



### **ACS Submission: Planning for the Future White Paper**

ACS (the Association of Convenience Stores) welcomes the opportunity to respond to the Planning White Paper. ACS represents 33,500 local shops and petrol forecourts including Co-op, McColls, BP and thousands of independent retailers, many of which trade under brands such as Spar, Nisa and Costcutter. Further information about ACS is available at Annex A.

We recognise the proposals within this White Paper are genuinely radical and could significantly improve the accessibility of planning via digitisation. Streamlining planning and emphasising rules-based over discretionary decision making should facilitate better quality planning proposals with more predictable outcomes.

Planning must recognise local high streets and parades as constantly evolving social and economic hubs within local communities and support local businesses to adapt and diversify. Convenience stores have often retained access to services on high streets and parades which are no longer viable as standalone shops, for example FTU ATMs (available in 49% of stores), bakeries (28%) and Post Offices (22%)<sup>1</sup>. New services not traditionally found in convenience stores, such as dry cleaning (8%) and prescription collections (3%), are starting to add to the diversity of convenience stores as high streets change<sup>2</sup>.

The main frustration for convenience retailers is not with established policies but the day-to-day functioning of local planning authorities. Engaging with planning officers informally to inform forthcoming planning applications is very difficult and a lack of expertise and resource is elongating the entire planning process. A significant proportion of planning applications are not decided within the eight-week timeframe with local planning authorities regularly extending timetables on applications. This White Paper should kickstart reforms to deliver quicker and better planning outcomes.

**For more information on this submission, please contact ACS Public Affairs Manager Steve Dowling via [steve.dowling@acs.org.uk](mailto:steve.dowling@acs.org.uk) / 01252 533009.**

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<sup>1</sup> ACS Local Shop Report 2020

<sup>2</sup> ACS Local Shop Report 2020

## **Pillar One – Planning for Development**

### **Q2. Do you get involved with planning decisions in your local area?**

It is difficult for retailers to engage with local development proposals in a meaningful way due to poor and varied notification processes from local planning authorities and the time commitments required to interpret complicated policy documents. ACS has previously produced guidance on the development plan process, *Planning for Diverse Local Centres*, which sets out practical guidance for retailers on influencing local planning decisions<sup>3</sup>. Making planning digital and visual has the potential to greatly improve the accessibility of local planning and bring about earlier awareness of local proposals amongst retailers.

### **Q3. Our proposals will make it much easier to access plans and contribute your views to planning decisions. How would you like to find out about plans and planning proposals in the future?**

Accessing plans should be simple via a central online portal used by all local planning authorities. The planning system is ripe for harnessing the benefits of digitisation, especially real time information and high-quality virtual simulation. It should be far easier for retailers to find out about local planning applications - nobody should have to rely on planning notices attached to lamp posts, printed in newspapers, or posted in libraries. Local planning authorities must remain required to inform retailers directly about proposals affecting their local trading area, early in the process.

### **Q4. What are your top three priorities for planning in your local area?**

From the suggested options:

- Supporting the local economy – Supporting high streets is intrinsically linked to supporting local economies but planning also has an important role to play in ensuring access to services in suburban and rural areas. 37% of convenience stores trade as an isolated store with no other retail or service business close by<sup>4</sup>.
- More or better local infrastructure – The planning system should recognise what businesses need around them to trade productively. For local shops this is about residential uses or good high streets to drive footfall, but also access to local business banking services and good digital connectivity. The new Class E Use Class will enable retailers to take in ancillary uses more easily, supporting local service provision.
- Speed of planning decisions – Retailers value the ability to invest, adapt and develop new sites quickly. This is not facilitated by the current planning system.

### **Q5. Do you agree that Local Plans should be simplified in line with our proposals?**

#### *Simplifying Local Plans*

We support a plan-led approach with an associated National Planning Policy Framework (NPPF) which clearly sets out underlying national policies. We also support the simplification of Local Plans; the introduction of the NPPF in 2012 showed that concise policy documents can assist in more efficient assessment and decision making.

Simplifying Local Plans is key to enabling the planning system to pivot from a discretionary decision-making system to a more rules-based structure. Adopted Local Plans are often cumbersome for retailers to

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<sup>3</sup> <https://www.acs.org.uk/sites/default/files/planning-guide.pdf>

<sup>4</sup> ACS Local Shop Report 2020

navigate and use and out of date, while too many areas are risking poor planning outcomes by not having a Local Plan at all. Introducing statutory timescales with sanctions could focus Local Plans onto their primary purpose to set a framework for future development.

