

Enterprise and Business Committee

Inquiry into Town Centre Regeneration

Evidence from Narberth Chamber of Trade



NARBERTH CHAMBER OF TRADE

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Enterprise and Business Committee – Inquiry into the Regeneration of Town Centres **Call for Written Evidence September 2011**

The National Assembly for Wales's Enterprise and Business Committee has agreed to conduct an inquiry into town centre regeneration, and called for written submissions from interested parties.

The Committee would be particularly interested in hearing views on the following issues:

1. The roles the Welsh Government and local authorities play in the regeneration of town centres.
2. The extent to which businesses and communities are engaged with the public sector led town centre regeneration projects or initiatives, and vice versa
3. ☐ The factors affecting the mix of residential, commercial and retail premises found in town centres - for example, the impact of business rates policy; footfall patterns and issues surrounding the night-time and daytime economies within town centres.
4. The impact of out-of-town retail sites on nearby town centres .
5. 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.

6. The importance of sustainable and integrated transport in town centres– including traffic management, parking and access.
7. 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.
8. The extent to which town centre regeneration initiatives can seek to provide greater employment opportunities for local people.
9. The Committee would also welcome any recommendations on what measures could be used to evaluate success of initiatives undertaken to regenerate town centres.

The Narberth Chamber of Trade's submission follows.

The initial headings are arranged to show the general background for the problems with our town centres and in particular the High Street.

The problem is complex and in turn makes simplifying the solutions more difficult. The subsequent headings indicate where the problems arise with some possible solutions suggested as discussion points. Additional information and background is available on these to further develop the argument.

The High Street was still very important in people's lives, with many visiting local shops on a daily basis.

Locally sourced produce and independent, specialised shops - bakers, butchers, and hardware shops - ranked highly in wish lists. Also important were shops with character - selling antiques, mementoes, second hand books, as well as concerns over increasing numbers of pound shops and charity shops. And over and above the choice of products, friendly and knowledgeable staff are seen as a major draw. That and decent parking.

It may be useful at this point to recall what makes a town centre.

Towns (social hubs?)

- Town centres are social interfaces / meeting areas for everyone.
- Distinctive range of attractions, both shopping and leisure.
- Should be visually pleasing, clean and tidy, painted up/ spruced up – an inviting place to be.
- Having a good range of specialist shops run by independent retailers
- Supported by the Post Office, Banks, finance and other professional services
- Local events supported by local shops, Town Councils, Chambers etc. Providing posters, press/radio advertising, prizes, organising support, sponsorship etc.
- Café culture? With live street music (on Saturdays, hi days and holidays?)
- Accessible Culture – galleries, cinemas - theatre
- Evening entertainment – restaurants, café, clubs, bar/pubs, theatre, gigs etc
- Good signage, clean toilets, clean streets
- Children's facilities (play area's)
- Heritage signage encouraging further exploration
- Continue to encourage use of domestic upper floor flats in the town centres, creating more care of the town and more customers.

Shops.

- Range of specialist shops run by independent traders.
- Customer Service is the key –Listen to your customers, know your customers and deliver what they want.
- One stop shop location
- Looking for special purchases not available in 'sheds' (yet)
- Good window / dressing displays to draw, attract and entertain customers.
- Spend & dwell times!! How to improve? Longer parking tempting both shops and food stops.
- Place's to go, to be seen , to meet.
- Shop opening times to be more flexible – extend hours into early evening.
- No more Charity shops or a least limit the number opening in any area.
- Sunday opening? More restricted hours for Supermarkets
- A Victorian 'glass arcade' development for old CP School Narberth?
- Delivery parking; restriction times to be applied?
- Collection restriction times - none

Markets [do they contribute to a Centre Town / High Street?]

1. Farmers markets
2. WI markets
3. Car boot
 - All of the above have low overheads, no Rates, one off rent, VAT & Tax??
 - Street Markets? Good if done as an offshoot to existing town businesses but bad if it just brings in travelling retailers who don't benefit the local economy.

