

MILTON KEYNES COUNCIL PPS4 UPDATE PAPER



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DRAFT REPORT
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CONTENTS

1	INTRODUCTION	1
2	PLANNING POLICY STATEMENT 4: PLANNING FOR SUSTAINABLE ECONOMIC GROWTH (DECEMBER 2009)	3
3	POLICY EC1 - USING EVIDENCE TO PLAN POSITIVELY	7
4	PLANNING FOR CENTRES	9
5	MONITORING	11
6	RTP RECOMMENDATIONS ON LOCAL DEVELOPMENT FRAMEWORK POLICIES	13

1 INTRODUCTION

- 1.1 This report has been prepared to accompany The Milton Keynes Retail Capacity and Leisure Study (the Study) published in February 2010.
- 1.2 Since drafting and consulting on the Study new national guidance on the economy and town centres was published. PPS4 'Planning for Prosperous Economies' was adopted on the 29th December 2009 and replaces PPS6, as well replacing the existing PPG4, PPG5 and parts of PPS7 and PPG13.
- 1.3 Rather than amend the entire study to reflect the new guidance we have prepared this supplementary paper which outlines the new guidance and addresses any changes and additions to the requirements under PPS6.
- 1.4 The following section outlines the requirements under PPS4.

2 PLANNING POLICY STATEMENT 4: PLANNING FOR SUSTAINABLE ECONOMIC GROWTH (DECEMBER 2009)

- 2.1 Planning Policy Statement 4 (PPS4) now forms the national-level comprehensive policy framework for planning for sustainable economic development in urban and rural areas, including town centres. The new policy statement is intended to consolidate national planning policy on economic development into a single streamlined planning policy statement.
- 2.2 PPS4 differs from previous policy statements in its use of a series of numbered policies to guide development. In Appendix 1 to this report we provide a full commentary on the policies in PPS4. This section provides a summary of the main changes and requirements of PPS4 that need to be considered.

The Evidence Base

- 2.3 Policy EC1 confirms that planning for economic development at the regional and local levels should be based on appropriate evidence. Paragraph 4 of PPS4 defines economic development as including development within the B Use Classes, public and community uses and main town centre uses. The definition of main town centre uses (paragraph 7) is unaltered from the definition given in PPS6 (retail; leisure, entertainment and various sport and recreation uses; offices; and arts, culture and tourism uses). The requirement for regional planning bodies (RPBs) and local planning authorities (LPAs) to assess the need for all main town centre uses, and for LPAs to identify any deficiencies in the provision of local convenience shopping, is not new. The major differences between PPS4 and PPS6 in terms of assessing need are that:
- whereas PPS6 placed greater weight on quantitative considerations when assessing the need for additional retail and leisure development opportunities, qualitative need is now afforded equal weight in PPS4;
 - LPAs are now specifically advised to take account of overtrading at existing stores (in PPS6, overtrading was one of the considerations that '*may be taken into account*' when assessing qualitative need, which as noted above was secondary to quantitative need factors); and
 - although RPBs and LPAs are advised to assess need as part of the evidence-base to inform policy-making, need is no longer a development management tool on its own (i.e. LPAs cannot refuse an application on the basis of lack of need). Need is, however, still relevant to development management, because it forms part of the wider impact tests.

Plan Making Policies

- 2.4 Policies EC2 to EC8 concern 'plan-making policies' and are therefore those which are most of relevance to the Retail Study.

