

Enterprise and Business Committee

Lleoliad:
Committee Room 1 – Senedd

Dyddiad:
6 October 2011

Amser:
13:00

Cynulliad
Cenedlaethol
Cymru

National
Assembly for
Wales



I gael rhagor o wybodaeth, cysylltwch â:

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Agenda

1. Introductions, apologies and substitutions

2. Inquiry into the Regeneration of Town Centres: Evidence Session (13:15 – 14:00) (Pages 1 – 15)

Iestyn Davies; Federation of Small Business
Julie Williamson; Town Centre Market Trader – Swansea
Sue Morris; Town Centre Market Trader – Llandudno

3. Inquiry into the Regeneration of Town Centres: Evidence Session (14:00 – 14:45) (Pages 16 – 52)

Tom Ironside; British Retail Consortium

4. Motion under Standing Order 17.42 to resolve to exclude the public for the remainder of the meeting

5. Inquiry into EU Structural Funds: Discussion of Draft Terms of Reference (14:45 – 15:00) (Pages 53 – 57)

Inquiry into Town Centre Regeneration

Written Submission to
the National Assembly
for Wales Enterprise and
Business Committee

September 2011



Inquiry into the regeneration of town centres – a submission from the Federation of Small Businesses in Wales

Introduction

The Federation of Small Businesses in Wales is grateful for the opportunity to submit a response to this inquiry into the regeneration of town centres. FSB Wales is the authoritative voice of small businesses in Wales with 10,000 members, a Welsh Policy Unit, two regional committees and twelve branch committees FSB Wales is in constant contact with small businesses at grassroots level creating an ideal position to comment on town centre regeneration that has such a large effect on small businesses in Wales.

This submission takes a broad approach to the terms of reference and examines the issues at hand with examples from a broad section of FSB membership from across Wales. It highlights the key threats to town centres in Wales, as well as the changes that can be made to reverse the decline in our town centres.

This submission builds upon the extensive consultation work undertaken as part of the FSB's manifesto for the 2011 elections to the National Assembly and its ongoing policy research and partnership with other agencies, groups and key stakeholders.

Executive Summary

We have attempted to answer the questions as framed in the Terms of Reference but offer further answers according to our evidence base and overall policy direction. As such specific reference is made to planning and business rates as areas of policy which although not directly addressed in this inquiry are areas which require further attention and scrutiny.

The evidence given by FSB members in Wales demonstrated mixed success in terms of delivering regeneration. Evidence suggests that local partnerships had strengthened cooperation particularly between local authorities and the local business community in terms of attracting visitors through marketing of events and positioning towns through their unique selling points.

In specific town centre communities across Wales businesses are engaging with statutory authorities and voluntary partnerships and taking steps themselves through brand development and marketing activities to address the decline of town centre retail. It was suggested that it was better to lower business rates to an affordable level rather than higher rates coupled with lower levels of occupancy within towns. Also that the revenue generated from larger out of town retailers could be used to subsidise smaller businesses. This would be alongside giving landlords an incentive to lower rents to encourage new business and support developing businesses.

It was felt that local authorities should seek to offset the burden of business rates by offering greater free parking facilities to increase footfall and ultimately that the business rate burden needs to be considerably and permanently eased on small High Street premises. Further evidence suggested that traffic flow systems and pedestrianisation schemes have had a negative effect on trading in town centres. Parking, transport infrastructure and the flow of traffic were key issues for FSB members.

Several members of the FSB in Swansea have been active in the Business Improvement District in Swansea and have offered an insight from the smaller business perspective. Some BIDs beyond

Wales are looking at income generation projects for businesses to offset the charges inherent in their existence. This as well as a declared strategic intent to add value and avoid duplication of services available via the local authority would be key to their success. Most comments from FSB members suggested that maintaining a positive image of town centres was valuable and that this should be managed in a sustainable manner focusing on the individual cultural identity of towns. This reflects the need for businesses through town centre partnerships to develop a unified vision and a campaign that is built on a brand that reflects its assets. Marketing needs to build the destination profile of town centres sometimes within a wider marketing area.

FSB Wales members view planning policy as a fundamental pillar to redress the balance in favour of town centre regeneration. It is clear from our current evidence base that planning issues are of real concern, particularly in relation to town centre regeneration. The most frequent observation was that the planning rules created an emphasis towards out of town development, removing town centres as the focal point of the community and decreasing footfall:

FSB members broadly welcome the growing commitment towards regenerating town centres and a shifting focus away from out of town developments and recognise the apparent growing political appetite to prevent further degeneration.

FSB Wales members have accepted that they will always compete with developments outside of town centres and partner organisations have emphasised the to revisit spatial planning and how the inter rural-urban relationships can bring about diverse town centres in terms of supplying labour, produce and other assets that can be sold and channelled through town centres so that smaller enterprises can come together, share costs and use town centre space for diverse activities.

It is important that Planning Authorities are given stronger policy guidelines from the Welsh Government to be able to withstand pressure for large developments, and preserve small indigenous businesses that enable our town centres to be vibrant and active. Many members found the nature of the planning system posed an obstacle to investment in their business. There is a necessity to make economic development at the heart of any review of the planning system, and FSB Wales would encourage strong consultation on how the interests of small businesses, often focal points in local communities and towns, can be heard and recognised to ensure a business led recovery.

Methods Statement

The research undertaken to inform this submission was based on in-depth qualitative interviews with sixteen individual members. The interviews took place between mid August and early September 2011 and were followed up by further telephone interviews and submissions made via email. In addition to the rich data yielded by the interviews peer to peer research was conducted by FSB Wales with its partner offices in Scotland and Northern Ireland. The content of this research is based on submissions to the Scottish Parliament and Northern Ireland Assembly and detailed individually in the document. FSB Wales also consulted key partner organisations such as the Action for Market Towns and the Cooperative Retail Society as well as the leading consultants on the subject of sustainable towns, Miller Research. Whilst the information given to FSB Wales by Miller Research is available for further scrutiny the content of discussions between FSB Wales and its wider partners is by nature anecdotal and cannot be considered sufficiently robust in and of itself to validate and opinion or policy basis. FSB Wales were assisted in the research exercise by Positif Politics but the opinions and viewpoints based upon this research are those solely of the Federation of Small Businesses.

Over arching Questions

1. What approaches have been followed to successfully deliver and finance the regeneration of town centres in Wales? Are there lessons to be learned from elsewhere?

The evidence given by FSB members in Wales demonstrated mixed success in terms of delivering regeneration. The evidence provided in **Question 3** below illustrates the experience of our members in terms of partnership working at a local level and also experiences of businesses in the Business Improvement District of Swansea and funding issues identified in answer to **section (v)** and our views on planning policy in the **Planning** section

2. How does the Welsh Government use the levers at its disposal to assist in the regeneration of town centres in Wales?

The single lever identified in our evidence is the business rate relief. See answer to section (iii) for full response.

3. How are the interests and activities of communities, businesses, local authorities and Welsh Ministers identified and coordinated when developing and implementing town centre regeneration projects?

There has been a mixed response across Wales in terms of how local interests and activities are coordinated. Evidence suggests that local partnerships had strengthened cooperation particularly between local authorities and local business community in terms of attracting visitors through marketing of summer events (e.g. in Flintshire) and positioning towns through their unique selling points (e.g. Denbigh) as being well known for its festivals and its capacity to attract specialist shops.

However, there was a level of criticism from some businesses at the level of communication received from their local authority and some felt that not enough was being done to meet the needs of businesses. Independent review on our behalf by Miller Research demonstrates that the design of Regeneration projects and initiatives and assessment of demand are key factors in determining the level of early engagement from business and communities.

In Swansea, a local action group of independent retailers, local politicians and the police was established in response to the impact business rates was having on local business and empty properties. Evidence in relation to the RCT Town Centre Forum suggests a lack of clarity of in relation to roles and responsibilities at local and Welsh Government levels where there was a call for a more meaningful input from officers in relation to Retail Planning Policy. There was also encouragement for the Welsh Government to connect at grass roots level on local initiatives.

“Examples where our business has been integral to community development is demonstrated by the fact that initial regeneration to the shops in Market Street and Duke Street were met entirely out of the pocket of the Market Company. We have, also at our own expense, attached a concourse to the Market to extend the range of goods and services which can be offered to the public in Aberdare - we have great faith that with some sensible interaction with WAG not only Aberdare but other market towns can survive to promote not only the shopping experience of the locals but to ensure that the cultural identity of these important areas survives.” (Market trader, Aberdare, Rhondda Cynon Taf)

In Carmarthenshire, it was felt that consultation with the local authority was limited and one FSB member cited attempts he had made to contact the relevant officer at the authority. He felt that

there was very little involvement from local traders and those decisions were made without their best interests at heart. He stated that correspondence with the local authority was usually tantamount to bad news.

An FSB member in Pembrokeshire stated that there were few units in Milford Haven town centre that could house development on the scale of that seen out of town and added that the local authority until recently did not have the will to support town centre regeneration. He felt this was changing but would take many years to unravel the harm caused. He also felt that there was little interaction between the local authority and business in making key decisions on regeneration; however he felt that the overall involvement and relationship of the Chamber of Commerce with the local authority was good. This was due to the chamber being a proactive partner.

Where town centres projects have adopted multi sector approaches and placed business and community at the heart of their process there are tangible benefits. In this context, Miller Research place the example of Blaenau Ymlaen,

“Blaenau Ymlaen is a town centre partnership in the Gwynedd slate town of Blaenau Ffestiniog. It has driven a local, yet strategic, process of change that embraces its “softer” assets – such as people, language, environment and culture. A clear vision, suite of projects and an integrated approach is showing dividends, with the partnership starting to build a destination that has responded to local needs and yet outwardly is seeking a sustainable shift to activity based tourism, connectivity with other attractors as well as creating a brand that people can align themselves to. This has led to the partnership providing a £6m package of place-making improvements, business grants and training, brand development, green town initiatives and mountain bike trails with local business at the heart of the development and implementation process. The partnership (with support from external consultants) has also looked to companies such as Dare2b and Howies to inspire and stimulate entrepreneurial activity through knowledge exchanges, young people’s forums and business proofing sessions.

Other town centre communities across Wales such as those in Blaenau Gwent, Merthyr Tydfil and Bridgend are providing opportunities for business to engage through brand development and marketing activities.

Importantly, they suggest that the engagement of business and community sectors may require external facilitation to help them to understand what their town is about, what it has to offer and how it can compete. A more holistic approach, beyond local authorities’ highways and economic development directorates, involving skills and learning, community participation and ownership as well as engagement with the schools sector can lever investment, build local ownership and help ensure sustainability of a scheme.

A Northern Ireland Perspective & Scotland

Looking beyond Wales, the FSB in Northern Ireland in their [evidence to the Committee for Social Development Inquiry into Town Centre Regeneration](#), argued that working in partnership and consultation with local people and stakeholder engagement was integral to successful regeneration. The proposals made under the Review of Public Administration for community planning partnerships were seen as important to giving a voice to small businesses in local areas.

The FSB in Scotland found the Scottish Centre for Regeneration’s Learning Networks a useful tool for disseminating good practice and stated that with some drive and direction from the Scottish

Executive, the Learning Network's could become central to stimulating action based on good evidence. The Town Centres and Local High Streets Learning Network produced a [briefing paper](#) on the challenges in regenerating town centres. In summary, it concluded that:

- A need for strategies for towns and town centres that **take a holistic approach to regenerating and managing town centres**. This was seen as vital given that retail was no longer seen as the only function of a town centre and that wider strategies and approaches, involving new stakeholders, were needed.
- A need to reach a consensus on and **develop a related suite of indicators that can be applied in a consistent fashion to measure performance and progress of towns and town centres**.

