

QUICK BRIEFING NOTE

PLANNING POLICY STATEMENT 4: Planning for Sustainable Economic Growth

ISSUES FOR ECONOMIC DEVELOPMENT IN RURAL AREAS

Published quietly over Christmas, PPS4 has been a long time in gestation and was delayed in 2009 whilst the Government sought to combine a range of existing Policy Statements.¹ The early draft certainly required attention from the rural perspective and to some extent the finished article addresses key concerns. However, the guidance remains something of a curate's egg. The document also takes some reading, not least because of the complexity introduced by various definitions.

- The PPS directs itself to considerations of '*economic development*'; a term which includes the business Use Class (e.g. B1 offices) as well as public, community and '*main town centre uses*'. [para 4]
- '*Main town centre uses*' are defined as including offices, arts, culture, tourism, leisure and retail development.
- The policies in the PPS apply to rural as much as urban areas, subject to specific guidance for rural areas set out policies EC6, EC7 and EC10. [para 6] This is an important paragraph which I return to later.
- The overarching intention is to generate sustainable economic growth by building prosperous communities [para 9]. A key objective is to raise the quality of life and environment in rural areas - whilst continuing to protect the countryside for the benefit of all. [para 10]
- It is important to recognise though that '*town centre policies*' also apply in rural areas - particularly with respect to market towns and other '*centres*' of similar size and role. Large villages may qualify in this definition. [Annex B - Definitions]
- Policy EC2.1(i) encourages new uses for vacant or derelict buildings including historic buildings: English Heritage guidance documents from 2005 are referred to². [page 8]
- Policy EC6 specifically considers planning for economic development in rural areas. Whilst strict control is to be exercised, with most development targeted at the main settlements, support is provided primarily for the conversion and re-use of appropriately located and suitably constructed existing buildings in the countryside for economic development. Replacement buildings might be permissible in some circumstances. Diversification proposals for business purposes are also supported, subject to scale and environmental impact considerations. [page 12]
- Policy EC7 considers planning for tourism in rural areas and here again support is given for sustainable tourism and leisure developments that benefit rural businesses, communities and visitors and which do not harm the countryside and its towns, villages, buildings and other features. [EC7.1a page 13]

¹ PPG4 and PPS6 are cancelled; so too elements of PPS7 and PPG13. PPG5 is to be re-issued as practice guidance.

² '*Heritage Works: The Use of Historic Buildings in Regeneration*' & '*Regeneration of the Historic Environment: Heritage as a Catalyst for Better Social and Economic Regeneration*'

- Local Authorities are encouraged to adopt a positive and constructive approach toward planning applications for economic development and those that secure sustainable economic growth should be treated favourably. [EC10.1]
- Policy EC10.2 also requires that all applications for economic development are assessed against a series of impact considerations relating to climate change, accessibility, securing high levels of design, impact on local employment etc.
- Policy EC12 establishes the basis for determining application in rural areas and supports the re-use of buildings for economic development, whilst acknowledging that residential uses may be more appropriate in some locations.
- EC12.1(d) specifically supports the conversion and re-use of buildings, including the desirability of conserving heritage assets.
- Even building replacement might be considered appropriate where a more acceptable and sustainable development can be achieved in preference to conversion. [EC12.1(d) v]

So far so good then. A positive approach is adopted by the PPS with recognition of the needs of and opportunities within rural areas. However, now the fun begins. It is not clear whether the rural development policies [EC6 and EC7 in particular] are to be considered separately from what now follows. My reading of the document is that there might be circumstances when they may not.

Policies EC14 to 17 set out various requirements that must be satisfied in advance of and in support of **any** planning applications for *main town centre uses*. These requirements could be quite onerous on a small business proposal and involve sequential testing and impact assessments.

- Policy EC14 outlines the supporting evidence required to accompany planning applications for *main town centre uses*. Proposals that create additional floorspace (resulting from building conversions or otherwise) where planning permission is required, are also covered by this policy. [EC14.1]

Don't forget that *main town centre uses* are defined by type (leisure, retail, office, arts, culture etc) and not whether they are actually proposed in a definable town 'centre'; a term which is cast widely in any event. So, for example, a proposal for an arts centre as a rural tourism project in a converted mill in the countryside might fall to be encompassed by this policy requirement unless the provisions of policy EC6 are considered to be discrete. Similarly, office conversions of rural heritage buildings.

- The policy goes on – "*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*".[EC14.2]

This is a potentially significant paragraph. Offices associated with 'other forms of economic development' (eg offices ancillary to a farm diversification project) do not need to be located in the town centre. That's OK. But in other circumstances the guidance appears to suggest that office development proposals that are not associated with other forms of economic development should be located in the town centre. Are rural office conversions (the principle economic development use for many rural buildings) therefore excluded from the more positive and encouraging requirements set out in policy EC6.2c or not?

My apologies. I'm sure this may seem convoluted. But although common sense suggests that rural economic development cannot, by definition, always occur in or near a 'centre' and there are sound policies in the PPS to deal with such instances, the guidance does not make the rural policies discrete from the other requirements set out in remainder of the document.

- Policy EC14 goes on to require a sequential assessment for *main town centre uses* that are not in an existing centre and not in accordance with an up to date development plan. [EC14.3] Most current development plans do provide positively for the re-use of rural buildings for economic purposes, so the requirements of Policy EC14 may not cut in immediately. But in circumstances where a plan is considered to be out of date, the need for a sequential assessment may then be triggered. This could be a very time consuming and costly process for rural projects that are likely to be relatively small scale.
- Policy EC15 then sets out the detailed requirements for conducting sequential assessments.
- In addition, planning applications for *main town centre uses* (that are not in a centre and not in accordance with an up to date development plan) should then be tested against a range of potential impacts that could arise in relation to the nearest 'centre'. Another time consuming and costly requirement. Policy EC16 sets out these requirements.

The real problem in all of this is that policy EC17 then states quite categorically at 17.1 that:-

"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 [of]³ 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 the impacts set out in policy EC10.2 and 16.1 (the impact assessment), taking account of the likely cumulative effect of recent permissions, developments under construction and completed developments*

There is much more in the document itself and you may wish to re-read this note with a copy to hand. However, the convoluted arrangement of criteria for dealing with rural economic development proposals and the apparent lack of a discrete approach could mean that even quite modest proposals are captured by the need for sequential and impact testing, in addition to assessment against environmental impact requirements and all the other more usual elements.

I will be hanging my hat on paragraph 6 of the PPS which states:

*"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".* [my emphasis]

It seems reasonable and logical to assume the Government did not seek to constrain sustainable economic growth in rural areas by imposing provisions that more properly apply to significant new commercial developments.

As ever the devil is in the (drafting) detail and may flow from trying to combine too many objectives into one all-purpose document. The problem is, this is now Government guidance. Clarification on the point would be helpful.

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³ This word seems to be an omission from the PPS text