

Draft PPS4: Planning for Sustainable Economic Development

Response from the Partnership for Urban South Hampshire (PUSH)

1. Introduction

- 1.1 PUSH has prepared the strategy for South Hampshire in the South East Plan. It has at its heart an economic strategy to achieve a “step change” in economic performance in the sub region. This objective has been translated into a clear spatial strategy, with development targets for the necessary economic development and housing. The strategy is underpinned by a major economic assessment, and is the subject of significant ongoing joint work to secure delivery. PUSH’s approach was commended by the South East Plan’s Panel report. PUSH’s comments on the draft PPS4 are based on this experience.
- 1.2 PUSH wishes to make the following points on specific parts of the draft PPS4. The comments are grouped under various themes. The underlined titles indicate the relevant section and paragraph numbers in the draft PPS.

2. Overall Approach

- 2.1 The previous PPG4 was produced in 1992 and is now dated. PUSH strongly welcomes the review of this guidance.

Economic Development – Background, Policy and Planning Outcomes (paragraphs 1 – 12)

- 2.2 PUSH welcomes the overall thrust of the document, specifically that it:
 - Highlights the importance of planning as a key influence in delivering economic, employment and productivity growth (paragraphs 1 and 4);
 - Promotes positive planning to provide a good range of sites for a variety of businesses (paragraph 12);
 - Supports economic growth which is in line with sustainable development, tackles climate change, promotes high quality design and recognises the link between quality of life and economic prosperity (paragraphs 9 and 26);

3. Flexibility

A Flexible Approach (paragraphs 8 and 14)

- 3.1 PUSH welcomes recognition that planning needs to be positive and flexible in responding to competitive challenges and economic change. PUSH believes flexibility should be introduced through the plan led system in order to secure sustainable and coherent development patterns.
- 3.2 PUSH therefore supports the references in the draft PPS to the plan led system. These references should clarify that plans should promote flexibility by allocating a good range and choice of sites in sustainable locations.
- 3.3 To help achieve this, the PPS should require regional spatial strategies to provide quantitative targets for employment land. This will ensure the strategic need for quantum of employment land are delivered and co-ordinated with housing provision, and facilitate the faster preparation of local development documents.

Development Control – A Positive Approach (paragraphs 28 – 33)

- 3.4 PUSH welcomes the statement that full consideration be given to economic considerations, as well as social and environmental considerations; and the recognition that this should take place within the plan led system. PUSH strongly welcomes the positive approach to be given to economic considerations in determining planning applications.
- 3.5 PUSH believes the section should state more explicitly that planning applications for development should normally be determined in accordance with the development plan (either approved if in accordance, or refused if not in accordance). There is a risk that as drafted the PPS could promote an “ad-hoc” approach to economic development. The priority should be to ensure that plans promote a good choice of sites in the first place.
- 3.6 However the UK’s economy is facing increasingly strong global competition and it is important to retain flexibility where appropriate. PUSH supports the case for clearly defined flexibility around the plan led system, recognising the importance of economic considerations, in circumstances where:
 - the plan is out of date
 - economic circumstances have changed since the plan was prepared
 - the applicant can demonstrate that plan led employment allocations are unsuitable
 - there are no environmental / social issues which clearly override the proposal.

- 3.7 PUSH believes the PPS should more clearly define the role of the plan led system, and define when further flexibility is appropriate, along the above lines. This will retain the benefits of a plan led system whilst promoting the appropriate flexibility to support economic growth.

Use Classes (paragraph 24)

- 3.8 PUSH generally supports the statement that restrictions should not be placed on the range of employment types on particular sites. However PUSH believes the PPS should recognise that in some cases restrictions play a positive role in protecting the environment and amenity of residents, or promoting sites for particular forms of employment development, eg high quality development – science parks, etc; or those with specific locational requirements – marine industries, etc)

4. Safeguarding Employment Land

Efficient and Effective Use of Land (paragraph 25).

