING APPLICATIONS FOR ECONOMIC DEVELOPMENT (OTHER THAN MAIN TOWN CENTRE USES) NOT IN ACCORDANCE WITH AN UP TO DATE DEVELOPMENT PLAN

EC11.1 In determining planning applications for economic development other than for main town centre uses which are not in accordance with the development plan, local planning authorities should:

   a. weigh market and other economic information alongside environmental and social information

   b. take full account of any longer term benefits, as well as the costs, of development, such as job creation or improved productivity including any wider benefits to national, regional or local economies; and

   c. consider whether those proposals help to meet the wider objectives of the development plan

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14 See Paragraph 9 and 42 of Planning and Climate Change: Supplement to Planning Policy Statement 1 (CLG, 2007).

15 Advice on assessing transport impacts is set out in Guidance on Transport Assessments (DTF and CLG, 2007).
POLICY EC12: DETERMINING PLANNING APPLICATIONS FOR ECONOMIC DEVELOPMENT IN RURAL AREAS

EC12.1 Re-use of buildings in the countryside for economic development purposes will usually be preferable, but residential conversions may be more appropriate in some locations and for some types of building. In determining planning applications for economic development in rural areas, local planning authorities should:

a. support development which enhances the vitality and viability of market towns and other rural service centres

b. support small-scale economic development where it provides the most sustainable option in villages, or other locations, that are remote from local service centres, recognising that a site may be an acceptable location for development even though it may not be readily accessible by public transport

c. take account of the impact on the supply of employment sites and premises and the economic, social and environmental sustainability of the area, when considering planning applications involving the loss of economic activity.

d. approve planning applications for the conversion and re-use of existing buildings in the countryside for economic development, particularly those adjacent or closely related to towns or villages, where the benefits outweigh the harm in terms of:

i. the potential impact on the countryside, landscapes and wildlife

ii. local economic and social needs and opportunities

iii. settlement patterns and the level of accessibility to service centres, markets and housing

iv. the need to conserve, or the desirability of conserving, heritage assets and

v. the suitability of the building(s), and of different scales, for re-use recognising that replacement of buildings should be favoured where this would result in a more acceptable and sustainable development than might be achieved through conversion
POLICY EC13: DETERMINING PLANNING APPLICATIONS AFFECTING SHOPS AND SERVICES IN LOCAL CENTRES AND VILLAGES

EC13.1 When assessing planning applications affecting shops, leisure uses including public houses or services in local centres and villages, local planning authorities should:
   a. take into account the importance of the shop, leisure facility or service to the local community or the economic base of the area if the proposal would result in its loss or change of use
   b. refuse planning applications which fail to protect existing facilities which provide for people’s day-to-day needs
   c. respond positively to planning applications for the conversion or extension of shops which are designed to improve their viability
   d. respond positively to planning applications for farm shops which meet a demand for local produce in a sustainable way and contribute to the rural economy, as long as they do not adversely affect easily accessible convenience shopping

POLICY EC14: SUPPORTING EVIDENCE FOR PLANNING APPLICATIONS FOR MAIN TOWN CENTRE USES

EC14.1 References in this policy to planning applications for main town centre uses include any applications which create additional floorspace, including applications for internal alterations where planning permission is required, and applications to vary or remove conditions changing the range of goods sold.

EC14.2 The town centre policies in this PPS apply to planning applications for the above uses unless they are ancillary to other uses. Where office development is ancillary to other forms of economic development not located in the town centre there should be no requirement for such offices to be located in the town centre.

EC14.3 A sequential assessment (under EC15) is required for planning applications for main town centres uses that are not in an existing centre and are not in accordance with an up to date development plan. This requirement applies to extensions to retail or leisure uses only where the gross floor space of the proposed extension exceeds 200 square metres.

EC14.4 An assessment addressing the impacts in policy EC16.1 is required for planning applications for retail and leisure developments over 2,500 square metres gross floorspace or any local floorspace threshold set under policy EC3.1.d not in an existing centre and not in accordance with an up to date development plan.
EC14.5 In advance of development plans being revised to reflect this PPS, an assessment of impacts in policy EC16.1 is necessary for planning applications for retail and leisure developments below 2,500 square metres which are not in an existing centre and not in accordance with an up to date development plan that would be likely to have a significant impact on other centres.

