

Report of	Meeting	Date
Corporate Director (Business)	Development Control Committee	4 March 2008

CONSULTATION DRAFT PLANNING POLICY STATEMENT 4: PLANNING FOR SUSTAINABLE ECONOMIC DEVELOPMENT

PURPOSE OF REPORT

- To inform Members about the consultation draft Planning Policy Statement 4: Planning for Sustainable Economic Development (PPS4).

RECOMMENDATION(S)

- To note the content of the consultation draft Planning Policy Statement 4: Planning for Sustainable Economic Development and to support a consultation response to be sent to the Communities and Local Government Consultation Coordinator as attached at Appendix 1.

EXECUTIVE SUMMARY OF REPORT

- There is a strong presumption in draft PPS4 in favour of development of all kinds, but most particularly for sustainable economic development. The aim of draft PPS4 is to encourage local authorities to plan effectively and pro-actively for economic growth and to achieve a proper balance between economic opportunities and environmental and social considerations. It implies that local planning authorities need to be adept and agile in anticipating the demands that economic change will make on land use, and in integrating local plans and policies with wider regional and national strategies. Local authorities will need to rationalise, collect and make more consistent the data, economic evidence and indicators used in drawing up plans to anticipate and respond to the requirements of the economy. This will require an enhanced understanding of the current position and changing needs of business and of economic development, and what this means for particular localities and places.

CORPORATE PRIORITIES

- This report relates to the following Strategic Objectives:

Put Chorley at the heart of regional economic development in the Central Lancashire sub-region	√	Develop local solutions to climate change.	√
Improving equality of opportunity and life chances	√	Develop the Character and feel of Chorley as a good place to live	√
Involving people in their communities	√	Ensure Chorley Borough Council is a performing organisation	√

BACKGROUND



5. The draft PPS4 has been developed in response to recommendations made in the Barker Review of Land Use Planning (December 2006) where it was argued that planning authorities do not always give sufficient weight to economic considerations. The draft PPS4 also takes account of the Planning White Paper (May 2007) which sets out the Government's commitment to reform the planning framework to ensure that the planning system responds more positively to economic development, and the proposals set out in the Review of sub-national economic development and regeneration (July 2007).
6. The PPS4 guidance when finalised will replace:
 - Planning Policy Guidance Note 4: Industrial, commercial development and small firms;
 - Paragraphs 53, 54 and Annex D of Planning Policy Guidance Note 13: Transport and
 - Planning Policy Guidance Note 8: Telecommunications (except the appendix and annexes).

CONTENTS OF PPS4

7. The purpose of draft PPS4 is to put in place a national policy framework for economic development at regional, sub-regional and local levels for both urban and rural areas. Draft PPS4 aims to build on the objectives for the planning system set out in PPS1: Delivering Sustainable Development and the annex to PPS1 on Climate Change to provide the tools for regional and local authorities to plan effectively and pro-actively for the economic growth they need to help create and maintain sustainable communities.
8. Communities and Local Government has prepared a set of consultation questions for the draft PPS4 which they would particularly like a view on. These and the Council's proposed response are attached at Appendix 1 of this report.
9. For the purposes of draft PPS4, economic development covers a wide range of development including retail, leisure and offices; light, general and heavy industry; storage and distribution; housing; high technology premises including research, business and science parks; agriculture; minerals extraction; telecommunications; transport uses related to ports, airports and other inter-modal freight terminals; specialist waste production; energy production; the creative industries and tourism development . It can also comprise other uses, which are major employment generators or which attract other employers into the locality such as hospitals and higher and further education establishments.
10. The Government aims to support its economic growth objectives and tackle deprivation by empowering local authorities to promote economic development and neighbourhood renewal, and better incentives for achieving economic growth and for ensuring disadvantaged areas benefit from and contribute to economic development.
11. The **desired objectives** for economic development are:
 - a good range of sites identified for economic development and mixed-use developments;
 - a good supply of land and buildings which offer a range of opportunities for creating new jobs in large and small businesses as well as start-up firms and which is responsive to changing needs and demands;
 - high quality development and inclusive design for all forms of economic development;
 - avoiding adverse impacts on the environment, but where these are avoidable offering mitigation;
 - shaping travel demand by promoting sustainable travel choices wherever possible.
12. As a new style Planning Policy Statement it sets out a proposed **National Policy Framework** that is to consist of the policy elements identified over the page; many of the key policy changes are changes of emphasis or reinforcing of messages rather than new policies.

