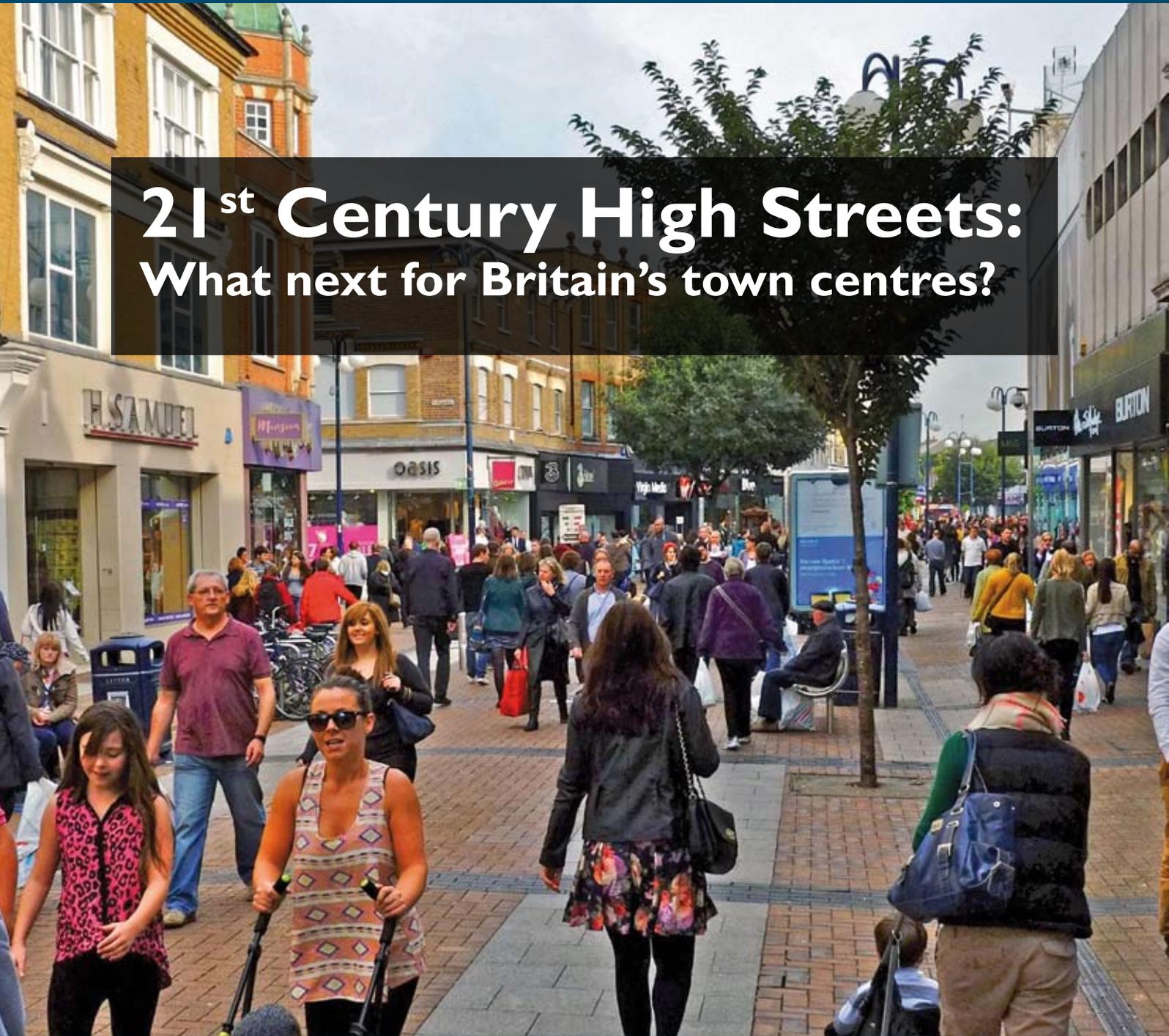


21st Century High Streets: What next for Britain's town centres?



21ST CENTURY HIGH STREETS

Foreword	3
Executive summary – Recommendations	4
Introduction	6
Key policy issues:	
A Unique Sense of Place	8
An Attractive Public Realm	12
Planning for Success	16
Accessibility	20
Safety and Security	25
Supportive Regulatory and Fiscal Regimes	28
Conclusions	33
References and Acknowledgments	34





FOREWORD

In 2009 we launched our campaign to promote a better, brighter future for high streets everywhere, recognising that successful town centres need customers, drawn in by pleasant, safe and accessible high streets.

Since then a great deal has been achieved in some areas but more progress is needed in tackling a number of the key barriers to success.

This report assesses the progress that has been made over those three years, and what still needs to be done.

The political and policy landscape has evolved with the Coalition Government devolving many important powers as part of its localism agenda, introducing a fundamental and welcome reform of the planning system and commissioning a high profile review of high streets.

But shop vacancy rates across the UK have not improved, operating costs continue to rise and many high streets are struggling to attract the footfall levels needed to remain viable places to trade.

Even so, retailers continue to invest in high streets across the country, creating jobs and providing essential services to communities both large and small. There are also many examples, some outlined in this report, that highlight how retailers are working with local authorities, Business Improvement Districts and other stakeholders to address some of the difficulties in towns and cities across the UK.

Economic conditions continue to squeeze consumer spending, reinforcing many of the structural changes to demand and to high streets themselves. It is clear further action is needed to ensure high streets play an important role in communities in the future.

Central government also has a vital role to play in providing the right cost, planning and regulatory framework enabling local action to support high streets.

This report provides best practice examples and sets out the policies which now need to be implemented at both a national and local level if we are to secure flourishing 21st Century high streets.

EXECUTIVE SUMMARY

The BRC published its original report, *21st Century High Streets: A new vision for our town centres*, in July 2009. The aim of this new report is to review progress and identify the priorities for action still needed to create successful high streets.

THE NEW POLICY FRAMEWORK

Many of the challenges identified in the 2009 report are still pressing but, at the same time, the policy framework has continued to evolve, presenting new challenges and opportunities. The localism agenda is reshaping the response to high street management and is addressed within the report.

A greater proportion of Business Rates revenue will also be re-localised, fundamentally altering the relationship between the ratepayer and the local authority. There has been a radical overhaul of the planning system with the 'Presumption in Favour of Sustainable Development' now forming a key strand of planning policy. Neighbourhood Planning has the potential to present new opportunities and challenges in a number of locations.

The government-commissioned Portas Review and the accompanying policy response is also a fundamental part of the new policy framework. We are pleased that many of the issues on which we have campaigned in recent years are receiving renewed attention in this new policy landscape.



LOCAL AND NATIONAL STAKEHOLDERS

The report contains policy recommendations for both local and national stakeholders. It is not a blueprint for retailers but will require significant input and action from the sector. Many of the policy recommendations can only be achieved by taking decisive action at a local level. At the same time, some of the most fundamental points, especially around the cost of operating, will require central government to take a lead. Localism is shifting many of the policy levers to the local level but without a competitive national framework localist approaches will not achieve their potential.

This report does not aim to provide a generic solution to the challenges facing each high street but identifies the broad policy framework required to help high streets meet the needs of modern consumers.

THE SIX KEY POLICY ISSUES

The report is broken down into six key elements identified in the 2009 report as critical to high street success:

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**

Progress has been made in each of these areas but more is needed. 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 our high streets.



KEY RECOMMENDATIONS FOR LOCAL AND NATIONAL POLICY MAKERS

ELEMENT		KEY RECOMMENDATION	DELIVERY PARTNERS
A unique sense of place	The development of a unique identity which is effectively marketed to engender consumer loyalty through differentiation.	Local partnerships, local authorities and retailers should market a high street's identity effectively. They must create branding that builds a distinct sense of place. Consumers must have a reason for choosing to spend time and money in a particular location and should be encouraged to do so through themed events, loyalty schemes and informative marketing.	Local Authorities, Local Partnerships, Cultural and Heritage Partners, Retailers, Local Enterprise Partnerships, Neighbourhood Forums
An attractive public realm	Creating and managing attractive public spaces.	Local partnerships and authorities must actively manage the public realm. Improving and maintaining public spaces requires effective management and strong community support.	Local Authorities, Local Partnerships, Neighbourhood Forums
Planning for success	The creation of a clear strategic vision focused on the role of the high street to maintain viable retail destinations.	Local authorities should develop a plan for success through open consultation with local interests. Cooperation with neighboring authorities will ensure a wider strategic approach to development.	Local Planning Authorities
Accessibility	Ensuring affordable and easy consumer access.	Local authorities should manage accessibility holistically and responsively. This will involve providing adequate parking to encourage footfall. Parking should be viewed as an attractor not a revenue raiser.	Local Authorities, Local Partnerships
Safety and security	High streets must be safe, secure and effectively managed trading locations.	Local police and Police and Crime Commissioners (PCCs) should work with retailers to better understand retail crime and its impact. By doing so they will have the opportunity to tackle the sources of crime and improve the business and retail environment.	Local Police, Police and Crime Commissioners
Supportive regulatory and fiscal regimes	The cost of operating and investing in town centres must be reduced.	Business rates should be affordable and provide cost certainty. Central government should reform the Business Rate Multiplier by shifting uplifts to the Consumer Price Index (CPI) measure of inflation and take the 12 month average figure as opposed to a one month snapshot.	Central Government (HMT)

INTRODUCTION

THE PURPOSE OF THIS REPORT

Concerns about the future of the high street have never enjoyed a higher profile and yet practical solutions to secure the recovery of our towns and cities remain, in many cases, the subject of fierce debate. The picture is inevitably complicated because the term 'high street' is used to describe a wide range of locations, often with widely divergent characteristics, issues and, ultimately, commercial viability. This diversity means that each location will need to develop distinctive local solutions tailored to local challenges and needs.

