

**TONBRIDGE & MALLING BOROUGH COUNCIL**

**PLANNING and TRANSPORTATION ADVISORY BOARD**

**25 February 2008**

**Report of the Director of Planning Transport and Leisure**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)**

**1 CONSULTATION ON DRAFT PPS4 – PLANNING FOR SUSTAINABLE ECONOMIC DEVELOPMENT**

**Summary**

**This report sets out a recommended response to the Government's latest consultation on revisions to the Planning Policy Statement (No4) relating to economic development.**

**1.1 Introduction**

1.1.1 The Government has published a consultation draft of a new Planning Policy Statement on Planning for Sustainable Economic Development. It is concerned that the planning system should be responsive to its national objectives for economic growth and wants planning policy to support economic development in line with the principles established in Planning Policy Statement 1 and with the plan led approach. Further factors which have prompted this draft PPS are:

- planning policy advice on economic development has not been reviewed 1992.
- the Barker Review of Land Use Planning argued that planning authorities do not always give sufficient weight to economic considerations.
- the Planning White Paper's stated intention to make the planning system respond more positively to economic development.
- the Sub-National Review of Economic Development and Regeneration (SNR) proposes to empower local authorities to promote economic development
- the planning system needs to respond to the increasingly competitive and knowledge-driven global economy.

## 1.2 Definitions

1.2.1 The draft PPS lists a very wide range of uses and activities as “economic development” to which the PPS is supposed to apply, including hospitals and higher and further education, housing, agriculture, telecommunications, minerals and waste and port and transport-related activities. In my view, it includes a number of land uses that I do not think should be included under the heading of “economic development”, in particular “housing”. House building is an economic activity but housing as a land use is not. If they are to be so defined there certainly needs to be very clear cross-reference to other relevant Planning Policy Statements and Guidance and if there is any conflict a clear indication as to which takes precedence, but whatever happens housing should definitely not be included.

## 1.3 The Plan led approach

1.3.1 The main thrust of the draft PPS is that Government wants planning authorities to plan 'positively and proactively' to encourage economic development 'in line with the principles of sustainable development'. They should therefore develop flexible policies, particularly in regard to the supply and use of land, which are able to respond to economic change and capable of being co-ordinated with infrastructure and housing provision. It wants the costs and benefits of economic development to be weighed alongside social and environmental costs and benefits. In particular, it says economic development must be delivered in a way that is sensitive to climate change.

1.3.2 In encouraging economic development, the Government's objectives are:

- a good range of sites identified for economic development and mixed-use development;
- a good supply of land and buildings which offers a range of opportunities for creating;
- new jobs in large and small businesses as well as start-up firms;
- high quality development and inclusive design for all forms of economic development;
- avoidance of adverse impacts on the environment, but where these are unavoidable, providing mitigation; and
- shaping travel demand by promoting sustainable travel choices wherever possible.

1.3.3 It says that local planning authorities should set criteria based policies, and safeguard, where necessary, employment land from other uses, and should identify a good range of sites able to facilitate a broad range of employment uses.

The designation of sites for single or restricted use classes should be limited in favour of promoting mixed use developments in appropriate locations. Existing allocations for economic development should not simply be carried forward if there is no reasonable prospect of a site being used for economic development during the plan period and wider employment uses, or alternative uses, such as housing, should be considered. Safeguards need to be applied for certain types of industry to ensure that potentially hazardous or polluting processes are separated from areas where they are likely to be detrimental to local amenity. This is exactly the approach this Council has adopted in its Development Land Allocations DPD which was based on a sound Employment Land Review.

1.3.4 The draft PPS says that due to the increasing demands on land available for development, local planning authorities should:

- Seek to make the most effective use of land and buildings especially where vacant and derelict or of historic interest;
- prioritise re-use of previously developed land;
- take into account changing work patterns which could (for example) imply a need for live-work units;
- take into 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 maximum standards;

I am concerned about the reference to price differential because higher value uses, like residential, will nearly always be able to outbid employment uses. This is why the development plan needs to be able to identify and safeguard the best employment land for that purpose only and the PPS should make it absolutely clear that this can be the case. This is the approach adopted in the Development Land Allocations DPD.

1.3.5 The draft PPS says that local planning authorities should seek to ensure that economic development, regardless of location, is of high quality design and addresses the challenges posed by climate change and the pressures on the natural and historic environment. I would not disagree with these objectives.

1.3.6 In rural areas, accessibility should be recognised as a key issue. Furthermore, planning authorities in rural areas 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 development in remote villages.

Again, these objectives seem generally appropriate, but there needs to be a cross reference to PPS7. However, some concern might be expressed generally about the potential impact on rural lanes of heavy goods vehicles generated by employment uses.

## **1.4 Evidence Base**

1.4.1 A key point in the consultation paper is that development plans need to be based on good evidence but also should be able to respond to changing economic circumstances. It says that planning authorities can minimise the need for revision by ensuring they have a good understanding of their local and wider economy in collaboration with other authorities. There is a very long list of items planning authorities should take into consideration when devising plans and making decisions.

1.4.2 It makes the point that many economic markets operate within areas that are not consistent with local authority administrative boundaries. In order to plan effectively for these markets, it says that regional planning bodies and local planning authorities should work together with a view to basing this work on sub-regional Housing Markets Areas as required in Planning Policy Statement 3. I disagree with this suggestion. Housing Market Areas are not an appropriate proxy because 'economic and labour markets' are based on entirely different dynamics and can extend way beyond the limits of Housing Market Areas (e.g. the influence of commuting & supply chain interactions between cities and their surrounding areas).

## **1.5 Development Control**

1.5.1 The level of change here is less apparent than for plan making and the issue raised are mostly part of our normal day to day casework business – but set in the context of a more rigorous evidence base. It notes that “Local planning authorities should consider these proposals favourably unless there is good reason to believe that the economic, social and/or environmental costs of development are likely to outweigh the benefits.” Whilst this position is more assertive as to the benefits of supporting economic development, I do not consider it tips the balance unacceptably, because the draft PPS makes it clear that all relevant environmental and allied factors must continue to be treated as material considerations.

## **1.6 Conclusions and summary of response**

1.6.1 The general thrust of the document is to be welcomed although there is little that is actually new in terms of policy directions and initiatives. Many of the key policy changes included in the draft PPS compared to PPG4 are changes of emphasis

or the reinforcing of messages. However, I do have some serious concerns about the potential conflicts in good planning practice likely to result from the inclusion of Housing within the scope of this PPS. I am also fearful of the role of land value being advanced as a planning consideration in allocating land. Generally, there needs to be clarity where land uses referred to are also covered by other PPSs or PPGs with clear cross-referencing to these other relevant documents. The suggestion that Housing Market Areas could form the basis of economic assessment sub-regions is also misconceived.

- 1.6.2 As is the current practice of Government, the consultation document concludes with a set of questions for consultees. I set out under **Annex 1** to this report my recommended response to those questions that seem relevant to this Council's interests.

## **1.7 Legal Implications**

- 1.7.1 None

## **1.8 Financial and Value for Money Considerations**

- 1.8.1 None

## **1.9 Risk Assessment**

- 1.9.1 Not relevant

## **1.10 Recommendation**

- 1.10.1 That the comments contained in this report and the responses to the questions in **Annex 1** form the basis of this Council's response to draft PPS4

The Director of Planning Transport and Leisure confirms that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

Background papers:

contact: Brian Gates

Nil

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