



**RESPONSE FROM THE
FEDERATION OF SMALL BUSINESSES (FSB)
TO THE
DEPARTMENT OF COMMUNITIES AND LOCAL
GOVERNMENT
ON**

**Proposed Changes to Planning Policy Statement 6:
Planning for Town Centres - Consultation**

FSB Response

Introduction

In order for small businesses to thrive, long term land use plans and short term planning policy should take into account the needs of small businesses. There should be a range of affordable local business premises available, both to encourage new enterprises and to allow existing businesses to grow. For those businesses wanting to build or expand their premises, obtaining planning permission is often a minefield.

The FSB welcomed the recommendations of the Barker Report which looked at ways of simplifying and speeding up the planning application process. However, the FSB believes town centres will suffer if planning permissions are granted too easily for edge of town or out of town supermarkets. This could be prevented by having measures in place that would allow planners to refuse any out of town application which would clearly draw considerable business activity away from the town centre and promote those applications that positively encourage development of appropriate business premises in town centres.

Response

The Federation of Small Businesses (FSB) welcomes the opportunity to respond to the Proposed Changes to Planning Policy Statement 6: Planning for Town Centres - Consultation. The FSB represents approximately 215,000 businesses in the UK. Our members are drawn from small and micro businesses across all sectors.

The FSB welcomes the Secretary of States vision for town centres and her attention to this very important issue. The FSB feels that town centres need to attract footfall and this comes best when town centres are of full of mixed sized, and type outlets from large stores to small businesses.

We are pleased that the consultation document talks about need for planning authorities to protect the character and diversity of town centres, and that planning authorities need to promote both the character and diversity of town centres.

The FSB wishes to see how this will actually run down the levels of government and how strong the guidance from government will be. It must either be in the structure of the bill or through the tests planning authorities can put applications through.

The FSB would like to see proper investment in town centres for the good of small businesses to help promote retail diversity. The somewhat downward trend in investment has reversed slowly, but all too often investment in retail space is in out of town centres. This pulls footfall away from town centres, and therefore from the small businesses operating within them.

We recommend that the government keeps need as a part of the assessment framework criteria. It is important that as part of the Local Development Plan a clear assessment of what retail requirements are needed in town centres and if there is a genuine need for further expansion.

Allowing for genuine market competition is important, but where the successful application of a major edge of town or out of town retail development is granted, loss of trade and footfall should be considered as part of the impact assessment.

The FSB welcomes the government statement that retail diversity is needed in town centres; however a clear definition of what is meant by this term would be helpful to all parties as this broad statement is open to misinterpretation.

A clearer definition would assist in consideration of consumer choice and competition. The FSB believes in fair competition and not protectionist laws for any one sector or business model.

A flexible approach is needed when considering town centre developments as many consist of both commercial and residential land uses. Small businesses, especially those in the retail and grocery markets, need to be taken into account when considering large scale applications if the Minister wants to see retail diversity and consumer choice (in terms of the range, type and quality of goods).

When discussing impact assessments, the consultation describes possible reasons why impact tests have not worked well during the current life-span of PPS6. Planning authorities must use the needs test, but also pay close attention to impact tests by all those groups who submit them. The planning authority must produce an impact test that is fair, and takes into account the topics of diversity, and footfall that have been discussed in earlier paragraphs.

The FSB has been disappointed by the consultation document in terms of lacking enough economic enhancement policies. We want to see the Secretary of State make this a priority when discussing planning matters.