

Written evidence submitted by the Royal Town Planning Institute [SHS 003]

1. THE ROYAL TOWN PLANNING INSTITUTE (RTPI)

The RTPI champions the power of planning in creating prosperous places and vibrant communities. We have over 25,000 members in the private, public, academic and voluntary sectors. Using our expertise and research we bring evidence and thought leadership to shape planning policies and thinking, putting the profession at the heart of society's big debates.

We set the standards of planning education and professional behaviour that give our members, wherever they work in the world, a unique ability to meet complex economic, social and environmental challenges. We are the only body in the United Kingdom that confers Chartered status to planners, the highest professional qualification sought after by employers in both private and public sectors.

2. THE HIGH STREETS TASK FORCE (HSTF)

The RTPI is one of the thirteen organisations that makes up the [High Streets Task Force](#). The HSTF aims to transform Britain's High Streets by rolling out a programme of guidance as well as data and research on the management of town and city centres.

As part of the HSTF, the Professional Research and Data Group (PRDG) and its contributors work to understand the evidence base for High Streets and their transformation. The PRDG is an important part of the High Streets Task Force and was initially established to pool and review research, resources and knowledge, and to build consensus to help the Task Force adopt positions on significant issues that are blocking the transformation of England's High Streets.

The advent of COVID-19 has meant refocusing the PRDG to work collaboratively, using data, networks, skills and expertise to:

- Understand the scale of the crisis and its impact on town centres and high streets
- Support government with evidence for policy responses to COVID-19
- Provide the evidence-base for HSTF action and messaging

The PRDG is chaired the RTPI's Deputy Head of Policy and Research, Professor Aude Biquelet-Lock.

3. AUTHOR

This response is authored by Professor Aude Biquelet-Lock, who is the RTPI's Deputy Head of Policy and Research and Chair of The High Street Task Force's Professional Research and Data Group (PRDG).¹ The RTPI's response does not reflect the views of the HSTF nor the views of the PRDG.

This response has been informed by a group of planning experts who have worked across the public and the private sectors. The RTPI is particularly grateful to Stefano Smith (Stefano Smith Planning), Keith Thomas (PER Consulting), Penny Moss (Planning Potential), James Williams (JWPlanning), Annie Pang (Adrian Salt and Pang), Neil Boughey (Acorn Planning), Alyn Nicholls (Alyn Nicholls & Associates),

¹ Prof. Biquelet-Lock's biography is available at <https://www.rtpi.org.uk/policy-and-research/about-the-team/>

James Singer & Shaun Andrews (Nexus Planning) and Kieran Carlin (Carlin Planning) for their valuable insights and their contribution.

4. SUMMARY

- An immediate consequence of COVID-19 has been to speed up some of the changes that were affecting the high streets before the outbreak of the pandemic (e.g. the growth in the use of Internet for the purchase and delivery of goods reducing the need to visit high streets).
- Evidence suggests that because office workers predominate in larger cities, larger high streets have been most affected by a reduced footfall from local employment centres. By contrast, increased home working may provide an opportunity for smaller high streets to pick up new trade from former commuters who were previously attracted to larger centres (e.g. food and drink and incidental retail purchases).
- In many ways, COVID-19 provides high streets with the opportunity to become again a focus for the exchange of goods, services and ideas and for social interactions. Resilience, diversity and flexibility are likely to be the key drivers of success.
- To recover from COVID-19, proactive planning and place-based approaches will be essential. Accelerating the deployment of zero-carbon infrastructure; prioritising healthy and sustainable modes of transport; enabling a green industrial revolution and tackling place-based inequality should be prioritised to ensure a sustainable, resilient and inclusive recovery.
- The mitigation of COVID-19 will best be achieved through a collaborative approach. Whilst professionals can have a useful input into the process, the distinctive features or characteristics of each town centre/high street should be identified. In part this will come from the residents, workers and businesses that are part of it.
- Compulsory purchase is unlikely to be an appropriate vehicle to tackle the impacts of Covid-19 in the short term. It is too longwinded and costly, with a risk that an order would not be confirmed.
- Change to the ‘town centre first’ policy to define education and health uses as “main town centre uses” is unlikely to be effective. Direct engagement with health and education providers is likely to be more effective.
- The changes to the Use Classes Order enable greater flexibility within town centres, and businesses can operate unconstrained by the 1987 use classes. However, an unintended consequence is that retail businesses will be able to operate from Class B1 premises under the 1987 Order without the requirement for consent and with no controls over retail activity. This aspect of Class E is not consistent with the town centre first approach.