EC14.6 An impact assessment dealing with the impacts set out in policy EC16.1 is also required for planning applications in an existing centre which are not in accordance with the development plan and which would substantially increase the attraction of the centre to an extent that the development could have an impact on other centres.

EC14.7 Assessments of impacts should focus in particular on the first 5 years after the implementation of a proposal and the level of detail and type of evidence and analysis required in impact assessments should be proportionate to the scale and nature of the proposal and its likely impact. Any assumptions should be transparent and clearly justified, realistic and internally consistent.

EC14.8 Local planning authorities should respond positively to approaches from applicants to discuss their proposals before a planning application is submitted and seek to agree the type and level of information that needs to be included within an impact assessment.

POLICY EC15: THE CONSIDERATION OF SEQUENTIAL ASSESSMENTS FOR PLANNING APPLICATIONS FOR MAIN TOWN CENTRE USES THAT ARE NOT IN A CENTRE AND NOT IN ACCORDANCE WITH AN UP TO DATE DEVELOPMENT PLAN

EC15.1 In considering sequential assessments required under policy EC14.3, local planning authorities should:

a. ensure that sites are assessed for their availability, suitability and viability.

b. ensure that all in-centre options have been thoroughly assessed before less central sites are considered

c. ensure that where it has been demonstrated that there are no town centre sites to accommodate a proposed development, preference is given to edge of centre locations which are well connected to the centre by means of easy pedestrian access

d. ensure that in considering sites in or on the edge of existing centres, developers and operators have demonstrated flexibility in terms of:

i. scale: reducing the floorspace of their development;
ii. format: more innovative site layouts and store configurations such as multi-storey developments with smaller footprints;

iii. car parking provision; reduced or reconfigured car parking areas; and

iv. the scope for disaggregating specific parts of a retail or leisure development, including those which are part of a group of retail or leisure units, onto separate, sequentially preferable, sites. However, local planning authorities should not seek arbitrary sub-division of proposals

EC15.2 In considering whether flexibility has been demonstrated under policy EC15.1.d above, local planning authorities should take into account any genuine difficulties which the applicant can demonstrate are likely to occur in operating the proposed business model from a sequentially preferable site, for example where a retailer would be limited to selling a significantly reduced range of products. However, evidence which claims that the class of goods proposed to be sold cannot be sold from the town centre should not be accepted.

POLICY EC16: THE IMPACT ASSESSMENT FOR PLANNING APPLICATIONS FOR MAIN TOWN CENTRE USES THAT ARE NOT IN A CENTRE AND NOT IN ACCORDANCE WITH AN UP TO DATE DEVELOPMENT PLAN

EC16.1 Planning applications for main town centres uses that are not in a centre (unless EC16.1.e applies) and not in accordance with an up to date development plan should be assessed against the following impacts on centres:

a. the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal

b. the impact of the proposal on town centre vitality and viability, including local consumer choice and the range and quality of the comparison and convenience retail offer

c. the impact of the proposal on allocated sites outside town centres being developed in accordance with the development plan

d. in the context of a retail or leisure proposal, the impact of the proposal on in-centre trade/turnover and on trade in the wider area, taking account of current and future consumer expenditure capacity in the catchment area up to five years from the time the application is made, and, where applicable, on the rural economy

e. if located in or on the edge of a town centre, whether the proposal is of an appropriate scale (in terms of gross floorspace) in relation to the size of the centre and its role in the hierarchy of centres

f. any locally important impacts on centres under policy EC3.1.e
POLICY EC17: THE CONSIDERATION OF PLANNING APPLICATIONS FOR DEVELOPMENT OF MAIN TOWN CENTRE USES NOT IN A CENTRE AND NOT IN ACCORDANCE WITH AN UP TO DATE DEVELOPMENT PLAN.