It is clear that not all high streets will continue to operate as they have in the past. Many of the issues currently facing high streets are driven by changing economic circumstances and consumer demands, a drive for increased productivity and developments in national and local government policy. This document identifies solutions to help address these challenges by developing high streets that are fit to meet the needs of modern consumers and providing the right conditions to enable high streets to become more competitive.

WIDELY DIVERGENT HIGH STREET PERFORMANCE

There is a clear and growing divide between some primary and secondary retail locations. Demand in many primary locations remains strong while many traditional high streets face significant challenges. Lifestyle choices have driven more affluent and mobile consumers to spend longer periods in 'destination' centres while using multiple retailers and online options to purchase everyday goods. For example, Leeds is predicted to have an 18 per cent growth in discretionary consumer spend by 2019 as other high streets face challenging conditions¹.

Recent research has also revealed that the top three per cent of Britain's shopping areas account for 25 per cent of spending on non-essential items, again highlighting a widening gulf between different high streets².

CONTINUED COMPETITION

Retail is a highly competitive sector, with competition delivering clear benefits for customers. The vast majority of high streets are now competing for fewer shoppers both in terms of the number of visits and the percentage of household spend.

Total non-store retail sales in the UK were estimated at £30.3 billion in 2010, of which internet sales comprised £23.4 billion. By the beginning of 2011, the internet accounted for nearly 10% of all retail sales, up from 6% in 2009³. In addition the average number of shopping trips per person fell by 18% between 1995 and 2009, with primary centres benefiting from the 'destination' effect. In 2009 about half of the population shopped in the 90 largest trading locations, compared to over 200 locations in 1971⁴.

THE HIGH STREET MUST DIFFERENTIATE

We should not seek to recreate an idealised historical high street but enable these locations to compete effectively. High streets must try to differentiate what they offer. It is clear that online sales will play a growing role and destination centres will continue to attract consumers. High streets must, therefore, offer a unique experience, the right retail mix and good reasons to spend time and money. The precise nature of what is needed could differ considerably from location to location but effective management, a vision for future development, secure and safe locations, and accessibility will all be essential in achieving success.



THE HIGH STREET IS MORE THAN A COMMERCIAL CENTRE

High streets are more than an outlet for consumer choice. They also have historical and social importance to the communities they serve. Supporting town centres to develop and maximise their social capital can make a positive contribution to long term viability. A short term approach based solely on market forces would not encourage social interaction, help build the SMEs of the future or foster a unique sense of place.

The importance of town centres has been recognised in planning policy since the 1990s, specifically in the Town Centres First principle, which has been maintained in the new National Planning Policy Framework (NPPF). We must, however, be aware that, in an era of business rates retention, the associated incentives for growth could have longer term consequences for the attractiveness of town centres.

MAKE THE HIGH STREET MORE COST EFFECTIVE

High streets need to be competitive for retailers, consumers and investors. In many instances, it is more expensive for retailers to operate on the high street than in other locations.

The cost of fitting out smaller and less economical stores, delivery constraints, Business Rates and other growing property costs all contribute to increased operating costs. Small retail units, regardless of the size of company occupying them, are particularly expensive to operate. Typically, stores are judged on individual profitability, and this dictates their long term future. Parking charges are often prohibitive and, in some cases, transport choices may be limited.

Costs must be brought under control to reflect the economic reality, with policies that allow diversification and create modern trading and leisure destinations.

ATTRACTING INTERNATIONAL INVESTMENT

These factors, in turn, have a material impact on international investment decisions. Over the past five years investment by UK retailers has fallen by an average of 3.2% year on year in nominal terms, or 4.4% year on year in real terms. Over the whole period, investment has fallen 23% in nominal terms, or 27% in real terms. This is a significant amount. While consumer spending continues to rise in many parts of the world, the UK high street is no longer as attractive to investors as it once was⁵. The Portas Review and the Government's response considered a number of these themes but more needs to be done if we are to address the underlying challenges.

The high street must evolve to meet the needs of modern consumers and, to achieve this, investment is vital. To secure investment from internationally mobile, modern retailers, the cost of operating on British high streets must be reduced to better reflect the economic reality.

WHO CAN MAKE THE DIFFERENCE?

Both local and national government must act now to create the conditions for high streets to once again take a central role in our economic and social life. Many of the recommendations contained within the report will be aimed at the local level, with local authorities, local partnerships and retailers actively managing regeneration. Although local actors will be the primary drivers, there will be no tangible improvement without an appropriate national framework.



A UNIQUE SENSE OF PLACE

PROGRESS	PRIORITIES
An important Portas Review recommendation, accepted by the Government, proposed the creation of Town Teams with the aim of putting in place a visionary, strategic and strong management team for high streets.	Many declining high streets still need an urgent and radical re-evaluation of their brand and a clear strategic vision for the future.
Neighbourhood Plans will give local communities the opportunity to shape the retail offering and wider vision for their communities.	Many local authorities often lack resources to effectively manage or build a vision over the medium term.

OVERVIEW

British high streets need to start thinking like brands. What makes them different? Why would people want to visit? What is their unique selling point?

Developing a recognisable brand is just as important for town centres and high streets as it is for the goods and services purchased in those locations. Consumers have more choice today than ever, with decisions about where they shop and socialise often representing an active lifestyle choice, not just a nearest point of call.

An area's identity is defined by a broad range of historical, social or geographical factors. This identity can be historic or geographic but it needs to be distinct. Every high street should have a unique selling point. A sense of place creates a reason for visiting, a reason for stores to invest, and there is no reason why each destination cannot complement surrounding locations with different offerings, brands and experiences. The right retail diversity, effective marketing and complementary leisure and municipal services help to create appealing destinations in which to shop and socialise.

Place management can make an essential contribution to achieving this through a partnership managing the brand and location in the same way as a business. High streets left to develop organically may tread water in the good times, creating unimaginative destinations. When times are tough there needs to be a clear vision and a plan to achieve these goals.

NEW POLICY FRAMEWORK: DIFFERENTIATION HAS BEEN ACCEPTED

The Portas Review recommended the “*creation of Town Teams with a core aim of creating a visionary, strategic and strong operational management structure for high streets*”. In other words, managing each high street like a business and creating a strategic vision.

Since the BRC published its original report in 2009, effective brand marketing has become firmly embedded in the remit of many Business Improvement Districts (BIDs), other partnerships and local authorities. As part of these initiatives, efforts are made to boost local loyalty through rewards and discounts, loyalty cards and social media based data management.

LOCALISM AND A UNIQUE SENSE OF PLACE

The development of the localism agenda provides opportunities to promote and highlight positive differences between high streets. Neighbourhood Planning, introduced through the Localism Act 2011, will give local communities more power to shape the retail offering and provide a wider vision for their areas. Local authorities also now have greater incentives to get this vision right through the retention of business rates and liberalised planning guidance. This is more important than ever as funding from central government is cut.



WHAT STILL NEEDS TO BE DONE?

Headline national vacancy rates mask a large variation in the demand for floor space in different locations. Demand for prime locations remains strong and is often growing, while some secondary locations have vacancy rates of over 20%. Clearly, some locations need drastically different approaches to management and branding.

Real consideration must be given to the future management of marginal locations, with greater exploration of changing use classes and informed debate about the primary purpose of our high streets.

At the same time, consumer habits will continue to drive change with e-commerce creating new opportunities and challenges for retailers in all locations.

DEVELOPING A TOWN CENTRE VISION

Ultimately communities must develop a long term vision and establish the appropriate policies to achieve this goal. This must include a development plan which will facilitate coordination across a range of stakeholders. A clear vision will provide clarity for future development and certainty for investors, taxpayers and local authorities.