- The introduction of residential accommodation into a town centre is to be welcomed and encouraged. However, there should be controls to ensure that the location of new residential accommodation is not prejudicial to plans to support and improve the town centre economy. There are no controls to stop residential incursions into what may be regarded as key commercial areas and thereby frustrate plans to refocus commercial activity within a centre.

1. What are the likely long-term consequences of the COVID-19 outbreak on the future of the High Street?

5. The COVID-19 outbreak has come at a challenging time for many high streets that are already suffering from reduced footfall and increased vacancies. The immediate and direct implications of the outbreak have been two-fold, both resulting in reduced demand in the short term. Firstly, the necessary social distancing measures impact customer access and interactions within stores, restaurants and other High Street facilities. Additionally, and more significantly in the long-term, the reduction of an office based-workforce across larger centres has led to a stark reduction in demand for High Street amenities from workers. On the other hand, this has led to increased 'hyperlocalism', as home workers frequent local high streets instead of facilities focussed around a commute.
6. Alongside this we can also point to an increase in community cohesion and partnerships amongst high street occupiers, as well as between high streets and local residents. In a number of cases, high street operators have adapted to the COVID-19 outbreak by pivoting to an online model (which will likely remain as an additional revenue stream for a number of businesses in the future), as well as increased communication of opening hours and operating procedures. This has led to new level of customer interaction for some high street occupiers, while others have understandably reduced communication to focus on other priorities during the outbreak. Many businesses are also diversifying their offer and adding often informal home delivery services.
7. It is important to recognise that these factors are not universal, and that each high street and town centre has been affected to varying degrees. The term *high street* covers a vast range of centres with different circumstances. In addition to professional services and retail outlets, the future of the high street will be driven by consumers who generate the footfall. If working patterns essentially mean greater working from home (e.g. three days a week), consumers may choose to buy coffee or lunch from their local high street. Whilst this is "good news" for the local high street, another high street will lose this expenditure. Some experts predict that the West End and City of London will face significant challenges if there is a significant fall in the number of daily commuters.

8. Whilst we would expect social distancing measures to reduce over time, 'hyperlocalism' and homeworking are likely to continue to be a part of new landscape, with many office-based workers in larger centres not wishing to return to the daily commute.
9. We have already seen an increase in demand for flexible working arrangements and home working, with workers having experienced the various benefits of reducing 'lost' commuting time, the overall reduction in harmful emissions associated with long commutes, and the associated health and wellbeing benefits. It is likely that a number of sectors will look to follow lead of technology companies that have already announced a move to home working, utilising offices as a central hub, necessary for face to face interactions and a consolidation of resources and facilities.
10. Existing high streets in larger town centres that have traditionally benefited from demand from office workers may, in the long term, be required to consider other sources of footfall. This would include residential dwellings (including later living), educational establishments, healthcare facilities and community uses.
11. In larger town and city centres the likely shift to more home working, less commuting and less business-related travel is likely to have a dramatic effect on food and beverage and related sectors which will have a widespread, structural impact on the use of retail space, requiring the introduction of new uses.
12. Given measures that have already been introduced within Use Class E (coming into effect from September 2021), we would expect an overall reduction in the proportion of retailing on High Streets over the long term. The measures introduce flexibility over the use and type of buildings within high streets, whilst also enabling retailers who would prefer to be located outside of high streets and town centres to relocate, repurposing larger footprint out-of-centre facilities within the new Class E.
13. This trend towards greater diversification along high streets and in town centres, away from retail as the overriding core land use is being accentuated and accelerated by COVID-19. This is particularly relevant for smaller high streets and suburban town centres, and is likely to underlie the growth of these locations for leisure, enterprise and civic life.
14. Drawing these trends together, alongside some of the positive and negative impacts of social distancing measures to address COVID-19, we see that resilience, diversity and flexibility will be key drivers of change going forward. Successful high streets will be able to embrace these new dynamics, but there will likely be an increasing number of high streets that will fail to adapt without radical intervention.
15. High streets and town centres in more deprived areas are likely to be particularly hard-hit, with local residents largely working in industrial sectors so not being able to work from home, and therefore not providing this boost to their local high street.

