



**Friends of
the Earth**

MP Briefing

Why the new PPS6 could damage town centres

The draft Planning Policy Statement 6 (PPS6) was issued by the Office of the Deputy Prime Minister (ODPM) in December 2003 alongside a commitment from Government to the regeneration of town and city centres. However, the consultation draft contained a policy which would directly contradict this commitment: it encourages the provision of large format stores on the edge of town centres. Friends of the Earth and smaller retailers have made their concerns about this policy known to ODPM, but subsequent statements by Ministers show that they are still promoting this policy. ODPM is working on the final version of PPS6 now, and this document will guide regional and local retail policies for many years, so it is vital that relevant ministers are made aware that inclusion of this policy would directly contradict their aim to protect and regenerate town centres.

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Background

Planning Policy Statement 6 (PPS6) will replace Planning Policy Guidance 6 which has been in place since 1996. Friends of the Earth considers that the existing PPG 6 has made a significant contribution to reversing the decline of town centres and encouraging renewed investment in the UK's high streets. We broadly welcome the restatement of these principles in the draft PPS6. However, we are very concerned about contradictions in the current draft and particularly a policy that actively encourages the provision of large format edge-of-centre sites. This is a direct bias of retail policy in favour of one group of retailers and fails to recognise that the impact of such stores can be equally damaging to the vibrancy and diversity of a retail centre whether they are located out-of-town or edge-of-town. Friends of the Earth, along with smaller retailers, has raised these concerns with ODPM through the formal consultation process. But it is clear from comments made since by Deputy Prime Minister John Prescott and Housing and Planning Minister Keith Hill, that they are still promoting the provision of larger stores at the edge of town centresⁱ.

If PPS6 favours large retailers in this way it will be putting the needs and views of a particular business sector over and above those of the wider community and contradicting the commitments to genuine community involvement in shaping the retail future of their areas.

Local Planning Authorities are already finding it hard to resist proposals for large edge-of-town stores and there is evidence that where such stores have opened it has been to the detriment of high street stores. A clear and robust policy is essential to enable Local Planning Authorities to protect and enhance town centres and high streets.

Problems for town centres and high streets

It is easy to find examples of the problems caused by large edge-of-centre stores. The opening of a giant new Tesco's in **Hove, East Sussex** in 2003 shows some of them. The store has been highlighted for attracting 30,000 new shoppers to the local trading area but the Grocerⁱⁱ reports that local traders feel that they are in a worse position than before – local businesses have not benefited from this influx. The other stores have actually seen falls in takings and the new store used land previously used for a car park, reducing spaces from 100 to 30. At the same time, the store's own parking is only for two hours (and only if the shopper spends £5 at Tesco). Reported comments from local traders and shoppers reveal the true impact of the new store:

"Since Tesco moved in, the company has gone against the co-operative spirit of its early negotiations and its car park has changed shoppers' habits in George Street – to the detriment of local traders". Chairman of Hove Business Association

"Our takings are down 12-15% and parking is the main issue. We're not ready to pack it in yet but we are losing about £600 a week profit". Proprietor of local off-license

"Before Tesco opened, I used to shop on George Street regularly. There are nice shoe shops and I would usually have a coffee somewhere too. But two hour's parking doesn't give me enough time to do that and the supermarket shop. I feel sorry for the George Street traders – I think they are missing out." Shopper, mother of three.

Two cases in North Norfolk where Friends of the Earth has talked to local tradersⁱⁱⁱ also highlight the need for more robust planning policies.

Tesco opened on the edge of **Stalham** two years ago and it has already affected local shops' trade so much that some shops have closed down and others are thinking of selling up. Stalham is a market town and Tesco built its car park on the market site promising that the market could continue on Tuesday mornings. But once its store was open, Tesco backtracked on this promise and the council had to relocate the market to a much less suitable site where it has now dwindled to a few stalls. As in Hove, parking at Tesco is restricted to two hours and traders report that shoppers do not walk from the Tesco store to the high street.

