SOCIETY OF CHARTERED SURVEYORS IRELAND

RETAIL PLANNING GUIDELINE SUBMISSION

DECEMBER 2011

20th December 2011

R.E: Society of Chartered Surveyors Ireland Submission

To Whom It May Concern:

This submission has been compiled by a working group of the Society of Chartered Surveyors Ireland in response to the invitation in relation to the amendment of the existing Retail Planning Guidelines. The working group consisted of members from planning, property development and retail agency backgrounds in both the private and semi-state/public sectors. Thus, it consisted of a balanced cross-section of professionals working in the retail and planning industries.

We consider it critical to the success of these Guidelines, that retail development is considered strategically and has well defined planning and development criteria. This document when finalised must outline definitive guiding principles to reinforce and support planned development. It is an opportunity for improved urban planning and a focussed approach to development which should seek to improve the built environment and assist in the creation of sustainable communities.

We have provided a succinct overview of the main areas where we consider that further clarity is required, and would gladly welcome a meeting with your representatives to discuss these issues in more detail. The SCSI looks forward to a continued and ongoing consultation on this subject.

Kind regards,

Claire Solon

Chair of Working Group

1.0 INTRODUCTION

The Society of Chartered Surveyors Ireland is the largest professional body for construction, land and property professionals working in Ireland. Its mandate is to educate and regulate the profession and work in the public interest by putting knowledge and information on construction, land and property into the public and political arenas. The Society has made a number of submissions to government departments and agencies over 2011. This Retail Planning Guideline (RPG) Submission highlights a number of areas which, for a variety of reasons, require amendment and/or further clarification before finalisation of the Guidelines. It is not exhaustive but provides a synopsis of the main points which have arisen through the formation of an internal working group representative of those working in the public and private sectors in planning, retail agency and development. The Society would welcome an opportunity to discuss these proposals in more detail if considered of benefit, to work towards a thriving and functioning planning and development sector.

By way of background, dating back to 1895, the Society of Chartered Surveyors Ireland is the independent professional body for Chartered Surveyors working and practicing in Ireland. Working in partnership with RICS, the pre-eminent Chartered professional body for the construction, land and property sectors around the world, the Society and RICS act in the public interest: setting and maintaining the highest standards of competence and integrity among the profession; and providing impartial, authoritative advice on key issues for business, society and governments worldwide.

Advancing standards in construction, land and property, the Chartered Surveyor professional qualification is the world's leading qualification when it comes to professional standards. In a world where more and more people, governments, banks and commercial organisations demand greater certainty of professional standards and ethics, attaining the Chartered Surveyor qualification is the recognised mark of property professionalism.

Members of the profession are typically employed in the construction, land and property markets through private practice, in central and local government, in state agencies, in academic institutions, in business organisations and in non-governmental organisations.

All aspects of the profession, from education through to qualification and the continuing maintenance of the highest professional standards are regulated and overseen through the partnership of the Society of Chartered Surveyors Ireland and RICS, in the public interest. This valuable partnership with RICS enables access to a worldwide network of research, experience and advice.

2.0 SUBMISSION POINTS

The key points as proposed by the SCSI cross-divisional working group in relation to the draft Retail Planning Guidelines are as follows:

2.1 IMPLEMENTATION

Implementation by Local Authorities has been a major problem with the current RPGs. There are many examples nationwide of retailers moving from the town centre to the edge of the town centre, undermining the town core and in direct conflict with the spirit of the existing Guidelines. This is primarily due to an inconsistent approach to the actual implementation of the Guidelines by local authorities, thereby undermining the overall objectives. Consideration needs to be given to an overseeing planning authority which prevents poor application by Local Authorities of the Guidelines, or stricter enforcement of the principles.

2.2 LOCAL AUTHORITY APPROACH

There is currently non-uniformity between Local Authorities in their approach to retail development which has given rise to difficulties in the interpretation of the existing Guidelines relating to developments in some local authority areas. This has created and caused conflict between local authority areas in competition terms. It has also provided some Local Authorities with the ability to stymie retail development to the detriment of competitiveness and consumer satisfaction.

2.3 RETAIL AGENCIES

The proposal to develop Joint or Multi-Authority Retail Strategies, particularly for the Greater Dublin Area, is welcomed however the Guidelines should set required targets for the completion and adoption of the strategies. Otherwise there is a real practical risk that

Local Authorities will not complete the necessary strategies which could stall future retail developments and undermine the objective of these strategies.

2.4 LOCATION OF RETAIL

It should be recognised that the granting of permission to large supermarkets with a small shopping centre adjacent on the edge of centre can be as damaging to a town centre as removing the retail cap for large convenience stores. As per the recently released Portas Review, vacancy rates in market towns in the UK have doubled in the last two years as stores have closed down due to the economic downturn. This year alone an estimated 20 shops have closed every day across the country with over 14% of UK high streets currently standing empty and up to 25% vacancy rate in some town centres. A convenience store with attached service type units could have a greater impact on a town centre than the removal of the cap i.e service type units should remain in town centre as they are part of the town’s collective offer and not reliant on the car borne shopper.

