

Enterprise and Business Committee

Inquiry into Town Centre Regeneration

Evidence from Regeneration Skills Collective Wales

**Submission on behalf of the Regeneration Skills Collective Wales
(RSCW)**





Background.

The Committee's Terms of Reference are:

- 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?
- How does Welsh Government use powers at its disposal to assist in the regeneration of town centres in Wales?
- 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?

Views are specifically requested on the following issues:

- The roles the Welsh Government and local authorities play in the regeneration of town centres.
- The extent to which businesses and communities are engaged with the public sector led town centre regeneration projects or initiatives, and vice versa.
- The factors affecting the mix of residential, commercial and retail premises found in town centres, e.g. the impact of business rates policy; footfall patterns and issues surrounding the night time and daytime economies within town centres.
- The impact of out of town retail sites on nearby town centres.
- 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.
- The importance of sustainable and integrated transport in town centres– including traffic management, parking and access.
- 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.
- The extent to which town centre regeneration initiatives can seek to provide greater employment opportunities for local people.

The Committee would also welcome any recommendations on what measures could be used to evaluate success of initiatives undertaken to regenerate town centres.

The Regeneration Skills Collective Wales (RSCW)

RSCW is a network of six professional institutions representing over 10,000 architects, civil engineers, housing professionals, landscape architects, surveyors, town planners in Wales. It was established in November 2003, with the aim of improving performance in the delivery of integrated, sustainable regeneration throughout Wales. This agenda has been taken forward at very modest cost, through proactive and collaborative working by the six member institutions, and with partner bodies and organisations, including the Welsh Government, the Welsh Local

Government Association within the public sector; development companies, consultancies and representative groups within the private sector; and a broad range of organisations within the voluntary and social enterprise sectors.

RSCW has operated for the last eight years on the basis of a Memorandum of Understanding between its member institutions; and a Business Plan, which has sought to meet the specific aim and associated objectives. As a consequence, RSCW has undertaken the following key activities:

- A programme of **cross professional skills development and training** which has included seven national annual “Delivering Regeneration” Conferences; and a series of Seminars, Site Seminars and Workshops in different parts of Wales. The Site Seminars, in particular, established a unique opportunity for practitioners from a variety of backgrounds, to come together to assess the delivery of integrated regeneration activities with those responsible for delivery. Elements of these programmes have been supported in the past by Welsh Government and private sector sponsors.
- Support to the **establishment of a Centre for Regeneration Excellence in Wales**, following on from RSCW’s membership of the U.K. wide ‘Sustainable Communities Excellence Network’ from 2006 onwards, which then comprised eight Regional Centres of Excellence in England; the Scottish Centre for Regeneration; and representation from the Northern Ireland Executive. RSCW was pleased to provide Technical Support to the Task and Finish Group established by the then Deputy Minister for Regeneration to assess the potential for establishing a Centre in Wales. Support has since been provided to CREW following its establishment in late 2008.
- **Research** relevant to cross professional and generic regeneration skills in Wales. Following the completion of the Egan Review of Sustainable Communities in England in 2004, RSCW commissioned Miller Research to undertake research into Professional and Cross Professional Sustainable Regeneration Skills in Wales in 2007; this study, supported by Construction Skills Wales, was completed in 2008. Since the publication of this study, Sector Skills Councils in Wales have undertaken further research into the professional services sector; and CREW have focussed further, more detailed research into the low carbon skills needs of the regeneration and built environment professional services sector in Wales.
- **Exchange of experience and ‘best practice’**: Within Wales, RSCW’s training programmes have focussed on the exchange of experience and practice, particularly through the Site Seminar programme. Exchanges between Wales and elsewhere have largely been limited to the rest of the U.K., and links with adjoining English regions remain strong. There are now increasing possibilities to develop this area of activity through a range of E.U. funding programmes.

The member institutions of RSCW may well submit their own more detailed submissions to the Enterprise and Business Committee Inquiry. This submission draws on the views of all six member institutions, and as such should be viewed as complementing those more detailed submissions. Also, in composing this response, RSCW is mindful of submissions made by others in the public, private and third sectors, as it is only through collaborative action that many of the key regeneration issues in Wales can be properly and successfully addressed.

Richard Essex is currently Co-ordinator of RSCW, a position he has held for the past seven years. He worked for local planning authorities in South Wales from 1971 to 1989; for the Welsh Development Agency's Urban Regeneration / Area Development Divisions from 1989 to 1997; as a secondee to the Wales European Centre in Brussels from 1997 to 2000; and since 2000, as an independent regeneration consultant working mainly in Wales, but also in different parts of Europe. His work has included town centre planning and implementation work throughout Wales (North, South West and South East); and he has a knowledge of the regeneration of city and town centres in different parts of Europe.