WHO CAN MAKE THE DIFFERENCE?

A unique sense of place can only be created at a local level. Local authorities and local partnerships must work with the community and the private sector to deliver and manage each high street's identity.

DELIVERY PARTNERS

- Local Authorities
- Local Partnerships
- Cultural and Heritage Partners
- Retailers
- Local Enterprise Partnerships

RECOMMENDATIONS

- **Local partnerships, local authorities and retailers should market a high street's identity effectively.** Effective branding will build a sense of place. Consumers need a good reason for choosing to spend time and money in a town or city and can be encouraged through themed events, loyalty schemes and informative marketing.
- **Build on existing strengths.** A local historic specialisation, a natural amenity or community feature may set a destination apart. New developments should make the most of these assets to create a unique sense of place.
- **Local authorities and the private sector should work together to strengthen the town centre's employment base.** Local authorities must encourage broad-based employment growth in town centres, utilising the Town Centre First principle established in the National Planning Policy Framework for retail, office and leisure development. Encouraging the right development in town centres will instil a virtuous circle of greater footfall, investment and employment.
- **Local authorities and partnerships should develop a strong civic, community and cultural mix including services and facilities, events and support for the arts.** This will strengthen the ties between consumer and high street.

Case Study

BELFAST CITY CENTRE MANAGEMENT PROJECT

THE ISSUE

The regeneration and rebranding of two of Belfast's most deprived city centre locations. Two areas, Castle Street and upper North Street to Frederick Street, had been declining in recent years both socio-economically and culturally, compounded by a lack of public and private investment.

THE INITIATIVE

The Department for Social Development awarded £150,000 to each of the areas through its ReStore initiative to provide support for local businesses, improve the attractiveness of the area, increase visitor numbers, and promote pride and the unique identity of the areas. In partnership with local traders and managed by Belfast City Centre Management, the projects included a significant

rebranding and marketing of the areas to the wider public, and setting up websites, tours and monthly markets to draw in visitors. To support the long term success and local ownership of the initiatives, efforts were made to ensure the projects were led by people who live and work in the area.

THE OUTCOME

The attractiveness and public perception of the areas has improved, with increased footfall and trade. Importantly, local traders and steering groups continued collaborating and working on other projects beyond ReStore (including setting up a Community Interest Company in one of the locations), showing that the initiatives had managed to create long term engagement and benefits, and laying the groundwork for future investment. The projects have also had a positive impact on the city centre as a whole, by creating two areas that are distinct from the larger shopping districts, thereby adding to the diversity of the city.

Case Study

IPSWICH WATERFRONT – HISTORIC TRANSFORMATION BOOSTS VISITOR NUMBERS

THE ISSUE

Ipswich Waterfront had gone into decline over the later decades of the 20th century with a number of dilapidated industrial buildings blighting the landscape. The historic location, an industrial port which dates back to 1842, needed to exploit its unique surroundings to bring people back to the area.

THE INITIATIVE

The Waterfront has undergone a dramatic transformation over the past decade with significant public and private sector investment. Educational and leisure facilities combine with new business and residential accommodation. This has led to

economic growth throughout the wider town. In 2011, Ipswich Central, the Business Improvement District (BID) company, in conjunction with other partners, created a 'vision' to better reconnect the town centre with the now thriving Waterfront area. Ipswich Borough Council is now working with the BID and other partners to promote Ipswich both regionally and nationally as 'East Anglia's Waterfront Town Centre'.

THE OUTCOME

Once known as the biggest wet dock in Europe, the area is now rapidly delivering its full potential to visitors, businesses and residents. Turnover has increased, new businesses have emerged and visitor numbers are up – the annual Maritime Festival weekend attracted 60,000 visitors in August 2012. The outcome is a unique sense of place and a new identity for Suffolk's county town.



Case Study

FALMOUTH'S 'SPIRIT OF THE SEA' – REBRANDING AN ANCIENT COASTAL TOWN

THE ISSUE

The need for a stronger profile and identity for Falmouth as a destination to generate greater awareness, drive extra footfall and increase trade.

THE INITIATIVE

As the first stage of this initiative, Falmouth BID launched 'Love Falmouth', a visual identity project engaging 2,000 residents and visitors in a series of workshops on 'What makes Falmouth, Falmouth?', which led to the launch of a new logo and brand – Falmouth: Spirit of the Sea. A marketing campaign was then launched with www.falmouth.co.uk as the official destination website. The BID worked in partnership with VisitCornwall and the newly re-opened Visitor Information Centre to ensure adoption of the brand and website and support a unified PR campaign. Offline, the BID worked with a Cornish PR agency to raise the profile of Falmouth

events and the Falmouth 'lifestyle' in targeted national media. The BID then instigated a series of initiatives called 'In Falmouth' which continued to celebrate the town and improve the public realm while further reinforcing the new visual identity. This included bespoke street flags and furniture and the revamp of vacant units/areas with Falmouth branded materials and designs.

THE OUTCOME

The inclusive way in which the visual identity project was undertaken has resulted in the adoption of the Falmouth: Spirit of the Sea branding by over 200 businesses, with a greater sense of community ownership. Falmouth.co.uk is now the highest ranking site in the area with over 40,000 hits per month, and all BID businesses are entitled to a free promotional page. The national PR campaign has so far achieved over £500,000 worth of coverage for Falmouth in national media, representing a return on investment of 20:1. Over 70 BID businesses have received national exposure by working on the campaign and the innovative partnership approach has been highlighted at local and national level as a best practice example.

Case Study

DARLINGTON BID – PUTTING MARKETING AT ITS HEART

THE ISSUE

Darlington town centre faced escalating competition from surrounding towns.

THE INITIATIVE

A major retailer, along with a large number of independent retailers, the local council and other local businesses, recognised that the best way to ensure Darlington retained its competitive edge was to work together. Through Darlington BID's Interim Board, which was led by the major retailer and the proprietor of an independent gift shop, extensive communication and consultation took place ensuring local businesses' views were reflected in a professional, comprehensive and measurable

business plan. All involved agreed that the public perception of Darlington town centre had to improve, and its identity needed to be more visible, vibrant and distinct. 'Marketing, promotions and events' became one of the four pillars of the BID proposal, and plans include a Darlington Voucher Scheme, marketing campaigns focused on attracting visitors to the town, events run in partnership with local agencies and a social media presence.

THE OUTCOME

In April 2012 the Distinct Darlington BID was successful at ballot. By working in partnership, and recognising that a strong marketing campaign would help the town compete more effectively with neighbouring destinations, the Interim Board demonstrated a positive and professional approach to securing Darlington's future.

2 AN ATTRACTIVE PUBLIC REALM

PROGRESS	PRIORITIES
<p>The Portas Report identified a key role for the new Town Teams in making high streets places that people want to visit by ensuring they are attractive and safe.</p>	<p>Effective management of the public realm will remain an on-going priority. Like all aspects of place management, attractive trading environments do not develop without a clear vision supported by the community, local government and business.</p>

OVERVIEW

If high streets are to attract investment and maintain viability, safety and aesthetics are priorities. Sadly, many of Britain’s high streets have forgotten these basic requirements.

The fact is, people care about where they go, the places they visit. They are more likely to visit attractive, open, green spaces that inspire the imagination and lift the spirits. At night they want well-lit, appealing, friendly spaces where they will always feel safe. It’s not just consumers who stand to benefit, but high street businesses and their employees who are, of course, consumers themselves.

Consumers are naturally selective, and have more options than ever before. The rise of 24/7 internet shopping and ‘on demand’ entertainment means there are fewer incentives to go out. British people will no longer tolerate ugly, litter-strewn, poorly maintained high streets.

Since our 2009 report, public realm improvements have been at the forefront of high street regeneration efforts. The Portas Review identified a key role for the new Town Teams in making high streets places that people want to visit by ensuring they are attractive and safe.

In recent years, many towns and cities have made significant efforts to develop an attractive trading environment that encourages people to socialise and spend time on the high street. Improvements have included pedestrianised public squares with areas for civic occasions and community events. Investment in street cleansing, improved signage, street furniture and lighting also have important roles to play. Simply de-cluttering street furniture can help to improve

safety and increase the awareness of motorists and pedestrians.

THE NEW, CO-ORDINATED RESPONSE

Public realm strategy used to be a task for local authorities alone but in recent years private sector-led partnerships have initiated effective improvements and taken responsibility for their maintenance. Town Teams, local partnerships and Neighbourhood Forums now have the opportunity to bring together local people interested in the future of their neighbourhood and willing to commit time and energy to guide its development.

But attractive trading environments do not suddenly materialise out of thin air. Every high street needs a clear vision supported by local people, local government and local businesses.

WHO CAN MAKE A DIFFERENCE?