FSB Scotland also provided a case study of regeneration projects focused on the work of the Irvine Bay Regeneration Company, one of Scotland's second generation of Urban Regeneration Companies. The Irvine Bay area consists of five towns along a coastal region and the case study examined the effect of the company on regeneration issues. Key lessons were:

- **The need for long-term commitment to the regeneration process**, through a lead body with a local area focus and responsibility. Irvine Bay URC was established to address local regeneration needs – it has largely focused on physical project activity, but only where this will create the right conditions for future private sector investment. The long-term commitment of the URC has supported a strategic and phased to addressing key regeneration needs of the Irvine Bay area.
- **The need to focus on key priorities and deliverable projects to demonstrate commitment and generate interest**. The URC has identified the three towns of Ardrossan, Kilwinning and Irvine as immediate priorities for regeneration based on local need/opportunity – and within these towns has identified immediate priority projects that generate greatest impact for economic activity and improved place perception.

It is evident from the case study that the Irvine Bay Regeneration Company managed to negotiate with strategic partners in both the public and private sectors and **established economic growth as an overarching principle in regenerating town centres**.

Further issues for answer under the Terms of Reference:

- (i) **The roles the Welsh Government and local authorities play in the regeneration of town centres.**

See above answer to overarching question number 3 in relation to a collective approach to regeneration. Further, the FSB believe that there is a need to recognise the impact of wider investment by the various agencies of the public sector, including ASPBs in localised initiatives such as the National Eisteddfod and Abergavenny Food Festival which in turn stimulates the wider local economy. The whole regeneration debate would benefit from an assessment of the impact of this type of investment on the economic sustainability of local communities.

- (ii) **The extent to which businesses and communities are engaged with the public sector led town centre regeneration projects or initiatives, and vice versa.**

See above answer to overarching question number 3.

(iii) The factors affecting the mix of residential, commercial and retail premises found in town centres - for example, the impact of business rates policy; footfall patterns and issues surrounding the night-time and daytime economies within town centres.

The focus for FSB Wales members is largely in relation to daytime economies and the ability to trade as retailers. A significant proportion of our evidence demonstrates the crucial role of business rates in maintaining the vitality of retail in the high street. Amongst the key messages were the following:

- That it was better to lower business rates to an affordable level rather than higher rates coupled with lower levels of occupancy within towns.
- There was also the suggestion that the revenue generated from larger out of town retailers could be used to subsidise smaller businesses.
- Independent retailers would benefit from a reduction in or zero business rate for a period (suggestion of 1 year)
- To give landlords an incentive to lower rents to encourage new business and support aspiring businesses.
- Offset the burden of business rates by offering greater free parking facilities to increase footfall
- a more versatile system that could deal with appeals quicker and to make the process of appealing rate valuation less lengthy and bureaucratic which also adequately took into account changes in circumstances

As Miller Research state, our case studies illustrate the need to ensure that town centres are accessible to consumers as a key to creating footfall, dwell time and spend. It also reflects the need to have the right infrastructure for servicing commercial properties within a managed environment for pedestrians.

Case Studies

The following case study provided an insight on the impact of the non-domestic rates policy:

“In 1973 my father was paying the equivalent of c£1,800 pa in Rates on our building here in Holywell. In 2008, I was paying the best part of £6,000 in respect of the UBR. The introduction of the UBR and the subsequent elevation of the sums payable have been very harmful to micro High St businesses. In 2008 Tesco built a new store in Holywell which raises c £675,000 in business rates; why not use this gain to permanently ease the tax burden on other local micro businesses? This situation relates to a greater or lesser degree to practically every town centre throughout the UK. The business rate burden needs to be permanently considerably eased on small High St premises. 1,500 sq ft and below would be a useful starting point.” (Retailer, Holywell, Flintshire)

“I personally dislike paying my £500 per month when my two adjacent neighbours (very small one person shops) pay nothing but get all the benefits of the services my business pays for. £500 per month is a part time member of staff that I am desperate for but can’t afford.” (Retailer, Llandudno, Conwy)

An FSB member in Swansea stated that business rates (non-domestic rates) were becoming a real issue and were having a significant effect on his business. He had experienced rate rises that he described as punitive and was expecting a further increase of around 15% in the future. He added that it was very likely that he would move to an area with a lower rateable value. He would not be able to continue operating his business if the present increases continue, which in turn will influence his decision on whether his trade was relevant to that particular locality. He felt the services from

the local authority were poor and questioned where his money was going. This illustrates the view of the FSB that it is better to gear business rates to reflect the value for money an individual business provides for the customer above all other calculations.

“One quick and effective way to help independents would be to cut or reduce to zero for a limited time (say one year) our business rates. Many have had appeals heard against the decisions of the Valuation Office but they can only go so far and are tied by legislation. I understand that the Welsh Assembly have powers in cases of extreme hardship to reduce business rates and I would be grateful if consideration could be given to doing this. Every week that goes by without help, more businesses will fail causing further decline to the City of Swansea.” (Retailer, Swansea)

“We applaud the notion that some relief from Business rates could be applied but it would have to be longer term if it is to have real impact and we consider that most businesses would be happy to pay rates if some Government initiative to make town centre car parking free, could be implemented” (Butcher, Carmarthenshire)

Traffic flow, pedestrianisation and footfall

Further evidence suggested that traffic flow systems and pedestrianisation schemes have had a negative affect on trading in town centres. It is a constant complaint to the FSB from its members that there is a lack of co-ordination between statutory bodies and the business community in devising effective models to stimulate optimum footfall in town centres.

Parking and the flow of traffic were key issues for FSB members in Swansea in particular. Several members stated that the one way system was causing significant problems for footfall and created confusion for potential visitors to Swansea in navigating their way around the centre and that this was likely to put them off returning. One member added that he had experienced a marked decrease in footfall since the system was introduced and was considering closing on certain days to save money on costs.

Another member in Swansea felt that there was a major disincentive to stop at the city centre as parking was becoming heavily priced. She criticised the local authority’s handling of the move towards a one way system and stated that there was little consultation between small local businesses and the local authority.

In terms of the mix of properties, a further member for Swansea emphasised that regeneration programmes also need to include plans to reinvigorate town centres at night by providing places of entertainment and leisure services in a safe environment with good transport. It was important to address anti-social behaviour and ensure visible policing to increase both security and confidence.

It is important to reflect that this issue is not isolated to Swansea alone and is a Wales-wide consideration.

According to an FSB member in Carmarthen, the most pressing problem, with regards to town centre regeneration in Carmarthen, was the pedestrianisation of the town. He noted examples where streets had been narrowed to enable larger pavements at the expense of parking within town and he felt this was having a significant affect on the footfall in the town centre. The instigation of a one way system and the reduction in easily accessible short term parking was having a significant effect as shoppers would chose to go to Tesco’s instead were parking was more convenient. He contrasted this situation with the business he owns in Llandeilo where he states no similar attempts

at pedestrianisation had occurred. As a result he feels trade in Carmarthen has become worse whilst in Llandeilo the footfall had not deteriorated.

The FSB in Wales recognise the need to establish a sustainable transport infrastructure to ensure that visiting town centres is a viable choice for the consumer and that the efforts to reduce the environmental impact – particularly the use of cars – are of particular importance. To this end it believes it is better to encourage shorter local journeys than frequent longer travel to out of town developments.

(iv) The impact of out-of-town retail sites on nearby town centres.

The majority of our evidence indicated that the main factor in determining the impact of out-of-town retail sites was parking and how the lack of free parking deterred shoppers in town centres. **There was support for the policy of charging rates on car parking at supermarkets to offset losses to car parking charges or alternatively a proportional tax on free car parking spaces on developers.** There is the suggestion that the Welsh Government were not providing a level playing field as planning allows for large free car parks at out of town sites whilst parking was being reduced and becoming more expensive inside the town. An FSB member in Flintshire illustrated the point:

*“In most small town centres car parking should be free. The UK Government, Welsh Government and County Council have often argued that car parking fees do not deter shoppers, **well if it is such a good idea then the supermarkets would be charging for car parking as they don't miss a trick when it comes to making money, but they know that fees are very unpopular with motorists.**”*

A further FSB member in Rhonda Cynon Taf suggested that businesses would be willing to pay business rates if some Government initiative could be implemented to facilitate free parking in town centres. Another concern for an FSB member in Pembrokeshire was what he labeled a “dynamic shift” away from town centre to out of town development and the out of town development had even started using buses to take shoppers from the centre to the out of town development which was detrimental to town centre businesses.

Given our previous comments on sustainable transport, the parking issue demonstrates that it is counter-intuitive to offer parking facilities that encourage longer car journeys to out of town retail sites rather than lowering our carbon footprint. Current thinking also places an emphasis on broader accessibility issues by establishing a balanced mix of transport, as Miller Research state,

Out of town sites also tend to be more accessible by car and on public transport routes which meets our convenience type culture, turning its back on the distinctive yet sometimes restrictive environment of our High Streets. The need to ensure town centres are accessible by car, public transport, bike and walking is key to their success as well as serviceable for retailers and other businesses.

(v) The use of funding sources and innovative financial solutions to contribute to town centre regeneration – including the Regeneration Investment Fund for Wales; the use of Business Improvement Districts; structural funds; Welsh Government, local authority and private sector investment.

Several members of the FSB in Swansea have been active in the Business Improvement District. They have offered an insight from the smaller business perspective. One FSB member felt that there were very limited powers for taking action within the BID venture and that much of the time was

spent talking about what could be done rather than doing things. He stated that the BID needs to be more accountable to local businesses and clarify how they spend the businesses money and avoid what he labelled a “smoke and mirrors” approach. He also felt that the role of the BID should be targeted more directly at regeneration and that it should not be duplicating services provided by the council. He stated that this effectively made the levy an additional tax on businesses.

Another FSB member’s experience of the Swansea Business Investment District was negative. She felt that the scheme was not run properly and there is limited awareness of its full services, such as local advertising. She felt it was not having an effect on the city centre and that the services were often invisible to those who pay towards the BID. She cited graffiti that had not been removed by the graffiti team, which forms a key service in the BID. She also felt that the voting system allowed for manipulation by larger stores and felt it did not work in independent retailers favour.

The FSB Scotland has had the benefit of reflecting on six pathfinder BIDs and have offered the following positions and provide examples of where BIDs can offer added incentives for business.

- Their use was gathering momentum although there was a challenging future ahead due to lack of match funding (e.g. JESSICA, local authorities etc) towards the core costs.
- Some BIDs were looking at income generation projects for businesses to offset charges.
- The Clacks First BID was looking at developing wind powered energy generation for a business park in order to lower energy costs and provide an income stream.
- Bathgate BID was working with Zero Waste Scotland to develop better waste recycling facilities to reduce waste management costs.

However, the FSB in Scotland does not support all proposed BIDS and have been judged as delivering varying degrees of success and are seen as one of many measures required.

FSB Northern Ireland has argued that the option should exist to allow BIDs to be set up only where there was sufficient support from businesses. The worst case scenario for small businesses is that they end up paying a levy in addition to their business rates for local services or capital projects that they do not want; do not benefit their business, or which would have happened anyway.

Regeneration funding opportunities:

One FSB member in **RCT** has alluded to the bureaucratic burden of applying for heritage regeneration funds

“In Aberdare we have ostensibly benefited from Heritage Lottery Money in order to give the Town Centre a structural lift. This money was accessed with an on paper working partnership between Rhondda Cynon Taf Local Authority and Aberdare & District Chamber of Trade & Commerce. We would like to report that this has been a wonderful scheme but have found from personal experience that the format used to access this money is so complicated that it is likely to put off more people than it attracts. As major stakeholders in Aberdare, owners of the central Market (which has Royal Charter status), the Market Tavern and a concourse of thirteen shops in Market & Duke Street which form a substantial chunk of the heart of the Town Centre we engaged in trying to take advantage of this Heritage money to restore the Market to it’s original splendor and to refurbish the exterior of the shops to match. The format is so complicated that we are almost at the point of abandoning all hope of taking this project forward because there does not seem to be any advisor within the system who can unravel the complexities of the application format. If you have anyone who can help with this we will be in a position to report a success rather than a failure of the system.”

