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In Brief: The National Retail Planning Forum Briefing Paper Series

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Introduction

The National Retail Planning Forum (NRPF) was established in 1995. The NRPF combines a focus for improving understanding between private and public sectors on planning and its impact on retailing, together with a strong research programme. A membership based organisation, the NRPF is specifically not a lobbying organisation. Drawing as it does on local and central government, the private sector and the academic arena, it aims to act as a bridge between the different interests involved in retail planning.

From the outset, the goal of the NRPF has been to identify, understand and improve the knowledge about retail planning. Key components of this approach have been undertaken by the Institute for Retail Studies (IRS) at the University of Stirling on behalf of the NRPF. There is an established bibliography, updated annually, and now incorporated into the Retail Planning Knowledge Base. Associated with this is the regularly updated Planner's Bookshelf.

In 2006 it was decided by IRS and the NRPF that a Briefing Papers Series could enhance the mission of the NRPF and focus attention on the evidence base in a changing retail scene.

This short paper introduces this **Retail Briefing Paper** series. The series is intended to be a highly accessible web based source, informing users of current issues and drawing on the accumulated research expertise and evidence base. Together the series helps deliver the belief of the National Retail Planning Forum that policy should be firmly based on evidence and expertise.

This paper first considers the recent developments in the UK retail planning debate. The changing environment acts as a context for the Retail Briefing Paper series and to some extent drives the selection of topics. Secondly the Retail Briefing Papers available are reviewed and details of access etc. are provided. Finally some thoughts for the future are presented.

The changing face of UK retail planning debate

It might have seemed that in 2005 with the new Planning Policy Statement 6 (Office of the Deputy Prime Minister, 2005) that the direction of retail planning for some years to come was set, with discussion shifting to the detail of how to achieve the policy outcomes. However, the last two years have seen the policy itself challenged and the Communities and Local Government Department engaged in a major rethink. Table 1 charts the main investigations and publications from 2005 to early 2008.

Pressure on PPS6 has come from two directions. First there was a government desire to 'modernise' planning. The **Barker Review of Planning** (Barker 2006) laid out the basic framework for the ensuing White Paper **Planning for a Sustainable Future**, published in May 2007 (HM Government, 2007). Perhaps surprisingly Barker put forward some specific statements with regard to retail planning. These focused on the 'need test', suggesting that it was no longer helpful to achieving retail planning

objectives. Stakeholders responded in a variety of ways. For some there was real concern that any change to PPS6 could prejudice the policy's key aims of town centre vitality and viability and of course the way that they had organised their future investment policies. Their scepticism has been further fuelled by the sometimes contradictory statements which have emerged from different government departments.

Table 1 Planning Policy 2005-2008: Key 'Government' Publications

Date	Organisation/Government Department	Publication
March 2005	Office of the Deputy Prime Minister	Planning Policy Statement 6: Planning for Town Centres (PPS6)
February 2006	House of Commons: All Party Parliamentary Small Shops Group	High Street Britain: 2015,
March 2006	Office of Fair Trading	Grocery Market: Proposed Decision to Make a Market Investigation Reference
May 2006	Competition Commission Groceries Market Investigation	Terms of Reference
August 2006	Scottish Executive	Scottish Planning Policy 8 (SPP8)
December 2006	Kate Barker, HM Treasury	Barker Review of Land Use Planning
January 2007	Competition Commission, Groceries Market Investigation	Groceries Market Investigation; Emerging Thinking
May 2007	HM Government	Planning for a Sustainable Future; White Paper
October 2007	Competition Commission, Groceries Market Investigation	Market Investigation into the Supply of Groceries: Provisional Findings Report
February 2008	Competition Commission Groceries Market Investigation	Groceries Market Investigation; Provisional Decision on Remedies

Secondly, the nature and outcome of competition in retailing has become more strongly debated, including aspects of how the planning regimes and policies hinder or maintain free competition. This debate has involved an ever wider range of participants. Retailing is an emotive topic. Everyone thinks they have a legitimate view on retailing. There is a melange of informed and uninformed comment, personal views and some well researched understanding. The proliferation of 'voices' of this populism has generated a whole literature of its own, but one which is not contextualised with the current expertise on retail planning. Popular commentary is not necessarily interested in the evidence. Legislators peddling personal prejudices or being hopelessly out of touch as in the recent House of Lords debates (House of Lords, 2008) and advocates of particular positions legitimising their point of view with selective examples have added to the difficulties.