EC17.1 Planning applications for main town centre uses that are not in an existing centre and not in accordance with an up to date development plan should be refused planning permission where:

a. the applicant has not demonstrated compliance with the requirements the sequential approach (policy EC15); or

b. there is clear evidence that the proposal is likely to lead to significant adverse impacts in terms of any one of impacts set out in policies EC10.2 and 16.1 (the impact assessment), taking account of the likely cumulative effect of recent permissions, developments under construction and completed developments

EC17.2 Where no significant adverse impacts have been identified under policies EC10.2 and 16.1, planning applications should be determined by taking account of:

a. the positive and negative impacts of the proposal in terms of policies EC10.2 and 16.1 and any other material considerations; and

b. the likely cumulative effect of recent permissions, developments under construction and completed developments

EC17.3 Judgements about the extent and significance of any impacts should be informed by the development plan (where this is up to date). Recent local assessments of the health of town centres which take account of the vitality and viability indicators in Annex D of this policy statement and any other published local information (such as a town centre or retail strategy), will also be relevant.

POLICY EC18: APPLICATION OF CAR PARKING STANDARDS FOR NON-RESIDENTIAL DEVELOPMENT

EC18.1 Local parking standards should apply to individual planning applications unless:

a. the applicant has demonstrated (where appropriate through a transport assessment) that a higher level of parking provision is needed and shown the measures proposed to be taken (for instance in the design, location and operation of the scheme) to minimise the need for parking.
b. for retail and leisure developments located in a town centre, or on an edge of centre site, the local planning authority is satisfied that:
   i. the parking provision is consistent with any town centre parking strategy and the facilities will genuinely serve the town centre as a whole and this has been secured before planning permission is granted
   ii. the scale of parking is proportionate to the size of the centre

EC18.2 In the absence of local parking standards, the maximum standards set out in Annex D of Planning Policy Guidance Note 13: Transport will apply (subject to the provisions in Policy EC18.1).

POLICY EC19: THE EFFECTIVE USE OF CONDITIONS FOR MAIN TOWN CENTRE USES

EC19.1 Local planning authorities should make effective use of planning conditions to implement their policies and proactively manage the impacts of development by imposing planning conditions to:
   a. prevent developments from being sub-divided into a number of smaller shops or units, or to secure the provision of units suitable for smaller business, by specifying the maximum size of units
   b. ensure that ancillary elements remain ancillary to the main development
   c. limit any internal alterations to increase the amount of gross floorspace by specifying the maximum floorspace permitted
   d. limit the range of goods sold, and to control the mix of convenience and comparison goods and
   e. resolve issues relating to the impact of the development on traffic and the amenity of neighbouring residents, such as the timing of the delivery of goods to shops and the adequate provision for loading and unloading

EC19.2 In considering restrictions on deliveries, local authorities should take account of all relevant factors, including impact on congestion, especially in peak periods. In considering how to mitigate night-time noise, local authorities should consider alternatives to a complete ban, such as embodying codes of practice into planning obligations relating to the number of vehicles and noise standards.
ANNEX A: List of cancelled policy and guidance

- Planning Policy Guidance Note 4: Industrial, commercial development and small firms (PPG4, 1992)
- Planning Policy Guidance Note 5: Simplified Planning Zones (PPG5, 1992) will be reissued as practice guidance
- Planning Policy Statement 6: Planning for town centres (PPS6, 2005)
- Objectives (i-iii) and paragraphs 1 (ii-iv), 2, 3, 4, 5, 6, 7, 16 (i-ii), 17, 18, 19, 30 (i-ii), 32, 34 (i-ii), 35, 36, 37, 38, 39, 40 of Planning Policy Statement 7: Sustainable development in rural areas (PPS7)
- Paragraphs 53, 54 and Annex D of Planning Policy Guidance Note 13: Transport (remain extant until individual local planning authorities prepare local maximum parking standards in line with policy EC8 of this PPS)
City centres are the highest level of centre identified in development plans. In terms of hierarchies, they will often be a regional centre and will serve a wide catchment. The centre may be very large, embracing a wide range of activities and may be distinguished by areas which may perform different main functions. Planning for the future of such areas can be achieved successfully through the use of area action plans, with masterplans or development briefs for particular sites. In London the ‘international’ and ‘metropolitan’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of city centres.