Creating an attractive public realm is most effectively achieved at a local level, although major public realm investments are often funded by regional or national government. Local authorities clearly have a key role in creating, funding and maintaining public spaces but local partnerships will also play an important role, with many BIDs now providing key services in high streets.

DELIVERY PARTNERS

- Local Authorities
- Local Partnerships
- Cultural and Heritage Partners
- Retailers
- Local Enterprise Partnerships
- Neighbourhood Forums



RECOMMENDATIONS

- **Local authorities, Neighbourhood Forums, LEPs and other local partnerships must create distinctive and attractive social spaces.** Areas to relax and socialise, with appropriate street furniture and greenery, encourage people to stay longer and can help create a destination. Areas that build upon the unique sense of place will also encourage loyalty and add to the visitor experience. Utilising natural resources such as waterfronts or man-made sculptures and water features also encourages activity.
- **Local authorities and local partnerships must ensure there is effective signage, lighting and minimal street clutter.** Appropriate, clear and effective signage makes it easier to navigate a town centre and experience the full retail and leisure offer. Lighting is also critical for a successful night-time economy to complement the daytime offer. Removing street clutter helps visitors appreciate their surroundings while improving safety.
- **Local partnerships and authorities must actively manage the public realm.** Maintaining public realm improvements requires effective place management and community support. Local partnerships and community groups need to be involved in designing, managing and maintaining the public realm.

Case Study

LEICESTER SQUARE – TRANSFORMED FOR A NEW GENERATION OF VISITORS

THE ISSUE

Leicester Square, in the heart of London's West End, was in need of a refreshed and vibrant new image and a robust plan for keeping the square clean, safe and attractive under pressure from increasing visitor numbers and 24-hour use.

THE INITIATIVE

In 2002 Westminster City Council adopted the Leicester Square Action Plan which set out a vision to re-establish the square as the home of cinema in the UK, the entertainment gateway to the West End, and a place where people can relax, sit, watch and enjoy. In 2008, a public consultation for the new design of Leicester Square, its gardens and

side streets was launched in partnership with the Heart of London Business Alliance, with the £15.5 million programme of works starting in 2010 and completed in May 2012, in time for the Queen's Diamond Jubilee and the Olympic and Paralympic Games.

THE OUTCOME

The transformation took only 17 months to complete and includes a stylish and coherent new design with new granite paving across the square and surrounding streets, extra seating for people to stop and enjoy the setting, new lighting, re-landscaped gardens, refurbished below-ground toilets, and new pedestrian information. The initiative also included introducing a uniformed council presence on the streets and a new CCTV control room in the Trocadero Centre, ensuring enhanced safety for visitors.

Case Study

BATH RETAINS WORLD HERITAGE STATUS BY 'MAKING THE MOST OF OUR STREETS'

THE ISSUE

Bath has been a UNESCO World Heritage site since 1987. With this privilege comes the challenge of actively managing the demands of the 21st Century visitor experience. With over 4.5 million visitors each year as well as 80,000 residents who live in the heart of Bath, maintenance and management of the public realm is vital to the on-going success of the city.

THE INITIATIVE

Bath Business Improvement District launched the 'Making the most of our streets' campaign and set

up a rapid response team of 'Rangers' to deal with ad hoc cleaning requests. Requests communicated through a state-of-the-art digital communication system are followed by almost instant clean-up.

THE OUTCOME

Property landlords, the council, shops and residents are all contributing to ensure Bath's streets are presentable. The Bath BID has been the catalyst in forging these partnerships and BID Rangers have become a familiar sight on the streets. As well as providing practical support to businesses, they perform an important role reassuring visitors that the city is well organised and managed. The city's World Heritage status has been maintained and Bath continues to attract high numbers of visitors.

Case Study

KEEP SCOTLAND BEAUTIFUL SPRING CLEAN CAMPAIGN

THE ISSUE

As part of the Keep Scotland Beautiful Spring Clean campaign, a local manager from a major international restaurant chain invited local community police, council officials, residents and neighbouring businesses to take part in a clean-up initiative in the east end of Glasgow city centre.

THE INITIATIVE

The event provided participants, particularly the residents, with an opportunity to discuss wider issues impacting the area such as retail crime, safety and anti-social behaviour as well as litter, and it

was agreed that the creation of a regular forum to meet and work in partnership would be beneficial. The restaurant agreed to host these quarterly community group meetings with the support of local police officers, providing meeting space and refreshments as well as in-store promotion of forthcoming events.

THE OUTCOME

As well as the regular meetings of the group, a number of additional community events have taken place including litter picks as well as stakeholders volunteering to landscape some waste ground, turning it into a community garden. The local police have also reported that there has been a marked decrease in crime figures in the area since the forum was created.



Case Study

ALSAGER TOWN CENTRE – GOING BEYOND RETAIL: EFFECTIVE ENGAGEMENT WITH LOCAL COMMUNITIES

THE ISSUE

Alsager in Cheshire is a small ‘dormitory’ town to the north east of Stoke, with a high street that has struggled to maintain an identity or commercial viability as the town was effectively bypassed in favour of bigger, more attractive destinations nearby. As a result, the town centre felt run down and tired.

THE INITIATIVE

A local retailer worked with the council, Chambers of Commerce, Town Centre Partnership and

community groups to ensure an extension of its store benefited the whole community and improved the public realm. As part of this investment the retailer worked with Alsager Town Council to develop a new town square and public realm, a large car park which can be used by local markets, a replacement playground for local children and an area of open space for the general public to use.

THE OUTCOME

The new town square is now a focal point for Alsager and will be available for pop up markets and other events on a monthly basis. The scheme also includes a space for displaying public art.



3 PLANNING FOR SUCCESS

PROGRESS	PRIORITIES
In our 21st Century High Streets report we identified the need for a strategic framework for retail destinations. The National Planning Policy Framework (NPPF) should make a substantial contribution to securing this outcome.	New forms of public/private investment will be needed in many high streets as the return on investment and economic fundamentals are no longer as favourable for purely private sector investment.
The inclusion of office and leisure development in the Town Centre First principle has further strengthened the framework and represents significant progress.	Many local councils still do not have a local plan. To provide certainty, local plans, developed in open consultation with local stakeholders, need to be in place.

OVERVIEW

Just as all good businesses need a vision backed by a carefully considered strategy, so do our high streets. High streets need to plan for success. They need to create destinations that attract footfall, investment and ensure long term viability. The retail sector is integral to the future of communities and the town centres which serve them, providing employment, training, goods and services and improving the public realm.

But there is still too much red tape. With investment now stalled or significantly reduced in many locations we need a planning system that not only facilitates development but also mitigates bureaucracy. Investors are naturally wary. High street investment no longer provides the solid business case that will overcome a cumbersome and pedestrian planning system. Barriers must be removed to encourage investors, mitigate risk and quicken returns.

The importance of town centres has been clearly reflected within the planning framework since the 1990s and this remains the case in the new NPPF in the form of the Town Centre First principle. In our 2009 report we identified the need for a strategic framework for retail destinations and the NPPF goes some way to securing this goal. The inclusion of office and leisure development in the application of the sequential test has also further strengthened the framework. This will help encourage a critical mass of investment in town centres as developers respond to a clear vision for the area.

Partnership and collaborative working between retailers, local authorities and developers is now a prerequisite if investment is to be encouraged. The Portas Review stated that *“the best returns on investment will come from maximum collaboration based on local partnerships”*. We now need to build on this to deliver an effective vision for the future of the high street.

HIGH STREET INVESTMENT

Investment in town centres and high streets has been significantly curtailed in recent years. No additional retail floor space is coming to the market in 2013. Over the past five years UK retailer investment has fallen by an average of 3.2% year on year in nominal terms, or 4.4% year on year in real terms. Over the whole period investment has fallen 23% in nominal terms, or 27% in real terms – an astonishing amount. Although this does not only impact high streets and town centres we can assume a large proportion will. Access to capital, cost of operating and a fundamental lack of demand has significantly reduced the retail development pipeline. Despite this, central London and a small number of other prime locations where demand for retail space is still very high can be viewed in isolation.



New forms of public/private investment will be needed in many high streets as the return on investment and economic fundamentals are no longer favourable for purely private sector investment. Tax Increment Financing (TIF) has the power to leverage much-needed funding into high streets. Many traditional funding sources are no longer available. Nevertheless, it is vitally important to guard against inappropriate or poor investment.

WHAT STILL NEEDS TO BE DONE?

The NPPF provides the national guidance framework but local plans will be the key driver of investment. The 'Duty to Cooperate' set out in the NPPF will require local authorities to work together to complement each other's retail and leisure offerings. Differentiation will help to secure investment as developers rationalise their investment portfolios.