(vi) The importance of sustainable and integrated transport in town centres– including traffic management, parking and access.

The vast majority of our evidence is focussed on parking issues and namely the increased limitation of town centre parking. This aspect should be considered along side our evidence in relation to traffic flow, pedestrianisation and footfall in part (iii) above

An FSB member in **Amlwch** stated that car parking was becoming an issue in as two out of the four local car parks had closed. This had led to illegal parking and according to the member, the local authority was clamping down on illegal parking and this had led to fines and deterioration in footfall. An FSB member from **Llandudno** described parking as “the bane” of the town and called for more spaces, particularly for tourists and the re-design of the through traffic system with the added complication of residential parking affecting existing free parking.

Specific feed-back from members describe the “unacceptably low” level of parking coupled with rising prices as a major disincentive to shop at city centres, with private car parks charging excessive rates. There was further concern that wider areas such as Carmarthen and Cardiff could be reached cheaply when compared to Swansea’s public transport and parking costs and that the park and rider scheme was having limited impact as it could not replace adequate city centre parking. However, the recent regeneration of the bus station was seen as positive and provided good facilities although the new bus station did not have adequate passengers to serve its purpose.

This evidence emphasises what Miller Research identified as the need to provide accessibility and mobility in town centres as key to connecting users (including tourists) with shops and services across the day, evening and week. Their research also suggests public transport also as key to the success of evening time economies so that food and drink, arts, culture and other community facilities are accessible and viable and supports Wales’ visitor economy so that tourism is seen as an experience that is based around exploring, engaging and accessible.

(vii) The potential impact of marketing and image on the regeneration of town centres – such as tourism, signage, public art, street furniture, lighting and safety concerns.

Most comments from FSB members suggested that maintaining a positive image of town centres was valuable but that this should be managed in a sustainable manner and should focus on the individual cultural identity of towns.

One FSB member in **Aberdare** stated “...we have great faith that with some sensible interaction with the Welsh Government, not only Aberdare but other market towns can survive to promote not only the shopping experience of the locals but to ensure that the cultural identity of these important areas survives.”

This reflects the need for businesses through town centre partnerships to develop a unified vision and a campaign that is built on a brand that reflects its assets. Marketing needs to build the destination profile of town centres sometimes within a wider marketing area. Campaigns need to reflect the assets of a town centres in terms of the general retail offer, food and drink, arts and culture, facilities and how it links into other attractions within the town as well as linkages to rural areas such as trails.

An FSB ember in Amlwch, **Anglesey** stated that there were various regeneration projects going on in his area with the most notable being the regeneration of buildings around the harbour. This had

both good and bad implications for the town - good in that the regeneration was improving the visual appearance of the area and bad in that many businesses were relocated as a result of the council's sale of land in the area to proceed with the development.

A member of the FSB in Swansea described the appearance of the city centre as poor and discussed the need for a concerted effort to improve shop fronts and the level of graffiti. A further member stated that the High Street in particular needs to be made more aesthetically pleasing as it is the main access too the city centre from the railway station with some being degraded due to lack of care from landlords. He added that better signage was needed throughout the city centre highlighting where the independent shops are located. We believe that it would be of benefit to provide signage where there is a clear cluster of independent retailers in a locality, particularly in our larger urban areas in order to offer a distinctive consumer experience to attract more visitors

An FSB member in Pembrokeshire believed that improvements aimed at ameliorating the appearance of the town were good but that the worst situation was empty premises that created a "run down" feel to the town. He cited an example whereby photographs or advertisements of local scenery/colleges etc were used to cover empty shop windows and believed that this had a large affect on the appearance of the town. He stated that the Chamber of Commerce had led on this but that involvement and match funding from the local authority had been welcome and productive.

Another layer to projecting the image and distinctiveness of town centres is the use of public artwork. As referenced by Miller Research,

Wales has been quite prolific in installing public artwork across its town and city centres with the larger urban centres of Cardiff, Swansea and Newport integrating artwork within paving, signage, lighting and in key note sculptures. They also play a role in smaller town centres with artwork telling the story of local industries, historical figures and how towns have traded through the ages.

Schemes in Abergavenny, Chepstow and Tonypany have engaged with the local business community so that artwork adds value to scheme and tells the story to visitors as well as providing functional space for events, festivals and other activities. Abergavenny is a good example where the regeneration of the Brewery Yard to the rear of the Market Hall has boosted the economic potential of the town with the space being a key focus for the annual Food Festival, bringing 35,000 visitors to the town and generating £3.5 million of expenditure. The use of brick barrels, poetry and art-based benches adds to the experience which is authentic and memorable to visitors leading to repeat visits and confidence in the town as a destination

FSB Northern Ireland, in their evidence to their respective Committee Inquiry note that the expansion of large chains through their 'neighbourhood stores' has raised the threat of 'cloning' (as coined by the New Economics Foundation in 2004) and the loss of any form of local identity. They argue that it's vital that Northern Ireland's town centres maintain – and indeed celebrate – their individuality as tourists who come to Northern Ireland and find shopping malls and high streets which are exactly the same as the ones they came from will find no reason to return.

(ix) The extent to which town centre regeneration initiatives can seek to provide greater employment opportunities for local people.

Evidence from our members indicate that more should be done to recognise the role of smaller town centre retailers in offering meaningful local employment opportunities despite competing against the economies of larger retail and external factors, especially sustainable transport.

One FSB member in Denbigh has commented that,

“for any two part time jobs created in supermarkets, we feel that one equivalent full time job will be lost elsewhere.”

A further member in Flintshire reflected on the changing attitudes to small retailers,

“For many years Government has seemingly treated small retailers as public enemy number one! Now that we are disappearing there does seem to be a change of attitude towards the sector. At last Government does seem to appreciate the contribution that local retailers make to their communities. Government needs to promote retailing in a positive light in order to attract young entrants into the industry, and by creating the 'seed bed' retailing can be promoted as a career for well educated people to follow and make a reasonable living.”

An FSB member from Llandudno illustrated the effect of lack of affordable transport as a disincentive to work

*“A shop worker on 16 hours a week (wages around £95, below the tax level) lives 8 miles out of town in a village where the buses only run twice a day. The car is essential. Fuel cost to travel to work and back 3 times around £12. Parking will cost £12 per week. **That extra £12 may make the difference between the job being viable or claiming benefit instead.**”*

This emphasises the argument that town centre initiatives need to be proactive in planning for growth, supporting business in terms of training and development and looking at ways to stimulate new enterprise whether this be directly in retail, or supporting low carbon technology companies in creating sustainable business communities.

Further Considerations: Planning

The FSB in Wales is fearful that Planning has been overlooked as a central issue in town centre regeneration and ultimately economic development solutions. We view planning policy as a fundamental pillar to redress the balance in favour of town centre regeneration. Since 2008, FSB Wales has been promoting a series of changes to planning policy that would address the needs and concerns of small businesses and place the emphasis on planning firmly towards regeneration and economic development.

It is clear from our current evidence base that planning issues are of real concern, particularly in relation to town centre regeneration. The most frequent observation was that the planning rules created an emphasis towards out of town development, removing town centres as the focal point of the community and decreasing footfall:

*“I think and hope that it is beginning to dawn on some that in the vast majority of cases you are not able to have a viable town centre and a large retail outlet on the outskirts of the same time. I feel that this doesn’t work and it leads to the gradual decline in town centres whereby properties become derelict or are turned into low cost housing. **I question if this is what is envisaged by planners?**”*

(FSB Member Denbigh, Denbighshire)

This member further describes how out of town developments, with the correct approach to planning, can potentially help town centres,

*“Firstly in Oswestry where the larger retailers have built on the outskirts of town but within easy walking distance of the town centre and with adequate parking. The outcome of this has been good. In contrast, Ruthin where Tesco assured the planning authorities that their original plans were their needs, however six months later applied for retrospective permission to extend. To their credit the council disagreed, however it was overturned on appeal despite local views. As a result, Ruthin is beginning to suffer. **As stated I think authorities are slowly coming around to the mayhem they have caused in the past, long may this continue.**”* (FSB member, Denbigh, Denbighshire)

FSB members broadly welcome the growing commitment towards regenerating town centres and a shifting focus away from out of town developments and recognise the apparent growing political appetite to prevent further degeneration. However the urgency of the situation was touched upon by many respondents, for example:

“However, the WAG has control over Planning Policy which determines how applications for out of town retail are processed. These guidelines need urgent reconsideration if the demise (ROT!) in the High Streets is to be halted... So, if we are to answer how the Welsh Government could increase the success of regeneration projects in Wales one of the key factors would be an urgent review of the Planning Policy as it pertains to retail – urgent cannot afford to extend to a two year chattering workshop without real results to show at the end of the day, during which time many more out of town projects would have been processed...” (Market trader, Aberdare, Rhondda Cynon Taf)

FSB Wales members have accepted that they will always compete with developments outside of town centres and reflect Miller Research in their call *“to revisit spatial planning and how the inter rural-urban relationships can bring about diverse town centres in terms of supplying labour, produce and other assets that can be sold and channelled through town centres so that smaller enterprises can come together, share costs and use town centre space for diverse activities.”*

Summary

We have long argued that a Retail Strategy could link in with any future reform of the planning process to help create the environment to ensure that we have a planning system that can help deliver economic renewal. It is important that Planning Authorities are given stronger policy guidelines from the Welsh Government to be able to withstand pressure for large developments, and preserve small indigenous businesses that enable our town centres to be vibrant and active.

Many members found the nature of the planning system posed an obstacle to investment in their business. It is encouraging to see the First Minister speak of the need for a planning system that can deliver economic renewal and the FSB feel that relatively simple measures such as pre-application consultation can have significant effect on the planning process and the speed of applications. There

is a necessity to make economic development at the heart of any review of the planning system, and FSB Wales would encourage strong consultation on how the interests of small businesses, often focal points in local communities and towns, can be heard and recognised to ensure a business led recovery.

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Enterprise and Business Committee Inquiry into Town Centre Regeneration

Evidence from the British Retail Consortium

BRITISH RETAIL CONSORTIUM
for successful and responsible retailing



National Assembly for Wales's Enterprise and Business Committee – Inquiry into the Regeneration of Town Centres BRC Covering Note

Introduction

The British Retail Consortium (BRC) welcomes the opportunity to respond to National Assembly for Wales's Enterprise and Business Committee – Inquiry into the Regeneration of Town Centres. The BRC priorities in relation to the High Street are summarised in the 21st Century High Streets report which will form the cornerstone of our submission. Key elements of the BRC priorities are set out in this covering note.

The BRC is the lead trade association for the UK retail sector and the authoritative voice of the industry to policy makers and the media. We represent the whole range of retailers, from the large multiples and department stores through to independents, selling a wide selection of products through centre of town, out of town, rural and virtual stores.

Retailing is at the heart of Welsh cities, towns and villages and is vital to the health of the Welsh economy. One in every eight households has someone who works in retail and with many millions of visits by consumers every year, retail plays a unique role in serving and shaping our communities.

Retailing not only drives the Welsh economy, its health is a visible barometer of the economic climate. The British Retail Consortium, as the authoritative voice of the industry, believes that with support, help and commitment from politicians and Government, the retail sector can help the Welsh economy to flourish.

Retail wants to work with National Assembly for Wales

The BRC welcomes the Assembly's inquiry into the regeneration of Welsh town centres but would note the Assembly has been slow to engage with the retail sector in recent years. Retail is an important part of the Welsh economy with around 8,965 retail businesses and 13,925 retail establishments. Employment within the Welsh retail industry (around 139,000 people) accounts for around 10% of total employment¹. If retail is to drive town centre regeneration it must fall under the remit of a single Assembly Minister and a single department that retailers can engage with. The BRC is encouraged that the Assembly is now looking to tackle town centre regeneration and recognises the importance of the retail sector.

