

1. Home (<https://www.gov.uk/>)
2. Housing, local and community (<https://www.gov.uk/housing-local-and-community>)
3. Planning and building (<https://www.gov.uk/housing-local-and-community/planning-and-building>)
4. Planning system (<https://www.gov.uk/housing-local-and-community/planning-system>)

Guidance

Town centres and retail

Provides guidance on planning for retail and other town centre uses.

From:

[Department for Levelling Up, Housing and Communities](#)
([/government/organisations/department-for-levelling-up-housing-and-communities](#)) and [Ministry of Housing, Communities & Local Government](#) ([/government/organisations/ministry-of-housing-communities-and-local-government](#))

Published

3 March 2014

Last updated

18 September 2020 —

Contents

- [Planning for town centre vitality and viability](#)
- [Permitted development and change of use in town centres](#)
- [Assessing proposals for out of centre development](#)

This replaces the previous guidance on Ensuring the vitality of town centres. See [previous version](#)

(https://webarchive.nationalarchives.gov.uk/20190607162710tf_/https://www.gov.uk/guidance/ensuring-the-vitality-of-town-centres)

Where plans are being prepared under the transitional arrangements set out in Annex 1 to the revised [National Planning Policy Framework](#) (<https://www.gov.uk/government/publications/national-planning-policy-framework--2>), the policies in the [previous version of the framework published in 2012](#) (<http://webarchive.nationalarchives.gov.uk/20180608095821/https://www.gov.uk/government/publications/national-planning-policy-framework--2>) will continue to apply, as will any previous guidance which has been superseded since the new framework was published in July 2018. If you'd like an email alert when changes are made to planning guidance please [subscribe](#) (<https://www.gov.uk/topic/planning-development/planning-officer-guidance/email-signup>).

Planning for town centre vitality and viability

What role can planning authorities play in supporting the management, adaptation and growth of town centres? For planning purposes, town centres as defined in the National Planning Policy Framework comprise a range of locations where main town centre uses are concentrated, including city and town centres, district and local centres (and so includes places that are often referred to as high streets). Local planning authorities can take a leading role in promoting a positive vision for these areas, bringing together stakeholders and supporting sustainable economic and employment growth. They need to consider structural changes in the economy, in particular changes in shopping and leisure patterns and formats, the impact these are likely to have on individual town centres, and how the planning tools available to them can support necessary adaptation and change.

A wide range of complementary uses can, if suitably located, help to support the vitality of town centres, including residential, employment, office, commercial, leisure/entertainment, healthcare and educational development. The same is true of temporary activities such as 'pop ups', which will often benefit from permitted development rights. Residential development in particular can play an important role in ensuring the vitality of town centres, giving communities easier access to a range of services. Given their close proximity to transport networks and local shops and services, local authorities may wish to consider locating specialist housing for different groups including [older people \(https://www.gov.uk/guidance/housing-for-older-and-disabled-people\)](https://www.gov.uk/guidance/housing-for-older-and-disabled-people) within town centres or edge of centre locations.

Evening and night time activities have the potential to increase economic activity within town centres and provide additional employment opportunities. They can allow town centres to diversify and help develop their unique brand and offer services beyond retail. In fostering such activities, local authorities will also need to consider and address any wider impacts in relation to crime, noise and security.

Paragraph: 001 Reference ID: 2b-001-20190722

Revision date: 22 07 2019

What planning tools are available to local planning authorities to help them shape and support town centres?