It is also critical that local plans are robust enough to avoid uncertainty and recognise the integral relationship between retailers and other sectors of the economy. Retailers will have a critical role to play working with local authorities as they embark on interpreting and implementing this framework and delivering coordinated plans to encourage the right type of development.

The localism agenda has also placed a greater burden on local planning authorities, magnified by a radical shift in the planning framework, but planning authorities need sufficient resourcing levels to avoid stagnation and uncertainty.

WHO CAN MAKE THE DIFFERENCE?

Local planning authorities have a critical role to play in achieving the right development in the right areas and, in particular, in the creation of local plans. In many areas, Neighbourhood Forums, made up of businesses, community representatives and other stakeholders, will be pivotal in ensuring a planning system works for everyone.

In many high streets away from prime locations, the public and private sector need to work together if investment is to be maintained. Central government has a role in creating conditions conducive to investment, including reducing the cost of operating and facilitating access to finance. The market will play its role by finding the right level of demand but structural changes mean new developments will need the flexibility to adapt to economic change and consumer preferences.

DELIVERY PARTNERS

- Local Planning Authorities
- Neighborhood Forums
- Business
- Community Groups
- Central Government
- Neighborhood Forums
- Institutional Investors/Developers



RECOMMENDATIONS

- **The ‘Presumption in Favour of Sustainable Development’, a cornerstone of the National Planning Policy Framework, must ensure growth is prioritised.** We need a planning system which not only facilitates development but also mitigates bureaucracy.
- **New forms of public/private investment will be needed in many high streets as the return on investment and economic fundamentals are no longer favourable for purely private sector investment.** Tax Increment Financing (TIF) and Local Tax Re-Investment Programmes (LTRIP) have the power to leverage much-needed funding into high streets.
- **Local authorities should plan for success.** They must work with neighbouring authorities to ensure a strategic approach to development in accordance with the wider development framework.
- **Local authorities should ensure, where possible, appropriate retail diversity and a complementary retail offer.** Large primary destinations will be able to provide the full retail mix but many small destinations should focus on creating the right retail and leisure mix for that particular locality.
- **The Government should ensure there is effective planning guidance to support the NPPF.** A streamlined planning system still needs effective guidance to prevent uncertainty and potential misinterpretation, slowing development.

Case Study

GLASGOW’S £80M BUCHANAN QUARTER TIF PROJECT

THE ISSUE

Buchanan Street lies at the heart of Glasgow’s most famous shopping district. The Buchanan Quarter TIF (Tax Incremental Financing) initiative aims to bring about public realm improvements, improve the retail offering, boost the local economy and create jobs. The Scottish Government has provisionally approved plans to allow Glasgow City Council to borrow £80 million for public infrastructure works.

THE INITIATIVE

Glasgow Council will borrow the investment from the Public Work Loans Board and pay it back over 25 years. Tax Incremental Financing

schemes allow public bodies to borrow funding to develop infrastructure, setting the loan against the expected increase in business rates the investment will generate. Plans include upgrading the Royal Concert Hall, improvement works in George Square and Buchanan Street, strengthening Cathedral Street bridge and improving access to Queen Street station. One of the conditions of provisional approval is that Glasgow City Council will put in place an action plan to maximise benefits for other areas in the city not directly included in the Buchanan Quarter TIF project.

THE OUTCOME

The project is on-going but it is hoped the scheme will unlock £310 million in private investment and create almost 1,500 jobs.



Case Study

EASTGATE LEEDS – A NEW RETAIL-LED DESTINATION BRINGS URBAN RENEWAL

THE ISSUE

The 1 million sq ft retail-led Eastgate Quarters scheme will transform a site north east of Leeds city centre, most of which has been empty for the past four decades. Plans scaled down from proposals which stalled two years ago due to the economic downturn will include major flagship stores alongside 130 new retail and restaurants units, bars, offices and a gym.

THE INITIATIVE

The scheme includes a new civic square and the pedestrianisation of all the streets within Eastgate Quarters. The £600 million scheme also includes

the restoration of historic buildings, a two-level shopping arcade which will complement the city's rich architectural heritage, refurbished offices and the largest shopper car park in the city with around 2,500 spaces.

THE OUTCOME

The scheme will create a new focus for the north eastern area of Leeds city centre, joining up Kirkgate Market, Vicar Lane and the Grand Arcade. The creation of new, well-proportioned retail space at Eastgate Quarters will lift Leeds in the retail rankings, reaffirming its position as a premier retail destination in the region. In addition to the urban renewal of the city, Eastgate will make a positive contribution to its economic prosperity with the creation of an estimated 4,000 permanent retail and leisure jobs supported by pre-employment and skills training programmes.

Case Study

PLYMOUTH'S WEST END

THE ISSUE

With the development of the Drake Circus shopping centre in Plymouth there was a perception that the western side of the city centre was going to be negatively affected in terms of footfall and retail spend.

THE INITIATIVE

Plymouth City Centre Company, working closely with Plymouth City Council, prepared a strategic vision called 'Awakening the West End: 20 Projects

in 20 Years' outlining how the West End of Plymouth could be transformed into a vibrant shopping, residential, leisure and cultural district. This was developed in association with working groups made up of city centre retailers and local residents' groups.

THE OUTCOME

Three of the 20 implementation projects have been delivered, made possible by an investment of £3.1 million (Phase 1) by Plymouth City Council. The area now has one of the lowest vacancy rates at 6% overall against 10.7% for the whole city centre.

4 ACCESSIBILITY

PROGRESS	PRIORITIES
Accessibility has been broadly recognised as critical to town centre health.	Insufficient progress at local level.
The Portas Review recommends much greater affordable parking provision and parking league tables.	Parking performance league tables yet to be put in place following the Government's response.
The Government is committed to the removal of a minimum parking charge for local authorities.	Night time delivery curfews still to be relaxed.

OVERVIEW

Footfall is vital for any retail destination, irrespective of location. Town centres have traditionally been the most accessible locations for consumers but increasing car ownership, changes to the planning system and changing consumer demands have meant this is often no longer the case.

There is a dichotomy here. For years some local authorities have taken our desire to shop in town for granted. Parking has been seen as a guaranteed revenue source. In many cases this has been accompanied by expensive, badly designed parking facilities, poor public transport and a failure to manage accessibility holistically. If revenue and footfall are to be maintained the tension between parking as a revenue generator and the need for affordable, accessible parking must be reconciled. We must also address the need to reduce carbon emissions and limit traffic congestion while facilitating efficient delivery systems.

ACCESSIBILITY AND THE NEW POLICY FRAMEWORK

Since the BRC's 2009 report, there has been widespread acceptance of the need to view accessibility as critical to the health of town centres. However this is not always reflected at the local level where decision making is increasingly located.

PARKING AS AN ATTRACTOR NOT REVENUE RAISER GAINS ACCEPTANCE

The Portas Review built on BRC recommendations that parking should be considered an attractor, not simply a revenue raiser. It also raised the profile of a range of issues including accessibility, target pricing policies and a new parking league table. The Government also recognises that helping people make sustainable travel choices can bring local economic benefits. The new National Planning Policy Framework removes restrictions which impose maximum numbers of parking spaces in new non-residential developments, and encourages local authorities to set appropriate parking charges that do not undermine the vitality of town centres.

There still needs to be a wider acceptance of the benefits of appropriate pricing structures and methods to encourage shopping and leisure visitors while also generating sufficient local revenues. Secure parking facilities with appropriate signage will also be critical to encourage the right retail and leisure mix.

Improvements to mass transit systems will also remain important in some locations but are unlikely to gain public funding in the current climate. In reality, these are likely to only be financially viable at a larger city level.



LOCALISM AND DECISION MAKING

Despite these welcome developments, improved accessibility will ultimately be determined by changes made at a local level, primarily through local authorities, Business Improvement Districts and local planners. Issues such as capacity, location, suitability, demand and public transport options/availability are all important. Local financial considerations will also play a critical role through greater business rates retention or new infrastructure financing options such as Tax Increment Financing.

LIBERALISATION OF DELIVERY RESTRICTIONS IS STILL A PRESSING CONCERN

Accessibility is not just about attracting footfall but also about ensuring goods are on the shelves. The BRC called for a relaxation of delivery curfews in the 2009 report, but little has been achieved.

Retailers spend a lot of money making their supply chains as efficient as possible, utilising sophisticated technologies and management techniques to ensure minimum disruption. Many retailers deliver at off-peak times to reduce congestion. Unfortunately, restrictions still apply for night-time deliveries, ignoring improvements in technology that have greatly reduced noise and the length of time required to deliver goods.

Permitting night-time deliveries would make a major contribution to reducing congestion at busier times of day.