Town centres will usually be the second level of centres after city centres and, in many cases, they will be the principal centre or centres in a local authority’s area. In rural areas they are likely to be market towns and other centres of similar size and role which function as important service centres, providing a range of facilities and services for extensive rural catchment areas. In planning the future of town centres, local planning authorities should consider the function of different parts of the centre and how these contribute to its overall vitality and viability. In London the ‘major’ and many of the ‘district’ centres identified in the Mayor’s Spatial Development Strategy typically perform the role of town centres.

District centres will usually comprise groups of shops often containing at least one supermarket or superstore, and a range of non-retail services, such as banks, building societies and restaurants, as well as local public facilities such as a library.

Local centres include a range of small shops of a local nature, serving a small catchment. Typically, local centres might include, amongst other shops, a small supermarket, a newsagent, a sub-post office and a pharmacy. Other facilities could include a hot-food takeaway and launderette. In rural areas, large villages may perform the role of a local centre.

Small parades of shops of purely neighbourhood significance are not regarded as centres for the purposes of this policy statement.

**TYPES OF LOCATION**

**TOWN CENTRE**

Defined area, including the primary shopping area and areas of predominantly leisure, business and other main town centre uses within or adjacent to the primary shopping area. The extent of the town centre should be defined on the proposals map.
PRIMARY SHOPPING AREA

Defined area where retail development is concentrated (generally comprising the primary and those secondary frontages which are contiguous and closely related to the primary shopping frontage). The extent of the primary shopping area should be defined on the proposals map. Smaller centres may not have areas of predominantly leisure, business and other main town centre uses adjacent to the primary shopping area, therefore the town centre may not extend beyond the primary shopping area.

PRIMARY FRONTAGE

Primary frontages are likely to include a high proportion of retail uses.

SECONDARY FRONTAGE

Secondary frontages provide greater opportunities for a diversity of uses.

EDGE-OF-CENTRE

For retail purposes, a location that is well connected to and within easy walking distance (ie. up to 300 metres) of the primary shopping area. For all other main town centre uses, this is likely to be within 300 metres of a town centre boundary\(^\text{16}\).

In determining whether a site falls within the definition of edge-of-centre, account should be taken of local circumstances. For example, local topography will affect pedestrians’ perceptions of easy walking distance from the centre. Other considerations include barriers, such as crossing major roads and car parks, the attractiveness and perceived safety of the route and the strength of attraction and size of the town centre. A site will not be well connected to a centre where it is physically separated from it by a barrier such as a major road, railway line or river and there is no existing or proposed pedestrian route which provides safe and convenient access to the centre.

OUT-OF-CENTRE

A location which is not in or on the edge of a centre but not necessarily outside the urban area.

OUT-OF-TOWN

An out-of-centre development outside the existing urban area.

\(^{16}\) For office development, locations outside the town centre but within 500 metres of a public transport interchange, including railway and bus stations, within the urban area should be considered as edge-of-centre locations for purposes of the sequential approach.
DESCRIPTIONS OF TYPES OF DEVELOPMENT

RETAIL

Convenience shopping: Convenience retailing is the provision of everyday essential items, including food, drinks, newspapers/magazines and confectionery.

Supermarkets: Self-service stores selling mainly food, with a trading floorspace less than 2,500 square metres, often with car parking.

Superstores: Self-service stores selling mainly food, or food and non-food goods, usually with more than 2,500 square metres trading floorspace, with supporting car parking.

Comparison shopping: Comparison retailing is the provision of items not obtained on a frequent basis. These include clothing, footwear, household and recreational goods.

Retail warehouses: Large stores specialising in the sale of household goods (such as carpets, furniture and electrical goods), DIY items and other ranges of goods, catering mainly for car-borne customers.

Retail parks: An agglomeration of at least three retail warehouses.

Warehouse clubs: Large businesses specialising in volume sales of reduced priced goods.

The operator may limit access to businesses, organisations or classes of individual.

Factory outlet centres: Groups of shops specialising in selling seconds and end-of-line goods at discounted prices.

Regional and sub-regional shopping centres: Out-of-centre shopping centres which are generally over 50,000 square metres gross retail area, typically comprising a wide variety of comparison goods stores.

LEISURE

Leisure parks: Leisure parks often feature a mix of leisure facilities, such as a multiscreen cinema, indoor bowling centres, night club, restaurants, bars and fast-food outlets, with car parking.