RESPONSE OF THE REGENERATION SKILLS COLLECTIVE WALES (RSCW)

1. Introduction

1. City, town and district centres do, and must, have varied functions that reflect society's needs and the changing demands of the twenty first century. They are gathering places for trade, work, entertainment, 'living' and social interaction. The challenge for the public, private and social sectors in Wales is how to make these centres viable; and individually unique, with "a sense of place" for people to savour and enjoy.
2. It is important to recognise that 'town centres' can be of significantly different scale in Wales, ranging from city, market / smaller towns, district and even local centres. These can all perform similar functions; and all are important to people & communities; employment; well being; and a sense of place. In some localities, District Centres in larger towns and cities can be bigger and more diverse than some of the centres of our smaller towns.
3. For many years, town centres have been almost exclusively identified as retail centres. It has only been more recently that there has been increasing recognition of the need for town centres to become more diversified in terms of the services, facilities and activities that they need to offer. These functions still remain undeveloped in the majority of cases, and future viability is likely to depend on greater diversification of functions and a higher quality of the design, maintenance and use of buildings and spaces within our town centres.
4. It is also important to recognise that technological developments, as well as out of town centre developments and the effect of global economic recession, have had a serious effect on our town centres. This has led to an over provision of retail (shopping), service (banks etc.) and office space, which has had both detrimental physical and economic effects on town centres. It is only in very selected town centres that alternative uses have been introduced into vacant properties.
5. The challenge of delivering sustainable and integrated town centre regeneration requires genuine cross sector partnership (public, private, third); real cross departmental involvement within the key public sector bodies; and cross professional collaboration, especially in terms of design and implementation. RSCW, through its member network of the six main regeneration and built environment professional institutions in Wales, epitomises the principle of collaborative working.
6. In preparing a submission to the Committee's Inquiry, the Regeneration Skills Collective Wales (RSCW) has consulted with the Centre for Regeneration Excellence in Wales (CREW) and is fully supportive of the response made by

CREW. Indeed most regeneration practitioners in Wales actively support both RSCW and CREW.

2. The roles the Welsh Government and local authorities play in the regeneration of town centres.

1. Welsh Government and Welsh local authorities have varying levels of responsibility for town centre policy and the delivery of town centre regeneration. National planning policy, as set out by Welsh Government in Planning Policy Wales (edition 4, February 2011), places an emphasis on retail development being situated with town centres in the first instance and out of town sites only as a last resort, when evidence of need has been demonstrated; and if they are accessible by a number of means of transport. Planning Policy Wales, directs local planning policies to “promote a successful retailing sector which supports existing communities and centres.” It is important that Local Planning Authorities have up to date development plans which provide the evidence base to demonstrate need and guide development to existing centres and which are easily accessible by public transport, as well as cycling and walking. This retail policy, which places the emphasis on creating and retaining vibrant town and district centres should be supported throughout the planning process. Other national and local government activity should be mindful of this policy when undertaking actions that affect town centres.
2. The public sector can also intervene in town centre regeneration as land / property owners and / or investors through grants and loans etc. Because town centre regeneration can be particularly complex, this invariably necessitates a range of departmental inputs and commitments that need to be properly coordinated at the national and local levels.
3. Both Welsh Government and local government should also recognise:
 - a. The need to establish a sub regional context for town centre regeneration. The Wales Spatial Plan Areas formerly appeared to perform this function, but the possible demise of this level of activity is to be regretted.

Example: North Wales Spatial Plan Areas Forum on the Future of Town Centres 2009. Looked at the viability of town centres in the region since the onset of the recession. Recognised that the importance of the town centre as a service provider, a driver of regeneration and an employment base. Considered - Planning; Image / Marketing / Branding; Finance; Working with People; and Empty Properties / Dereliction

- b. There is a need to consider the role of Town and Community Councils in town centre regeneration, particularly our smaller market towns. This level of governance can give strength to the ‘bottom up’ approach to town centre regeneration, as well as assist in delivery and funding of regeneration actions.

Example: This level of government has modest levels of finance to assist; and 28 out of the 38 Welsh members of the respected U.K. wide “Action for Market Towns” have Community or Town Council status.