16. Resilience, diversity and flexibility are likely to be key drivers of success for high streets and town centres in the longer term, and we would expect the sustained impact on high streets to be:
- Need to create and make use of more outdoor space;
 - Increasing emphasis by the consumer on local convenience, but also quality of experience;
 - Increasing awareness of health and the importance of active travel, cycling and walking and the need for better infrastructure to accommodate these options;
 - Need for greater flexibility and diversity in the offer of retail and other high street businesses;
 - Continued reduction in retail floorspace, increased vacancies (where new uses are not introduced);
 - Continued growth in independent businesses in all sectors, alongside a continued consolidation of national multiple retailers and moves towards online retailing. An increase in business turnover in centres;
 - Increase in the risk of long-term vacancy in larger format, 'land mark' retail properties and increase of redundancy in general;
 - Increased use of the internet for shopping but also the increase of its use by small businesses to sell to and engage with customers;
 - Need to identify new high street uses, including residential, health and workspaces; and
 - Increasing limitation on local authority finances and the ability to intervene to promote positive change.

2. How councils, central government, and other stakeholders are and can help mitigate the impact of COVID-19 on the high street and in town centres

17. Whilst the short-term impacts of COVID-19 on the High Street are now being reported, the longer term impacts are unknown and are unlikely to be fully understood for several years. The response needs to be flexible in terms of the spaces created and the uses integrated, with grand large-scale regeneration projects unlikely to provide the solution in the short term. For many locations, a flexible and locally-appropriate solution to utilise existing space will be key to enhance confidence in the centre and to drive footfall, even if initially as a result of curiosity.
18. The mitigation of the effects of COVID-19 on the high street will best be achieved through a collaborative approach. Whilst professionals can have a useful input into the process, the unique selling point of each centre needs to be identified. In part this will come from the residents, workers and local businesses. The solution has to come from what the local community require themselves, and not from what they are told they require. Each centre is going to have a different solution based on the

individual circumstances, therefore it is important that support offered is responsive to the differing needs of each centre.

19. The repurposing of vacant retail floorspace is likely to be key. When one of the largest shopping centre owners (Westfield) announces that they are repurposing floorspace within a flagship shopping centre to accommodate office uses, it is a sign that the future of the high street does not involve more retail floorspace.
20. Local Councils need to ensure that decisions taken about their estates do not have a negative impact on high streets. For example, the relocation of Council Offices away from a high street – which on paper may appear a cost-effective solution – may incur a decrease in footfall from workers and visitors to the offices which could be highly damaging for the local high street. Decisions regarding the location of services can have significant (and often unintended) impacts on high streets.
21. While they might be costly and challenging, bespoke solutions created as inclusively as possible are likely to be the most effective. Consultation exercises, for instance, should aim to reach groups that may not ordinarily participate (e.g. teenagers, the elderly, women and children). In the same vein, the use of existing space in the high streets should be flexible, designed to attract people and crucially make them want to stay. The average shopping centre has far more places to sit and observe, or areas for children to play, than the high street, which impacts dwell time and potential expenditure. Either full or partial pedestrianisation may assist in facilitating this as well as enabling social distancing to take place.
22. Temporary changes regarding pavement licenses (introduced within the Business and Planning Act, and running until September 2021) have been welcomed by many in the industry (as well as by the RTPPI) as they increase the number of covers that can be accommodated with social distancing.² This period could be used as an opportunity to assess both the positive and negative impacts on the high street, before considering an overall review of the licensing process and whether the interim changes can be made permanent.
23. In this context, it is important that planning is not perceived simply as a purely statutory or regulatory activity. Planners have a key role in identifying and coordinating approaches to mitigate the impact of COVID-19 on high streets and assist in regeneration. The RTPPI's recent reports 'Plan the World We Need' and 'Enabling Healthy Placemaking' make a compelling case for the role of a long-term vision and route map to tackle regional inequalities and support inclusive economic growth.³