BRC priorities for Welsh town centre regeneration

¹ Skills smart Retail 2010

The BRC priorities in relation to the High Street are summarised in the 21st Century High Streets report. Key elements of the BRC priorities are set out below for ease of reference.

- 1) **Town centres must be proactively managed and private sector led:** Co-ordinated strategic management is crucial to the success of town centre retail locations. This is often best delivered through a local partnership (bringing together local retailers, other businesses and the local authority) such as a Business Improvement District (BIDS) or town centre management company. The private sector is keen to form local partnership with authorities and other stakeholders but they are few in number in Wales. Partnerships in Wales tend to be dominated by the public sector and fail to effectively leverage the appropriate financing or business engagement required to deliver the tangible results.
- 2) **The Assembly should focus on encouraging effective private sector partnerships,** either through Business Improvement Districts or independently as a means of focusing resources and delivering bespoke solutions to often very different retail locations. BIDS deliver sustainable solutions because they focus on the chief barriers to trade and growth affecting the town centre in question. Funds are targeted on specific initiatives which will benefit local businesses as well as the wider community. Effective local partnerships between local authorities and retailers initiated through a BID or independently can help deliver more attractive and successful retail locations, with local money invested, providing tangible local benefits. There are already effective partnerships in Wales including Swansea BID and the Wrexham Town Centre Manger initiative but many smaller locations could also benefit from effective partnerships. Size and location are of little tangible relevance to successful partnerships with many smaller BIDs flourishing across the UK. In fact the majority of new BIDs are now located in smaller centres. Effective private sector led partnerships will help regenerate all welsh town centres, both small and large.
- 3) **Monitor the health of town centres** Effective town centre regeneration requires a clear strategy and effective monitoring and management. Stakeholders both public and private need to know what problems are being experienced in each town centre in addition to identifying and building on the key strengths. Without effective health checks identifying unique weaknesses solutions will often be generic and ineffective.
- 4) **Proactive and engaging Assembly:** Effective town centre regeneration is driven by privately led local partnerships but it is also essential that the issue is addressed at a central level. It is paramount that the Assembly designate town centre regeneration to one Department and one Assembly Minister. This would provide clarity and direction and indicate that the Welsh Assembly is taking the future of the Welsh retail environments seriously; it would also provide a recognised communication path for retailers who trade in Wales.
- 5) **Consumers must come first:** Some interest groups have proposed placing additional burdens on out of town and other retailing (eg imposing out of town car parking charges/additional taxation/levies etc) to “level the playing field” for in town retailing. We have been very clear that this is entirely the wrong approach – the key must be to “level up”, taking constructive steps to address the challenges facing the High Street not penalising successful retailers in other locations/channels.
- 6) **Small and large retailers have complementary roles to play:** Successful High Streets have a complementary mix of large/national retailers to attract footfall balanced with the diversity and interest which small retailers may bring. Each has an important role to play in securing a successful future for a retail location.
- 7) **Town Centres are the heart of the community:** Town centres are at the heart of the community and provide more than just a commercial outlet. They combine friendly personal service with choice and value. Town centres need to provide consumers with a good variety of unique independent businesses offering a range of goods and services in addition to some national high street retailers. Both retailers and Government need to recognise the unique service town centres offer if they are to continue to thrive into the years ahead.

Key policy challenges:

The 21 Century High streets highlights six key policy challenges, together with accompanying recommendations. Tackling these issues can make a significant contribution to ensuring the success of a High Street or town centre. A brief summary of these six issues is set out below.

- 1) **Unique sense of place:** High streets should seek to maximise the advantages of local heritage or natural surroundings. The retail mix must complement the public perception of a High Street's identity. High Streets must be marketed effectively – so that they communicate accurately and meet the needs of customers using them.
- 2) **Attractive public realm:** It is essential to develop and maintain an attractive trading environment. Public spaces must be maintained to the highest standards – with effective deterrents against criminal damage/vandalism. Co-ordinated efforts are vital to ensure that public realm improvements and maintenance are compatible and efficiently delivered.
- 3) **Planning for success:** Partnership and collaborative working lie at the heart of all successful retail-led regeneration. Effective monitoring of town centre health should underpin any effective town centre systems.
- 4) **Accessibility:** Parking and transport should be seen as a way to attract customers to the High Street rather than simply a means of traffic management or revenue raising. Incentives to use public transport should be offered not penalties on motorists. Retail delivery curfews should be reviewed to take account of advances in technology.
- 5) **Safety and security:** Retail crime and anti-social behaviour must be robustly deterred, with damaged property and streetscape restored as quickly as possible. Meaningful deterrence requires a co-ordinated response by all agencies. Local policing must meet the needs of the local business community.
- 6) **Regulatory and fiscal regimes:** The Business Improvement District or similar local partnership should be the preferred mechanism for raising additional revenue or solving local problems. Local regulation and enforcement must be risk-based and proportionate.

Delivering growth – a policy framework for Welsh retail

Private sector businesses will drive future growth, with retail - the largest private sector employer - in the lead. To allow the private sector to create the jobs that will drive the economy forward, it's vital that the Government creates an environment that encourages private sector investment.

The retail sector in Wales requires a policy and legislative environment that will encourage enterprise, competition, growth and innovation; provide security for investment; and deliver key skills and infrastructure.

With the advent of the Assembly's new legislative competencies the time is now right to develop a new retail policy framework for Wales. A partnership between our sector and the new Assembly Government will create conditions for continued investment and sustainable development to ensure that Wales is a competitive, world-class retail destination.

We want to work with the new Assembly Government to agree a retail framework that will:

Support our social and environment commitments by:

- Supporting the move to a low carbon economy, with a focus on cost-effective solutions.
- Working with the sector in the promotion of healthier lifestyle to consumers, but resisting imposing unnecessary, prescriptive regulation on the sale of food and alcohol.
- Working with the sector to support locally sourced Welsh products for the Welsh market and beyond.
- Incentivising retailers to further reduce their energy consumption and support households to do the same.

- Encouraging increased renewable energy generation at domestic and retail properties and maintain feed-in tariffs at their current levels.
- Working with the sector to help our customers, staff and suppliers to reduce their environmental impact.

Maintain employment by:

- Championing the importance of the Welsh retail sector in creating employment opportunities at all levels with real career prospects.
- Ensuring the skills system is fit for purpose to support the excellent training and skills opportunities already offered by the retail sector.

Preserve the essential infrastructure for trading by:

- Supporting competition and innovation by insisting regulation is proportionate, evidence-based, and all enforcement is both consistent and targeted.
- Ensuring legislation is implemented in business friendly ways, with workable lead-in times and recognition of complex operations.

Reduce costs by:

- Ensuring that Wales remains a competitive place in which to do business.
- Avoiding increases in the overall burden of regulation.
- Ensuring consistency of enforcement activity across Wales' 22 principal local authority areas.

Reduce retail crime by:

- Ensuring that effective partnership practice is promoted and recognises the role retail plays in regeneration of areas affected by crime and disorder.
- Encouraging consistency and effective co-operation between Forces when tackling serious and organised crime, including e-crime.
- Tackling the incidence of abuse and violence against retail staff.

Retail – delivering for Wales

Retail is the engine that will drive future growth in Wales. We are not a sector that looks for subsidies; we are naturally entrepreneurial. As we strive for growth we will play a substantial role in reducing unemployment and contributing to the future prosperity of the Welsh economy. Our members are delivering for Wales:

Retail has led the environmental agenda

Through cutting emissions, reducing waste and helping change consumer behaviour retailers are helping to deliver a more sustainable Wales. The sector has demonstrated a commitment to reduce landfill waste and in 2010, John Lewis sent just one percent of waste from the construction of its new Cardiff store to landfill. This is just one example of the good work being done by the retailers to help Wales meet its waste reduction goals.

Retail is an excellent employer

The sector is committed to developing the skills of its workforce, providing flexible working opportunities and bringing the long term unemployed back to work. Over 40% of the adult population has worked in the retail sector.

Retail transforms places

Over recent years retail-led regeneration has helped to transform city centres and high streets bringing employment opportunities, key services and long term investment to local people and communities. In Wrexham, footfall and spend markedly increased a mere six months after a department store anchored, mixed use development was constructed. New businesses have also been attracted to the area, occupying previously vacant premises.

The retail sector in Wales is responsible and responsive to consumer demands. Every day consumers vote with their feet in terms of the products they buy and the stores in which they shop. Retail is delivering for the economy of Wales; the numbers speak for themselves:

Contact the BRC

The BRC works with its members and stakeholders to maintain the political and industry profile of the retail sector in Wales through information sharing, research activity and further developing links with key sector partners, including the Welsh Assembly Government and the National Assembly for Wales.

The BRC's aim is to ensure that the Assembly and Government create the right trading environment to allow for continuing investment, job creation and innovation by retailers in Wales.

The BRC look forward to discussing the importance of the retail sector and the issues highlighted in this document. For further information, please do not hesitate to contact us:

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21st Century High Streets: A new vision for our town centres



21ST CENTURY HIGH STREETS

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Wrexham Town Centre at night



RECOMMENDATIONS

Even before the recession, some High Streets were ailing as shopping habits shifted. High class regional shopping destinations, the move to 'leisure shopping', more demanding shoppers and the growing importance of the internet all pose significant challenges to traditional High Streets. But it's not all doom and gloom. Some High Streets have found ways to buck the trend.

There is a bright future for High Streets as the focal point for local communities. Retailing will be an essential part of this future but is likely to have a changing role. Our twenty key recommendations to achieve the best possible future for our High Streets, set out below, draw on current successful practice.

1. A UNIQUE SENSE OF PLACE

1. Town centres are vital to local communities so we must work together to maximise the inherent advantages of each High Street's local heritage or natural surroundings whilst still providing facilities suitable for modern retailing.

Delivery Partners:
Local Authorities, Local Partnerships, Retailers, Cultural/Heritage Partners

2. The retail mix must complement the public perception of a High Street's identity.

Delivery Partners:
Local Authorities, Local Partnerships, Retailers, Landlords

3. High Streets must be marketed effectively – and deliver on that promise – so customers can appreciate the value of any given location.

Delivery Partners:
Local Authorities, Local Partnerships, Retailers, Cultural/Heritage Partners

2. AN ATTRACTIVE PUBLIC REALM

4. Developing and maintaining an attractive trading environment, with consistent styling, is essential.

Delivery Partners:
Local Authorities, Local Partnerships, Retailers

5. Public spaces must be maintained to the highest standards with effective deterrents against pollution.

Delivery Partners:
Local Authorities, Local Partnerships, Retailers

6. Local authorities, public bodies and private interests must work together to achieve material improvements, and public sector investment must provide long-term benefits.

Delivery Partners:
Local Authorities, Local Partnerships, Retailers

3. PLANNING FOR SUCCESS

7. Strategic planning must define the framework for different types of shopping destination within regional, sub-regional and local contexts.

Delivery Partners:
Local Authorities, Regional Development Agencies

8. Partnership and collaborative working lie at the heart of all successful retail-led regeneration.

Delivery Partners:
Central Government, Regional Development Agencies, Local Authorities, Local Partnerships and Retailers

9. Monitoring the health of town centres should underpin any effective town centre system.

Delivery Partners:
Central Government, Regional Development Agencies, Local Authorities, Local Partnerships

10. A clear strategy must be established to address increasing rates of vacancy and the accompanying decline in fortunes of some town centres.

Delivery Partners:
Central Government, Regional Development Agencies,
Local Authorities, Local Partnerships, Retailers

4. ACCESSIBILITY

11. Parking and transport policy should be seen as a way to attract customers to the High Street rather than simply a means of traffic management. It should aim to reduce town centre congestion and parking demands without affecting footfall. Incentives to use public transport should be offered, not penalties on motorists.