The key way to set out a vision and strategy for town centres is through the development plan and (if needed) supplementary planning documents. Planning policies are expected to define the extent of primary shopping areas. Authorities may, where appropriate, also wish to define primary and secondary retail frontages where their use can be justified in supporting the vitality and viability of particular centres. In addition, a range of other planning tools can help to support town centres to adapt and thrive:

- [Local Development Orders \(https://www.gov.uk/guidance/when-is-permission-required#types-of-area-wide-permission\)](https://www.gov.uk/guidance/when-is-permission-required#types-of-area-wide-permission) can provide additional planning certainty and help to bring forward development as part of a wider strategy to regenerate a town centre.
- a [Neighbourhood Development Order \(https://www.gov.uk/guidance/neighbourhood-planning-2#what-is-neighbourhood-planning\)](https://www.gov.uk/guidance/neighbourhood-planning-2#what-is-neighbourhood-planning) can be used in designated neighbourhood areas to grant planning permission for development specified in an Order. They give communities the opportunity to bring forward the type of development they wish to see in their neighbourhood areas.

- [brownfield registers](https://www.gov.uk/guidance/brownfield-land-registers) (<https://www.gov.uk/guidance/brownfield-land-registers>) contain details of previously-developed land that is suitable for housing development, which may help in identifying land in and around town centres that could be used for homes.
- local authorities have extensive [compulsory purchase powers](https://www.gov.uk/government/publications/compulsory-purchase-process-and-the-crichel-down-rules-guidance) (<https://www.gov.uk/government/publications/compulsory-purchase-process-and-the-crichel-down-rules-guidance>), which may help to support identified development opportunities in town centres. The exercise of compulsory purchase powers can support delivery of a wide variety of development and regeneration projects – ranging from the refurbishment of empty properties, to comprehensive town centre redevelopment schemes.

Paragraph: 002 Reference ID: 2b-002-20190722

Revision date: 22 07 2019

Which stakeholders are important when planning for town centres?

Effective and creative leadership by local authorities and other stakeholders is key in bringing forward a vision for town centres that meets wider economic and community needs. Stakeholders with an interest in the success of the town centre should be encouraged to engage in the evolving vision for it. The stakeholders that need to be involved will depend on the local context, but could include:

- local authorities (and teams within them responsible for matters such as economic development)
- Local Enterprise Partnerships (LEPs)
- members of Business Improvement Districts (BIDs)
- Mayoral or combined authorities
- neighbourhood planning groups
- residents/general public (including those working and studying in the area)
- community and amenity groups/community interest companies
- landowners
- private sector businesses/representative groups (e.g. chambers of commerce, trade associations)
- town centre managers

Paragraph: 003 Reference ID: 2b-003-20190722

Revision date: 22 07 2019

What can a town centre strategy contain?

Any strategy should be based on evidence of the current state of town centres and the opportunities that exist to accommodate a range of suitable development and support their vitality and viability. Strategies can be used to establish:

- the realistic role, function and hierarchy of town centres over the plan period. Given the uncertainty in forecasting long-term retail trends and consumer behaviour, this assessment may need to focus on a limited period (such as the next five years) but will also need to take the lifetime of the plan into account and be regularly reviewed.

- the vision for the future of each town centre, including the most appropriate mix of uses to enhance overall vitality and viability.
- the ability of the town centre to accommodate the scale of assessed need for main town centre uses, and associated need for expansion, consolidation, restructuring or to enable new development or the redevelopment of under-utilised space. It can involve evaluating different policy options (for example expanding the market share of a particular centre) or the implications of wider policy such as infrastructure delivery and demographic or economic change.
- how existing land can be used more effectively – for example the scope to group particular uses such as retail, restaurant and leisure activities into hubs or for converting airspace above shops.
- opportunities for improvements to the accessibility and wider quality of town centre locations, including improvements to transport links in and around town centres and enhancement of the public realm (including spaces such as public squares, parks and gardens).
- what complementary strategies are necessary or appropriate to enhance the town centre and help deliver the vision for its future, and how these can be planned and delivered. For example, this may include consideration of how parking charges and enforcement can be made proportionate.
- the role that different stakeholders can play in delivering the vision. If appropriate, it can help establish the level of cross-boundary/strategic working or information sharing required between both public and private sector groups.
- appropriate policies to address environmental issues facing town centres, including opportunities to conserve and enhance the historic environment.