- 2.5 Policy EC2 is a wide-ranging policy, which concerns planning for sustainable economic growth; an issue which was not specifically addressed in PPS6. Amongst other requirements, Policy EC2 advises that RPBs and LPAs should: set out clear economic visions and strategies for their areas; identify priority areas with high levels of deprivation that should be prioritised for regeneration investment; prioritise previously developed land for re-use; and plan for the delivery of transport and other infrastructure to support planned economic development.
- 2.6 Policies EC3 to EC5 outline the plan making policies which specifically relate to town and other centres. There is little difference between the previous guidance in PPS6. For instance, RPBs and LPAs are still required to: set out a strategy for the management and growth of centres over the plan period; define a network and hierarchy of centres; promote competitive town centre environments and provide consumer choice; and identify a range of sites to accommodate identified needs, prioritising sites in accordance with the well-established sequential approach.
- 2.7 PPS4 does encourage LPAs to consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development that should be subject to an impact assessment under Policy EC16.1, and LPAs are advised to define locally important impacts on centres which should be tested under Policy EC16.1f. This is a subtle change from PPS6, which required impact assessments to be undertaken for all applications for retail and leisure development over 2,500 sq.m gross, but did not mention 'thresholds' or 'locally important impacts' in the context of the plan making process.
- 2.8 Policy EC9 deals with how local planning authorities should monitor key issues in respect of retail and town centres. Policy EC9 progresses to state that regional planning bodies and local planning authorities should, through their annual monitoring reports, 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)'*
- 2.9 In order to measure the vitality and viability of town centres, Policy EC9 recommends that '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 in Appendix D of the PPS.

Development Management Policies

- 2.10 Policies EC10 to EC19 of PPS4 provide advice on the consideration of planning applications for economic development. Below, we cover those policies that are of likely to be of key relevance in the Milton Keynes context.
- 2.11 EC10.1 advises that planning applications which secure sustainable economic growth should be treated favourably. EC10.2 requires all applications for economic development, wherever located, to be assessed against five impact considerations relating to: climate

change; accessibility; design; impact on physical regeneration; and impact on local employment.

- 2.12 Policy EC14 requires planning applications for retail and leisure developments which will provide over 2,500 sq.m of gross floorspace - and which are not in a centre and not in accordance with an up-to-date development plan - to be accompanied by an impact assessment. As we explained above, this requirement is unaltered from PPS6 although Policy EC3 of PPS4 now invites LPAs to consider setting their own lower floorspace thresholds. Impact assessments are also required for planning applications in existing centres, which are not in accordance with the development plan and which would substantially increase the attraction of the centre.
- 2.13 The assessment of impact should focus, in particular, on the first five year period after the implementation of a development. Policy EC14 also explains that, *'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'*. Again, this is unaltered from PPS6.
- 2.14 Policy EC16.1 goes on to specify six impacts which should be assessed, as follows:
- 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) 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; and
 - f) any locally important impacts on centres.
- 2.15 In our view, there are overlaps between some of the impacts listed in Policy EC16 - for instance, criteria a), b) and d) - and we consider that criterion c) will rarely be relevant. Furthermore, we note that criterion e) is carried over from PPS6 and that impact f) is highly subjective, with Policy EC3.1e confirming that as part of the plan making process, LPAs can define *'any locally important impacts on centres which should be tested'*.
- 2.16 In making a planning decision based upon an impact assessment, Policy EC17 advises that planning applications should be refused where there is clear evidence that the proposal is likely to lead to 'significant adverse impacts' in terms of any one of the impacts specified under Policy EC10.2 and Policy 16.1. We consider this to be a particularly onerous requirement PPS4 is an important material consideration, but the statutory, starting point for determination of planning applications remains the development plan.

- 2.17 Where no significant adverse impacts have been identified - and where the application also satisfies the requirements of the sequential test (which is set out under Policy EC15, with no material changes from the sequential test set out in PPS6) - planning applications should be determined by taking account of the positive and negative impacts of the proposal and other material considerations, and also the likely cumulative effect of recent permissions, developments under construction and completed developments.

RTP Comment on PPS4

- 2.18 PPS4 continues the commitment in the previous PPS6 to plan positively for economic development and there is a duty at both the regional and local level to have a robust evidence base to support the policies in the development plan. This evidence should assess the need for land or floorspace for economic development, including for all main town centre uses.
- 2.19 When assessing need for town centre uses at a local level, local authorities should look at both quantitative and qualitative need, whilst apportioning more weight to meeting qualitative deficiencies in deprived areas. Indeed, qualitative need now has the same weight as quantitative need. This is an important change from PPS6, giving local authorities more latitude about where to plan for growth. Additional weight is awarded to qualitative deficiencies in deprived areas where there is a lack of access to services. The importance of town centre developments as a driver for economic change is emphasised strongly.
- 2.20 RTP are of the opinion that some ambiguities continue to remain in PPS4, and the two-stage impact assessment in particular can be considered to increase the potential for inconsistent decisions being made.