² Business and Planning Act 2020: <https://services.parliament.uk/bills/2019-21/businessandplanning.html>

³ RTPPI report: Enabling Healthy Placemaking: <https://www.rtpi.org.uk/research/2020/july/enabling-healthy-placemaking/>

RTPPI report: Plan the World We Need: <https://www.rtpi.org.uk/research/2020/june/plan-the-world-we-need/>

24. Place-based approaches are increasingly seen as a guiding principle for tackling these complex issues and should be utilised in the regeneration of our town centres and high streets. The Place Principle has been adopted beyond England in other Nations (e.g. in Scotland) to help overcome organisational and sectoral boundaries, to encourage better collaboration and community involvement, and improve the combined impact of energy, resources and investment. The Place Principle further emphasises the need for local authority services and public agencies to work together and combine their strengths to tackle complex issues, including the regeneration of high streets.
25. Public sector planning has seen disproportionate cuts which makes it extremely challenging to deliver on the wider objectives of planning.⁴ Financial assistance for local government should include sufficient investment in plan-making for the recovery of town centres and high streets, allowing for meaningful participation with local communities and close collaboration between council departments, developers, businesses and infrastructure providers. In addition, existing neighbourhood and community-level planning systems should be strengthened to ensure that diverse voices are reflected in plan-making.

3. Assess the Government's previous and current measures to bolster the high street, including the effect of the business rate holiday during the COVID-19 outbreak and the impact of its ending

26. The business rate holiday and grant payments provided short-term support for businesses forced to close and yet still facing fixed over-heads. The Job Retention Scheme was a further welcomed innovation – again helping businesses to retain labour capacity and providing a life-line to those who otherwise would have been immediately made redundant.
27. The *one-size fits all* approach, however, should have been reconsidered as uncertainty unfolded. Tailored solutions could have been provided to the leisure sector and to businesses who were able to continue trading, who did require the same level of support as those forced to close their doors.
28. Support for the self-employed was also a welcomed move although many fell through the eligibility gaps and no provision was made for self-employed company directors trading through limited companies, which may have affected many independent traders in the high street (there was support in Wales).

[need/](#)

⁴ RTPI report: Resourcing Public Planning <https://www.rtpi.org.uk/policy/2019/november/resourcing-public-planning/>

4. Progress made on implementing the recommendations of the previous committee's report of February 2019.

29. The HCLG Committee Report of February 2019 came to the following conclusions and recommendations regarding planning⁵:

- It recommended that the Government undertake a comprehensive review of planning as it pertains to the high street, focusing on Compulsory Purchase Orders, the 'town centre first' policy, Use Classes and Permitted Development Rights;
- **Compulsory Purchase** Orders are regarded as an essential tool for local authorities to facilitate change within town centres, but the process is cumbersome, expensive and time-consuming, making it too slow to be of real use in town centre regeneration. A review is necessary to make it more effective;
- **The 'Town centre first'** policy should be updated to direct non-retail uses such as health, education and leisure services, administrative offices, and other services to town centre locations;
- **The Use Classes Order** should be updated to provide more flexibility to support the building of a more coherent and sustainable mix of uses within town centres;
- **Permitted Development Rights (PDRs)** risk undermining a strategic vision for a high street or town centre. Whilst PDRs would provide housing, a planned approach, with Local Plans identifying where housing should be situated, is preferable. The Government should suspend any further extension of PDRs, pending an evaluation of their impact on the high street.

30. **Compulsory Purchase** — Compulsory purchase has a role to secure structure change and regeneration of centres. The timescales, including the potential for a public inquiry, as well as the justification necessary, administrative burden and costs, are such that it is not a tool that can be deployed quickly or with agility. The immediate response to Covid-19 requires something different. A local authority would be better placed to take an active role in the local market, making small scale interventions to take incremental steps to support the high street.

31. **Town Centres First Policy** — Government has signalled that the National Planning Policy Framework will be updated as part of the "Planning for the Future" agenda. There is no suggestion in the Planning White Paper or the consultation on changes to the current planning system that there will be any shift or modification of the "town centres first" approach.