Paragraph: 004 Reference ID: 2b-004-20190722

Revision date: 22 07 2019

What if future development needs cannot be accommodated in the town centre?

It may not be possible to accommodate all forecast needs for main town centre uses in a town centre: there may be physical or other constraints which make it inappropriate to do so. In those circumstances, planning authorities should plan positively to identify the most appropriate alternative strategy for meeting the identified need for these main town centre uses, having regard to the sequential and impact tests. This should ensure that any proposed main town centre uses which are not in an existing town centre are in the best locations to support the vitality and vibrancy of town centres, and that no likely significant adverse impacts on existing town centres arise, as set out in paragraph 90 of the [National Planning Policy Framework](https://www.gov.uk/guidance/national-planning-policy-framework/7-ensuring-the-vitality-of-town-centres) (<https://www.gov.uk/guidance/national-planning-policy-framework/7-ensuring-the-vitality-of-town-centres>).

Paragraph: 005 Reference ID: 2b-005-20190722

Revision date: 22 07 2019

Which indicators are useful when planning for town centres and high streets?

The following indicators, and their changes over time, may be relevant in assessing the health of town centres, and planning for their future:

- diversity of uses
- proportion of vacant street level property
- commercial yields on non-domestic property
- customers' experience and behaviour
- retailer representation and intentions to change representation
- commercial rents
- pedestrian flows
- accessibility – this includes transport accessibility and accessibility for people with different impairments or health conditions, as well as older people with mobility requirements.
- perception of safety and occurrence of crime
- state of town centre environmental quality
- balance between independent and multiple stores
- extent to which there is evidence of barriers to new businesses opening and existing businesses expanding
- opening hours/availability/extent to which there is an evening and night time economy offer

Paragraph: 006 Reference ID: 2b-006-20190722

Revision date: 22 07 2019

Permitted development and change of use in town centres

When is planning permission not required for changes involving town centre uses?

A change of use of land or buildings requires planning permission if it constitutes a [material change of use](https://www.gov.uk/guidance/when-is-permission-required#changeofuse2) (<https://www.gov.uk/guidance/when-is-permission-required#changeofuse2>). Many uses in town centres fall within Commercial, Business and Service use class. Movement from one use to another within the same use class is not development, and does not require planning permission.

A broad range of national permitted development rights support appropriate changes of use in town centres. These rights are set out in the [Town and Country Planning \(General Permitted Development\) \(England\) Order 2015, as amended](http://www.legislation.gov.uk/uksi/2015/596) (<http://www.legislation.gov.uk/uksi/2015/596>). Many of these permitted development rights relate to uses defined in the Use Classes Order before it was amended on 1 September 2020. These rights will continue to apply in their current form until 31 July 2021.

Some permitted development rights allow the change of use without any application process. This includes the following:

- from shops to financial and professional services uses, such as a bank;
- from financial and professional services, a betting shop or pay day loan shop to a shop;
- from a betting shop or pay day loan shop to financial and professional services,
- from a restaurant or café, or a hot food takeaway to a shop or financial or professional services;
- from a hot food takeaway to a restaurant or café;

- from a shop, financial and professional services, betting shop or pay day loan shop with two flats above.

Further permitted development rights allow for a change of use subject to prior approval by the local planning authority on specific planning matters:

- from shops and financial and professional services, a betting shop or pay day loan shop to a restaurant or café;
- from shops and financial and professional services, a betting shop or pay day loan shop to an assembly and leisure use;
- from shops, financial and professional services, a betting shop, pay day loan shop, launderette, and hot food takeaway premises to office use;
- from shops, financial and professional services, a betting shop, pay day loan shop, launderette, and hot food takeaway premises to residential use;
- from amusement arcades / centres or casinos to residential use;
- from offices to residential use.

