

PPS4: Planning for Sustainable Economic Growth



Nathaniel Lichfield
and Partners

Planning Design Economics

A Hotel and Tourist Accommodation Perspective

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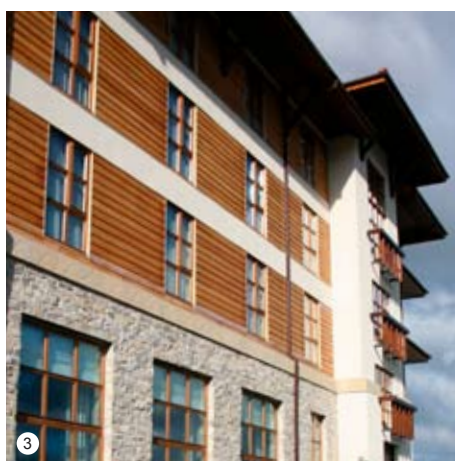
Cardiff
Gareth Williams
E: gwilliams@nlppanning.com
T: 029 2043 5880

London
Nick Thompson
E: nthompson@nlppanning.com
T: 020 7837 4477

Manchester
Justin Gartland
E: jgartland@nlppanning.com
T: 0161 837 6130

Newcastle
Chris Harrison
E: charrison@nlppanning.com
T: 0191 261 5685

www.nlppanning.com



Planning Policy Statement (PPS) 4: Planning for Sustainable Economic Growth, published by Communities and Local Government on 29 December, 2009, sets out policies for economic development in England (including hotels as a main town centre use, and caravan and chalet parks as they provide employment and generate wealth). Replacing PPG4 and 5, PPS6 and parts of PPS7 and PPG13, it provides a statement of Government policies for economic development in both urban and rural areas. Additional guidance and interpretation of the new policy is set out in the accompanying *Planning for Town Centres: Practice guidance on need, impact and the sequential approach*.

This summary and commentary refers to elements of PPS4 relevant to hotels and tourist accommodation in particular caravan/chalet parks. Whilst the overall direction of the PPS has not changed significantly from the *Consultation paper on a new Planning Policy Statement 4: Planning for Prosperous Economies* (issued in 2009), there have been some significant, beneficial changes for operators/developers.

Plan Making Policies

PPS4 retains its emphasis on the 'plan-led approach' and the 'town centres first' policy. It requires regional planning bodies (RPBs) and local planning authorities (LPAs) to set out in their development plans a clear economic vision and strategy, which encourages sustainable economic growth, supports existing business sectors and reflects locational requirements (Policy EC2). In preparing the evidence base to underpin development plan policy, RPBs and LPAs are required to assess the need for land and floorspace for main town centre uses such as hotels, taking both quantitative and qualitative need into account. A methodology for assessing hotel

need is set out in Appendix C (vii) of the Practice Guidance, which advises that the assessment is best undertaken at a local level and should take account of different market segments. However, the Practice Guidance recognises that RPBs may wish to identify a broad need for hotel accommodation across the region.

Promoting Economic Development and Planning for Tourism in Rural Areas

Greater emphasis is now given to promoting the rural economy. Government advice is that it should not to be treated in isolation from the rest of the economy. Policy EC6 seeks to protect the intrinsic character of the countryside by, for example, strictly controlling economic development in the open countryside and encouraging new development within or at the edge of existing settlements. However, Policy EC7 takes a positive approach to planning for tourism in rural areas, as LPAs should:

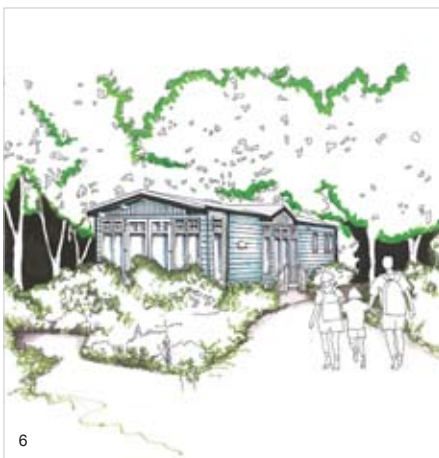
- i) support the provision and expansion of tourist and visitor facilities in appropriate locations where identified needs are not met;
- ii) support extensions to existing tourist accommodation, where the scale is appropriate and the extension may help to ensure the future viability of the business;
- iii) ensure that new or expanded holiday and touring caravan sites and chalet developments are not prominent in the landscape, are well-screened and that consideration is given to the scope for relocating any *visually or environmentally-intrusive* sites away from sensitive areas or sites prone to flooding or coastal erosion; and
- iv) recognise the scope for tourist and leisure-related developments in areas statutorily designated for their natural or heritage qualities.



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Images

1. Alton Towers Hotel
2. Grand Hotel, Brighton
3. Chessington World of Adventures, Hotel
4. Lydstep
5. Exmoor National Park
6. Hardwick Views, Sedgfield

Decision Making Policies for Economic Development

LPAs should adopt a positive and constructive approach to all planning applications for economic development (Policy EC10); such applications will be assessed against five impact considerations, including whether the proposal has been planned to limit carbon dioxide emissions and minimise vulnerability to climate change, and its impact on economic and physical regeneration.

Hotel proposals not in accordance with an up to date development plan

The two additional key tests for planning applications for hotels that are not in accordance with an up to date development plan are now an (expanded) impact assessment and a sequential assessment (Policies EC14 to 17). The impact assessment (Policy EC16.1) is required (by Policy EC14.7) to be proportionate to the scale of development proposed. LPAs and applicants are encouraged to discuss and agree the type and level of information required at the pre-application stage. The sequential assessment should examine alternative site availability, suitability and viability; the Practice Guide states that whilst the sequential approach applies to all main town centre uses, LPAs should consider relative priorities and needs, particularly recognising differing users' operational and market requirements.

Proposals for caravan and holiday parks

Caravan and holiday park proposals in rural areas should be supported (by Policy EC12), if they enhance the vitality and viability of market towns and other rural service centres, or if they are small scale and the most sustainable option. If proposals are not in accordance with the development plan, market and other economic information also has to be weighed alongside environmental and social information, account has to be taken of longer term benefits and consideration given to whether proposals would help to meet wider objectives of the development plan (Policy EC11).

Comment

In taking a positive stance towards economic development, PPS4 provides policy support for hotels and for tourism development in rural areas. Hotel development not in accordance with an up-to-date development plan has to be subject to additional, 'proportionate' impact assessment and sequential analysis; in line with the draft, PPS4 removes the PPS6 'need' test for the determination of planning applications for hotels. How this works 'in practice' will generate discussion between applicants and LPAs.

In determining new or expanded holiday/chalet park proposals, the PPS beneficially places less emphasis on controlling the expansion of existing holiday and touring caravan sites than the draft version, by taking a less prescriptive and more balanced approach; the guidance explicitly requires LPAs to weigh market and economic information against environmental considerations reflecting the approach often adopted for assessing planning application proposals.

Please contact NLP if you would like any additional information or wish to discuss the potential implications of PPS4 on your operations and projects.

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