Delivery Partners:
Central Government, Local Authorities, Public Transport Operators

12. Car parks should not be used primarily as a means of raising revenue, and a proportion of funds raised should be ring-fenced to improve car parking options.

Delivery Partners:
Central Government, Local Authorities

13. Retail delivery curfews should be reconsidered, taking account of advances in technology.

Delivery Partners:
Local Authorities

5. SAFETY AND SECURITY

14. All retail crime and anti-social behaviour must be deterred, with damaged property and streetscape restored as quickly as possible.

Delivery Partners:
Central Government, Local Authorities, Police, Local Partnerships, Retailers

15. Achieving meaningful deterrence requires a co-ordinated response by all agencies in the community.

Delivery Partners:
Local Authorities, Police, Local Partnerships, Retailers

16. Neighbourhood policing must meet the needs of the local business community – Local Area Agreements and Strategic Assessments and Crime and Disorder Reduction Partnerships should include business crime among their key priorities.

Delivery Partners:
Police Authorities, Local Partnerships

6. SUPPORTIVE REGULATORY AND FISCAL REGIMES

17. A freeze on all new property and business rate burdens should be accompanied by the reinstatement of Empty Property Rate Relief.

Delivery Partners:
Central Government

18. The Business Improvement District (BID), or similar partnerships, should be the preferred mechanism for raising additional revenue to solve local problems.

Delivery Partners:
Central Government, Local Authorities, Private Sector Partners

19. The cost of complying with existing regulation should be immediately reduced, including the removal of any disproportionate parts of the regulations.

Delivery Partners:
Central Government, Local Authorities

20. Local authorities and the LBRO have a vital role to play in ensuring regulations are enforced without adding unnecessary costs.

Delivery Partners:
Local Authorities, LBRO



INTRODUCTION

We British were once famously dismissed as a nation of shopkeepers. It's an 'accusation' that we at the BRC are proud to live up to – retailing is one of the great success stories in the UK, and is at the heart of our towns, cities and neighbourhoods.

In these difficult times we are seeing High Streets up and down the country struggling to continue to provide essential services, jobs and a vibrant heart to the local community. For some the recession is accelerating a decline that was already evident. Elsewhere recent high profile retail failures have brought down previously functioning High Streets.



But there are also many examples of excellent practice where civic vision, leadership and judicious investment built on partnership have provided great environments in which to trade, shop and enjoy being part of your own community or to visit somewhere new. This report aims to share the lessons from these success stories to enable communities to shape a stronger future for their High Streets.

Good retailing is all about great products supported by great people giving great service. It's down to retailers to provide all of that for their customers. It's something British retailers, large and small, excel in. But to trade profitably we need customers, drawn in by a pleasant, safe and accessible High Street offer. This report is part of our contribution to help deliver a better, brighter future for High Streets everywhere.

Stephen Robertson
Director General
British Retail Consortium
July 2009

DEFINING THE HIGH STREET

In the UK today we can choose from an increasingly diverse range of shopping locations and channels. The choice spans town centres and out-of-town retail parks, neighbourhood shops close to home, and online and catalogue shopping. We shop in different ways – for basic necessities and luxuries, as a weekly routine, on impulse or as a leisure activity – so having the broadest range of shopping channels for maximum flexibility and convenience is fundamental to modern lifestyles.

This report looks at what makes a High Street a great visiting and shopping experience, whether it carries local shops or flagship stores. It also recognises that a High Street is more than a shopping location, playing a crucial role at the heart of the community. As our communities continue to evolve, the High Street of the 21st Century is likely to be a very different place to that of 20 or 30 years ago, and the recession may hasten the demise of outmoded High Streets much faster than new retailing, entertainment, cultural, civic and other services can move in to re-invigorate it.

Declining High Streets are at best unattractive, discouraging shoppers; at worst threatening. We explore how the re-birth of the High Street can be achieved to benefit customers, communities, retailers and other businesses and services that operate alongside them.

A lot of work has already been carried out by the Government, public bodies, academics and the private sector to investigate the nature of town centre locations. Reports such as *Vital and Viable Town Centres: Meeting the Challenge*¹ identified broad classifications

aimed at categorising different types of locations. The Association of Town Centre Management (ATCM) proposes the following essential characteristics as being at the heart of every town centre:

- A retailing centre that serves the needs of the local community;
- Leisure, entertainment and cultural facilities;
- Public and private sector services;
- An employment and business sector;
- Accessibility by a choice of transport;
- The perception of the local community as their town centre.

Clearly High Streets in the UK encompass a very broad range of shopping locations. They include high profile regional city shopping destinations as well as neighbourhood shopping centres within larger conurbations, local town centres, market towns and cultural and historic destinations. We propose to take the following definitions as the starting point for this report.

1. Destination/regional/national city centre
2. Local town centre
3. Neighbourhood
4. Market towns
5. Historic/cultural destinations

As this report will show, while there is considerable diversity in the needs of these different types of High Streets, many of the basic issues they face and the actions needed are essentially similar.



TOUGH TIMES ON THE HIGH STREET

Some High Streets have been struggling for years, lacking the investment or the vision to offer customers a compelling choice and so failing to compete with better experiences in neighbouring towns or retail parks. The recession has exacerbated these problems but has also spread these difficulties more widely. This section explains how economic difficulties have brought the challenges facing High Streets into sharper focus.

The UK economy contracted sharply in the first three months of 2009, with output falling by 2.4%, the worst contraction since 1979. It is predicted to fall by 3.5-3.9% by the end of 2009 with consumer spending shrinking by 3.4% in 2009 and 0.4% in 2010. Real household disposable incomes are forecast to rise by only 1.6% in 2009 and 0.9% in 2010².

CONFIDENCE

Customer confidence began to falter in the summer of 2007 and the contraction continued through rising global commodity prices and falling property prices. Perhaps surprisingly neither the banking crashes in the autumn of 2008 and associated credit restrictions, nor the growing job losses in early 2009 have eroded confidence further, but these events have prevented any significant recovery from a historically low level. The significant fall in mortgage payments and energy costs would otherwise have prompted a rise in spending as pressures on household budgets eased.

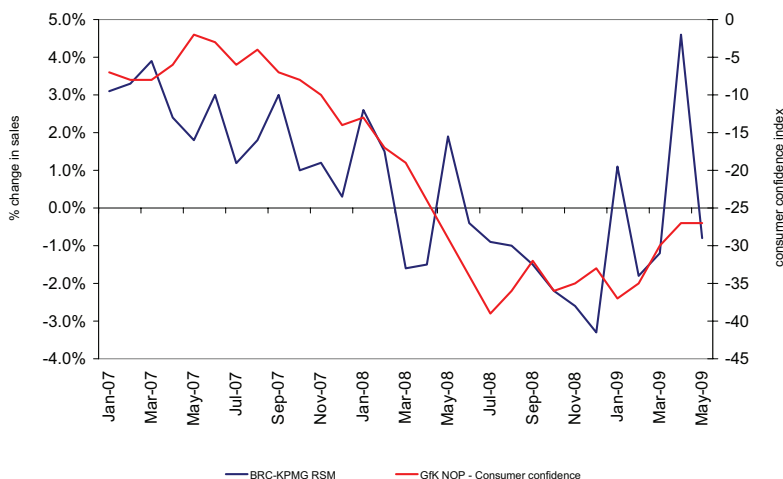
Customer confidence is a leading indicator of recession and recovery so measures to underpin and nurture confidence are essential to turn things round. In spring 2009, while 40% of consumers were directly affected by the recession (through loss of jobs, overtime or bonuses etc) a much higher 70% cut back on spending due to fears of what might happen. Customers are both cautious about spending on big items and very price conscious in making routine purchases.

SALES

Sales are as much driven by confidence as the value of the products offered. The BRC-KPMG Retail Sales Monitor shows total and like-for-like sales following the same relentless downward path as consumer confidence since the summer of 2007. After a prolonged period of restricted spending there was a brief upward kick in January 2009 as consumers took advantage of massive discounting by retailers to make replacement purchases that had been put off for months. There was further positive sales data in April, but comparisons are particularly difficult with Easter falling in April 2009 and March 2008. In May sales dropped back again.

Food sales have seen some growth in total value, driven by food inflation resulting largely from the deterioration in the value of sterling, benefiting convenience stores and supermarkets. But many of the shops found on the High Street have suffered

BRC-KPMG Retail Sales Monitor and Consumer Confidence



prolonged and significant falls in sales. Big ticket furniture, carpet and floor coverings and homewares sales are largely driven by house purchases and the availability of credit and so are unlikely to recover ahead of the housing market. On the other hand beauty products and young fashion have fared relatively well.

COSTS

Products, property and people are the major costs in retail. World commodity prices were high in the summer of 2008 and UK prices have continued to rise as sterling has lost over a quarter of its value against the dollar and the euro since July 2007. This affects many non-food items, a significant proportion of which come from the Far East. The reduction in VAT rates gave a 2% reduction in prices but this will end on 31 December 2009 when the 17.5% rate resumes.

Retail property costs rose sharply during the high growth years and, while new leases are often on significantly better terms, remain high at levels completely unconnected with current sales or profitability for many retailers. Since business rates are connected to rental values, and the 2010 Revaluation is based on April 2008 levels (i.e. before the recession started, officially) these rising costs will exacerbate the situation. The loss of Empty Property Rate Relief and the threat of Business Rates Supplements add further to this effect.

People costs have been squeezed by these compounding pressures, initially by reducing the hours worked but increasingly through job losses.

(In March 2009 there were 73,000 fewer jobs in retail year-on-year, a reduction of 2.5% in 12 months, according to NOMIS). The final level of job losses will be determined by other cost pressures including the impact of legislation, regulatory burdens and taxation (including National Insurance).

PROFITABLE TRADING

Rising costs, falling sales and downward pressure on prices has left retailers with squeezed margins and loss of profits. In some cases this has led to business failures or significant contractions, leaving empty stores and lost jobs and services. Elsewhere planned investments are no longer viable and capital to invest is harder to come by. Vacant premises are forecast to more than double, from 7% at the start of 2009 to around 15% by the year end. Some town centres already record vacancy rates of almost 40%. Retailers entering administration are up 109% year-on-year and 48% quarter-on-quarter according to the Insolvency Service.

The dangers associated with this deteriorating picture are clear. Vacant units are perhaps one of the most visible impacts of the economic downturn. Shoppers who are unable to ignore increasingly visible vacant units in their local communities are likely to further reinforce falling consumer confidence. This may in turn lead to increasingly conservative spending habits which could, in turn, lead to a falling retail spend.





POLICY PRIORITIES FOR ACTION

High Streets face long-standing challenges which need to be addressed by all the businesses that operate in them if shops, restaurants, pubs and other local businesses and public services are to retain viable long-term futures. The economic downturn is exacerbating these difficulties.

A range of Government bodies and others are now looking to develop solutions to address this deteriorating picture. The Department of Communities and Local Government called a summit to discuss the challenges facing town centres across England. The Scottish Government set up a Town Centre Regeneration Fund to provide much needed funding to improve towns and cities across the country. The Local Government Association called for urgent action to allow local authorities to address the difficulties which are developing.

The priority must not be simply to develop short-term solutions to short-term difficulties. Instead a concerted effort must be made to put in place a long-term strategy to ensure the long-term future of our High Streets. A successful future cannot be provided by attempting to reconstruct the past.

The aim of our report is to contribute to these initiatives by:

1. Identifying the main short- and long-term challenges facing High Streets;
2. Identifying effective solutions to those challenges;
3. Developing a strategy to address these challenges and deliver prospering High Streets.

We have identified the following key elements of a successful High Street:

1. A Unique Sense of Place
2. An Attractive Public Realm
3. Planning for Success
4. Accessibility
5. Safety and Security
6. Supportive Regulatory and Fiscal Regimes

In each, action is needed urgently to ensure the long-term viability of town and city centres across the UK. Our overriding aim has been to ensure High Streets are attractive places for customers to shop and for retailers and other local businesses and services to operate.