Paragraph: 007 Reference ID: 2b-007-20190722

Revision date: 18 09 2020 See [previous version](https://webarchive.nationalarchives.gov.uk/20200821135903/https://www.gov.uk/guidance/ensuring-the-vitality-of-town-centres)
(<https://webarchive.nationalarchives.gov.uk/20200821135903/https://www.gov.uk/guidance/ensuring-the-vitality-of-town-centres>)

Are there other permitted development rights that can support flexibility in town centres?

To support new ventures and pop-ups and avoid buildings being left empty until 31 July 2021, a separate right allows a range of uses (such as offices, shops, financial and professional services, restaurants and cafes, hot food takeaways, assembly and leisure uses) to convert temporarily to another use (such as office, shop, financial and professional service, restaurant) for a single continuous period of up to three years. This allows start-ups to test a new business model, and then to seek planning permission for the permanent change of use on that or another site. The same right now allows for the temporary change of use to specified community uses (health centre, art gallery, museum, public library, public hall or exhibition hall) to provide a greater mix of uses on the high street and increase footfall, and bring community uses closer to communities.

Other permitted development rights provide for physical works to support the operation of shops or financial and professional services, including:

- extensions to existing buildings
- the provision of click and collect facilities for shops
- modification of shop loading bays
- hard surfacing for shops, financial and professional services and restaurants

Paragraph: 008 Reference ID: 2b-008-20190722

Revision date: 18 09 2020 See [previous version](https://webarchive.nationalarchives.gov.uk/20200821135903/https://www.gov.uk/guidance/ensuring-the-vitality-of-town-centres)
(<https://webarchive.nationalarchives.gov.uk/20200821135903/https://www.gov.uk/guidance/ensuring-the-vitality-of-town-centres>)

Assessing proposals for out of centre development

Sequential test

What is the sequential test?

The sequential test guides main town centre uses towards town centre locations first, then, if no town centre locations are available, to edge of centre locations, and, if neither town centre locations nor edge of centre locations are available, to out of centre locations (with preference for accessible sites which are well connected to the town centre). It supports the viability and vitality of town centres by placing existing town centres foremost in both plan-making and decision-taking.

Paragraph: 009 Reference ID: 2b-009-20190722

Revision date: 22 07 2019

How should the sequential approach be used in plan-making?

In plan-making, the sequential approach requires a thorough assessment of the suitability, viability and availability of locations for main town centre uses. It requires clearly explained reasoning if more central opportunities to locate main town centre uses are rejected.

The checklist below sets out the matters that need to be considered when using the sequential approach as part of plan-making:

- has the need for main town centre uses been assessed? The assessment should consider the current situation, recent up-take of land for main town centre uses, the supply of and demand for land for main town centre uses, forecast of future need and the type of land needed for main town centre uses;
- can the identified need for main town centre uses be accommodated on town centre sites? When identifying sites, the suitability, accessibility, availability and viability of the site should be considered, with particular regard to the nature of the need that is to be addressed;
- If the additional main town centre uses required cannot be accommodated on town centre sites, what are the next sequentially preferable sites that they can be accommodated on?

Paragraph: 010 Reference ID: 2b-010-20190722

Revision date: 22 07 2019

How should the sequential test be used in decision-making?

It is for the applicant to demonstrate compliance with the sequential test (and failure to undertake a sequential assessment could in itself constitute a reason for refusing permission). Wherever possible, the local planning authority is expected to support the applicant in undertaking the sequential test, including sharing any relevant information. The application of the test will need to be proportionate and appropriate for the given proposal. Where appropriate, the potential suitability of alternative sites will need to be discussed between the developer and local planning authority at the earliest opportunity.

The checklist below sets out the considerations that should be taken into account in determining whether a proposal complies with the sequential test:

- with due regard to the requirement to demonstrate flexibility, has the suitability of more central sites to accommodate the proposal been considered? Where the proposal would be located in an edge of centre or out of centre location, preference should be given to accessible sites that are well connected to the town centre. It is important to set out any associated reasoning clearly.
- is there scope for flexibility in the format and/or scale of the proposal? It is not necessary to demonstrate that a potential town centre or edge of centre site can accommodate precisely the scale and form of development being proposed, but rather to consider what contribution more central sites are able to make individually to accommodate the proposal.
- if there are no suitable sequentially preferable locations, the sequential test is passed.