"This is a family business, trading for 34 years but we've had a 35% drop in trade in the last two years [since Tesco opened], I don't want to sell up but I don't think I can stay in business much longer" James Cawdron, Butcher, Stalham

"Before Tesco opened Stalham was a thriving market town, but now nobody walks to the high street my business is down 40%" Candy Sheridan, shopkeeper, Stalham

About 20 miles away in **Sheringham**, Tesco recently gained planning permission for a large store on the edge of the town centre. Local traders told Friends of the Earth that two high street shops have closed already. Others fear for their livelihoods because the location of the new store would deter people from going to the high street, especially holiday makers, who bring a lot of trade to the town. In Sheringham, traders feel let down by the local council because although the proposal was originally refused planning permission by an area planning committee, it was subsequently approved by the full committee after Tesco threatened to go to appeal and claim costs from the council if the application was refused.

"Tesco will totally devastate this town" Steve Fulcher, Greengrocer, Sheringham

"The Council's approval of Tesco was based on fear not democracy. The town is like a beehive now, but if Tesco opens people won't come into the town, it will cut the town off" James Wright, Ironmonger, Sheringham

Both of these cases involve large stores on the edge of town centres. It is vital that the retail planning policies set out in the new PPS6 are robust enough to give Local Planning Authorities the confidence to refuse such developments without fear of costs being awarded against them.

The impact of large edge-of-centre stores

The examples above represent a wider problem from these stores. More than 13,000 specialist stores, including butchers, bakers, fishmongers and newsagents, closed between 1997-2002 leaving many communities without accessible shops and services^{iv}. We are in danger of creating 'clone towns' where the only shops are owned by big multiples^v. Supermarkets and DIY chains may appear to sell a wide range of goods but they do not offer the same choice as a diverse range of specialist shops. In market towns and rural areas independent shops are much more likely to be integrated into the local economy, so their loss can have a knock on effect on other local businesses.

Research shows that the impacts of edge-of-centre supermarkets depend on exactly how and where they are sited. For example, a study by the former DETR^{vi}, which included two case studies of edge-of-centre supermarkets, concluded that *“the principle effect of the new stores was to divert trade from the town centre to the edge-of-centre locations”*. In other words, rather than leading to spin off shopping, edge-of-centre has the potential (particularly if badly sited) to produce ‘spin away’ effects, where shopping is drawn away from the existing centre.

Stores are most likely to draw trade away from the centre if pedestrian links between the locations are poor or the distance too great. Parking restrictions in supermarkets (for example restricted to two hours parking) can also discourage shoppers from visiting other shops. A blanket policy encouraging such developments would make it harder for Local Planning Authorities to resist proposals for stores even where the siting was likely to cause problems for existing stores.

The DETR report suggested that the definition of edge-of-centre as being 200-300m (used again in the draft PPS6) is too wide for some small market towns. In addition, such development needs to be of an appropriate scale for the existing town centre and be complementary. *“Where foodstore proposals are disproportionately large compared to the size of the centre, the new store can supplant the role of the centre”*.

It goes on to propose that all food store proposals over 1000m² net sales, on the edge of, or outside market towns and district centres should be subject to an evaluation that would consider the combined retail, economic and transport impacts, and that the ‘need’ for a new foodstore should be critically assessed before proceeding with approvals.

What MPs can do now

ODPM is finalising the new PPS6 now. If the policy in favour of large edge of town stores is left in the final version, the loss of trade being experienced in Hove and Stalham could be replicated around the country, creating ‘clone towns’ dominated by multiple retailers. Please raise concerns about the new PPS6 with the Deputy Prime Minister John Prescott and with Planning Minister Keith Hill to ensure that they don’t allow this to happen.

References

ⁱ House of Commons, ODPM: Housing, Planning, Local Government and Regions Committee, *Draft Planning Policy Statement 6: Planning for Town Centres, Twelfth Report of Session 2003-04*.

ⁱⁱ The Grocer, 2004, *In the Shadow of a giant*, 7 February 2004

ⁱⁱⁱ Friends of the Earth, 2004, *Every little hurts: why Tesco needs to be tamed*
http://www.foe.co.uk/resource/briefings/every_little_hurts.pdf

^{iv} New Economics Foundation, 2003, *Ghost Town Britain II Death on the High Street*

^v New Economics Foundation, 2004, *Clone Town Britain*

^{vi} DETR, 1998, *The impact of large foodstores on market towns and district centres* HMSO.