Prior to the Olympics there was a limited relaxation of night-time delivery restrictions in London with Transport for London monitoring progress and capturing information. Following what was a hugely successful trial the Government should use this data to implement a permanent relaxation of outdated restrictions.

WHO CAN MAKE THE DIFFERENCE?

Accessibility can only be addressed by concerted action by key decision-makers. Local authorities have ultimate responsibility for managing accessibility. Central government has removed restrictions which impose maximum numbers of parking spaces in new non-residential developments, and has encouraged local authorities to set appropriate parking charges that do not undermine the vitality of town centres. Central government also has the powers to relax delivery restrictions and other regulations.

DELIVERY PARTNERS

- Local Authorities
- Local Partnerships
- Central Government

RECOMMENDATIONS

- **Local authorities should manage accessibility holistically** providing adequate parking to encourage footfall whilst maintaining a long term revenue base.
- **Local authorities, Local Enterprise Partnerships (LEPs) and central government should incentivise public transport use** and develop local solutions to specific accessibility concerns. Barriers to access differ in each location and local solutions will often be divergent.
- **Local authorities should use the new planning framework to improve town centre accessibility**, including increased provision of consumer friendly parking.
- **Central and local government should relax delivery restrictions where appropriate** to reflect changing technology, reducing congestion and improving efficiency.

Case Study

MANAGING CONGESTION AT BRISTOL BROADMEAD

THE ISSUE

Reducing traffic congestion and associated emissions in Bristol Broadmead.

THE INITIATIVE

A freight consolidation and distribution centre was established six miles away from Bristol city centre to reduce the number of delivery vehicles serving the 400 retailers in the Broadmead shopping area. The centre consolidates multiple deliveries into a single load on one vehicle, which then delivers directly to the heart of the retail area at prearranged

times. The concept was actively promoted to local retailers by the town centre partnership, and the partners have been developing the business case for the scheme from the outset.

THE OUTCOME

Increasing numbers of retailers have joined the scheme and vehicle movements into the city centre have decreased dramatically with a reduction of 66% in the number of lorries travelling to and from Broadmead. Retailers have benefited from definite delivery times, more effective stock replenishment, improved planning and reduced staff costs, and accessibility to the town centre has been improved.

Case Study

RISBOROUGH AREA COMMUNITY BUS – AN INVALUABLE NEW VOLUNTARY SERVICE

THE ISSUE

Many residents in the Risboroughs and adjacent villages in Buckinghamshire do not have public transport to shops, leisure and medical facilities, to the detriment of local businesses.

THE INITIATIVE

The Risborough Area Community Bus, a charity with six unpaid trustees, was set up to buy and operate the new service. Local community engagement resulted in the recruitment of a management committee of volunteers and 30 volunteer drivers.

Timetables were drawn up, printed and delivered to every household in the town, and a paid coordinator was recruited to handle the day-to-day running of the service and to liaise with the drivers. A daily scheduled service began operating to the residential areas of Princes Risborough, Monks Risborough and Longwick, and a year later services were extended to the villages of Bledlow, Bledlow Ridge and Speen.

THE OUTCOME

The scheduled service began on 19 July 2010. From carrying just 70 passengers in the first week of operation the bus now regularly carries more than 400 passengers each week. When not on its scheduled service, community groups use the bus for leisure activities.



Case Study

PRE-OLYMPICS RELAXATION OF NIGHT-TIME DELIVERY RESTRICTIONS

THE ISSUE

A medium-sized retailer on Wanstead High Street surrounded by residential property had a history of complaints from residents regarding noise and disturbance from delivery vans.

THE INITIATIVE

Working in partnership with the London Borough of Redbridge a trial was conducted during the Olympic period. The retailer agreed to use Transport for London's code of practice for quiet deliveries during the trial to minimise potential disturbance to local

residents. To move activity further away from the nearest residential properties, deliveries were made from the kerb on the side road adjacent to the store, rather than from its rear service area. Roll cages would be wheeled across the kerb and pavement and delivered through the front doors. The store made sure all staff involved in the trial, particularly drivers and those receiving deliveries, were fully briefed on its objectives and the content of the code of practice.

THE OUTCOME

The trial was deemed a success by all members of the working group, endorsing the effectiveness of TfL's 'quiet delivery' code of practice. Despite being a sensitive site, no complaints were received from local residents during the two weeks.

Case Study

CHESTER ACTION ON PARKING AND ACCESSIBILITY

THE ISSUE

Increasing footfall in Chester City Centre by addressing accessibility concerns.

THE INITIATIVE

Chester City Centre Partnership carried out research, conducting surveys with visitors to the high street over a week long period. They found that 72% of those surveyed were not residents but visitors to the town from other parts of the North West. Of the remainder, 22% were commuters and

6% were local residents. They also surveyed the council car parks to track volume usage periods and found that after 3pm in the afternoon the car parks were starting to empty.

THE OUTCOME

The City Centre Manager persuaded the council to introduce free parking after 3pm. This was the time when the council car parks started emptying as visitors from outside Chester returned home. The initiative resulted in a 23% increase in footfall and council car parks started filling up again after 3pm, thereby maintaining footfall levels throughout the day.

Case Study

THE BALLYMENA TOWN CENTRE ACCESSIBILITY SCHEME – IMPROVED ACCESS AND PARKING

THE ISSUE

Severe traffic congestion and poor pedestrian access in the town centre in Ballymena, County Antrim.

THE INITIATIVE

To deal with the transfer of responsibility for parking services from the Police Service of Northern Ireland (PSNI) to the Regional Development Roads Service the newly formed Town Centre Partnership (TCP) took on the role of an independent broker for the process, and an Accessibility Working Group of key stakeholders was established to lead the negotiations on challenging issues such as the development and agreement of a hierarchy of town centre users.

THE OUTCOME

The process resulted in a comprehensive traffic management scheme to deliver improved access and regulate parking, which has eventually been welcomed by the entire community. In establishing a working group with core members from all the key stakeholder groups, supplemented by additional street representatives for project specific areas, the TCP used an innovative approach to deliver a comprehensive consultation process. As the street representatives were empowered to negotiate with businesses they were given an opportunity to influence the street and indeed the whole town centre in which they operate. This process was also used as a vehicle to engage the business community with the then newly formed TCP and to allow it to prove its value in terms of tackling substantial issues within the town centre.





5 SAFETY AND SECURITY

PROGRESS	PRIORITIES
As part of the drive for localism, Police and Crime Commissioners (PCCs) will take responsibility for the safety and security of communities, including businesses.	We need a better understanding of the full extent of retail crime and the broader impact these offences have on our communities.
In London, improved engagement with the Metropolitan Police is helping to ensure that business crime is treated as a priority.	Business crime is still not included in police force strategic plans.

OVERVIEW

High streets must be safe and secure. Crime and perceptions of crime influence consumer choices, and have a significant impact on retail investment and the continued viability of retail and leisure localities.

Our perceptions of local crime, of criminality in the community, are shaped by what we witness in local stores and hear from people in the local area, including the one in nine of the working population who are employed in retailing.

Vandalism, graffiti and all forms of anti-social behaviour contribute to a feeling of insecurity and decline that can have a devastating effect on consumer confidence. Shoppers and employees need to feel safe. Well managed shopping centres provide a sense of protection which consumers take for granted. High streets and the surrounding ancillary areas such as car parks must also be considered safe, well managed and secure, encouraging people to spend money and investors to build the high streets of the future.

Retail crime cost UK retailers £1.4 billion in 2010/11. This is equivalent to over 130,000 full time retail jobs, but the real cost to the high street is not captured in these figures. The perception of safety or lack of it will deter consumers from visiting town centres and result in a spiral of reduced investment and footfall. Carefully designed and managed high streets with visible policing, CCTV and effective crime partnerships are essential for the future viability of our high streets.

LOCALISM AND THE NEW POLICY FRAMEWORK

As part of the drive for localism, Police and Crime Commissioners (PCCs) will take responsibility for the safety and security of communities, including high streets and town centres. The BRC welcomes the move to set targets at a local not national level. As part of this new arrangement, it is essential that PCCs are responsive to the needs of high street businesses.

PCCs will face many calls for action including those involving business crimes, but with no set definition the need for action on retail crime which impacts the high street will be more difficult to substantiate.

The BRC is, therefore, providing guidance for prospective PCCs on how working with the retail sector can help create safer communities. Retailers are asking for business crime to be included in police force strategic plans, in local Community Safety Partnerships, with a clear strategy to tackle violence and anti-social behaviour affecting retail employees, and better co-ordination of policing against offences that cross force area boundaries.

WHAT STILL NEEDS TO BE DONE?