This report examines the current challenges and the efforts to address them. Each section identifies examples of initiatives that are successfully addressing some of the most pressing problems. Adopting solutions such as these more widely could help rejuvenate High Streets across the UK.

A UNIQUE SENSE OF PLACE

Well-loved town centres have a unique identity which marks the character of the community they serve. They may be centred around an historic feature, a market place or town hall. The streets may be narrow and winding or laid out to a more modern design, but each has its own character. The retail offer will often consist of familiar and popular brands mixed with independent and niche stores but what makes a High Street special are the ways it defines its own environment – the street scene and the links with the community’s past and future.

An area’s character – its “sense of place” – can strongly influence shoppers’ decisions about when, why and how often they visit a High Street. Research being carried out at Loughborough University appears to confirm this is the case³. The key elements of an effective sense of place are:

- **Building on existing strengths:**
As observed in recent research⁴, it is vital High Streets maximise the inherent advantages of heritage features or natural surroundings. The distinctiveness of many town and city centres is an asset, not an impediment. New development can be complementary to existing features rather than seeking to homogenise surroundings.
- **Appropriate retail diversity:**
Ensuring an appropriate retail mix, both in diversity of store and choice of retailer, is essential. Each High Street and community needs its own mix. Larger city centre locations will be best placed to provide a wide range of competing retailers. Smaller locations may elect to attract shoppers through a more concentrated but diverse offer. In these areas two or three ‘anchor stores’ such as a supermarket, pharmacy or other essential facility are important in attracting enough footfall to create a bustling atmosphere and keep other stores in business.
- **Ensuring a complementary retail offer:** At the same time, the retail offer has to match public perception of the High Street’s identity. Only by providing the right products and services for local needs can a High Street succeed. Shops must be aligned to the customer base in terms, for example, of age, ethnicity and income. Similarly, products and services must fit the leisure and cultural activities in the area.
- **Marketing and delivering High Street identity effectively:**
Communication and marketing are key elements in developing an effective sense of place. People living within reasonable travelling distance need to be able to recognise and identify the essential nature of a High Street. Appropriately tailored events can play a vital role in supporting and enhancing identity. Themed markets or other activities can attract customers. Loyalty schemes rewarding use of retail, entertainment and cultural facilities also help establish and maintain a distinct local identity.



Swansea Independents' Day



Case Study

PLYMOUTH'S SUMMER FESTIVAL

THE ISSUE

The Plymouth Summer Festival is an initiative conceived by the local BID partnership, the City Centre Company, to address the need for co-ordinated regional marketing of the city's summer events programme.

THE INITIATIVE

The Summer Festival targets day visitors through improved marketing of summer events. Building on the fact that market research suggests every tourist pound generates 35p for the retail sector, the BID created a new festival brand that packaged 25 major

events including arts, music, maritime, food and sporting activities in the city centre, waterfront and subsidiary venues. A website, 100,000 brochures and bus, radio and print advertising were used to promote activities and the city centre was decorated with 350 lamppost banners and pennants.

THE OUTCOME

Feedback on the project has been extremely positive. Research concluded that 75% of visitors were aware of the festival and 48% had visited specifically for an event. Research indicated that over 300,000 additional day visitors were attracted during the four months of the festival. The average visitor spend during the period was £92, £40 higher than the regional average.

Case Study

Huddersfield's Marketing Programme

THE ISSUE

Promoting and supporting the retail and business offer in Huddersfield town centre, seeking to build a distinctive identity from nearby regional centres.

THE INITIATIVE

The marketing programme conceived by Huddersfield Town Centre Partnership comprises:

- A quarterly women's magazine exclusively featuring local events and products. 20,000 magazines are distributed each quarter.
- A quarterly newsletter informing businesses about events in the town.

- Definitive Guide (aimed at students and visitors) promoting shops, cafes and bars updated annually.
- Fortnightly networking meetings encouraging local companies to do business with each other.

THE OUTCOME

Feedback from businesses in the town has been extremely positive and membership of the Partnership has grown significantly to 175 members. Research indicates readers find 80% of the features in the magazine of interest. The main Food and Drink Festival attracts over 40,000 visitors, including a significant number from outside the immediate catchment area.

Case Study

SWANSEA 'INDEPENDENTS DAY'

THE ISSUE

Ensuring shoppers continue to be attracted to Swansea city centre by capitalising on the character and diversity of its offer.

THE INITIATIVE

Swansea 'Independents Day' was conceived by Swansea BID and the City Centre Partnership to celebrate the character and diversity that independent traders bring to the city centre, helping to keep it a vibrant and distinctive shopping

environment. Taking place on the 4th July each year, the city centre adopts an American Independence theme, with key sites coloured red, white and blue. A catwalk show takes place throughout the day showcasing retailers' products. Independent cafes, bars and restaurants sell American themed food and drinks and 10,000 brochures are produced with special offers from independent retailers in the city.

THE OUTCOME

Feedback from independent businesses has been very positive. Evidence shows that the city centre doubles its footfall on the day of the festival and the Independents Day brand is recognisable across the city.

Case Study

DUNDEE RETAIL AWARDS

THE ISSUE

Recognising the substantial developments made by the retail, leisure and business sectors in Dundee City Centre and to highlight the retailing provision which has evolved over the last 10 years.

THE INITIATIVE

Piloted in 2006, Dundee City Centre Retail Awards were set up by City Centre Management to showcase all aspects of the city centre. National and independent judges shortlist winners in seven of the eight award categories – the judges' choice

accounting for 50% of the vote, with public votes (via a telephone hotline, postcard voting and online voting) responsible for the remaining 50%. The final category, Consumers' Retailer of the Year, is chosen by the public.

THE OUTCOME

Now in their fourth year, the awards have continued to grow in profile, with ever-increasing nominations to celebrate the excellence within Dundee's diverse and vital retail sector. The hard work by the panel of judges and the backing of sponsors has helped ensure the success of the awards, which are celebrated at an annual evening event.



2 AN ATTRACTIVE PUBLIC REALM

Developing and maintaining an attractive trading environment is crucial to the success of a High Street. Customers, employees and businesses must feel a High Street is safe, welcoming and clean. While there will be differences of scale depending on the type of High Street, a thriving public realm will typically include:

- **Social spaces:**
Spaces that allow people to shop, eat, relax, socialise and play are fundamental.
- **Distinctive places:**
Use of the urban landscape, sympathetic planting and higher quality construction materials can all greatly enhance the experience of people using those areas.
- **Effective signage:**
Signposting should enable visitors to orientate themselves quickly and easily. Signage and maps, as well as different pavement materials, can combine to give consistent and comprehensive guidance over a wide area.
- **Appropriate street furniture:**
There should be minimum clutter to ensure people receive clear signals. Consistency of styling and hiding some services from view can help. Public art can provide an inspiring focal point.

- **Good quality lighting:**
Lighting from various sources including street lights, bollards and shop windows can enhance perceptions of safety and quality of appearance but the need for lighting should be balanced against sustainability considerations.

The priorities for achieving these goals are outwardly straightforward. First and foremost, each High Street needs to be well designed. Once in place, the public realm needs to be maintained to very high standards. Streets must be kept clean and people deterred from littering or anti-social behaviour.

Sustainability is a key consideration. People should be given a range of transport choices to drive down pollution. Safety, and perceptions of safety, are an essential part of any public realm. Its attractiveness is an integral consideration and every High Street must be accessible to the widest possible number of users.

The aims of such improvements will only be achieved through co-ordinated activity between local authorities, public bodies and private interests. It is vital businesses are given a key role in ensuring public funds are spent wisely to ensure the maximum long-term benefit.



Belfast's Streets Ahead Project

Case Study

IMPROVING EDINBURGH'S WORLD HERITAGE STATUS

THE ISSUE

Improving the city centre environment in the midst of £500 million of infrastructure works (tram line installation).

THE INITIATIVE

A major services infrastructure was installed in advance of new tram lines in Princes Street. While this is a significant investment for the city, the disruption has had a major impact on the environment, accessibility, transport flows and retail footfall. Essential Edinburgh, the city centre BID, started a contract for 'clean teams' to tackle fly posting and graffiti and introduced information

'ambassadors' to help tourists and workers find their way around the city. This contract represents about a third of the budget for the BID.

THE OUTCOME

Within three weeks there was no evidence of fly posting in the BID. An agreement has been reached with the Council to undertake a jointly funded graffiti removal initiative with the BID responsible for ongoing maintenance. Having recognised two of the three main streets in the BID are affected by the infrastructure works the third, Rose Street, has become a focus with over 30 tiered planters. Thousands of people have been assisted by the information wardens while the cleaning has led to a whole range of petty and serious crimes being reported to the police. As a result Edinburgh city centre is cleaner and safer.

Case Study

REFURBISHING WORCESTER'S HIGH STREET

THE ISSUE

Updating Worcester's town centre.

THE INITIATIVE

An audit carried out in consultation with Worcester's retailers and other interest groups identified the need for significant improvements to the city's High Street. Particular problems were identified in relation to ease of access and impaired visitor circulation. The new scheme, funded by £1.65 million from local authorities, aimed to simplify the

overall design, overhaul and relocate street furniture, and improve accessibility to shops and businesses for people with disabilities. While construction was underway drainage and electrical cables were re-laid to improve infrastructure. Trees and shrubs were replaced to enhance landscaping.

THE OUTCOME

The project is widely acknowledged to have significantly enhanced the ambience of the main shopping area, capitalising on the attractiveness of much of the existing streetscape while remaining sympathetic to heritage buildings. The whole area is easier for pedestrians, delivery vehicles, cleaning and maintenance.



Case Study

KINGSTON-UPON-THAMES BID'S 'CLEANER STREETS' INITIATIVE

THE ISSUE

Rapidly making a difference to the cleanliness of Kingston-upon-Thames town centre following creation of its BID.

THE INITIATIVE

As soon as Kingston First BID won its ballot it embarked on a clean-up operation. Initially this work was carried out in-house by the BID's own employees. Subsequently these services have been

contracted out, with a team of environmental 'rangers' on patrol seven days a week supported by two street cleaning vehicles. A third of Kingston BID's budget is given over to the 'Cleaner Streets' initiative.

THE OUTCOME

Over 44,000 square metres of footpaths were cleaned in the first stage, with an additional 6,000 square metres in the following phase. The programme included treating street furniture with anti-graffiti coatings and removal of chewing gum. In total, 20 tons of fly-tipped rubbish was removed. This established a baseline for regular service provision.

Case Study

BELFAST'S 'STREETS AHEAD' PUBLIC REALM IMPROVEMENT PROJECT

THE ISSUE

Transforming Belfast City Centre.

THE INITIATIVE

The lack of cohesion of Belfast City Centre and the prolific use of relatively poor quality materials had created a fragmented and dated main shopping area. However, significant investment is being made in the city's streets and public spaces. The Department for Social Development is sponsoring a £28 million

regeneration project involving 14 main shopping streets in the heart of the city. This involves new granite paving, new and improved seating, bins, lighting and trees, as well as new public artworks.

THE OUTCOME

Upgrading the streetscape is widely recognised to have made a significant improvement to the heart of the city. It is acting as a catalyst for the regeneration of the city, bringing new investment and employment by attracting new businesses. Existing retailers have been encouraged to invest in upgrading their premises. The improved streetscapes attract more tourists with improved lighting making the city centre safer with well-lit and active streets.

3 PLANNING FOR SUCCESS

Developing and implementing a clear vision is essential to delivering a sense of place and an attractive public realm. It also underpins all the other factors which go to make successful High Streets. Strategic planning needs to set out the framework for different types of shopping destination within national, regional, sub-regional and local contexts. Effective planning will also, crucially, help businesses make informed decisions about investment in the areas concerned. Transformation of High Streets occurs when the public and private sectors share a vision and combine resources in delivering it.