BUSINESS

Business parks: A grouping of purpose-built office accommodation and other business uses with some shared facilities and car parking.
ANNEX C: Compiling the evidence base

This annex sets out a range of economic and social information which can be used in establishing a robust evidence base for development plans and development management, and as the basis for prediction of the effects of the plan in the sustainability appraisal.

Details of main sources of information are given at the end.

Workforce and employment:
- employment by sector: gives background on economic structure and the relative importance of different sectors (Office for National Statistics Annual Business Inquiry)
- occupations: percentages of the population of a specific area or region employed in different jobs (ONS Annual Population Survey)
- unemployment: gives background on the scope for economic development opportunities. It needs to be understood in the context of the qualification and skills of a potential workforce (ONS)
- worklessness: a wider definition that uses benefit claimants data, including Jobseekers’ Allowance, Incapacity Benefit and Severe Disability Allowance (DWP Working Age Client Group)
- earnings: can give an insight into the appropriate scale and type of economic development in an area, on a regional and county/unitary authority basis (ONS Annual Survey of Hours and Earnings (ASHE), Annual Business Inquiry)
- changes in employment patterns: can give an insight into the growth or decline of different sectors for regional employment (ONS Annual Business Inquiry)
- economic activity rate: this shows the percentage of the population that is either in work or looking for work and can be used to help understand the potential workforce for new business development (ONS Annual Population Survey)

Business activity and performance:
- business size: the number of different business sizes can also inform an understanding of the importance of different industries to a region. Detailed yearly data is available on the number of different businesses in different employment size bands for broad categories (ONS Annual Business Inquiry)
- VAT registrations/de-registrations: gives an indication of entrepreneurship over time and business failure. It is available on a regional and a county/unitary authority basis and can be compared against stocks of registrations from the same source (ONS Inter-Departmental Business Register)
- gross value added (GVA): this measures the difference between the value of the output businesses and the value of their inputs and is available for NUTS1, NUTS2 and NUTS3 geographic areas\(^\text{17}\) (ONS Regional Accounts)

\(^{17}\) NUTS: Nomenclature of Units for Territorial Statistics (EU classification – see ONS website)
Land and property markets:
- unimplemented planning permissions: data held by local planning authorities
- existing floorspace: data on floorspace currently available can provide an insight into how much spare capacity exists for businesses (Valuation Office Agency)

Social context
- resident populations of authority areas (Census; ONS Nomis)
- percentages of population with different levels of qualifications (Census; ONS Annual Population Survey)
- Indices of Multiple Deprivation 2004 and 2007; Economic Deprivation Index giving Lower Super Output Area data from 1999-2005 (CLG)
- housing affordability: CLG data relates lower quartile house prices to lower quartile earning by district, giving an indication of housing need See also CLG publication “Measuring Housing Affordability: Review of Data Sources”.
- travel to work: information on methods of commuting and catchment areas can help to inform infrastructure issues. ONS used 2001 census data to produce travel to work areas which form relatively self- contained labour markets (Census; ONS CommuterView and Travel to Work Areas)

Survey data
In conjunction with more regional information, up to date local survey data can identify economic and property challenges to be considered in plan making, review and development control decisions. Examples include:
- floorspace availability by rent and size
- rents by grade
- office land values
- construction rates
- trends and demand
- stock condition
- likely future changes to stock
- known infrastructure issues
- marketability of sites
Forecasts and projections may also be useful to inform the review of planning strategies at regional and sub-regional level:

- demographic (population and household numbers – ONS and CLG).
- economic (GVA). This measures the difference between the value of the output businesses and the value of their inputs and is available for NUTS1, NUTS2 and NUTS3 geographic level.
- spatial implications of forecasts and projections (modelling based upon sectional and spatial implications of economic change)

**SOURCES OF INFORMATION**

**Office of National Statistics (ONS)**

ONS homepage: www.statistics.gov.uk

ONS Nomis (labour market and related population data for local areas):

https://www.nomisweb.co.uk

ONS Annual Business Inquiry (ABI – employment and financial information):

www.statistics.gov.uk/abi (access requires authorisation from ONS)