In line with paragraph 86 of the National Planning Policy Framework, only if suitable sites in town centre or edge of centre locations are not available (or expected to become available within a reasonable period) should out of centre sites be considered. When considering what a reasonable period is for this purpose, the scale and complexity of the proposed scheme and of potentially suitable town or edge of centre sites should be taken into account.

Compliance with the sequential and impact tests does not guarantee that permission will be granted – all material considerations will need to be considered in reaching a decision.

Paragraph: 011 Reference ID: 2b-011-20190722

Revision date: 22 07 2019

How should locational requirements be considered in the sequential test?

Use of the sequential test should recognise that certain main town centre uses have particular market and locational requirements which mean that they may only be accommodated in specific locations. Robust justification will need to be provided where this is the case, and land ownership does not provide such a justification.

Paragraph: 012 Reference ID: 2b-012-20190722

Revision date: 22 07 2019

How should viability be promoted?

The sequential test supports the Government's 'town centre first' policy. However as promoting new development on town centre locations can be more expensive and complicated than building elsewhere, local planning authorities need to be realistic and flexible in applying the test.

Paragraph: 013 Reference ID: 2b-013-20190722

Revision date: 22 07 2019

Impact test

What is the impact test?

The purpose of the test is to consider the impact over time of certain out of centre and edge of centre proposals on town centre vitality/viability and investment. The test relates to retail and leisure developments (not all main town centre uses) which are not in accordance with up to date

plan policies and which would be located outside existing town centres. It is important that the impact is assessed in relation to all town centres that may be affected, which are not necessarily just those closest to the proposal and may be in neighbouring authority areas.

Paragraph: 014 Reference ID: 2b-014-20190722

Revision date: 22 07 2019

When should the impact test be used?

The impact test only applies to proposals exceeding 2,500 square metres gross of floorspace* unless a different locally appropriate threshold is set by the local planning authority. In setting a locally appropriate threshold it will be important to consider the:

- scale of proposals relative to town centres
- the existing viability and vitality of town centres
- cumulative effects of recent developments
- whether local town centres are vulnerable
- likely effects of development on any town centre strategy
- impact on any other planned investment

As a guiding principle impact should be assessed on a like-for-like basis in respect of that particular sector (e.g. it may not be appropriate to compare the impact of an out of centre DIY store with small scale town-centre stores as they would normally not compete directly). Retail uses tend to compete with their most comparable competitive facilities. Conditions may be attached to appropriately control the impact of a [particular use \(https://www.gov.uk/guidance/use-of-planning-conditions\)](https://www.gov.uk/guidance/use-of-planning-conditions).

Where wider town centre developments or investments are in progress, it will also be appropriate to assess the impact of relevant applications on that investment. Key considerations will include:

- the policy status of the investment (i.e. whether it is outlined in the Development Plan)
- the progress made towards securing the investment (for example if contracts are established)
- the extent to which an application is likely to undermine planned developments or investments based on the effects on current/forecast turnovers, operator demand and investor confidence

Paragraph: 015 Reference ID: 2b-015-20190722

Revision date: 22 07 2019

How should the impact test be used in plan-making?

If plan policies are based on meeting the assessed need for town centre uses in accordance with the sequential approach, issues of adverse impact should not arise. The impact test may however be useful in determining whether proposals in certain locations would impact on existing, committed and planned public and private investment, or on the role of particular centres.

Paragraph: 016 Reference ID: 2b-016-20190722

Revision date: 22 07 2019

How should the impact test be used in decision-taking?

It is for the applicant to demonstrate compliance with the impact test in support of relevant applications. Failure to undertake an impact test could in itself constitute a reason for refusing permission.