Retailing is widely accepted as having a key role in regeneration projects, including in some of the UK's most deprived High Street areas. Regeneration may encompass the rebuilding of an urban centre or, at a more localised level, may transform the appearance of a smaller selection of streets. At the micro-level it may simply refer to the refurbishment of a small number of shop frontages⁵.

The benefits delivered by retail-led regeneration include:

- **Goods and services:**
Regeneration projects with a substantial retail dimension will provide improved access to goods and services for people living within the catchment area of the project.
- **Employment:**
Retailing and associated services make an extremely important contribution to employment, including many entry-level jobs. These benefits extend well beyond the new shops themselves. For every 100 retail jobs created nationally, an additional 50 indirect and induced jobs will be created elsewhere⁶.
- **Community/Social:**
The social benefits of retail regeneration are significant⁷. Additional employment can help address social exclusion in the areas concerned.

People working in new businesses gain improved skills and career opportunities. Many regeneration projects, in renewing the heart of the community, improve access to health services, leisure facilities and reduce the cost and time of travel to access essential goods and services. This can, in turn, encourage further investment.

Partnership and collaborative working lie at the heart of all successful retail-led regeneration projects. Town centres are assets which need to be managed and we need to focus on centres which are already at, or approaching, "tipping points" rather than waiting to tackle the much more difficult task of High Streets already in decline. Prevention is better than cure and generally requires lower investment. A programme of monitoring the 'health' of town centres is also crucial to effective strategic management.

Equally importantly, the relationship between retailing and other sectors of the economy must form the basis of strategic planning. Regional Spatial Strategies (RSS) must co-ordinate plans for retail development, housing, economic development and transport so the right services are being created in the right places. In the past many RSSs have fudged the question of hierarchies in order to avoid blighting towns not chosen as centres of development. But this has led to uncertainty and missed opportunities as each town attempts to provide the same offer, and fails to build on its particular strengths in meeting the needs of its community.

All this needs to be underpinned by good data on service and employment needs and existing provision within an accessible area, together with sustainability metrics including customer and delivery travel data, energy usage in new and old properties, and social inclusivity. Changes in public perception of different High Street locations should also be measured. Provided it is viewed in the context of whether neighbouring High Streets are growing or contracting this data can prove enormously valuable in informing strategic planning and shaping the vision for the future.



Case Study

PROVIDING DORCHESTER WITH A TOWN SQUARE

THE ISSUE

Making a positive contribution to retail, entertainment and living development in Dorset's county town.

THE INITIATIVE

Research identified a substantial gap in non-food spending in Dorchester. However, new retail opportunities in the town centre are extremely limited. Development specialists Waterhouse Company identified vacant historic buildings on the former brewery site which would provide the basis for a substantial new development comprising 45 shops and restaurants, a cinema, apartments, offices, hotel, theatre and arts centre. Dorchester

also benefits from having a newly formed Business Improvement District (BID) promoting the existing historic county town and well placed to assist in the future prosperity of the Brewery Square development.

THE OUTCOME

Although too early to judge its success, construction is underway and the development has attracted national press attention. The focus of the development is a town square with fountains surrounded by cafes – a feature the town currently lacks – with a mixture of refurbished historic buildings and modern additions designed to create a distinctive character. Making sure it complements and enhances the town's existing character has been a key consideration from the start.

Source: Medium-Sized and Smaller Towns: Raising the Game, British Council of Shopping Centres 2009

Case Study

THE ROCK RETAIL AND LEISURE DEVELOPMENT IN BURY

THE ISSUE

Expanding and improving the vitality and viability of Bury town centre by enhancing the retail and leisure mix.

THE INITIATIVE

A partnership agreement between Thornfield Developments and Bury Council was part of the 2003 'Bury But Better' town centre development strategy to expand the shopping centre, provide

links to Bury markets, a new department store and other leisure facilities. At its heart is a £330 million scheme comprising 750,000 sq ft of mixed use development. The scheme, which almost doubles the town's retail space, includes two department stores, 60 other shops/leisure outlets, a 10 screen cinema, 400 apartments, a 1250 space multi-storey car park along with restaurants and new public spaces.

THE OUTCOME

The scheme, which will open in summer 2010, is expected to significantly improve the vitality and viability of the town centre, providing good links, new uses, a better retail and leisure offer and diverse family facilities.

Case Study

WREXHAM TOWN CENTRE STRATEGY AND ACTION PLAN – DELIVERING RETAIL-LED RENAISSANCE

THE ISSUE

Studies showed that Wrexham was leaking spend to neighbouring towns and cities and that, in particular, ladies fashion was under-represented at the high end of the market. There were no vacant premises to attract the required department store to take Wrexham higher in the retail rankings.

THE INITIATIVE

Following the relocation of a supermarket to a new build elsewhere in the town centre, an eight acre

site owned by Wrexham County Borough Council became available for re-development. Developers were appointed in May 2004 to build a mixed use development anchored by a department store and entertainment facilities. The site links to the rest of the town centre via two entrances, one over a footbridge from High Street to Eagles Meadow.

THE OUTCOME

The new development was opened in October 2008 and is currently 90% let. Six months after opening the town centre is vibrant and busy with high footfall and spend. A number of new businesses have opened in premises vacated following relocations.



Wrexham Town Centre



4 ACCESSIBILITY

Attracting footfall is essential to retail success so easy access for shoppers, retail staff and deliveries is a must. Weak transport links and inadequate parking provision threaten the viability of high street retailers. Expensive, remote or insecure car parking, poor public transport, badly designed charging schemes and delivery restrictions deter visitors, curtail visits and stifle business potential. This, in turn, deters long-term retail investment.

Parking and transport must be managed together to support town centre development. Insufficient parking provision and poor accessibility greatly undermine the viability of High Street shopping. Frequent public transport direct to the centre, as well as innovatively managed park and ride schemes, can reduce town centre congestion and parking demands without adversely affecting footfall. Parking fines should be viewed as a symptom of systemic failure rather than a revenue raising mechanism.

Car parking facilities have a vital role to play. They should provide sufficient spaces for visitors and not be used primarily as a means of raising revenue. Free parking, at least at lower demand periods, and charging on exit encourage more frequent and longer visits. A proportion of revenue should be ring-fenced to provide improvement in the quality of car parking in the town – improved security, lighting, landscape management, signage and, ultimately, increased and improved parking provision.

Ease of delivery is particularly crucial. The challenge for retailers is to balance the need to reduce costs and streamline operations with the need to have high quality products available at all times. In striving to ensure their supply chain is as efficient as possible, retailers make a conscious effort to avoid traffic congestion and similar considerations. They avoid peak travel by making use of the road at night. However, store access in High Street areas is often restricted by delivery curfews as a result of planning restrictions put in place when stores were built. Almost a third of retailers say they are affected in this way. Unfortunately curfews often fail to take adequate account of advances in technology that have led to significantly quieter deliveries in recent years. In the light of this, local authorities should reconsider delivery curfews on a case by case basis.

Congestion represents a significant cost to retailers who rely on the road network for access to customers, staff and the transport of goods so effective policies to reduce congestion must go hand-in-hand with steps to improve accessibility by other means.



Case Study

DEALING WITH DECLINING FOOTFALL IN CHESTER CITY CENTRE: 'FREE AFTER 3'

THE ISSUE

Addressing a decline in afternoon footfall in Chester.

THE INITIATIVE

Market research carried out on behalf of Chester City Centre Management team confirmed that footfall declined after 3pm. Further analysis revealed that the decline could be explained by the absence

of local shoppers deterred by the cost of car parking. While the local authority indicated that car park revenue could not be completely abandoned, the City Centre Management team secured agreement that the two major car parks would be made free after 3pm every day.

THE OUTCOME

The impact of 'Free After 3' has been dramatic. Overall footfall has returned in line with national patterns. It has also improved interaction between local businesses and the City Centre Management team and similar initiatives have been successfully adopted in a number of other towns and cities.

Case Study

WARWICK'S 'FREE RIDE FRIDAY'

THE ISSUE

Addressing a reduction in town centre car parking in Warwick.

THE INITIATIVE

The closure of a town centre car park during the construction of a new bus centre was a considerable cause for concern among Warwick retailers and led to deteriorating relations between businesses and the local authority. To address the problem, the County Council approached a large local employer based in a business park outside the town centre about providing a free bus on Friday lunchtimes to

bring employees into the town centre to shop and eat. Working with the local Town Centre Manager, the 'Free Ride Friday' service was promoted with employees at the company concerned.

THE OUTCOME

Following the introduction of the new service, local traders reported increased footfall. At the same time, the company said its employees felt the scheme had a positive impact on morale. The company now pays for the bus service. The scheme has also been adapted elsewhere in the town, where a reduced price return lunchtime bus ticket is available to employees working in another local business park. Initial evidence shows that the benefit to the town centre clearly outweighs the cost of providing the services.



Case Study

BARNET'S SEASONAL PARKING SCHEME

THE ISSUE

Ensuring town centre accessibility during Christmas and New Year 2008.

THE INITIATIVE

Christmas and New Year is a vital trading period for many retailers. It is also the time of year when household budgets are under greatest pressure. Recognising this Barnet Council introduced a temporary reduction in the cost of parking throughout the borough. For the period from 20 December to 4 January, the Council reduced the

cost of parking in all 15 of its off-street car parks and in pay-and-display bays. The typical hourly rate was reduced from £1.50 to 10p. On street pay-and-display parking was set at 10p for an hour and 50p for two hours. The cost of all day parking in off-street car parks was limited to £1. The council estimates the initiative cost around £170,000.

THE OUTCOME

The Council carried out occupancy surveys to monitor the impact of the initiative. Analysis showed that short term parking increased significantly during the period of operation, with some car parks showing a 35 per cent increase in occupancy. Feedback from local businesses also indicated increased footfall.



5 SAFETY AND SECURITY

Shoppers will not be attracted to a High Street if they feel unsafe. This will be most acute in areas where they personally witness crime, particularly attacks on shoppers or shop staff, or the after effects of crime such as graffiti or vandalism, so it is important both to deter and address all forms of retail crime and anti-social behaviour, and to restore damaged property as quickly as possible. Ancillary areas such as car parks must also be considered safe for people and vehicles.

To ensure a safe and secure High Street there needs to be:

- Carefully designed street scenes, using the principles of Secured by Design, including good lighting and overlooked areas;
- Well designed shops with appropriate layout, trained staff and security equipment;
- A co-ordinated response to tackling business crime;
- Intelligence and information sharing (including CCTV images where appropriate) through a police/business/town centre partnership;
- Visible policing, community wardens and other security measures in proportion to local risks;
- Appropriate management of the night-time economy, including good public transport;
- Rapid reinstatement of any damage to shops, street furniture or facilities;
- Effective use of existing measures such as Anti-Social Behaviour Orders and Exclusion Notices.

In addition to driving away customers, retail crime costs the sector over £1 billion annually⁸. Police statistics suggest this is rising as the recession bites and High Streets experiencing rapid increases will quickly move into a spiral of decline as shops close and criminals move in. To minimise the impact of criminal activity, retailers make substantial investments in detection equipment to protect shoppers and staff alike but real deterrence requires a concerted effort by all agencies.

Local partnerships such as BIDs and Town Centre Management schemes can put in place initiatives to address retail crime. Retailers can offer space for local police officers to complete paperwork, so they maintain a visible presence in the community, reassuring residents, employees and shoppers while deterring offenders. Some retail staff voluntarily give up their own time to participate in Shopwatch schemes, acting as volunteer officers in town centres and retailing areas.

Neighbourhood policing should meet the needs of the local business community. It is important that good information is established on the types of crime affecting an area to ensure neighbourhood policing teams engage most effectively with businesses. Local Area Agreements and Strategic Assessments, and Crime and Disorder Reduction Partnerships (CDRPs) should include business crime among their priorities, alongside other crimes such as drug dealing which also impact on retail crime.