3 POLICY EC1 - USING EVIDENCE TO PLAN POSITIVELY

- 3.1 The emphasis is now on planning for economic development which includes development within the B Use Classes, public and community uses as well as main town centre uses. The Study deals specifically with retail and leisure issues. The Council have commissioned other background documents such as the employment land study prepared by GVA Grimleys which cover the other requirements outlined in PPS4. It is therefore not necessary for this study to repeat the findings of these other studies.
- 3.2 In terms of Retail and Leisure, the definition of main town centre uses (paragraph 7) is unaltered from the definition given in PPS6 (retail; leisure, entertainment and various sport and recreation uses; offices; and arts, culture and tourism uses). The main difference with the new guidance is that quantitative and qualitative need are given the same importance in the assessing need for new development,
- 3.3 Within the study a full assessment of quantitative need has been undertaken in accordance with the guidelines outlined in Policy EC1.4 c. A Household survey was undertaken and forecasting methods applied to the data. The results of this assessment are within Section 4 and 5 of the main Retail Study.
- 3.4 The Study addresses qualitative need through the healthcheck work and through interviews with stakeholders. Specifically the results of the healthcheck work can be seen in section 3 of the study. Central Milton Keynes and all the district and town centres were assessed as well as a sample of the local centres. This gave a good indication of the existing hierarchy of the centres as well as their current performance and helped us identify which centres were healthy and which may need some intervention.
- 3.5 The Study has also taken account of over and under trading which is highlighted as a factor in assessing qualitative need. The assessment of overtrading can be seen in section 5 of the study
- 3.6 Three strategies for locating future growth are assessed in section 6 of the Study. The study evaluates where the identified quantitative need should be located given the following three objectives;
- Whether there is a need to avoid over concentration of growth in the higher level centres
 - The need for investment in those centres requiring to be regenerated and
 - The need to address deficiencies in the network.
- 3.7 In undertaking the above assessment the analysis from the healthchecks, is applied to the forecast quantitative need. This approach is consistent with the guidelines in PPS4.

4 PLANNING FOR CENTRES

- 4.1 Policies EC3 to EC5 outline the plan making policies which specifically relate to town and other centres. There is little difference between the previous guidance in PPS6 and the guidance in these policies.
- 4.2 The study in section 7 makes recommendations on each of the identified centres and their role in the hierarchy. It also looks at the extent of primary shopping frontages and the centre boundaries. The extent of the primary shopping frontages now has greater significance in terms of the decision making policies, as any development outside these areas are defined at edge of centre even if they are within the town centre boundary. This is significant in terms of planning applications and the application of the sequential test. However as this has been addressed in the main retail study we do not need to revisit it in this paper.
- 4.3 The study in section 6 also provides three different strategies for meeting the identified need and assesses each strategy in terms of its impact on the centres in Milton Keynes. We therefore feel that the Study has met the majority of the requirements under PPS4.
- 4.4 The main changes to guidance come in Policy EC3 parts d and e.
- 4.5 Part d requires Local Authorities to 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 Policy EC16.1. Policy EC14.4 has a default position that an impact assessment is required for any application for retail and leisure development over 2500 sq m gross but importantly states '*or any local floorspace threshold set under Policy EC3.1d.*'
- 4.6 We would recommend that Milton Keynes set their own floorspace threshold and that impact assessments should be provided for all retail and leisure applications upwards of 500 sq.m gross for town centre uses outside of defined centres which are contrary to the up to date development plan. Applications for town centre uses outside defined town centres which fall above this threshold will therefore have to provide an assessment of the impact of their scheme, following guidance set out in PPS4 policies EC10, EC16 and EC17.
- 4.7 Although this is a low floorspace threshold we believe it is necessary to enable the Council to have control over retail and leisure applications over the LDF period. Strengthening and regenerating the existing centres in Milton Keynes is a key objective, and one of the main Core Strategy objectives is to promote the development of Central Milton Keynes as the main location for retail and leisure. Out of centre planning permissions have absorbed much of the capacity for new floorspace in the short term and it is important that this trend is reversed. It is also important to ensure that new development is focused in existing centres and in the planned growth areas and therefore applications for retail and leisure development outside of these areas should have to justify their location and demonstrate that they will not impact on allocated sites coming forward in line with the guidance contained in the LDF.

