

Planning reform – a backward step?

The Government's planned shake-up of planning laws will have dramatic consequences for the retail sector, says Simon Loveday, Partner, Vizards Wyeth



Consumer buying criteria has changed dramatically over the last 30 years and has in turn caused a change in retail formats. Moving away from “traditional” shopping in independent retailers in town or city centres, consumers have chosen to use the internet to purchase goods and to visit the ever increasing number of out-of-town major retail developments.

Many town and city centres have become “ghost towns” as a consequence. Small shops on high streets have been forced to close as they are unable to compete with the choice, innovation and convenience that major retail developments are arguably able to offer the consumer.

However, town centres are being revived to some extent. Although the current focus should be on ensuring that this revival continues and that high streets in town centres can start to thrive again, a Government White Paper on Planning could undermine this regeneration of city and town centres.

The White Paper (which builds on the Barker Review of Planning Policy) was issued by the Government in May this year (consultation finished on Aug 17) and the proposals in the White Paper should be in place in 2009.

The Paper sets out proposals to streamline the planning system which will amount to the biggest shake-up of planning rules in a generation. Amongst the many proposals is one that will give much more freedom for shopping developments

outside city centres.

The Planning White Paper recommends scrapping the current “needs test” for out-of-town retail developments. This strict test stipulates that developments should only be allowed if there is an undersupply of retail space and a need for stores on the fringes of towns. It is due in part to this test that town centres are once again becoming the thriving communities they once were. Any relaxation in the planning laws mean that it will be easier for retailers to build out-of-town developments.

Local authorities currently have considerable powers to limit and control new retail developments, but under the new laws this control could be limited. Housing Minister Yvette Cooper argues that it needs to be easier to get planning permission for beneficial retail developments on edge of centre sites, but does state that town development damaging town centres should not be permitted.

Independent retailers have expressed concerns that the new rules could lead to shops going out of business and Green campaigners have also attacked the new planning laws. The Campaign to Protect Rural England worries that more green field land will be built on.

The Conservatives have indicated that they will oppose the legislation but Ruth Kelly MP (former Communities and Local Government Minister) has defended the White Paper. She states that the Government “is committed to promoting the vitality and

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viability of town centres and we will be sticking to our town centre-first policy, while providing choice, competition and innovation”.

Kelly emphasises that tough tests for new developments are still needed to protect town and city centres, but no indication of what these tests will be are given.

In the mid-1990s, 25% of new development was in or around town centres. In 2003, this figure increased to 40%. Although 40% is still a relatively low figure, it was hoped that regeneration of our country's town centres would continue apace. It remains to be seen whether this can be the case under the proposed planning laws in the White Paper or whether the new planning laws prove to be a step backwards.