To deliver good Local Plans as standard, there is an associated need to embed strategic planning within local planning authorities. This may require investment in skills after a significant loss of expertise and resource within these functions over the past decade.

### *The Three-Zone Framework & Town Centre First*

Clarity is needed about how areas will be attributed to protect, renewal and growth designations. Setting these designations will require considerations of national policy, central-led housing targets and environmental constraints. Clear guidance on this process will be required to prevent an unbalanced use of the three designations. It is also unclear how the National Infrastructure Strategy set to be published in 2020 might interact with these designations.

The NPPF would become critical for guiding planning in protected areas. The content and structure of nationally prescribed development management policies have not been set out in the white paper but will be key – the quality of planning outcomes would depend on the quality of those policies.

The proposed zonal approach must restate the centrality of town centre first policy, particularly within renewal and growth areas where there would respectively be a general presumption in favour of development or outline approval for development.

Town centre first remains an important policy for driving new retail investment into town centres and high streets. As vacancy rates have increased in town centres and the impacts of Covid-19 restrictions take effect it is more important than ever that planning policy drives new retail investments that improve the town centre offer. The renewal and growth designations could threaten town centre first policy because all uses specified in a renewal area will be considered acceptable, regardless of whether they are in centre, edge of centre or out of centre.

### **Q6. Do you agree with our proposals for streamlining the development management content of Local Plans, and setting out general development management policies nationally?**

Yes. This should support a move towards a more certain rules-based rather than discretionary planning system. The NPPF should be the hub for development management policies and further consultation will be required to review existing national policies and protect it as a concise guide for planners and retailers. The repetition of national policies within Local Plans which currently occurs is not helpful.

Neighbourhood plans are good structures for community engagement with the planning system and so it is logical for them to take the lead on local design codes to ensure development fits in with local character of an area (see Q9). These must not prevent development but should also have a genuine weight on planning within local neighbourhoods.

### **Q7(a). Do you agree with our proposals to replace existing legal and policy tests for Local Plans with a consolidated test of “sustainable development”, which would include consideration of environmental impact?**

We would support the revised NPPF making clear that plans should be informed by appropriate infrastructure planning and sites should not be included where that infrastructure is unlikely to emerge within the plan period. Infrastructure allocations must consider access to essential services, particularly for sizeable residential developments. Local shops are essential to providing these services, as shown by

ACS' Community Barometer which finds that convenience stores are ranked by consumers as the service with the most positive impact on local areas<sup>5</sup>.

**Q8(a). Do you agree that a standard method for establishing housing requirements (that takes into account constraints) should be introduced?**

The White Paper outlines that any standardised method for establishing must use in its calculations 'the need to make an allowance for land required for other (non-residential) development'. As per Q7a, convenience stores should continue to be included in these allowances. Local shops provide local grocery offers and a range of valued services, for example bill payment services (76%), parcel collection services (27% and Post Offices (22%), where these would otherwise be lost<sup>6</sup>.

A starting point for calculating an allowance for non-residential development could be using the F2 Use Class as a proxy, which indicates the absolute minimum coverage deemed necessary to serve local grocery needs. However, most convenience store customers travel less than one-quarter of a mile to store, another indication of the importance of these services being local<sup>7</sup>. We are willing to engage on these calculations further with MHCLG.

**Q10. Do you agree with our proposals to make decision-making faster and more certain?**

Yes. The slow process from submission to planning decision is a long-term frustration for retailers; eight- or thirteen-week turnarounds should happen far more routinely and be viewed as a firm deadline rather than aspiration. Planning fees could in future be refunded where these timescales are not met and the digitisation of planning will support quicker decisions by enabling real time updates and clearer tracking processes (Q11).

**Q11. Do you agree with our proposals for digitised, web-based Local Plans?**

Yes. The content of these reformed Local Plans should align with a standardised format and be visual led to improve their accessibility and emphasise the overarching purpose of Local Plans to make designations under the protect, renewal, growth framework.