- 4.8 Although this is a low threshold Policy EC14.7 allows for impact assessments to be proportionate to the scale and nature of the proposal and its likely impact. We therefore do not believe that such a recommendation will lead to an onerous requirement on applicants.
- 4.9 With regard to criteria e of Policy EC3 we are not aware of any locally important impacts within Milton Keynes that would not be covered by the policy requirements of PPS4.

5 MONITORING

- 5.1 Policy EC9 recommends that the LPA's Annual Monitoring Report should be used to review the policies and how well they are working in regard to three indicators, which are: the network and hierarchy of centres; the need for further development and the vitality and viability of centres. Annexe D to PPS4 provides key indicators that can be used in this review process.
- 5.2 We have provided at Appendix 2 a summary of the monitoring indicators and provided some advice as to how and when the Council could carry out the checks to address these indicators.

6 RTP RECOMMENDATIONS ON LOCAL DEVELOPMENT FRAMEWORK POLICIES

6.1 Based on the findings set out above, we now progress to identify a series of 'policy pointers' which the Council may wish to take forward into its emerging Core Strategy and supporting Local Development Framework documents.

- **Proposals for new retail development in the County must be fully compliant with Planning Policy Statement 4** - all applications for development outside the defined town centres must demonstrate compliance with PPS4, including satisfying the sequential test, and the 'impact' criteria set out in PPS4 policies EC10, EC16 and EC17. Applications for development should be of an appropriate scale which reflects the role and function of the centre;
- **Impact assessments should be provided for all applications upwards of 500 sq.m gross for town centre uses outside of defined centres** - PPS4 allows local planning authorities to set the threshold for impact assessments in their administrative area. Applications for town centre uses outside defined town centres which fall above this threshold will therefore have to provide an assessment of the impact of their scheme, following guidance set out in PPS4 policies EC10, EC16 and EC17.
- **Identification of 'locally significant' impacts** - PPS4 allows local planning authorities to also define any 'locally significant' impacts which applications for development of town centre uses outside of a defined town centre must additionally satisfy. Although we are not aware of any in Milton Keynes if issues were to arise during the consultation process relating to this, these should be clearly set out in a policy in the Core Strategy;
- **Retail development should support the hierarchy of centres set out in the Core Strategy** - the emerging Core Strategy identifies Central Milton Keynes as the highest order centre in Milton Keynes followed by the identified District and Town Centres and then the Local Centres. This means that, as per the recommended 'Strategy 1' approach set out in the Retail Study, the majority of the identified floorspace requirement over the period to 2026 is directed towards CMK as the largest and highest-order centre;
- **A commitment to monitoring the health of its centres**- PPS4 provides a numbers of indicators for LPA's to use in monitoring the health of its centres. There should be a commitment by the Council to undertake monitoring every year to ensure that it has an up to date picture of the health of its centres which will inform the policy and decision making process.

APPENDIX 1

Policy Review in full

This appendix sets out in greater detail the policy context of the study, building on the summary set out in section 2 of the report.

Planning Policy Statement 4: Planning for Sustainable Economic Growth (December 2009)

Planning Policy Statement 4 (PPS4) now forms the national-level comprehensive policy framework for planning for sustainable economic development in urban and rural areas, including town centres, and replaces the existing PPS4, PPS5, PPS6, and parts of PPS7 and PPS13. The new policy statement is intended to consolidate national planning policy on economic development into a single streamlined planning policy statement.

