

2 NATIONAL AND REGIONAL POLICY

- 2.1 This section summarises the planning policy context for Epping Forest. Specifically, it explains the duty of local planning authorities to prepare and maintain an up-to-date evidence base that is robust and credible.

PPS12: Local Spatial Planning

- 2.2 This study will form part of the evidence base upon which the Council will draw when developing its Local Development Framework (LDF) and in particular its Core Strategy Development Plan Document (DPD). Planning Policy Statement 12: Local Spatial Planning (PPS12) (2008) sets out the tests of '*soundness*'. To be '**sound**' a core strategy should be justified, effective and consistent with national policy.
- 'Justified' means that the document must be founded on a robust and credible evidence base and the most appropriate strategy when considered against reasonable alternatives.
 - 'Effective' means that the document must be deliverable, flexible and able to be monitored.

PPS4: Planning for Sustainable Economic Growth

- 2.3 Planning Policy Statement 4: Planning for Sustainable Economic Growth (PPS4) was published in December 2009 and replaces previous guidance contained in Planning Policy Guidance Note 4: Industrial, commercial development and small firms (PPG4, 1992) and in Planning Policy Statement 6: Planning for Town Centres (PPS6, 2005).
- 2.4 The Government's overarching objective as set out in paragraph 9 of PPS4 is to achieve 'sustainable economic growth' by:
- building prosperous communities by improving the economic performance of cities, towns, regions, sub regions and local areas;
 - reducing the gap in economic growth rates between regions, promoting regeneration and tackling deprivation;
 - delivering more sustainable patterns of development;
 - promoting the vitality and viability of town and other centres as important places for communities; and
 - raising the quality of life and the environment in rural areas by promoting thriving, inclusive and locally distinctive rural communities.
- 2.5 All 'policies' in PPS4 are pre-fixed by the letters EC. Policy EC1 of PPS4 confirms the requirement to use evidence to plan positively and that local planning authorities 'ensure that the volume and detail of the evidence is proportionate to the importance of the issue' (EC1.1b).
- 2.6 Policy EC1.3 states that at a local level the evidence should be informed by regional assessments and should assess the detailed need for all main town centre uses (EC1.3b), identify any deficiencies within the provision of local convenience shopping

- (EC1.3c) and assess the capacity of existing centres to accommodate new town centre development (EC1.3e).
- 2.7 Policy EC1.4 details what should be considered when assessing the need for retail and leisure development at the local level. The main change from the superseded PPS6 is that local authorities should take into account both quantitative and qualitative need for additional retail and leisure floorspace (EC1.4a). There is no weighting in favour of either quantitative or qualitative need (as there was in PPS6) but, in deprived areas that lack a range of services, additional weight can be awarded to meeting such deficiencies (EC1.4b).
- 2.8 Policies EC3, EC4 and EC5 of PPS4 are plan making policies regarding town and other centres. Regional Planning Bodies (RPBs) and Local Planning Authorities (LPAs) are required to:
- Set out a strategy for the management and growth of centres over the plan period (Policy EC3).
 - Promote competitive town centre environments and provide consumer choice (Policy EC4).
 - Identify a range of sites to accommodate identified need (Policy EC5).
- 2.9 Policy EC9 emphasises a monitoring requirement.
- 2.10 Policy EC13 governs the determination of planning applications affecting shops and services in local centres and villages.
- 2.11 Policies EC14, EC15, EC16 and EC17 provide guidance on how to determine planning applications for town centre uses. The policies focus on how to respond to applications that are not in accordance with an up-to-date development plan or not in a centre.
- 2.12 Policies in PPS4 are referred to where relevant in the remainder of this study.

Practice guidance on need, impact and the sequential approach

- 2.13 A document titled 'Practice guidance on need, impact and the sequential approach' has been published by the Department of Communities and Local Government (CLG) to accompany PPS4. This guidance does not constitute a statement of Government policy. However, its contents are likely to be a consideration when retail aspects of emerging development plan documents are examined in public.
- 2.14 When assessing the need for retail and leisure developments, local planning authorities are advised to (paragraph 2.4):
- Take account of the quantitative and qualitative need 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.
 - When assessing quantitative need, have regard to relevant market information and economic data.
 - When assessing qualitative need, assess whether there is provision and distribution of shopping and other services which allow genuine choice to meet the needs of the

whole community; and take into account the degree to which shops may be overtrading and whether there is a need to increase competition and retail mix.