Essentially it was a result of this populist 'voice' that the All Party Parliamentary Small Shops Group was established and its ACS inspired report of 2006 reflects its

approach and beliefs. This report in turn led to the referral of the groceries sector to the Office of Fair Trading (2006) and subsequently to the Competition Commission (2007, 2008). The involvement of the Competition authorities in planning issues and some of their proposed remedies with respect to retail planning (Competition Commission, 2008) challenge some fundamental principles of planning. Ironically the review process, because it has focused on the major retailers, has offered an even greater opportunity for company lobbying to take place. Companies have developed their own sophisticated strategies for lobbying government policy makers (Pal and Medway, 2008) extending their previous activities (Pal et al., 2001).

At the time of writing, the Competition Commission have not yet published their final report. The Communities and Local Government Department have decided to wait for Competition Commission recommendations before issuing a reworked PPS6. The Competition Commission alone has produced interim reports and many papers running to thousands of pages. A cursory glance at those submitting evidence to the Competition Commission Investigation reveals the nature of participation in the process from stakeholders, advocates of particular viewpoints and interested parties. Planners are notably under-represented. It is of course entirely possible that the views of the populist voice which demanded the investigation will not be upheld. However the process itself may nevertheless change retail planning (Guy, 2006). The sheer volume of material and views makes it harder than ever to follow what is happening even for the most dedicated observer. Furthermore policy and policy initiatives often seem to be proceeding without reference to the limited existing evidence base, let alone new evidence.

This changing context has also affected the development and output from the NRPF. Over the past ten years the NRPF has built up a substantial body of material on retail planning (Findlay and Sparks, 2006, 2007, 2008). Considerable expertise has been established both within the industry and in the academic arena. The NRPF has endeavoured to ensure that we remember the principles in retail planning policy and to ensure that future policy is based on evidence rather than myth or nostalgia (NRPF, 2007). But this seems to be getting more difficult all the time.

There is therefore a need to provide a context within which to place emerging literatures to understand why, how and who is influencing the way issues are approached, to interrogate these points of view and understand them through the lens of the planner, the retailer and the consumer body as a whole. Underlying much of the debate about how to achieve retail landscapes, the question of what retail landscapes we actually want and need is the most contentious issue, but the one receiving least attention (Findlay and Sparks, 2007).

A Short Tour of the National Retail Planning Forum Briefing Papers

In 2006 it was decided to produce a series of Briefing Papers as part of the National Retail Planning Forum agenda to increase awareness of the research and expertise that exists. Whilst in 2006 the succinct accessible approach of the Retail Briefing Papers seemed a good idea, the way the debate has evolved and the diverse range of literatures give the Briefing Papers an even greater *raison d'être*. This short tour picks out a selection of the Briefing Papers and uses these to give a flavour of what the Briefing Papers offer individually and collectively.

The Retail Briefing Papers attempt to assist in understanding the issues in specific retail planning topics. Each Briefing Paper comprises a short listing of **abstracted references**, a list of useful **web sites**, a **list of researchers** to contact and a **key findings** section. The key findings section provides a context for the references giving some insights into the papers which have contributed to different parts of a specific debate and which are based on original research. Each paper is approximately 8-10 pages long and provides a quick guide to the topic, both to provide the key points and if desired to allow follow-up activities

The series began with a paper on **Farmers' Markets** which placed farmers' markets within the research agenda and considered the challenges which they faced in the policy context. The findings drew on the literature base established from evidence based research (see Boxed Study 1). The paper was primarily a means of bringing expertise and evidence on the topic together.

Boxed Study 1: Farmers' Markets: Key Findings (Extract from Briefing Paper 1)

- Key Agendas: Local food, local identity, consumer identity, town vitality
- Customer loyalty is critical to the success or failure of farmers' markets. Better promotion must assist.
- Farmers' markets are particularly popular with older consumers.
- The regulation of farmers' markets is a local rather than policy prescribed activity.
- The local food agenda is important to farmers' markets but increasingly major multiples are managing the supply of local foods better.
- The contribution which a farmers' market can make and its success depends on the size of town and the location of the market with markets in central locations in smaller towns fulfilling the key roles of farmers' market more successfully than those in cities or peripheral locations. This is important for those trying to improve town promotion.
- Research Base: This is limited with no large scale surveys but rather evidence based on a series of case studies with the contribution of the North West Advanced Food Centre being the most comprehensive.
- Non-academic interest: Countryside Agency who are pioneering food audits and the Council for the Protection of Rural England who are interested in maintaining pressure to protect local institutions and identity.

The second paper was motivated by the awareness that rhetoric was often progressing ahead of evidence based research. It tackled the issue of **Food Deserts**, always an emotive term, and emphasised the evidence of the impact of food retail-led regeneration being published as a result of major independent academic research projects (Boxed Study 2). Behind the 'food desert' sound bite are complex structures and processes of retail change and regeneration, requiring an understanding of qualitative and quantitative provision which meets consumer needs and preferences. Evidence based research is an essential prerequisite to policy formulation, an assertion confirmed by the experience regarding food desert research.