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

1. The level of business and community engagement varies with the approach taken by the public sector bodies driving and promoting town centre regeneration. If the exercise is seen as a 'problem solving' or is narrowly focussed to an individual site opportunity or an environmental programme, then engagement can be limited to tokenistic 'involvement'. Public confidence in town centre regeneration plans, especially where the lack of delivery can result in the preparation of plans on a fairly regular basis. This, coupled with the implementation of planning decisions taken elsewhere in the town, which can undermine the opportunities for real and integrated regeneration in the town centre, can cause public apathy and resentment. Examples exist in different parts of Wales where these circumstances seem to have persisted.
2. However, different circumstances can prevail where local resident and / or business communities are the catalyst for action. This can result in a more 'holistic' or broader approach to town centre functions that can sometimes demand a more comprehensive response from the public sector; and because there is greater community loyalty, can achieve a far higher level of community 'buy-in'. Exemplars of this type of approach tend to be in the smaller urban town centres; or in rural, 'market' town centres. This may be because the 'scale' of the issues are more relevant to local resident & / or business communities.

Examples: (1) Some district centres in Cardiff appear to have stronger local loyalties, with a greater proportion of independent retailers than in larger town centres; and with more local community activities.

(2) In rural areas, there are some town centres which have benefitted from 'town branding' – Hay on Wye (literature) and Brecon (jazz). There are also market town centres that have 'reinvented' themselves, through strong community participation (e.g. Narberth and Cardigan in West Wales).

3. There are a number of issues where there is a real need to engage with the whole business community in relation to town centre regeneration. For example, there are those circumstances where existing business occupiers are disrupted by the implementation of large-scale regeneration proposals. Better engagement with such businesses and sympathetic consideration through reduced business rates during periods of disruption, could be one way of ensuring closer collaboration.
4. There continues to be a debate on how best to form partnerships between the public, private and social sectors in relation to regeneration in general and town centre regeneration in particular. In very broad terms, partnership models tend to be either formal or informal. RSCW believes that there are still circumstances where formal partnership through a Public / Private Partnership; or the establishment of a locally based delivery agency responsible to the public, private and social sectors, could be the best model to facilitate and manage the more complex town centre regeneration projects. Welsh Government is encouraged to examine these options as a matter of urgency.
5. In conclusion, some of the key issues that can encourage greater community and business engagement in town centre regeneration would appear to be:
 - a. Adopting processes that enable local communities and businesses to directly and fully engage with the public sector, not just as consumers, but as real and

active participants. The establishment of Town Centre Partnerships, with defined responsibilities, can assist in improving levels of engagement.

- b. Town centres should not just to be considered as suppliers of shopping / retail services, but as providers of a greater range of services, events and entertainments. This should include the provision of public services (libraries, health centres etc.), as city, town and district centres should be at the most accessible location for the communities that they serve.
- c. Ensuring that all issues relevant to the users of town centres are addressed. This will require far more active and integrated action by different departments of public authorities.
- d. Greater vision, with local business being offered wider opportunities to be more innovative, such as encouraging local markets (e.g. farmers markets; and outlets for other forms of local production); and encouraging a more active use of more attractively designed and usable spaces within centres.
- e. The more effective management of change, development and activities.

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

1. Generally, the adoption of mixed use solutions to development and property use in town centres seems to produce more lively, interesting, attractive and sustainable places. However, mixed use can create potential conflicts, particularly where activities can change throughout the day and night. Planning policy is clearly a key consideration in this respect. However this is not solely a planning issue, as it can be the concern of the licensing authority, environmental health, police / security services and transport operators etc. In these circumstances, it is essential that some form of management system be put in place to respond to issues as they arise.
2. Increased housing provision within city and town centres can be a catalyst for regeneration, as it can create direct demand for retail and other services, as well as bringing life to areas on a permanent basis. This can include the provision of living accommodation above ground floor town centre commercial floor space; and the location of housing for the elderly close to a range of service facilities in a smaller town or district centre.
3. Relating major education investment, particularly Higher Education development close to town or city centres, are a way of introducing an extra element to the mixed use approach that can contribute to the viability of town centre regeneration. This can be both through University teaching facilities and University residential accommodation.

Examples: (1) University of Newport – relocation of major teaching facilities from 'out of town' to the Waterfront adjoining the city centre.

(2) University of Glamorgan at the Royal College of Music & Drama and the Atrium, close to the centre of Cardiff.

(3) New teaching campuses in Merthyr Tydfil & Ebbw Vale (including proposed University of the Heads of the Valleys)

4. Empty shops in city and town centres throughout the U.K. are proving to be a major problem (see Guardian, 8 September 2011 – “Prepare for boarding: High streets suffer as shoppers go put of town”). Within England & Wales, Newport is the seventh worst medium sized town centre in terms of retail vacancies (26%). A

more flexible mixed use approach can be advantageous in bringing back into use vacant property. This can include the more positive use of floors above ground floor commercial (e.g. combined living / working space); and the temporary use of empty commercial premises for retailing of local goods, services and products, or creative industry start-ups. This approach can give greater local character to centres, as well as creating job opportunities. It can also assist town centres to change functions in relation to changing shopping and service trade patterns and thereby remain sustainable.