- 4.1 This paragraph includes a statement that price differentials between different land uses should be taken into account in deciding on the most productive use of land, whilst ensuring the overall level of supply is sufficient for both employment and residential uses. Notwithstanding the final part of this statement, PUSH strongly objects to the use of price differentials in determining the use of land. This indicator would always lead to the conclusion that employment land should be reallocated to higher value housing land. This would seriously undermine the aims of draft PPS4. Market and price indicators have a role in assessing demand and commercial viability to see whether a site will come forward for employment use, but not in prioritising between different land uses. The review of existing and allocated employment sites should instead be based on an overall and site based assessment of employment and housing land supply needs.
- 4.2 PUSH also believes the PPS should clearly recognise that strategic employment allocations in commercially viable locations should be safeguarded over the long term (linked to quantitative targets for employment land). In commercial terms employment land usually takes longer to be brought forward. This should not be used as a reason to reallocate a site for housing. It is important to retain a choice of employment sites to promote flexibility.
- 4.3 The emphasis on price differentials may also mean that lower value (but nevertheless important support) industries are squeezed out at the expense of higher value industries.

Safeguarding Employment Land (paragraph 24)

- 4.4 This paragraph states that “where necessary” employment land should be safeguarded. PUSH believes there should be a stronger statement that employment land should be safeguarded unless it is unviable, not needed or unsuitable. Existing employment sites are a key component of business space in most areas.

What is economic development? (paragraph 13)

- 4.5 PUSH welcomes the recognition that a wide range of development types contribute to economic success. Indeed PUSH’s own strategy is based on delivering sufficient housing to enable economic growth. However PUSH does not support the very wide ranging definition of “economic development”, which covers all main types of development including housing. This would enable a housing developer, for example, to argue that their proposal constitutes economic development, facilitating a significant loss of employment areas to housing use. Given the draft PPS4 promotes a positive approach to economic development in rural areas (paragraph 32) this would also imply the promotion of housing in rural areas. In short this definition would at best lead to much confusion and at worst undermine the Government’s own planning objectives.
- 4.6 PUSH believes the PPS should apply to B1, B2, B8 use classes, and would welcome a recognition that other development types also support economic growth and are covered by other Government planning policy statements.

5. Offices

Paragraph 18, last point

- 5.1 PUSH supports the “town centres first” approach to office development. PUSH supports the recognition that market demands are relevant and believes the statement in the draft PPS should be clarified so as not to undermine the important aims of the town centre approach. Market demands should be seen in the context of the PPS6 tests of viability and suitability. If a town centre site is commercially viable and suitable office development should be steered to that location; if not, more flexibility would be appropriate.
- 5.2 PUSH supports the more flexible approach to smaller office development. Small businesses are a key component of future growth and can be successfully accommodated in smaller centres closer to where people live.

6. Evidence Base

(Paragraphs 18 and 20)

- 6.1 PUSH welcomes the requirement for a robust, comprehensive and market focussed evidence base; the recognition that economic markets operate across the sub region and that local planning authorities should work together. Annex A should be presented as illustrative guidance and the final PPS should state that the evidence base should be proportionate, to ensure that plan making is not delayed.

7. Other Points

- 7.1 Locational requirements (paragraph 18) – reference should also be made to special locational requirements (for example, waterside sites – the marine sector is an important component of South Hampshire’s economy).
- 7.2 Car parking (paragraph 25) – PUSH supports the statement that maximum parking standards are set locally, taking account of accessibility by sustainable modes and the needs of businesses.
- 7.3 Rural development (paragraph 32) – point two should be brought into line with point 4 by stating that only “small scale” development is appropriate on sites with poor accessibility.

8. Omissions

- 8.1 PUSH believes the following points should also be incorporated in to the final PPS:
- The importance of securing infrastructure to delivery strategic employment sites, and the support required from Central Government, regional development agencies, and developers to achieve this.
 - The use of section 106 agreements or their successor to secure training measures. This supports the objectives of both PUSH and the Government to promote skills, economic productivity and social inclusion – a number of Councils within PUSH have stressed the importance of these measures.
 - The importance of promoting sustainable travel options through the location of development and through travel plans.