ONS Inter-Departmental Business Register (IDBR): http://www.statistics.gov.uk/idbr


ONS Regional Accounts (information including regional, NUTS2 and NUTS3 GVA and regional household income estimates):


ONS travel to work data:


http://www.statistics.gov.uk/geography/ttwa

**Communities and Local Government (CLG):**

CLG homepage: www.communities.gov.uk

Data for Neighbourhoods and Regeneration (includes links to local information systems and data at district level and below): http://www.data4nr.net

Economic Deprivation Index:

Index of Multiple Deprivation:
http://www.communities.gov.uk/communities/neighbourhoodrenewal/deprivation/deprivation

Household projections (based on ONS population projections):
http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/householdestimates/livetables-households/

Housing affordability:
http://www.communities.gov.uk/housing/housingresearch/housingstatistics/housingstatisticsby/housingmarket/livetables/affordabilitytables/

The Places Database:
http://www.places.communities.gov.uk

The Places Analysis Tool:
http://www.pat.communities.gov.uk/pat

Department for Work and Pensions
Statistics and research webpage: http://research.dwp.gov.uk/asd

Improvement and Development Agency (IDeA)
Information and case studies on economic development and regeneration:
http://www.idea.gov.uk/idk

Valuation Office Agency
VOA homepage: http://www.voa.gov.uk

Regional Observatories
Regional Observatories hold a range of information which may be useful for planning authorities. Information holdings and structures vary between regions. They can be accessed via the website of the Association of Regional Observatories:
http://www.regionalobservatories.org.uk
ANNEX D: Town Centre Health Check Indicators

A1 Diversity of main town centre uses (by number, type and amount of floorspace): the amount of space in use for different functions – such as offices; shopping; leisure, cultural and entertainment activities; pubs, cafes and restaurants; and, hotels.

A2 The amount of retail, leisure and office floorspace in edge-of-centre and out-of-centre locations.

A3 The potential capacity for growth or change of centres in the network: opportunities for centres to expand or consolidate, typically measured in the amount of land available for new or more intensive forms of town centre development.

A4 Retailer representation and intentions to change representation: existence and changes in representation of types of retailer, including street markets, and the demand of retailers wanting to come into the centre, or to change their representation in the centre, or to reduce or close their representation.

A5 Shopping rents: pattern of movement in Zone A rents within primary shopping areas (i.e. the rental value for the first 6 metres depth of floorspace in retail units from the shop window).

A6 Proportion of vacant street level property and the length of time properties have been vacant: vacancies can arise even in the strongest town centres, and this indicator must be used with care. Vacancies in secondary frontages and changes to other uses will also be useful indicators.

A7 Commercial yields on non-domestic property (i.e. the capital value in relation to the expected market rental): demonstrates the confidence of investors in the long-term profitability of the centre for retail, office and other commercial developments. This indicator should be used with care.

A8 Land values and the length of time key sites have remained undeveloped: data on changes in land value and how long key town centre and edge of centre sites have remained undeveloped provide important indicators for how flexible policies should be framed and can help inform planning decisions.

A9 Pedestrian flows (footfall): a key indicator of the vitality of shopping streets, measured by the numbers and movement of people on the streets, in different parts of the centre at different times of the day and evening, who are available for businesses to attract into shops, restaurants or other facilities.

A10 Accessibility: ease and convenience of access by a choice of means of travel, including – the quality, quantity and type of car parking; the frequency and quality of public transport services and the range of customer origins served; and, the quality of provision for pedestrians, cyclists and disabled people and the ease of access from main arrival points to the main attractions.
A11 Customer and residents’ views and behaviour: regular surveys will help authorities in monitoring and evaluating the effectiveness of town centre improvements and in setting further priorities. Interviews in the town centre and at home can be used to establish views of both users and non-users of the centre, including the views of residents living in or close to the centre. This information could also establish the degree of linked trips.

A12 Perception of safety and occurrence of crime: should include views and information on safety and security, including from the threat of terrorism, and where appropriate, information for monitoring the evening and night-time economy.

A13 State of the town centre environmental quality: should include information on problems (such as air pollution, noise, clutter, litter and graffiti) and positive factors (such as trees, landscaping and open spaces).