Chapter 1 of the document confirms that the Government's overarching objective is to achieve 'sustainable economic growth'. In order to help achieve this, a series of objectives for planning are set out, to:

- *'Build prosperous communities by improving the economic performance to 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;*
- *Deliver more sustainable patterns of development, reduce the need to travel, especially by car and respond to climate change;*
- *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'*

PPS4 differs from previous policy statements in its use of a series of numbered policies to guide development. Policy EC1 sets out the need for regional and local planning

authorities to maintain a robust evidence base *'to understand both existing business needs and likely changes in the market'*. The volume and detail of the evidence gathered should be proportionate to the importance of the issue.

Paragraph EC1.2 retains the thrust of PPS6, stating that at regional level the overall need for additional floorspace for 'town centre' uses (comparison retail, leisure and office development), at five year interval periods, should be assessed, *'having particular regard to the need for major town centre development of regional or sub-regional importance and the capacity and accessibility of centres'*. At the regional level there is also the need to *'identify any deficiencies of higher level centres in the network of existing centres where a need for growth has been established'*.

At the local level, it is stated that the evidence base should be informed by regional assessments, and also:

- *'assess the detailed need for land or floorspace for economic development, including for all main town centre uses over the plan period;*
- *identify any deficiencies in the provision of local convenience shopping and other facilities which serve people's day-to-day needs;*
- *assess the existing and future supply of land available for economic development, ensuring that existing site allocations for economic development are re-assessed against the policies in this PPS, particularly if they are for single or restricted uses;*
- *assess the capacity of existing centres to accommodate new town centre development taking into account the role of centres in the hierarchy and identify centres in decline where change needs to be managed'.*

More specifically, Policy EC1 also sets out the factors which local planning authorities should take into account when assessing the need for retail and leisure development, as follows:

- *'take account of both the quantitative and qualitative need for additional floorspace for different types of retail and leisure developments;*
- *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;*
- *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.*

In addition, when assessing the **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'*

Policies EC2 to EC8 concern 'plan-making policies' and are therefore those which are most of relevance to this study. Policy EC9 specifically concerns how local planning authorities should monitor key issues in respect of retail and town centres, and is therefore also of relevance. These are considered in turn below.

Plan-making policies

Policy EC3 discusses 'planning for centres' and sets out a series of ten factors which regional and local planning authorities should take into account in setting out a strategy for the management and growth of centres over the Plan period. These factors are:

- set flexible policies for centres which are able to respond to changing economic circumstances;
- define a network and hierarchy of centres which is resilient to future economic changes, and meets the needs of catchments, having regard to:
 - which centres will accommodate any need for growth in town centre uses (including, where necessary, expansion of centres, but taking into account the need to avoid over-concentration of growth in centres); promoting centres in the hierarchy where required; designating new centres where necessary; and giving priority to deprived areas;
 - ensuring any extensions to centres are carefully integrated;
 - seeking to consolidate and strengthen centres which are in decline by providing a wider range of services there;
 - where reversing the decline of centres is not possible, reclassifying the centre at a lower level within the hierarchy of centres;

- ensuring the need for new, expanded or redeveloped out-of-centre regional or sub-regional retailing centre, or any significant change to the role and function of centres, is considered through the regional spatial strategy.
- at the local level, define the extent of the centre and primary shopping area, including distinguishing between primary and secondary frontages in designated centres and identifying which uses will be acceptable in these locations;
- at the local level, consider setting floorspace thresholds for the scale of edge-of-centre and out-of-centre development which should be subject of an impact assessment, and the areas these will be applicable to;
- define any locally important impacts on centres which should be tested;
- at the local level, encourage a diversity of uses in centres, including residential, offices, retail and leisure;
- at the local level, identify sites or buildings suitable for development, conversion or change of use; and
- at the local level, use tools such as local development orders, area action plans, compulsory purchase orders and town centre strategies to address other issues associated with the growth and management of centres.

Policy EC4 discusses the local planning approach to planning for consumer choice and promoting competitive town centres, for town centre development, stating that *'local planning authorities should proactively plan to promote competitive town centre environments and provide consumer choice'*, through a number of means, including:

- supporting the diversification of uses in the town centre;
- planning for a strong retail mix;
- recognising the role of smaller shops in enhancing the character and vibrancy of a centre;
- supporting shops, services and other uses in local centres and villages;
- retaining and enhancing, and where appropriate creating, markets;
- taking measures to conserve and enhance the established character and diversity of town centres; and
- encouraging a range of complementary evening and night-time uses.