Boxed Study 2: Food Deserts: Key Findings (Extract from Briefing Paper 2)

- The social exclusion agenda initially envisaged small scale retailing and community measures to redress disparities in levels of provision. Tight planning controls and the regeneration agenda however became influential, and the major retailers and in particular Tesco, became involved.
- Although social exclusion agendas were initially important the business in the community agenda of the Office of the Deputy Prime Minister has become instrumental in fostering partnerships to promote regeneration. It is under this policy umbrella that most retail regeneration partnerships find their place.
- There seems to be wide agreement of the need to ‘do something’ based on qualitative and quantitative analysis, analysis of provision and shopping habits
- Frequently it has been hoped that these initiatives could deliver solutions to a wide range of problems from employment to diet. Initiatives have been more successful in delivering some of these than others.
- Impacts on employment have been largely positive in the immediate area and have been important in renewal and regeneration.
- Impacts on shopping behaviour are positive with improved access, increased walking to the store, more independent shopping and a more positive outlook.
- Impacts on diet are disputed. Even the most optimistic admit that the potential impact would be limited to a few particularly disadvantaged groups.
- In an under served area a significant proportion of shoppers will switch to the new store often clawing back trade to the area. Not all shoppers will switch and indeed new marginal groups can emerge depending on the location of the store in relation to particularly vulnerable and disadvantaged groups.

Nothing has more appeal in the populist literature than an evocative term. ‘Clone towns’ was just such a concept catching the attention of advocates of the small shop sector. How can it be understood beyond its attraction for those whose arguments it suited? Two Retail Briefing Papers engaged with related aspects. The first was **Clone Towns**. It placed the concept within the established literature on retail structures as understood by planners. The importance of situating advocacy within the research base is very much an underlying theme in this paper. Making sense of the cocktail party of ‘voices’ is a challenge to all those trying to understand current policy debates. A Briefing Paper on **Neighbourhood Retailing** set about offering a planning perspective on issues which impinge on the debate over small shops. Generic small shop problems go beyond planning issues. The populist resort to calling for planning solutions fails to engage with the realities of retailing, planning or consuming. The paper reiterates the importance of the evidence base and established knowledge. Distinguishing advocacy and evidence is critical to policy making, a point underlined not just by these two papers but by the series as a whole.

Boxed Study 3: Clone Towns: Key Findings (Extract from Briefing Paper 3)

- The term was coined by the New Economics Foundation and is in danger of becoming a factoid
- It caught the public imagination but in terms of an understanding of retailing it is not very useful

- The results of the New Economics Foundation reflect their philosophy rather than an independent investigation. The data was collected by those committed to this philosophy.
- The methodology is a self fulfilling prophecy. Only the first 50 high street shops are used in the analysis.
- Academics and professionals concerned with the welfare of retailing recognise that secondary retailing is a crucial part of retail structure and that it is where smaller shops and independents are often located.
- There are legitimate concerns about town and district diversity and these are issues taken up by town centre management experts.
- Secondary shopping has been neglected by retail planning policy guidance

Boxed Study 4: Neighbourhood Retailing: Key Findings (Extract from Briefing Paper 4)

- Market structure is changing in neighbourhood retailing with increasing involvement of multiple retailers in this expanding retail sector, formerly the preserve of independent retailers and symbol groups. Forecourt retailing is also expanding.
- Concepts of neighbourhood are changing and traditional measures of walking distances to neighbourhood shops may not be so appropriate and do not define neighbourhood or community.
- Consumer expectations in terms of the nature of neighbourhood stores and product ranges are changing.
- Multiple retailers are driving some of these changes. As they move from acquisition of c-stores to expansion of their neighbourhood store portfolios there is a demand for purpose built premises.
- There is a relative lack of planning guidance for neighbourhood retailing in the new PPS6.
- Generic small shop problems should be distinguished from location based issues relating to neighbourhoods.
- The concepts of main and top up shopping may not adequately reflect shopping behaviour.
- Successful independent neighbourhood retailers face an exacting task of meeting new and changing consumer demands although the more entrepreneurial ones are potentially better placed than multiples to do this in a neighbourhood context.
- A key competency for independent retailers will be their ability to be integrated into the local community which means very different things in different social and cultural contexts.

The complexity of the Competition Commission discussions and the proposals for retail planning emerging from Barker and the White Paper prompted Briefing Papers which explicitly tried to bring some structure and perspective to the discussion. These included papers on **Competition in Food Retailing**, **The Need Test** and **The Sequential Test**. The following extract from the Briefing Paper on the Need Test is illustrative of the approach taken.