After we published our 21st Century High Streets report, retail crime was thrust into the spotlight when widespread rioting and disorder took place across the country in August 2011. This highlighted the importance of tackling retail crime at an early stage. Retailers are a key part of local communities

5. SAFETY AND SECURITY

and need to be able to work with the police to reduce retail crime. Individually, and as part of Business Crime Reduction Partnerships and Community Safety Partnerships, retailers are keen to play their part in providing evidence and delivering solutions.

WHO CAN MAKE THE DIFFERENCE?

The localism agenda has further devolved crime reduction responsibilities with the creation of Police and Crime Commissioners. Local authorities, local police forces and central government will also all play

a role in delivery. Local partnerships now also play a key role in managing safety and security in trading environments.

DELIVERY PARTNERS

- Police and Crime Commissioners
- Local Authorities
- Local Partnerships
- Central Government
- Police
- Retailers

RECOMMENDATIONS

- **Local police and Police and Crime Commissioners should work with the retail sector to better understand retail crime and its impact on communities.** By doing so authorities will be able to understand and identify pressure points in the community.
- **Relevant parties should build and maintain effective partnerships.** This will help identify and promote examples of best practice, and engage high street retailers.
- **Retail crime and anti-social behaviour must be deterred.** This can be achieved by ensuring the street scape is attractive and vandalism is tackled quickly and effectively.
- **Encourage reporting of violence and anti-social behaviour** because crime and perceptions of crime influence consumer choices and have a significant impact on retail investment.

Case Study

RETAIL VIOLENCE INITIATIVE, MANCHESTER – AN AWARD-WINNING COLLABORATION

THE ISSUE

Reducing robbery and making people safer across Greater Manchester.

THE INITIATIVE

The Retail Violence Initiative (RVI) is an innovative partnership approach that has been developed between Local Authority Environmental Health Officers (EHO) and the Greater Manchester Police. The RVI establishes effective data sharing about commercial robbery. It involves a daily circulation

from the Force Intelligence Branch with details of commercial robberies force wide to a nominated Environmental Health Officer as well as all GMP Crime Reduction Advisors (CRA).

THE OUTCOME

The initiative has been recognised as good practice at a national level by the Home Office National Retail Crime Group and recently won the acclaimed HELA Award for Innovation 2008/09 and the Sustainable Communities Award 2009. The pilot for the initiative that was undertaken in Salford and Bury in 2005 calculated a 75% reduction in repeat attacks in Bury and a 49% reduction in repeat attacks in Salford.



Case Study

FALKIRK SAFE ZONE / SAFE BASE

THE ISSUE

As Falkirk's night time economy has grown, so has the requirement to provide assistance to night time revellers who may be injured or vulnerable without causing additional burden on the Police or Health Service.

THE INITIATIVE

A strong partnership has been created to combine resources and provide a 'Safe Zone and Safe Base' within a designated area of the town centre. Whilst targeting some of the key Scottish Government outcomes, the partnership now delivers a highly successful service to town centre users. The Scottish Ambulance Service provides on-site paramedic services, the British Red Cross patrols

the town centre and provides first aid. The BID co-funds the Taxi Marshals and liaises with the licensed premises and the business sector; the local authority funds, co-ordinates and engages with young people in hotspot areas and the Police provide dedicated officers.

THE OUTCOME

Research shows that town centre users feel safer as a direct result of this initiative, every licensed premise in the area values the service to their customers, and day-time economy businesses have seen a noticeable reduction in damage caused to their properties within the safe zone area. The initiative has also averted dozens of ambulance and 999 calls with financial savings for the health service and police running into tens of thousands of pounds and, just as significantly, hundreds of hours of time also saved.

Case Study

LIVERPOOL CITY CENTRE ACCESS POINT – THE 'COP SHOP' REASSURES VISITORS

THE ISSUE

High levels of crime and insufficient safety in Liverpool city centre.

THE INITIATIVE

Through a partnership between Merseyside Police Authority and private enterprise, the City Centre Access Point – informally referred to as the 'Cop Shop' – was set up as a new community access point for Liverpool City Centre's policing team. This provided a central base for officers, enabling them to take statements and complete paperwork quickly before getting back onto the streets. The Access Point is in St John's shopping centre, which fitted

out the premises free of charge, with the first three years of rent paid by businesses through Liverpool's City Central Business Improvement District (BID).

THE OUTCOME

Officers have become more visible in the city centre, reassuring visitors and building relationships with businesses, leading to an increase in intelligence gathering. Out of hours, the facility is used by the Street Pastors, who aid the emergency services by assisting those who are potential victims, helping to further reduce crime by freeing up police time. Since the Access Point was opened, a 20% drop in violent crime against target has been recorded, as well as a 13% drop in vehicle crime and a 12% drop in criminal damage against target. The 'Cop Shop' is also seen as an excellent example of public and private sector working together, and it has won several awards.

6 SUPPORTIVE REGULATORY AND FISCAL REGIMES

PROGRESS	PRIORITIES
Business Rates are now widely accepted as a disproportionate cost. The Portas Review recommended reform.	The Government should urgently review the Business Rate Multiplier to tackle the rising cost of operating on the high street.
The Government has accepted and is extending the regulatory coverage of the Primary Authority Scheme.	There has not been a meaningful reduction in the impact of red tape on high street businesses.
The Portas Review identified the need for active place management with the recommendation to create Portas Pilots across England.	Financial exposure has increased for businesses at a local level. Measures such as the Nottingham Workplace Parking Levy and other local taxes will add further cost to high street businesses.

OVERVIEW

High taxes and restrictive regulations are holding our high streets back. The cost of operating on the high street is simply too high to make it viable for many bricks and mortar businesses.

Business Rates are a primary concern for retailers. Retail is a property intensive sector, occupying prime locations in order to attract footfall and maintain customer loyalty. It pays 28% of all Business Rates despite only contributing 5% of GVA-GDP.

This disproportionate burden is not only unfair but also a growing cost despite falling sales and changing consumer demands. The Business Rate Multiplier means annual rate rises are based on the previous September's Retail Price Index (RPI) figure, a figure that has remained artificially high for a number of years despite weak consumer demand due to high commodity costs.

In 2012 retailers will pay an extra £350 million in Business Rates on top of the current £6 billion already paid. Although the Government has introduced a scheme to allow businesses to defer the rise, the costs of administering such a deferment are likely to be substantial, and the scheme does not reduce the overall liability in the longer term.

In addition to Business Rates, high street businesses also face disproportionate regulatory burdens, such as

outdated restrictions on night-time deliveries, which make it harder and more expensive to take consumer goods into town centres. More broadly, the promised 'one-in, one-out' on regulation should be made to work in a meaningful way. Too often the proposed 'outs' are not relevant to the sector affected by the 'in'.

NEW LOCAL COSTS AND NATIONAL FISCAL CONSOLIDATION

Since the 2009 report, the Government has embarked on a programme of radical fiscal retrenchment. Despite this, total borrowing is now higher than the Office for Budget Responsibility (OBR) expected at the start of the fiscal year with weaker than expected growth in tax receipts⁶. The BRC supports moves to improve the UK's fiscal position. At the same time, however, it is vital that the excessive costs imposed upon businesses and consumers are avoided to help businesses invest and grow.

The localism agenda has introduced a number of potential areas of local cost for bricks and mortar retailers including the Community Infrastructure Levy (CIL) and workplace parking schemes. CIL can help encourage development but will also expose ratepayers to financial risks in the long term.

Tax Increment Financing (TIF) may also leverage much-needed funding into infrastructure investment but the Government should ensure the ratepayer is not further exposed to unwarranted costs.



The Localism Act introduced a welcome power for local authorities to grant discretionary Business Rate discounts. However, given that such discounts must be funded by the local authority, it is unclear whether they will be widespread.

BUSINESS RATES ARE A MAJOR HIGH STREET COST

The Portas Review identified a number of sensible fiscal and regulatory solutions, many of which built on the BRC's earlier recommendations. Shifting Business Rate Multipliers from the RPI measure of inflation to CPI would bring a welcome relief to struggling businesses but has not yet been accepted by the Government. The case for such a change is clearly urgent, in view of the elevated RPI levels in recent years and widespread business support. The Government now links public sector pensions and other outgoings to CPI while monies collected still retain a link to RPI. Shifting Business Rate uplifts to CPI would provide consistency in government policy and ensure fairness for ratepayers.

BUSINESS IMPROVEMENT DISTRICTS DELIVER RESULTS AND SHOULD BE SUPPORTED

The Portas Review also identified the need for active place management with the recommendation to create 27 Portas Pilots across England. The Government accepted this recommendation and allocated £100,000 to support the work of each town team. The BRC actively supports place management but without established and predictable future funding mechanisms, their impact will be limited.