Examples: (1) Capacity Bristol: A City Council initiative of using vacant council and other property for creative industries and activities on a temporary basis. (2) Meanwhile Space CIC: Manage the temporary use of vacant buildings or land for a socially beneficial purpose until such a time that they can be brought back into commercial use again, throughout the U.K.

However commendable, the actions outlined above can only be remedial. Tackling issues relating to 5 below are critical to saving our town centres

5. Better and more flexible use of the business rates system could assist in the development of local entrepreneurial skills in relation to retail and local service provision. It is understood that charity shops can be entitled to significant reductions in business rates; this could be extended to a range of independent start up outlets relevant to broader town centre activities.

5. The impact of out of town retail sites on nearby town centres.

1. As already stated under question 2, national planning policy states that out of town sites should only be permitted if there is an evidence of need for the use and that, using the Sequential Test, there are no available town centre or district, local or village centres. It also emphasises that these sites should be highly accessible by public transport, walking and cycling.
2. There would appear to be three current and specific issues associated with 'out of town' retailers:
 - i. There is a general consensus of opinion that large scale retail developments on the periphery of large towns or cities, particularly on sites close to, or on, motorway junctions, have a detrimental effect on the viability and sustainability of existing town centres. However, irrespective of the effect on existing town centres, such developments do not appear to be consistent with the concept and principles of sustainable development; and to the achievement of a 3% reduction per annum in carbon reduction in Wales.
 - ii. There is a major issue as to acceptability of the location of such developments within, or immediately adjacent to, existing town centres. In these circumstances, it is advocated that a new form of independent assessment of impact needs to be conducted, taking into account remedial measures that should be made taken to reduce any undesirable impacts; and encourage more holistic actions to sustain the district, town or city centre involved. This goes beyond conventional planning policy, and is more a reflection of the need for the delivery of new management partnerships.

Examples: Existing developments in Aberdare and Merthyr Tydfil; proposed developments in Porthcawl

- iii. The challenge of notable national / international retail companies in dominating or influencing provision in any city, town or district centre (e.g. Tesco, Sainsbury & Asda etc.). This development takes the form of smaller scale 'local' stores, which generally provided a selection of goods sold in the larger 'superstores' of the same companies. Within the current legal and planning frameworks, there may be very little that can be done to deal with this issue. However, there also appears to be an issue of 'community engagement' that goes beyond current legal provisions.

Examples: (1) The Tesco 'proposal' in Stokes Croft (Bristol) appeared to have been exacerbated by the company's use of a loophole in the planning law; (2) In the Birchgrove area of Cardiff, Tesco appeared to be persuaded by adverse publicity to withdraw, as their proposals are seen to be unacceptable to the wishes of the local resident and business community.

6. 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; E.U. Structural Funds; Welsh Government, local authority and private sector investment.

1. One major issue regarding the use of E.U. Structural and other Funds (including RIFW), is the continuing lack of transparency in Wales in relation to decision making; and the lack of any evidence that the decisions being made are consistent with the more integrated and holistic requirements for town centre development and management. A far greater independent professional input is required to this decision making process.
2. Domestic funding options, especially through Public Private Partnership, provides a wide range of potential financial delivery models that need to be shared among professional practitioners. There also needs to be an indication of the political acceptability to the models that might be appropriate to circumstances in Wales. This requires a full, open, honest and frank discussion between key public, private and third sector practitioners, which can lead to agreed actions and outcomes. This is critically important, given the current and anticipated economic circumstances that are likely to exist for the foreseeable future.
3. In context of the above, there is a need to bring together a minimum 5 years Integrated Investment Framework for town centre regeneration in Wales. This would relate to E.U. and domestic programme funding periods). This should accommodate adequate 'lead in' time; and a significant period of time to monitor and evaluate the success of an integrated programme.
4. There is also an issue of public investment into competing city and town centres, which could be interpreted as a poor use of public funds. This requires public sector investment to be more strategic, a function that a further development of the Wales Spatial Plan could appropriately take forward.

Example: It is possible that Newport City Centre is suffering from the competition generated by the levels of public and private investment in Cardiff City Centre and Cwmbran Town Centre. This could lead to the need for more public sector investment in Newport City Centre.