- 2.15 The guidance provides detailed advice on how to produce an evidence base for retail and leisure developments. This study takes into account the principles set out in the practice guidance.

Competition Commission's Investigation of the UK Grocery Market

- 2.16 The Competition Commission (CC) originally published the findings of its investigation of the UK grocery market in April 2008. The CC's key recommendations were that the Office of Fair Trading (OFT) would be a statutory consultee for large grocery store applications. The OFT would then provide advice to the LPA as to whether a particular retailer had passed or failed a 'competition test'. This would be based upon factors such as the existing number of fascias (i.e. operators) in the local area (10 minute drivetime) and the percentage of sales area that the retailer had in the local area.
- 2.17 The CC makes it clear that it does not envisage the competition test being a replacement for the need test (paragraph 11.134 of the CC report).
- 2.18 Tesco argued that the proposed competition test was unlawful and appealed to the Competition Appeal Tribunal ('the Tribunal'). The Tribunal upheld Tesco's appeal, concluding that the CC had failed to properly assess the economic costs of the test, or to address proportionality and effectiveness. Following a period of further analysis, the CC concluded in July 2009 that the test was likely to have a positive effect for consumers. In October 2009, the CC recommended that the competition test is introduced.
- 2.19 As things stand, there is no competition test *per se* within Government guidance. However, the principles of competition are important and are already recognised within PPS4. Thus, this study carefully considers how competition can be improved in the district.

East of England Plan

- 2.20 The East of England Plan (EEP) was published in May 2008 and comprises the regional spatial strategy for planning and development in the East of England to 2021. The strategy is based on the principle of growth areas and growth points located on key movement corridors in order to achieve sustainable development.
- 2.21 There is no regional level evidence of the overall need for main town centre uses to base the local assessment of quantitative need as required by Policy EC1.3 of PPS4. However, as part of the single issue review into the Lakeside Basin (Policy ETG2) regional level evidence was gathered in respect of the quantitative need for additional comparison goods floorspace. This does not assist in informing a local assessment of quantitative need in Epping Forest and thus a bespoke district wide assessment of need is undertaken (as explained in subsequent sections).
- 2.22 The EEP identifies a number of Key Centres for Development and Change for the region, none of which are within Epping Forest. Harlow is one such centre and is located in close proximity to the district. Other examples located nearby include Chelmsford and

Basildon. The EEP states that such regional centres are where major new development should be concentrated. Due to the smaller size of the six centres within Epping Forest, the EEP does not assist in defining a local hierarchy of centres or allocating growth.

- 2.23 However, the EEP also addresses smaller centres - '*towns other than Key Centres and Rural Areas*'; which are more relevant for Epping Forest. The development of such centres is outlined in Policy SS4 of the EEP. This policy supports urban and rural renaissance with the aim of achieving the economic and social sustainability of such towns, through securing housing, employment and through improving accessibility. This is a high level strategic policy which we have taken into account when undertaking our study.
- 2.24 The need for regeneration is emphasised in Policy LA1, which defines the London Arc, and includes Epping Forest. Policy LA1 requires that the London Arc towns retain and develop their existing roles within a polycentric settlement pattern, whilst at the same time making provision for new development. In accordance with this policy, new development that is compatible with existing centres should be promoted. Such new development should also seek to retain or enhance the distinctive character of existing centres.
- 2.25 The regional structure of town centres is outlined in Policy E5. This policy seeks to ensure that new retail development is of an appropriate scale and is primarily located in regional and major town centres. In addition, the policy requires that development plan documents (DPDs) only allow for higher order provision where there is a clear need and where there will be no harmful impacts on other centres.

Summary

- 2.26 In summary:
- i) PPS12 establishes the requirement for DPDs to be underpinned by a robust and credible evidence base.
 - ii) PPS4 sets the requirement to use evidence to plan positively for town centre uses and, when assessing the need for retail and leisure developments, both quantitative and qualitative need to be taken into account.
 - iii) PPS4 also states that more weight should be given to meeting qualitative deficiencies in deprived areas.
 - iv) There is no regional level assessment of need to base the district's local evidence base upon.
 - v) There are no defined regional centres within the district.
 - vi) Regional policy encourages an urban renaissance for smaller centres.