- 13 **Positive plan-making for economic development.** Local authorities should plan positively and proactively to:
- encourage economic development in line with the principles of sustainable development.
 - develop flexible policies which are able to respond to economic change and the need for coordination with infrastructure and housing provision.
 - play a pivotal role as place-shapers within their communities.
- Specific planning tools such as the use of local development orders and simplified planning zones are available to assist local planning authorities to support their economic goals.
14. **Using evidence to plan positively.** Development plans need to be based on good evidence but should also respond to changing economic circumstances. Planning authorities should minimise the need for revision by ensuring they have a good understanding of their local and wider economy so that they can plan effectively and work in collaboration with other authorities.
15. Draft PPS4 Annex A has an indicative list of the range of data that should be collected, but as it has not been finalised, the cost of their collection cannot yet be calculated. The annual monitoring process should be used to track whether the local authority's economic strategy is on course and the need for any changes.
- 16 Planning authorities should undertake and take into consideration a long list of items when devising plans and making decisions. They include:
- An assessment of the supply of land through an employment land review. Where possible land use reviews e.g. employment and housing should be undertaken at the same time to ensure a full assessment of the competing land uses is made;
 - Local and regional character and the need for a high quality environment;
 - Differing locational requirements of businesses;
 - Take account of relevant market information and economic data including price signals in the land and property markets;
 - Maintain an up to date assessment of the demand for employment land;
 - Trends in the structure of industry and employment;
 - The actual or potential location of distribution and telecommunications networks;
 - Wider regional economic trends.
17. The draft PPS4 also identifies a proposed new statutory economic development duty for upper tier local authorities (Lancashire County Council in our instance), requiring them, either on their own or jointly with other authorities and in consultation with key partners, to carry out an assessment of the economic circumstances within, and challenges facing their local economy. This proposal could play a central role in the evidence base needed to underpin regional strategies and core strategies. The Government will consult separately on the proposed new economic duty.
18. **Recognising the needs of business.** Joint working across local authorities is encouraged. Local authorities should:
- plan for and facilitate a supply of land which will be able to cater for the differing needs of businesses and the expected employment needs of the whole community but which is flexible enough to be responsive to a changing economy or new business requirement;
 - set criteria based policies;
 - avoid designating sites for single or restricted use classes wherever possible;
 - promote mixed use development in appropriate locations;
 - avoid carrying forward existing allocations where this cannot be justified;

- actively consider wider employment uses or alternative uses, such as housing.

19. **Efficient and effective use of land.** Local planning authorities should:

- seek to make the most efficient and effective use of land and buildings especially vacant or derelict buildings (including historic buildings);
- take account of changing spatial work patterns;
- take account of economic data including price signals;
- take account the need for policies which reflect local circumstances;
- prioritise previously developed land for re-use;
- take account price differentials between land designated for differing uses when deciding on the most productive use of land;
- develop car parking policies for non-residential development at the local level, setting standards for maximum standards, taking into account criteria that includes public transport accessibility, the need to encourage sustainable modes of transports and the differing needs of rural and urban areas.

20 **Securing a high quality and sustainable environment.** Local planning authorities should seek to ensure economic development is of high quality and inclusive design which improves the character and quality of an area and the way it functions. The design of new commercial development should address the challenges posed by climate change and the pressure on the natural and historic environment.

21. **Development Control.** When considering development proposals, local planning authorities will be required to:

- adopt an evidence-based approach to proposals which do not have specific support of plan policies;
- consider proposals favourably, unless the economic, social and/or environmental costs of development are likely to outweigh the benefits;
- take full account of the longer-term benefits.

22. In rural areas, accessibility should be recognised as a key issue and planning authorities should:

- support farm diversification;
- allow development in some sites even though they are not accessible by public transport;
- support sustainable rural tourism;
- support small scale economic developments in remote villages.