2.5 CLARITY

Clarity and further detail is required on a number of areas within the Guidelines as a problem with the current RPGs was the lack of definition in relation to specific items. Any vagueness creates the real risk that the interpretation shall vary in the different Local Authorities. In a depressed market, any lack of clarity can be exploited as Local Authorities compete to deliver development and the related jobs, levies and rates that arise. This is not in the best interest of long term planning and development. This can be considered as part of the discussion regarding the efficiency review and the ongoing efforts to merge and reduce the number of Local Authorities across Ireland and a more collaborative approach taken rather than competitive between the authorities.

2.6 ESTIMATION OF RETAIL NEED

The RPGs should incorporate set criteria for estimation of spend and demand for retail development based on CSO figures and projections. Clarity on the calculations would enable a proper comparison and accurate information to be included as part of future planning applications. Local Authorities should have to justify the quantum of retail development allowable within the area through empirical research on a planned and reviewed basis, rather than being proposed and justified by the applicants through the planning process. Adoption of an agreed and consistent approach to estimating retail needs and future growth is required as this is currently very subjective and prone to differentiation in terms of reports and statistics produced as part of the planning process.

2.7 DISCOUNT STORES

The SCSI support the proposal that the 'distinction therefore between 'discount stores' and other convenience goods stores will no longer apply' and welcome that this inconsistency in the previous RPGs is removed.

2.8 LONG TERM MEASURES

The RPGs must be based on long-term thinking - not just measures for supporting the market in difficult economic times but also capable of supporting and planning for the market in better times.

2.9 BULKY GOODS

The SCSI welcomes the improved clarity on the bulky goods definition provided within the Guidelines and supports the proposal that 'it is important that the range of goods sold in retail parks is tightly controlled and limited to truly bulky household goods or goods generally sold in bulk which are not portable by customers travelling by foot cycle or bus.' While it is noted that the Guidelines propose that 'it is recommended that such ancillary products should not exceed 15% of total net retail floorspace' this can be open to interpretation and will depend on the implementation and checks by the local authority to ensure that these levels are not breached in the future. The Portas Review has criticised the rise of out-of-town supermarkets and the resultant damage to the high streets. As a result, out-of-town retail space had grown by 30% over the past ten years, while falling by 14% in towns and cities, a similar trend to Ireland. It is important that a consistent approach is taken by Local Authorities and this is strictly enforced.

2.10 MEASURING PRACTICE FOR AREA CALCULATIONS

The SCSI proposes that the RPGs use the Measuring Practice Guidance Notes which are an industry standard in the interpretation of areas including net internal and gross internal. The current definition within the RPGs needs further clarity and although the updated definitions are noted, they are not detailed enough. The industry norm is to follow the Guidance Notes and this should be used as the basis within the RPGs to avoid misinterpretation and a consistent approach to implementation. The current method of including certain staff facilities and toilets in the area calculation is counter-productive. The provision of staff and customer facilities should not be penalised by reducing the overall provision of trading space.

2.11 CUSTOMER FACILITIES

Retail warehousing developments should incorporate customer facilities such as toilets, baby changing facilities and managed facilities for comfort of shoppers as these tend to be below standard, if included at all in retail parks. The SCSI also propose that a small element of café facilities capped at 200sqm would be provided in retail warehouse parks. This is to provide for a minimum level of comfort for shoppers and service provision.

2.12 SEQUENTIAL APPROACH

The RPGs should provide a better outline in relation to the adoption of the sequential approach and the methods that should be included in each planning application. A more detailed methodology should be agreed as to what constitutes a sequential test as this is still very subjective and open to interpretation, relying on the applicant ruling out potential sites without any real detail on how this should occur in practical terms.

2.13 DELIVERY OF PLANNING OBJECTIVES

The SCSI propose that greater use of the CPO powers of Local Authorities should be encouraged in practice in relation to planned site assembly in town and city centres. One of the major impediments to developing in the centre is the number of sites that need to be acquired. It is recognised that Local Authorities have historically been very reticent in using these powers to enable viable sites to be assembled. The RPGs note that Local Authorities should plan and assist in delivery of these sites, but the SCSI submit that CPO powers should be utilised more fully where necessary to deliver a planned and co-ordinated retail scheme in line with local objectives identified by the authority. It is important that these powers are only used as a last resort and that any developer or acquirer makes every attempt to assemble the site through private means and negotiation, but where this avenue is exhausted, the local authority should assist in the delivery of the site for the planned development and facilitate delivery of the planning objectives.