⁵ Report of the HCLG Committee Inquiry into High Streets and Town centres in 2030, Eleventh Report of Session, 19 February 2019, Conclusions and Recommendations, Paragraph 18.

32. The recommendations of the HCLG Committee February 2019 Report include a revision to direct non-retail uses such as health, education and leisure services, administrative offices and other services to town centre locations, effectively bringing these uses within the definition of “main town centre uses”. Some of these uses presently fall within the definition, however health and education do not. From a practical perspective, changing the definition is unlikely to have a significant impact. From a plan making perspective, the timescale would be too long to address the immediate issue created by Covid-19. Development management is a reactive activity so there would need to be a specific proposal for health or education to guide, through policy, to a town centre location. Opportunities to do this are likely to be very limited. More immediate, direct intervention is required to identify opportunities in town centre locations and then facilitate relocations (or the establishment of new facilities).

33. **Update of the Use Classes Order** — The Town and Country Planning (Use Classes) (Amendment) (England) Regulations 2020 comes into effect on 1 September 2020. This creates a new flexible Class E which combines the Class A1 (shops), Class A2 (financial and professional services), Class A3 (restaurants and cafes), Class B1 (business), parts of Class D1 (non-residential institution), and parts of Class D2 (assembly and leisure). The Explanatory Memorandum refers to the 1987 Use Classes Order and that:

“...the government considers that it requires a complete overhaul to better reflect the diversity of uses found on high streets and in town centres and to provide the flexibility for businesses to adapt and diversify to meet changing demands. This is particularly important at the present time as town centres seek to recover from the economic impact of Coronavirus. Modern high streets and town centres have changed so that they now seek to provide a wider range of facilities and services, including new emerging uses, that will attract people and make these areas viable now and in the future.”⁶

34. It is clear that the intention is to remove restrictions and allow greater freedom on the high street and in town centres for businesses to be agile and respond to changing circumstances.

35. However, there is an important unintended consequence. Use Class E will allow retail uses to occupy B1 premises. Where B1 premises are located outside a town centre, the policy test for main town centre uses would be by-passed. Retailing could take place without any restrictions because no development would take place. Consequently, Class E will become a vehicle for retailing to locate in out-of-centre locations, irrespective of any impact on a town centre and without being encumbered with controls over goods that may be sold.

⁶ <https://www.legislation.gov.uk/ukxi/2020/757/contents/made>

36. Whilst there are some issues of over-capacity in the retail industry, the discount sector (food and non-food) remain acquisitive. It should be expected that this sector will seek to take advantage of the opportunity created by the change in the Use Class Order. Furthermore, retailers in premises that are subject to controls over the ranges of goods they sell, or indeed other planning controls imposed by conditions, will find advantage in relocating to B1 premises that would be free from restrictions.
37. **Permitted Development Rights** —The HCLG Committee Report of February 2019 flagged the potential harm that could arise to high streets and town centres from uncontrolled PDRs. Enabling residential uses within town centres generally will benefit vitality and viability by introducing activity throughout the day and into the evening, encouraging a mix of commercial services to support a resident population and by securing a more sustainable pattern of development. However, PDRs may be to the detriment of the high street and town centres if residential uses dilute commercial frontages or disrupt planned interventions designed to support the town centre economy. This issue is likely to arise in circumstances where the retail and commercial activity within a centre is disbursed and a planned intervention to consolidate and concentrate activity is appropriate. There are no controls to stop residential incursions into what may be regarded as key commercial areas and thereby frustrate plans to refocus commercial activity within a centre. In short, the introduction of residential accommodation into a town centre is to be welcomed and encouraged. However, there should be controls to ensure that the location of new residential accommodation is not prejudicial to plans to support and improve the town centre economy.
38. There is a wider issue with PDRs allowing the conversion of commercial property to residential use that goes beyond the scope of the consultation on high streets and town centres. Covid-19 and lockdown has highlighted the need for decent standards of residential accommodation. The present PDR rules have not delivered this. Lockdown has exposed questions about the size of residential units, the adequacy of natural light and the availability of open space. The planning system is founded on the public health acts of the early 20th century to ensure standards of living; the current PDR to allow residential conversions are anathema to those basic principles.

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