The impact test will need to be undertaken in a proportionate and locally appropriate way, drawing on existing information where possible. Ideally, applicants and local planning authorities should seek to agree the scope, key impacts for assessment, and level of detail required in advance of applications being submitted.

Paragraph: 017 Reference ID: 2b-017-20190722

Revision date: 22 07 2019

Is there a checklist for applying the impact test?

The following steps need to be taken in applying the impact test:

- establish the state of existing centres and the nature of current shopping patterns (base year)
- determine the appropriate time frame for assessing impact, focusing on impact in the first five years, as this is when most of the impact will occur
- examine the 'no development' scenario (which should not necessarily be based on the assumption that all centres are likely to benefit from expenditure growth in convenience and comparison goods and reflect both changes in the market or role of centres, as well as changes in the environment such as new infrastructure);
- assess the proposal's turnover and trade draw^{*} (drawing on information from comparable schemes, the operator's benchmark turnover of convenience and comparison goods, and carefully considering likely catchments and trade draw)
- consider a range of plausible scenarios in assessing the impact of the proposal on existing centres and facilities (which may require breaking the study area down into a series of zones to gain a finer-grain analysis of anticipated impact)
- set out the likely impact of the proposal clearly, along with any associated assumptions or reasoning, including in respect of quantitative and qualitative issues
- any conclusions should be proportionate: for example, it may be sufficient to give a broad indication of the proportion of the proposal's trade draw likely to be derived from different centres and facilities in the catchment area and the likely consequences for the vitality and viability of existing town centres

A judgement as to whether the likely adverse impacts are significant can only be reached in light of local circumstances. For example, in areas where there are high levels of vacancy and limited retailer demand, even very modest trade diversion from a new development may lead to a significant adverse impact.

Where evidence shows that there would be no likely significant impact on a town centre from an edge of centre or out of centre proposal, the local planning authority must then consider all other material considerations in determining the application, as it would for any other development.

The design year for impact testing will need to be selected to represent the year when the proposal has achieved a 'mature' trading pattern. This is conventionally taken as the second full calendar year of trading after the opening of each phase of a new retail development, but it may take longer for some developments to become established.

Paragraph: 018 Reference ID: 2b-018-20190722

Revision date: 22 07 2019

Footnotes

Gross retail floorspace (or gross external area) is the total built floor area measured externally which is occupied exclusively by a retailer or retailers, excluding open areas used for the storage, display or sale of goods.

Trade draw is the proportion of trade that a development is likely to receive from customers within and outside its catchment area. It is likely that trade draw will relate to a certain geographic area (i.e. the distance people are likely to travel) and for a particular market segment (e.g. convenience retail). The best way of assessing trade draw where new development is proposed is to look at existing proxies of that type of development in other areas.

Published 3 March 2014

Last updated 18 September 2020 [+ show all updates](#)

1. 18 September 2020

The planning guidance has been updated to reflect changes to the Use Classes Order from 1 September 2020. Amended paragraphs: 007, 008

2. 22 July 2019

Revised version of guidance

3. 3 March 2014

First published.

Related content

- [Rural housing \(/guidance/rural-housing\)](/guidance/rural-housing)
- [Plain English guide to planning for free schools \(/government/publications/plain-english-guide-to-planning-for-free-schools\)](/government/publications/plain-english-guide-to-planning-for-free-schools)
- [Brownfield land registers \(/guidance/brownfield-land-registers\)](/guidance/brownfield-land-registers)
- [Green Belt \(/guidance/green-belt\)](/guidance/green-belt)
- [Delivering schools to support housing growth \(/government/publications/delivering-schools-to-support-housing-growth\)](/government/publications/delivering-schools-to-support-housing-growth)

Collection

- [Planning practice guidance \(/government/collections/planning-practice-guidance\)](/government/collections/planning-practice-guidance)

Explore the topic

- [Planning system \(/housing-local-and-community/planning-system\)](/housing-local-and-community/planning-system)

OGL

All content is available under the Open Government Licence
v3.0, except where otherwise stated

© Crown copyright