2.14 PETROL FILLING STATIONS

The retention of the cap of 100 sqm for Petrol Filling Stations (PFS) is noted and the SCSI agree with this principle. Retail provision should be part of planned development of the overall town/city, rather than attached to PFS developments, although it is noted that it is allowable and desirable for a small amount of convenience shopping for local service provision (within the 100sqm limit).

2.15 TRANSPORT PLANS

Transport plans and access to retail schemes must be rigorously assessed as part of the planning application. The move towards sustainable travel should be supported and not to penalise retail centres commercially that are located in a town centre which tend to have additional traffic and parking pressures compared to those on edge of town/city.

2.16 RELAXING THE CAP

In terms of relaxing the cap on retail warehousing, the Guidelines currently outline that 'qualitative planning criteria will determine how exemptions to the cap on large retail warehouses in those five Gateway cities will be implemented.' The SCSI propose that this should only occur in the following circumstances:

- in defined <u>regeneration</u> areas of national importance which is in keeping with the spirit of the original IAP concept and will support proper planning and development aspirations across the country;
- in <u>gateway</u> designations in line with the NSS as proposed to ensure that proper planning underpins its delivery and the relevant policy is in place PRIOR to actual delivery;
- should only be in areas that are currently served by <u>existing public transport services</u>, or those that have commenced in construction. The SCSI are concerned over the suggested wording in the PRGs that the area could be 'be served by existing <u>or planned</u> public transport services.' 'Planned' public transport may not be delivered, particularly in this economic climate and it is critical that the infrastructure is in place, prior to the unit opening. To avoid manipulation of this aim, it is suggested that the public transport must have commenced on site prior to planning being granted, and be completed prior to the unit opening to the public to ensure compliance with the spirit of the objective and deliver sustainable and planned development. These large units should only be located where car borne traffic currently congregates, or is planned as part of overarching strategy unrelated to the scheme itself, as these areas will have the infrastructure to cater for the volume.

2.17 DISTRICT CENTRES AND SHOPPING CENTRES

Further clarity on 'shopping centres' and 'district centres' is required. The Guidelines outline that 'shopping centres developed within the environs of major cities and towns can perform important functions as district centres, serving the retailing needs of local catchments for example, and in section 5.11 shopping centres are noted as 'district'. There is no definition for district centre in the Guidelines although it is referred to on a number of occasions as a type of shopping centre. The SCSI submit that the omission of district centres from the types of centre should be rectified along with the omission of any Guidance on the function, scale and/or mix of appropriate uses in a district centre. The Guidelines use the term 'shopping centres' throughout and it is suggested that this expression is a misnomer and will give rise to confusion and uncertainty.

2.18 DEFINITION OF 'IN CENTRE'

The Guidelines outline that there is a restriction of the definition of 'in centre' in the glossary to city and town centres. Therefore it would appear from this definition that any development in a designated district or neighbourhood centre would be treated as per the Guidelines as 'out of centre' which would be counterintuitive.

2.19 SECTION HEADING

There is a typo on Page 10 where reference is made to Section 5.15 but there is no such section.

2.20 GARDEN CENTRE TREATMENT

Clarity required on the allowance and treatment of garden centre sections attached to internal trading spaces such as DIY stores in relation warehousing units. The SCSI propose that up to 20% of additional space to the internal trading space should be allowed for the purposes of outdoor garden display. This area is included in net and gross areas at present yet garden centres as stand-alone not always considered 'retail' or 'retail warehousing'.

2.21 DATA COLLECTION AND ASSESSMENT

The data collected and assessed to inform and drive objectives of the Guidelines should be delivered by a central Government agency rather than locally. The agency should have greater quantity and quality of information to hand and it would remove any possibility of bias.

2.22 RETAIL PARKS

It should be noted that not all retail parks have similar location characteristics. Local Authorities should be given the flexibility to permit non bulky good operators to locate in retail parks using sequential testing on the particular space requirement, where land is appropriately zoned for town centre/retail development.

2.23 CAR PARKING

The disparity between car parking charges for edge of centre and town centre schemes needs to be addressed. One method as proposed in the Portas Review is to introduce a tax on car parks currently provided free at out-of-town shopping centres in an attempt to encourage more customers back into town centres. The SCSI acknowledges that this may worsen the viability of existing edge of centre developments so is not advocating this approach, however another option would be to incentivise short term parking in town and city centres by introducing free parking in these areas for limited times.

2.24 LOCAL RETAIL & ENTERPRISE SUPPORT

Developers and landlords of shopping centres should be actively encouraged through measures in the RPGs to allow for a percentage of start-up enterprise and/or bespoke local retailers to support a wider mix of retail and local business. This would improve the mix of retail available and create a more dynamic and individual retail offering in centres, while supporting the local economy.