5. The use of any financial mechanism (e.g. Enterprise Zones), which can result in the relocation of existing retail and employment generating activities from existing town centres should be avoided. Whilst this may be difficult as a result of decisions taken in England by the Westminster Government, the Welsh Government should take a more sustainable approach to town centre functions and economic development.
6. The concept of Business Improvement Districts could be a different issue, in that this requires a partnership between the public and private sectors within existing commercial areas. A full and transparent assessment needs to be undertaken of the only bid in Wales, against the background of B.I.D.s established elsewhere in the U.K.

Example: Swansea is the only Business Improvement District (BID) in Wales representing 800 + businesses in Swansea City Centre. Swansea BID operates within a defined geographical area, where business ratepayers have voted to invest collectively in local improvements that are in addition to those that are already delivered by local, statutory bodies.

7. The issue and potential of development agreements, development partnerships, Section 106 agreements and the new Community Infrastructure Levy (CIL), particularly from retail multiples and those delivering retail development outside or on the edge of existing centres to promote their complementarity and integration rather than competition, also need to be properly explored in Wales, using independent professional advice.

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

1. A successful integrated transport policy is very important to ensure that access via all modes of transport is available, both internally within and external to, any town centre. Integration of transport hubs (e.g. rail; bus; car; taxi; cycle; pedestrian) is required, especially in relation to rail and bus interchange. Safe segregation of pedestrians is important and must be catered for. Frequent and convenient bus routes and services must be provided to those communities who both need and want to use the wide range of services provided by a city or town centre. Large, safe, economical car parks are required with good links if not in, then conveniently near to town centres, with the provision park and ride facilities, although there should be an overall aim to reduce car journeys and promote access by other means, including walking, cycling and public transport.

*Examples: (1) There is concern that Cardiff was better prior to the demolition of the bus station, but poor in the current situation. The completion of transportation proposals will require a full assessment.
(2) Swansea has good park and ride facilities and a very good transport hub.*

8. 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.

1. Marketing and image making must be complementary to conscious decisions that are taken to achieve attractive town centres, in terms of the uniqueness of place, which embraces the design quality and maintenance of buildings and the spaces between; the ease of movement to, from and between; and the promotion of activities, in terms of the use of buildings and spaces. In this context, the public

realm in Welsh city and town centres should resist the movement towards the privatisation of public space. Public and community ownership of such property is essential if the people and communities are to be encouraged to engage with public sector led town centre regeneration projects

Example: Ruthin town centre has a local town centre plan and an effective marketing strategy, which has encouraged increased numbers of visitors to, and local users of, the town. There are still issues to be addressed, but the image of the town and its centre has improved

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

1. Making city, town and district centres more than shopping centres will create the opportunities for a more diverse range of employment opportunities. In addition, any significant level of public investment should possess social and community clauses within contracts that benefit the provision of local jobs and local training opportunities. This enables a greater proportion of Welsh public investment to be retained and recycled within local economies. A more innovative and ambitious public procurement policy in relation to public investment in Wales is required in this respect.

Example: Rhyl town centre regeneration programme has placed great emphasis on employment generation and the need for skills and enterprise agencies to work together with town centre employers and others to develop skills for those needing jobs. Rhyl Youth Action has been an important component of this exercise

2. Finally it is essential to ensure that retail and service sector jobs that have been displaced from town centres by technological change and changes in consumer behaviour (e.g. on-line shopping) need to be relocated within Wales by complementary public policy.

*Examples: (1) Amazon in Neath / Port Talbot;
(2) Call centre developments (e.g. Admiral in South Wales)*

10. Other issues.

1. Great benefits can be obtained from exchanging experience and practice in town centre regeneration within Wales; and between Wales and the rest of the U.K., Europe and internationally. In this context networks already exist outside of Wales.

*Examples: (1) Within the U.K. Action for Market towns is a very effective network and lobbying organisation with cross sector support and membership. In addition a Town Centres and Local High Streets Learning Network to support town centre regeneration has been established in Scotland
(2) At the European level there is a wealth of experience from partners active in a range of E.U. transnational cooperation projects.*

Within Wales, RSCW supports the proposal by CREW to establish a forum for town centre regeneration comprising representatives from the public, private and third sectors with professional regeneration practitioners.

2. There is an urgent need to address specific generic skills deficits that are required to bring forward higher quality town centre regeneration programmes and projects in Wales. These include the following skill sets:
 - i. Negotiation skills (more than just 'Section 106 Agreement' skills)
 - ii. Risk assessment (and the avoidance of risk aversion!)
 - iii. Communication and Facilitation (between sectors; and with the public)
 - iv. Leadership skills (vision and delivery).