**Q12. Do you agree with our proposals for a 30 - month statutory timescale for the production of Local Plans?**

Yes. Speeding up the development of Local Plans is important to ensure focus and relevance. We would support Local Plans being reviewed every five years to remain up-to-date and reflect evolving demands on the planning system.

**Q13(a). Do you agree that Neighbourhood Plans should be retained in the reformed planning system?**

Yes. Neighbourhood Plans allow communities, including local retailers, to shape planning outcomes in their area. Extending Neighbourhood Plans to specific streets could strengthen the capabilities of local planning authorities to support civic pride regarding local high streets by ensuring developments reflect local character and history.

The three-tier designation framework does pose questions about the role of Neighbourhood Plans. Neighbourhood planning was initiated on the basis that planning was too 'top down' and not sensitive

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<sup>5</sup> ACS Local Shop Report 2020

<sup>6</sup> ACS Local Shop Report 2020

<sup>7</sup> ACS Local Shop Report 2020

enough to local needs. Neighbourhood planning was the flagship response to that concern and has been consistently promoted by government. However, nationalising development management policies and a national design code will reduce the workload of Neighbourhood Plans to local design codes. Local design codes could be valuable contributions to planning outcomes as outlined above but clarification on the full status and scope of Neighbourhood Plans is a needed pre-condition for these planning reforms.

## **Pillar Two – Planning for Beautiful and Sustainable Places**

### **Q16. Sustainability is at the heart of our proposals. What is your priority for sustainability in your area?**

Fuel retailers are already playing an important role in the transition towards electric vehicles and greener transport. However, there remains a great deal of uncertainty about future transport solutions and it is likely we will see multiple fuelling options working alongside each other to support decarbonisation. This means that fuel retailers will have to make multiple investments in expensive infrastructure with limited prospects for higher profitability. The planning system should support retailers to invest at the speed necessary to contribute towards the Government's ambitious targets for increasing rapid charging infrastructure.

### **Q18. Do you agree that we should establish a new body to support design coding and building better places, and that each authority should have a chief officer for design and place-making?**

Yes. Regardless of exact structure, key is clear support and audience-friendly resources for groups developing neighbourhood plans, which will be the main vehicle for community involvement in local design codes. A new body could also provide additional design skills and expertise to planning authorities via the dedicated local authority placemaking officers.

### **Q20. Do you agree with our proposals for implementing a fast-track for beauty?**

The revised NPPF should make clear that developers aligning their proposals with local design codes would enable fast-tracking within the planning system. This would underline the influence of neighbourhood plans on the aesthetic impact of developments.

Permitted development rights can enable popular forms of development to be realised or replicated relatively quickly. We are aware that some concerns have been raised about residential permitted development rights but the main use of permitted development rights from convenience retailers has previously been for business to business changes of use.

The new E Use Class is now providing greater flexibility for retailers to expand ancillary uses and has enormous potential to help bring about the recovery of high streets as many businesses fundamentally re-evaluate business models in light of the economic impacts of Covid-19. Retailers invest significant finance into new store developments and store refurbishments with the average store investing £12,500 per year<sup>8</sup>. The commercial success of these investments depend on the store being attractive within its local environment, especially as most customers visit from within a hyperlocal radius<sup>9</sup>.

We are open to new permitted development rights, but checks are required for the conversion of retail premises to residential property. These changes of use should only be approved following proper consideration of: the potential impact on the economic health of the retail centre, the need to maintain an adequate provision of essential local services, and the potential impact on the local character of the area. These three safeguards should ensure conversions support effective retail provisions, especially in areas where property is generally worth more for residential than non-domestic uses.

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<sup>8</sup> ACS Local Shop Report 2020

<sup>9</sup> ACS Local Shop Report 2020

Retail to residential conversions are more likely appropriate for spaces above shops. Converting empty space above shops to residential uses can benefit both planning authorities and retailers, by adding new housing stock and driving footfall and improving security for retailers. A poll of 1,210 independent retailers suggests that of those owning space above their shop, most (74%) convenience retailers either live in or rent out the space, 13% use it for business purposes, 7% rent it out for commercial use and 6% have a vacant space<sup>10</sup>. A renewed Flat Conversion Allowance would reduce the substantial capital expenditure required to make these spaces suitable for letting, adding more residential uses in central locations.