Problems associated with alcohol-related disorder can also have extremely serious implications for High Streets. Experience has shown this to be a multi-faceted problem that needs concerted action by the police, trading standards, retailers and pubs and clubs to reduce problems associated with the night-time economy.



Falkirk's Taxi Marshalls at work



Case Study

COMMUNITY ALCOHOL PARTNERSHIPS

THE ISSUE

Effectively tackling under-age drinking in the community.

THE INITIATIVE

Community Alcohol Partnerships (CAPs) are being introduced across the UK to address under-age drinking through education, enforcement and public perception. CAPs were first piloted in St Neots in Cambridgeshire and many more are now underway including a county-wide initiative in Kent. CAPs are designed to co-ordinate action between the police, local authorities, schools, local media and retailers.

THE OUTCOME

CAPs have shown that significant progress can be made through more effective enforcement of

legislation and have demonstrated the success of adopting a collaborative approach to alcohol-related crime. Findings from the St Neots pilot showed:

- 42 per cent fewer anti-social behaviour incidents
- 94 per cent fewer under-age people found in possession of alcohol
- 92 per cent less alcohol-related litter at key hotspot areas

The experience has shown CAPs to be cost neutral compared with the historic approach to enforcement. They also lead to significantly improved relations between retailers and the enforcement community. Roll out is supported by all three main political parties.

Case Study

A MORE EFFECTIVE APPROACH TO BUSINESS CRIME IN STAFFORDSHIRE

THE ISSUE

Ensuring consistency in service delivery to businesses by local crime partnerships in Staffordshire.

THE INITIATIVE

Historically there were seven separate Business Crime Reduction Partnerships across Staffordshire; with each partnership at a different stage of development and working independently of each other. Partnerships Against Business Crime in

Staffordshire (PABCIS) was formed to bring the partnerships together, while allowing them to retain separate operations. The aim of PABCIS was to develop a more consistent approach to business crime reduction across the county.

THE OUTCOME

An intelligence sharing system was put in place and two more partnerships were established to provide crime reduction coverage across the county. PABCIS was able to ensure a consistent approach to partnership working therefore encouraging greater support from the police, other key partners and the business community. The approach led to acceptance and understanding by local Chambers of Commerce of the benefits and effectiveness of proper structured Business Crime Reduction Partnership.

Case Study

SAFER NEIGHBOURHOODS BUSINESS ENGAGEMENT PROGRAMME

THE ISSUE

Securing more effective engagement between the police and businesses in London.

THE INITIATIVE

The Safer Neighbourhoods Business Engagement Programme (BEP) was set up to deliver more effective interaction between the Metropolitan Police and businesses in London. The BEP was delivered through the establishment of Safer Neighbourhood Teams (SNTs). The project aimed

to improve contact between businesses and SNTs, encouraging participation in local networks and partnerships. In doing so, it intends to establish clear business priorities and promote a partnership approach to problem solving. The measures are aimed at improving staff perceptions of safety in the local area and to increase confidence that police are identifying and tackling business crime.

THE OUTCOME

Surveys carried out by the local networks first established a baseline of local business priorities and the basis for a prioritisation of problem solving. Recent surveys revealed the BEP approach has made concrete progress towards achieving its aims.

Case Study

COMMUNITY SAFETY IN FALKIRK AT NIGHT

THE ISSUE

Tackling the issue of safety, crime and anti-social behaviour in the night time economy.

THE INITIATIVE

With the forthcoming opening of one of Scotland's largest nightclubs (capacity over 2,500) in the heart of Falkirk town centre it was identified by the Falkirk BID Steering Group that the introduction of Taxi Marshals as a demonstration project in the lead up to the BID ballot would help convince businesses it was a worthwhile use of levy funds. A successful application to the Scottish Government's Safer Streets budget enabled the pilot scheme to

be implemented. After the 3 month trial, there had been no incidents whatsoever reported to police at the main town centre taxi rank whereas incidents were regularly reported prior to the Marshals' introduction. The success of the pilot scheme was met with full support from businesses, taxi drivers, the police, Falkirk Council and, most importantly, users of the service.

THE OUTCOME

Following a successful BID ballot, and the opening of the nightclub, the Falkirk BID had earmarked sufficient funds in the budget to facilitate the Taxi Marshals scheme on a 'seasonal' basis. Successful applications for additional funding have now ensured the scheme is operational every weekend of the year. The significant investment has been justified by positive feedback.



6 SUPPORTIVE REGULATORY AND FISCAL REGIMES

A thriving High Street needs thriving shops, cafes and other local businesses. Many of the costs that affect profitability are driven by central and local government. Business rates and regulatory compliance costs are particularly key for retailers and other High Street based services.

Retailing is a property intensive sector with location crucial to footfall but high visibility sites attracting high rents and business rates. As a result retailing pays around three times its share of business rates – about one quarter of the total despite representing just 8% of gva GDP – amounting to a total bill of around £5 billion in 2007/08. Central government decisions could add significantly to this by 2010/11 due to:

- Annual uplifts
- Revaluation 2010
- The abolition of Empty Property Rate Relief
- The introduction of Business Rate Supplements

To ease the burden on retailers there needs to be a freeze on all new property and business rates and the reinstatement of Empty Property Rate Relief.

Although local authorities have no direct influence on these measures, local decisions will impact on the viability of High Streets through:

- The introduction of Business Rate Supplements
- Community Infrastructure Levies
- Street parking charges
- Workplace Parking Levies

While levies supporting Business Improvement Districts can also impose burdens, the mechanisms for proposing and approving these involve local businesses so BIDs are only likely to proceed where they address issues of real local concern and where benefits outweigh costs. This sort of business-led solution is the preferred mechanism for raising additional revenue to fund responses to local problems.

Where local authorities are landlords they can support High Street businesses by adopting modern leaseholds including monthly rents and complying with the Leasehold Code. Additional concessions could

help keep key sites occupied during difficult trading conditions or while regeneration projects take effect, and ensure the right mix of retailing and other High Street activities.

Equally importantly, regulation imposes significant additional costs on High Street businesses, with much greater impact on smaller businesses. EU research shows that small businesses such as independent retailers are disproportionately affected by regulatory burdens. On average where a big company spends one euro per employee to comply with a regulatory duty, a medium size business would spend around four euros and a small business up to 10 euros. Most regulation comes from central government, which needs to:

- Immediately reduce the cost of complying with existing regulation, including the removal of any parts disproportionate to the issues they are seeking to address;
- Avoid any new regulations whenever short-term benefits cannot be clearly and objectively shown to substantially exceed short-term costs.

Local authorities working with the Local Better Regulation Office (LBRO) have a major role in ensuring enforcement of regulations does not add unnecessary cost, is consistent, proportionate, targeted and risk-based in accordance with the Hampton principles. This should include:

- Operating Primary, Lead and Home Authority schemes for multiple retailers;
- Offering support to local traders through training and advice where problems are identified or queries raised;
- Ensuring consistent and proportionate enforcement measures are taken, adopting best practice from other local authorities.

In making ageing High Street properties more sustainable it must be acknowledged that businesses in such locations face particular challenges. For example, in implementing essential policies such as the Carbon Reduction Commitment, mechanisms need to be found to support remedial action without unfairly penalising businesses in historic and traditional High Streets.

Case Study

COVENTRY CITY CENTRE'S BUSINESS VITALITY PROGRAMME

THE ISSUE

Supporting new independent businesses opening in Coventry City Centre.

THE INITIATIVE

Between 2004 and 2006 Coventry City Centre Management and CV One Ltd provided direct support to new independent businesses opening in the city centre. It offered direct funding of 50% of

rental costs and the cost of new fascias, together with business support and mentoring. It also offered 25% rental subsidies to existing key specialist businesses to promote their long term retention.

THE OUTCOME

During its operation 19 new independent businesses opened in the city centre. A further eight key specialist businesses already operating in the town were given 25% rental subsidies to promote their long term retention. A total of 144 FTE new jobs were created and the level of void properties fell significantly within the city centre. Customer surveys showed the perception of the range and quality of shops had also improved.

Case Study

SUPPORTING INDEPENDENT RETAILERS IN ROTHERHAM

THE ISSUE

Encouraging retailers to take space in Rotherham town centre.

THE INITIATIVE

There are significant numbers of empty retail properties in the Rotherham metropolitan area. Many of these are in secondary and tertiary areas, although there are a number of larger empty units

in Rotherham's primary shopping area. To help new businesses set up in these vacant units, in a similar scheme to one previously put in place in Coventry, the Borough Council announced earlier this year that independent shops will receive up to 50 per cent of the first year's rent and up to 25 per cent of the second year's rent. Fit-out costs will also be subsidised.

THE OUTCOME

It is too early to gauge the impact this project will have. However, it is clear that approaches like this have the potential to reduce the burden on retailers and make a valuable contribution to the viability of our High Streets.



Case Study

BRIGHTON AND HOVE'S EMERGENCY RECESSION RELIEF

THE ISSUE

Helping Brighton and Hove's businesses with cash flow during the economic downturn.

THE INITIATIVE

Brighton and Hove City Council is introducing a recession relief package which includes:

- Paying small business within 10 days of receipt of a monthly invoice;
- Offering small businesses leasing council property monthly rent payments;
- Giving small businesses the opportunity to pay business rates in 12 annual instalments.

In addition the council is working with the local Chamber of Commerce to bring together local business support organisations.

THE OUTCOME

The Council hopes the initiative will assist local businesses with cash flow so more businesses remain viable during the recession.



CONCLUSIONS

We face a time of great change in our High Streets as the recession bites deeper. Some High Streets may never go back to being the destination of choice for major purchases as nearby regional centres act as magnets, drawing shoppers from an ever-widening catchment area. Others will lose critical footfall to internet shopping. This does not mean High Streets have no future, but it does mean they need to shape a different destiny by meeting customers' ever-changing needs. This might include acting as a centre for other local services, cultural activities and entertainment with essential shops and niche stores flourishing within a broader High Street community.

Other High Streets will flourish once more when the economy returns to growth but need nurturing through this difficult period. Plans for housing and economic growth could bring new opportunities to High Streets which merely ticked over for a generation.

The essential point is that these processes must be actively managed by local authorities in partnership with local retailers, other businesses and residents, taking account of Regional Spatial Plans and sub-regional equivalents.

Great High Streets – High Streets people appreciate and cherish – need to be planned carefully, managed properly and nurtured patiently. Sustainable, focused, strategic management of our town centres should become the norm rather than the exception.

This report has examined six key areas that should be addressed, as a minimum, in this process. It has highlighted examples of good practice in each. Schemes of this sort need to become standard practice.

The High Street can continue to fulfil its role as the heart of a community even as changing economic circumstances and cultural practices alter that remit. But this will not happen by chance. We must invest in our High Streets to secure this future for our communities and recognise that good High Streets, like good retailers, are constantly adapting and responding to customers' needs and preferences.

This document is part of a larger debate. We welcome contributions from everyone with an interest in flourishing communities and High Streets.



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NOTES



BRITISH RETAIL CONSORTIUM

for successful and responsible retailing



The British Retail Consortium (BRC) is the lead trade association for the UK retail sector and the authoritative voice of the industry to policy makers and the media.

We represent the whole range of retailers, from the large multiples and department stores through to independents, selling a wide selection of products through centre of town, out of town, rural and virtual stores.

Retail is one of the UK's success stories, but currently faces a challenging trading and regulatory environment. Our aim is to bring about policy and regulatory changes that will ensure retailers thrive and maintain their outstanding record on creating jobs, product innovation and consumer choice.

OUR VISION

To work with our members to sustain a successful and responsible retail sector.

OUR MISSION

To make life easier for our members by:

- Campaigning to promote and defend retailers' interests
- Advising retailers of threats and opportunities to their business
- Improving the perceptions of retailing in the UK
- Offering members a range of services and products which add value to their business

<http://www.brc.org.uk>

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