Boxed Study 5: Arguments for and against the demonstration of need (Extract from Briefing Paper 7)

Arguments for maintaining demonstration of need	Arguments for abandoning demonstration of need	Comments
1. Arguments relating to the retail regulatory environment		
<p>Pipeline development would dry up if there was a hint of relaxing policy threatening town centre vitality and viability. Without it policy would be weakened and planning by appeal would increase.</p>	<p>Scottish policy does not require demonstration of need. The demonstration of need is not critical to retail planning policy implementation and town centre goals.</p>	<p>The context of change whether across planning or just in retailing would impact on the interpretation of a change in the demonstration of need. Scottish policy is also different in other integral ways.</p>
<p>Satisfying demand is only part of good planning. Planning is about good management of resources and welfare issues rather than fostering competition which may waste resources. Big retailers adopt bullying tactics and misuse planning gain.</p>	<p>Planners should have robust development plans which would be effective in curtailing inappropriate applications. The market should determine need not planners. The demonstration of need favours extensions and reduces new entry and thus competition</p>	<p>Retail planning policy should be aligned with wider planning goals and the balance between demand and provision. Current retail policy is aligned in this way although policy is shifting and retail demand and provision are continually being redefined.</p>
2. Arguments relation to the implementation of the demonstration of need		
<p>The need test is considered robust and is the only 'headroom' test used. Impact tests are based on assumptions which are hard to verify and open to varying interpretations. The need test could be strengthened.</p>	<p>The need test is considered nebulous and less satisfactory than impact tests. Impact tests are more significant in terms of town centre vitality and viability which are what is being tested. The variables taken into account in the demonstration of need do not reflect the variations in retailing or shopping expectations. Convenience and comparison are too general.</p>	<p>The demonstration of need may not be as robust as claimed and may not take into account the fact that one sq m of retail use is not the same as another but in concept it offers 'legibility'.</p>
<p>Neither Barker nor the Competition Commission are engaged in promoting successful town centres. Even with demonstration of need there is still significant out of town development.</p>	<p>Regeneration sites are outside town centres. There is an inverse relationship between negative impact and need so impact is sufficient. (By the same relationship it could be argued that demonstration of need is adequate)</p>	<p>This could be argued either way but deficiencies should be distinguished from need (as in Scotland). Qualitative factors measure positive impacts which are often ignored.</p>
<p>In a regulated market retailers are forced to be innovative</p>	<p>Space restrictions raise rents and land prices</p>	<p>Both of these are true but they are not central to the demonstration of need test but rather regulation as a whole.</p>

In November 2007 the National Retail Planning Forum (2007) held a one day event entitled **A Review of Retail Planning**. At the meeting there was concern that policy should reflect an understanding of the retail industry and planning objectives for desired future retail landscapes (Sparks, 2007). Evidence and expertise were seen as priorities. Not only is policy based on evidence based research lacking, but data are also lacking on which to affirm or refute statements about basic retail trends. Briefing Paper 9 on the topic of the **Evidence Base** highlighted the problems and consequences of failing to tackle data collection. The choice of such a basic topic for a Briefing Paper is itself significant. The lack of an agreed statistical base only accentuates the potential for further confusion and fuels further unsubstantiated debate. The literature abounds with use of sources which do not quite meet the needs of the research question. Debate between the Competition Commission and the Association of Convenience Stores over the trends in small shop numbers is but one example of the lack of agreed basic statistics (Guy, 2008). Conclusions are being drawn on the basis of presumption rather than evidence. This lack of evidence is prejudicing policy making. However as the Briefing Paper stresses ultimately it is the local planner who is most impaired in achieving innovative and creative planning outcomes matching the needs and desires of local people.

To date, 9 Retail Briefing Papers have been published, acting as guides to the topics and the debates of planners, retailers, academics and students as well as those engaged in the debates for whatever reasons. All Retail Briefing papers are available free to download from www.nrpf.org/briefings.htm

From Here....

Rhetoric, advocacy and contradictory policy are all present in the contemporary debate. The literature and evidence can often seem to be a daunting and confusing mass of unsorted material. The National Retail Planning Forum is committed to trying to place retail planning on the agenda and at the same time increase awareness of what is happening in retail planning. It seeks to make available as widely as possible what evidence based research exists, who the experts are and to provide a structure and context for retail planning. This short tour through the Briefing Paper series has highlighted not just some of the wealth of material held in the papers themselves but also how we approach new concepts and ideas emerging from such a diversity of sources. It is hoped that the papers enhance understanding of what is known and not known, that they will assist in distinguishing evidence from advocacy, make us question rhetoric and make sense of some of the confusing and contradictory literature in the public domain by contextualising it within established knowledge and relating it to evidence based research. As a series they go further in making a statement about the importance of ensuring that policy relates to the realities of retail planning as observed from evidence based research rather than nostalgia, lobbying, prejudice or imagined realities.

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