Policy EC5 concerns site selection and land assembly for main town centre uses, and states that *'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'*. 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 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;*
- d) *assess the impact of sites on existing centres;*
- 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'.*

The sequential approach to site selection remains unchanged from that identified in the preceding PPS6 (2005), and local authorities must identify sites that are suitable, available and viable for redevelopment or conversion firstly within appropriate existing centres, *'where sites or buildings for conversion are, or are likely to become, available within the Plan period'*. This should be followed by edge-of-centre sites, *'with priority given to sites that are or will be well-connected to the centre'*, and finally out-of-centre sites, *'with preference given to sites which are or will be well served by a choice means of transport and which are closest to the centre and have a higher likelihood of forming links with the centre'*.

In assessing the impact of proposed locations for development, paragraph EC5.4 states that local planning authorities should take into account the impact considerations set out in Policy EC16, particularly for developments over 2,500 sq.m, or any locally-defined threshold. It should be ensured 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'*. In addition, local planning authorities must 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 that *'the level of detail of any assessment of impacts is proportionate to the scale, nature and detail of the proposed development'*.

Paragraph EC5.5 states that, having allocated sites for development, *'local planning authorities should allocate sufficient sites in development plan documents to meet at least the first five years identified need'* and set out policies for the phasing and releasing of allocated sites if appropriate.

Policy EC6 concerns economic development in rural areas, and states that economic development in open countryside should be strictly controlled; and that local planning authorities should identify local service centres (which may be a county town, single large village or a group of villages) and seek to remedy deficiencies in the provision of local shopping and other facilities.

Policy EC8 states that, through the local development framework process, local planning authorities should set maximum parking standards for non-residential development in their area, which should reflect the encouragement of sustainable methods of transport.

Policy EC9 progresses to state that regional planning bodies and local planning authorities should, through their annual monitoring reports, keep the following matters under review, in order to inform consideration of the impact of policies and planning applications:

- d) 'the network and hierarchy of centres (at both the regional and local levels);*
- e) the need for further development; and*
- f) the vitality and viability of centres (at the local level)'*

In order to measure the vitality and viability of town centres, Policy EC9 recommends that *'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 in Appendix D of the PPS.

Decision-making policies

Policies EC10 to EC19 are 'decision-making' policies which will be of consideration in the determination of planning applications. Of note however are the two 'tests' of impact, set out in Policy EC10 (which applies to all applications for economic development) and the aforementioned Policy EC16, which sets out in further detail the procedure for assessing impact solely for town centre uses. These impact tests are strengthened from that in the preceding PPS6, and also serve as a replacement of the requirement for applications to undertake a quantitative need assessment. Applications for development would therefore need to satisfy, in all cases, the tests set out in Policy EC10, and where relevant, also those in Policy EC16.

Policy EC10 states that all planning applications for economic development should be assessed against the following impact considerations (paragraph EC10.2):

- a) *'whether the proposal has been planned over the lifetime of the development to limited carbon dioxide emissions, and minimise vulnerability and provide resilience to, climate change;*
- b) *the accessibility of the proposal by a choice means of transport including walking, cycling, public transport and the car, the effect on local traffic levels and congestion;*
- 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; and*
- e) *the impact on local employment.*

The second of the strengthened impact tests is set out in Policy EC16, which states (paragraph EC16.1) that:

'Planning applications for main town centre uses that are not in a centre [unless bullet (e) below 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';*
- 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; and*
- f) *any locally important impacts on centres'*

Policy EC17 is also of significance, as it sets out the criteria for determining planning applications for the development of main town centre uses which are (i) not within an

existing centre and (ii) not in accordance with an up-to-date development plan. Paragraph EC17.1 explicitly states that applications for such development should be refused planning permission where:

- a) *'the applicant has not demonstrated compliance with the requirements of the sequential approach (policy EC15); or*
- b) *'there is clear evidence that the proposal is likely to lead to significant adverse impact in terms of any one of the 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'.*

The policy continues to state that in cases where no significant adverse impacts have been identified under the criteria set out at EC10.2 and EC16.1, 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'.*

Paragraph EC17.3 states that *'Judgments about the extent and significance of any impacts should be informed by the development plan (where that 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... and any published local information (such as a town centre or retail strategy), will also be relevant'.*

Policy EC19 states that local planning authorities should make use of effective planning conditions to implement their policies and manage the impacts of development by imposing planning conditions to:

- prevent sub-division of units, or secure provision of units for smaller businesses;
- ensure that ancillary components of the development remain ancillary;
- specify the maximum floorspace permitted in order to limit internal alterations;
- limit the range of goods which can be sold, and control the mix of convenience and comparison goods sold; and
- resolve issues of amenity (for example, unloading of deliveries, delivery hours).

Annex D of PPS4 sets out 13 indicators which should be used as the basis for town centre health checks. As noted above, PPS4 requires local planning authorities to undertake regular assessments of the 'health' of their town centres, and the indicators set out here should therefore form the basis of this assessment.

APPENDIX 2

Monitoring Indicators

PPS4 Indicator	Data Sources	Method for Data Collection	Suggested Monitoring Body	Suggested Monitoring Frequency	Notes
A1 Diversity of main town centre uses (by number, type and amount of floorspace)	<ul style="list-style-type: none"> Experian Goad plans On-foot surveys 	Update the Goad analysis tables shown in Appendix 1. This can be done through monitoring of changes of retail premises in each town centre and adjusting the number in each of the Goad categories accordingly. This can then be compared against the UK average for convenience, comparison, services and miscellaneous sectors and corresponding sub-sectors, as well as for vacant units.	Milton Keynes Council	Annually	Experian only update the Goad plans for approximately every three years. Therefore it is recommended this indicator is updated using on-foot surveys, given that only a small number of units tend to change over the course of a year.
A2 Amount of retail, leisure and office floorspace in out-of-centre locations	<ul style="list-style-type: none"> Retail, leisure and office floorspace planning permissions 	In house monitoring.	Milton Keynes Council	Annually	Care should be taken to provide a consistent approach - for example reporting figures in gross or net, and ensuring a precise definition of 'commitments', i.e. extant planning permissions and minded to approve applications that are subject to a Section 106 Agreement, rather than development plan allocations.
A3 Potential for growth or change of centres in the network	<ul style="list-style-type: none"> Discussions with local property market agents Discussions with traders and landowners 	This is a qualitative indicator and therefore could be monitored by a variety of means. It is important to be aware of plans of businesses and landowners in respect of their aspirations and whether any potential redevelopment sites may come forward for redevelopment.	Milton Keynes Council	Ongoing (at least every two years)	
A4 Retailer representation and intentions to change representation	<ul style="list-style-type: none"> FOCUS Commercial Property database <i>Town Reports</i> Local property market agents 	<i>Town Reports</i> contain a time-series summary of operator requirements, and regularly updated schedule of 'live' operator requirements. These operators can then be contacted to establish their exact property requirements for the town. Local commercial agents are a useful additional source of information, particularly in respect of the aspirations of existing retailers.	Milton Keynes Council	Annually	FOCUS updates its <i>Town Reports</i> regularly, but we recommend monitoring at the same time as other indicators
A5 Patterns of movement of prime Zone A shopping rents	<ul style="list-style-type: none"> Colliers CRE's <i>In-Town Retail Rents</i>, produced each summer Property market agents 	Compile time-series data of rental movements. Compare with benchmark/comparator centres.	Milton Keynes Council	Annually	Colliers CRE is the recognised industry source of published rental data but does not typically cover smaller centres. Discussions with local commercial agents will therefore also be important in measuring this indicator.