An effective way to support these goals is through Business Improvement Districts (BIDs). BIDs focus resources and develop bespoke solutions to a diverse range of retail locations. They deliver sustainable outcomes because they focus on the chief barriers to trade and growth affecting the town centre in question. Funds are targeted at 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 can help deliver more attractive and successful retail locations, with local money invested to provide tangible local benefits. The 2011 Nationwide BIDs Survey found that £168 million investment in our urban areas is being raised via the BID model across the UK.

REGULATORY COMPLIANCE – THE ROLE OF PRIMARY AUTHORITIES

Since our original report, the Government has accepted and extended the regulatory coverage of the Primary Authority Scheme enabling more small businesses to benefit. Inconsistencies and unnecessary variations in the enforcement of regulations between local authorities create additional burdens as significant as the regulations themselves.

CORPORATION TAX AND RED TAPE

The Government is committed to making the UK's tax system the most competitive in the G20 with a clear road map for Corporation Tax reform. We welcome this commitment but would like to see a greater acknowledgement of the significant cost for all businesses, small and large, operating on the high street.

Corporation Tax revenues are dominated by big businesses, with the largest 1% of companies paying 81% of all UK Corporation Tax and 60% of small firms paying none at all⁷. Business Rates, however, are a fixed cost paid by the majority of bricks and mortar businesses, which continue to rise annually regardless of profitability.

In addition to the growing tax burden, the cost of operating on the high street is still prohibitively high and, although the Government's Red Tape Challenge seeks to address the regulatory burden, much more needs to be done. High street operators need meaningful reductions in red tape, rather than simply the tidying up of redundant statutes.

6. SUPPORTIVE REGULATORY AND FISCAL REGIMES

WHO CAN MAKE THE DIFFERENCE?

Both central and local government have a critical role in reducing the cost of operating and ensuring a supportive fiscal and regulatory environment. Business Rates are the most disproportionate burden for bricks and mortar retailers, exacerbated by the method for deciding annual uplifts. Central government must reform the Business Rate Multiplier and local government must use its new powers to lower operating costs.

DELIVERY PARTNERS

- Local Authorities
- Local Partnerships
- Central Government
- Better Regulation Delivery Office (BRDO)

RECOMMENDATIONS

- **The Government's commitment to create the most competitive tax system in the G20 must also address the ever growing burden of Business Rates.** Central government must reform the Business Rate Multiplier by shifting uplifts to the CPI measure of inflation and take the 12 month average figure as opposed to a one month snapshot.
- **The Localism Act introduced new powers for local authorities to grant discretionary Business Rate discounts.** Where discounts are affordable local authorities must do all they can to reduce the cost of operating.
- **Local taxes, designed to encourage infrastructure investment, should have transparent business support and demonstrate real economic benefits.** The Government should ensure ratepayers are not further exposed to unwarranted costs.
- **The Government's deregulatory agenda must start to deliver results for high street businesses.** 'One-In, One-Out' does not go far enough in matching new burdens with genuine reductions affecting the same businesses, and the Red Tape Challenge must address barriers to growth such as outdated delivery restrictions.
- **Local authorities should support the BIDs in their local area in order to facilitate additionality and effective management of high streets.** The 2011 Nationwide BIDs Survey found that £168 million of investment in UK urban areas is being raised via the BID model.



Case Study

CROYDON BUSINESS RATES GRANT

THE ISSUE

To encourage a greater number of businesses to locate, invest and grow in Croydon as part of the Mayor of London's £23m recovery fund by offsetting one of the major costs of operating.

THE INITIATIVE

The initiative encourages new or expanding businesses in a large part of central Croydon to apply for a share of the newly established Croydon Business Rates Grant Scheme. The Grant is expected to be a major incentive for new firms to set up in Croydon or for existing businesses to

increase in size. It will help firms who move into properties that are not already covered by the Government's Small Business Rate Relief Scheme, which only applies to properties with a rateable value of less than £25,500. The new Grant applies to properties that exceed the £25,500 threshold – which equates to a building occupying approximately 200sq m. It will cover 65% of the rates bill in the first year, falling to 20% in year three.

THE OUTCOME

It is hoped that up to 2,000 new jobs could result from the launch of a unique £1.1m Business Rates Grant Scheme for central Croydon. The offer of reduced business rates could also help reduce the number of empty shops and offices in the area by up to 10% over three years.

Case Study

HOLYHEAD 'EMPTY SHOPS' INITIATIVE

THE ISSUE

In 2009 Holyhead had the highest vacancy rate of any town centre in the UK with 39% of premises empty.

THE INITIATIVE

The Plas Cybi Partnership, working in collaboration with the local County Council and Enterprise Agency, secured premises rent-free and then implemented some quick fix works to make them presentable, to provide low cost retail units for budding entrepreneurs in the town. The partnership used its charitable status to apply for Business Rate Relief of up to 80% on all the premises secured on rent-free tenancies.

THE OUTCOME

By the end of 2011, six previously empty premises were open – creating five new businesses that currently employ 12 people. These businesses have brought some activity back into the town centre which in turn has given confidence to another two local businesses to establish themselves in premises which were previously empty. Local people see some life, albeit gradual, being brought back to their town centre and owners of vacant properties see a potential future for their premises. All five businesses who started in 2011 on rent-free tenancies have now negotiated extended tenancies which involve some payment to the owners. Plans are afoot to bring another eight vacant premises back into use during the next two years. Demand is high with locals keen to take up premises with low rents and rates. The Welsh Government has backed the initiative and wants to see it expanded.

Case Study

NEWCASTLE 'ALIVE AFTER FIVE' – A BID-LED SCHEME TO INCREASE FOOTFALL

THE ISSUE

Newcastle's retail day effectively ended when most shops shut at 5.30pm or 6pm. Shoppers were forced to visit retail outlets outside the city that stay open after 6pm.

THE INITIATIVE

The NEI BID, in partnership with retailers, the wider business community and the local authority, worked together to establish the 'Alive after Five' initiative. This not only extended opening hours but provided free car parking in the city council's multi-storey car parks after 5pm. It was backed by a £500,000 marketing campaign and a £100,000 programme of daily street theatre and entertainment. There were also successful themed weeks such as a fashion

week and a restaurant week, bar and restaurant offers aimed at extending the time which visitors spend in the centre and additional early evening bus services.

THE OUTCOME

Only a few months after the start of the scheme the percentage of the day's footfall on Northumberland Street between 5pm and 8pm stood at nearly 10%. This figure has consistently risen, reaching 13.8% in April 2012. Over the period this equates to an average of 11.4%, with Eldon Square's average over the same period an even more impressive 17.3%. Figures supplied by businesses both inside and outside Eldon Square show an average percentage of the daily take between 5pm and 8pm of over 14%. Based on overall retail spend in Newcastle, the 5pm to 8pm period in Eldon Square alone was worth an estimated £53.1 million during the first six months of the initiative.



CONCLUSIONS

There is no escaping the fact that Britain's high streets will continue to be impacted by the growth of multi-channel, out of town and regional centres over the long term, and in the medium term by reduced consumer expenditure in uncertain economic times.

In many locations retail is only part of the answer for high street viability and needs to be complemented by a range of leisure and cultural activities. The way in which high street policy is viewed has been altered by the economic downturn but structural changes to the retail sector, and the high street in particular, have been apparent for many years. Government figures show that the number of town centre stores fell by almost 15,000 between 2000 and 2009, with estimates of a further 10,000 losses over the past couple of years⁸.

The challenges high streets face are structural not cyclical and policy makers must not assume a return to previous economic models. Even if the economy recovers quickly, this does not mean our high streets will automatically prosper.

High streets are going through a period of profound change but yet are far from homogeneous with a tick box approach to prosperity. Given these fundamental

macro-economic shifts this report has provided a broad framework for success, not a prescriptive one-stop shop for a model high street.

We have revisited the six key areas that were identified in the original report, examining successes and identifying priorities while also seeking to refresh our recommendations in light of the new policy framework, including localism and planning reform.

Despite this the fundamentals remain unchanged. High streets need to be effectively managed, carefully planned and have a clear vision for future development.

Local authorities in partnership with local retailers, other businesses and residents need to work together to ensure high streets remain at the centre of our communities. Central government also has a vital role in providing the right cost, planning and regulatory framework to enable local actors to support their high street.

The recommendations contained within this report are part of a wider debate and we welcome all contributions from those who wish take an active role in the future of their high streets.



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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.

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To make life easier for our members by:

- Campaigning to promote and defend retailers' interests
- Advising retailers of threats and opportunities to their business
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For further information, please contact Dan Morgan, British Retail Consortium, 020 7854 8957, dan.morgan@brc.org.uk.

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www.brc.org.uk/
21stCenturyHighStreets

British Retail Consortium
21 Dartmouth Street
Westminster
London
SW1H 9BP
020 7854 8900
info@brc.org.uk

www.brc.org.uk/21stCenturyHighStreets