23. Finally if having taken account of the development plan and all material considerations the local planning authority propose to refuse a planning application, they would be required to set out clear reasons why, on the basis of the evidence, they have decided that the costs of the proposal outweigh the benefits.

IMPLICATIONS OF REPORT

24 This report has no implications.

Finance		Customer Services	
Human Resources		Equality and Diversity	
Legal		No significant implications in this area	√

JANE E MEEK
CORPORATE DIRECTOR (BUSINESS)

Background Papers			
Document	Date	File	Place of Inspection
Consultation Draft Planning Policy Statement 4: Planning for Sustainable Economic Development	December 2007		Civic Offices, Union Street

Report Author	Ext	Date	Doc ID
Alison Marland	5281	18 February 2008	***

Consultation Questions

Appendix 1

- 1. Do the policies set out in draft PPS4 achieve the right balance between economic, social and environmental considerations? Will they help to deliver sustainable development?**

Comment: *It is difficult to judge whether such policies will achieve this balance and therefore it is important to have in place a system that will monitor and review practices to help to deliver sustainable development.*

2. The draft PPS proposes a stronger emphasis on the need for evidence, including economic evidence for plan, making and decision making? Do you agree that this is the correct approach?

Comment: *There are often cases where more evidence would be useful, but the collection of evidence needs to be done in a consistent manner by regional authorities and local authorities. Hence the need for detailed guidance on what data needs to be collected.*

3 If you agree that there should be a stronger emphasis on the need for evidence what are your views on the following:

- The need for final Planning Policy Statement to include a suggested list of data as at Annex A?

Comment: *Annex A is only useful if there is sufficient information on what data needs to be collected. It needs to be finalised to allow the cost of collection to be calculated and also to identify what professional expertise is required...*

- Are there any data/forecasts that should be excluded or added to the proposed list?

Comment: No comments

- Could the proposed data and forecasts help to form part of the proposed new economic assessment that, subject to separate consultation, Local Authorities would be required to carry out?

Comment? Yes, they would but it is questionable whether local authorities would have the in house skills to analyse and assess this information, so requiring consultants to undertake this work on their behalf.

What is the most appropriate level at which data should best be collected: regional, sub regional or local level?

Comment? *It should be collected at all three levels but with duplication of information kept to a minimum but which allows analysis at the three levels or where there is joint working between authorities.*

4 Is there a need for separate planning policy guidance on the use of Simplified Planning Zones as set out in Planning Policy Guidance Note 5?

Comment: *Yes, to be consistent and to keep guidance up to date.*

5 Do you agree that the methodology used to determine sub-regional housing markets provide an appropriate proxy for determining economic markets?

Comment: Not sure of the methodology

6 Is the approach to the location and development of B1 offices suitably flexible to meet the needs of business, whilst delivering sustainable development?

Comment: It needs to remain flexible to meet the needs of business but it is debatable whether it always delivers sustainable development in the form of reducing dependence on the private car.

7 Is the less prescriptive approach to non-residential car parking suitably responsive to the needs of business in the context of the objectives in Paragraph 4 of PPG13 Transport?

Comment: Car parking standards will need to be thorough to take into account different businesses and their requirements. However such a scenario does not take into account change of businesses on a site. This might prove detrimental to an area because the size of the site cannot accommodate the use or the users.

8 Do you agree that employment sites should not be retained as such if there is no reasonable prospect of them coming forward for development during the plan period?

Comment: If this proviso is kept in the finalised guidance, it will allow owners of employment sites to not allow the site to be developed for that use, but hold out for other uses when there is a review of sites. Although consideration can be given to mixed use, there will automatically be a presumption for residential use.

9 Does this draft Planning Policy Statement deal adequately with the particular needs of rural areas?

Comment: No, there needs to be more detailed guidance.

10 Will this draft Planning Policy Statement have an impact upon the “equality strands”, and particularly on the Gender, Race and Disability strands? If not should it? We particularly welcome the views of organisations and individuals with specific expertise in these fields.

No Comments -