### **Pillar Three – Planning for infrastructure and connected places**

#### **Q23. Do you agree that the scope of the reformed Infrastructure Levy should capture changes of use through permitted development rights?**

Changes of use between E and sui generis uses should be exempt from infrastructure levy contributions. Given the Government's aims to support high streets to adapt and thrive and an extremely challenging market environment, businesses trading in these locations should be supported wherever possible to respond to changing consumer demands for local services. Levy contributions would go against that objective.

**For more information on this submission, please contact ACS Public Affairs Manager Steve Dowling via [steve.dowling@acs.org.uk](mailto:steve.dowling@acs.org.uk) / 01252 533009.**

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<sup>10</sup> ACS Voice of Local Shops Survey: August 2018

## Annex A

### ABOUT ACS

The Association of Convenience Stores lobbies on behalf of over 46,000 convenience stores across mainland UK on public policy issues that affect their businesses. ACS' membership is comprised of a diverse group of retailers, from small independent family businesses running a single store to large multiple convenience retailers running thousands of stores.

Convenience stores trade in a wide variety of locations, meeting the needs of customers from all backgrounds. These locations range from city centres and high streets, suburban areas such as estates and secondary parades, rural villages and isolated areas, as well as on petrol forecourts and at travel points such as airports and train stations.

**ACS** | the voice of local shops

### WHO WE REPRESENT

#### INDEPENDENT RETAILERS



ACS represents almost 19,000 independent retailers, polling them quarterly to hear their views and experiences which are used to feed in to Government policy discussions.

These stores are not affiliated to any group, and are often family businesses with low staff and property costs. Independent forecourt operators are included in this category.

#### SYMBOL GROUPS AND FRANCHISES



ACS represents over 14,000 retailers affiliated with symbol groups. Symbol groups like SPAR, Nisa, Costcutter, Londis, Premier and others provide independent retailers with stock agreements, wholesale deliveries, logistical support and marketing benefits.

Symbol group forecourt operators and franchise providers like One Stop are also included in this category.

#### MULTIPLE AND CO-OPERATIVE BUSINESSES



ACS represents over 13,000 stores that are owned by multiple and co-operative retailers. These businesses include the Co-Operative, regional co-operative societies, McColls and others.

Unlike symbol group stores, these stores are owned and run centrally by the business. Forecourt multiples and commission operated stores are included in this category.

### THE CONVENIENCE SECTOR



In 2020, the total value of sales in the convenience sector was £44.7bn.

The average spend in a typical convenience store transaction is £7.46.



There are 46,955 convenience stores in mainland UK. 72% of stores are operated by independent retailers, either unaffiliated or as part of a symbol group.



The convenience sector provides flexible employment for around 412,000 people.

13% of independent/symbol stores employ family members only.



22% of shop owners work more than 60 hours per week, while 24% take no holiday throughout the year.

72% of business owners are first time investors in the sector.



Convenience stores and Post Offices poll as the two services that have the most positive impact on their local area according to consumers and local councillors.

80% of independent/symbol retailers have engaged in some form of community activity over the last year.



Between August 2019 and May 2020, the convenience sector invested over £585m in stores.

The most popular form of investment in stores is refrigeration.

### OUR RESEARCH

ACS polls the views and experiences of the convenience sector regularly to provide up-to-date, robust information on the pressures being faced by retailers of all sizes and ownership types. Our research includes the following regular surveys:

#### ACS VOICE OF LOCAL SHOPS SURVEY

Regular quarterly survey of over 1,200 retailers, split evenly between independent retailers, symbol group retailers and forecourt retailers. The survey consists of tracker questions and a number of questions that differ each time to help inform ACS' policy work.

#### ACS INVESTMENT TRACKER

Regular quarterly survey of over 1,200 independent and symbol retailers which is combined with responses from multiple businesses representing over 3,000 stores.

#### ACS LOCAL SHOP REPORT

Annual survey of around 2,400 independent, symbol and forecourt retailers combined with responses from multiple businesses representing 6,700 stores. The Local Shop Report also draws on data from Lumina Intelligence, IGD, Nielsen and William Reed.

#### BESPOKE POLLING ON POLICY ISSUES

ACS conducts bespoke polling of its members on a range of policy issues, from crime and responsible retailing to low pay and taxation. This polling is conducted with retailers from all areas of the convenience sector.

For more information and data sources, visit [www.acs.org.uk](http://www.acs.org.uk)