PPS4 Indicator	Data Sources	Method for Data Collection	Suggested Monitoring Body	Suggested Monitoring Frequency	Notes
A6 Proportion of vacant street-level property and length of time properties have been vacant	<ul style="list-style-type: none"> o Goad plans o On-foot surveys 	Update the Goad Analysis tables produced in the Town Centres Study.	Milton Keynes Council	Annually	PPS6 advises that vacancies can arise in even the strongest centres, so this indicator must be used with care. As noted above Goad plans are only infrequently updated and therefore it will be necessary to update this measure through on-foot surveys. Records should be kept of which units are vacant year-on-year.
A7 Commercial yields on non-domestic property	<ul style="list-style-type: none"> o Valuation Office, <i>Property Market Reports</i>- (www.voa.gov.uk) o Property market agents 	Update the time-series VOA data, supplemented with discussions with property market agents if required..	Milton Keynes Council	Annually	The Valuation Office produces two <i>Property Market Reports</i> each year (January and July), which contain time-series data. Yield data are not published for smaller (non-strategic) centres.
A8 Land values and the length of time sites have remained undeveloped	<ul style="list-style-type: none"> o Property market agents 	Monitor land values and the length of time which key sites have remained undeveloped	Milton Keynes Council	Ongoing (at least every two years)	Data on land values is not widely published, particularly for smaller centres and therefore discussion with local agents is the best source of this information.
A9 Pedestrian flows (footfall)	On-street footfall surveys	Monitor the number of people moving in both directions, in different parts of the centre. Counts to be taken over several days, and at different times of day	Milton Keynes Council/ Consultancy	Annually	If footfall surveys are commissioned, it is essential that any updates use the same methodology, i.e. same survey points/days
A10 Accessibility by a choice means of travel	<ul style="list-style-type: none"> o Attitudinal surveys of pedestrians o Discussions with traders/other town centre stakeholders 	This is a less quantifiable indicator. Discussions with users of the centres are the best source of information.	Milton Keynes Council/ Consultancy	3 years (or more regularly if resources allow)	<p>An attitudinal survey of pedestrians which should include questions on points set out by PPS4, namely:</p> <ul style="list-style-type: none"> o Quality, quantity and type of car parking; o Frequency and quality of public transport services (incl range of customer origins served); o Quality of provision for pedestrians, cyclists and disabled persons; and o Ease of access from main arrival points to main attractions. <p>Unlikely to require regular updating unless there have been for example changes in public transport connections or car parking availability.</p>
A11 Customers and residents views and behavior	<ul style="list-style-type: none"> o Attitudinal surveys of pedestrians 	This is a less quantifiable indicator. Discussions with users of the centres are the best source of	Milton Keynes Council/ Consultancy	Annually	It is recommended that repeat surveys follow the same questions and methodology to ensure consistency in

PPS4 Indicator	Data Sources	Method for Data Collection	Suggested Monitoring Body	Suggested Monitoring Frequency	Notes
		information.			results, and to allow for time-series trends to be reviewed.
A12 Perception of safety and occurrence of crime	<ul style="list-style-type: none"> ○ Attitudinal surveys of pedestrians ○ Discussions with traders/other town centre stakeholders 	This indicator is less quantifiable than others. Discussions with users of the centres are the best source of information.	Milton Keynes Council/ Consultancy	3 years (or more regularly if resources allow)	A standard proforma can be used to record issues through on-foot centre surveys
A13 State of the town centre environmental quality	<ul style="list-style-type: none"> ○ On-foot centre surveys ○ Can be supplemented by attitudinal surveys of pedestrians 	Qualitative assessment of issues commented briefly on in the main report, such as: <ul style="list-style-type: none"> ➤ cleanliness/litter ➤ signage ➤ visual attractiveness/general ambience ➤ street surfacing ➤ architectural quality ➤ external condition of buildings ➤ public art ➤ graffiti ➤ landscaping, trees, open spaces ➤ areas in need of environmental /other improvements 	Milton Keynes Council/ Consultancy	3 years (or more regularly if resources allow)	If pedestrian surveys are used to inform monitoring of this and/or other indicators, we would suggest a minimum sample of 100 successful responses. A standard proforma can be used to record issues through on-foot centre surveys