Now let us look at the specific questions raised by the E&B committee.

1. The roles the Welsh Government and local authorities play in the regeneration of town centres.
 - The focus of local organisations must be on attracting shoppers to the local Town Centre / High Street, bringing in money and supporting jobs. This must be fully supported by the Welsh Government.
 - Most town chambers of trade are not for profit small organisations. More expert support need for them to be able to actively contribute to the development of their towns centres. In many cases to help them to discuss / modify County Council plans.
 - HMG to reduce business red tape. By talking to businesses and understanding their needs.
 - The need to address the imbalances in the system that is removing any real choice, diversity and entrepreneurship within the retail world.
 - Expert reports for development plans always highlight 'shopping leakage' associated with a town and not its strengths. The fault in solely addressing retail leaks for an area, means that another town will suffer then suffer 'leakage'. Thus moving the problem and exacerbating the overall effect on a bigger community area.
 - More power to Town Councils – like France
 - Town organisations must work together, they are the ones with the local knowledge and can be invaluable in new developments. Welsh Government & County Councils should use their expertise to enhance future plans.
 - Develop marketing – All promotional information emphasising the distinctive identity of the town, provision of town guide and map information.
 - Access to simple clear advice shared by SME's
 - www.businesslink.gov.uk can be a source of sound straightforward advice. A Welsh version need to be created with the same clarity of purpose. Not the confusing richness of Organisations / Quangos / Government departments and commercial help (Banks, finance houses etc) that we currently have. We need a gold standard source of helpful, easy to understand advice.
2. The extent to which businesses and communities are engaged with the public sector led town centre regeneration projects or initiatives, and vice versa
 - There is a last beginning to be realisation that to initiate change there needs to be consultation (and negotiations) between the strategic planners and the residents of an area. When this is done the results can sometimes exceed the original expectations and provide a greater benefit for all concerned. However there still exists a lack of understanding between the public and the retail sectors. Regrettably mostly on the public side!
3. The factors affecting the mix of residential, commercial and retail premises found in town centres - for example, the impact of business rates policy; footfall patterns and issues surrounding the night-time and daytime economies within town centres.

Rent and Business Rates (including water rates)

- Business Rate revaluations exceeding 100% capped at 100% for first year with sliding scale to full revaluation figure over the next 5 years (or until the next scheduled revaluation)
- Supermarkets to pay the same £per square metre as for the local High Street, a unified business rate £ per metre square is required.
- VOA calculate rates on nearness to the street (shop frontage) this is made a nonsense within the 'sheds'

- The VOA to rate sheds exactly the same as any other business in a town. Currently they are treated differently by the VOA.
- Rates to be retained by County Councils not passed to HM Treasury. This would make them more responsible for the health of their businesses.
- Rates paid on empty properties. To remain to encourage landlords to reduce rentals and encourage new tenants
- Rates – new business start up amnesty to be encouraged
- Charge Rates on profit / turnover rather than size and position, thus more equitable for all businesses Rents – change the law on short term rental to encourage start-ups.
- Rent control zones?

Footfall patterns are determined by the availability and cost of Parking, together with the pleasing and attractive nature of the town centre.

Sadly also the current economic climate is not conducive to increasing foot fall.

4. The impact of out-of-town retail sites on nearby town centres .

Supermarkets. These are defined here as big ‘sheds’ selling convenience and comparison goods, normally at ‘out of town’ locations.

- There is an increasing need to regulate and control the power of the Supermarkets, to control whether they go into and affect High Streets when there may be sound local economic reasons for them not to do so.
- A high street needs a suitably large and wealthy customer base to support independent retailers. The less wealthy tend to be less discerning, and will buy from the cheapest provider, rather than intentionally buying local (there are no doubt exceptions to this).
- They know the value of encouraging car parking close to their stores
- Supermarkets advertising budgets are huge in comparison with the High Street
- Reasons to shop at Supermarkets include ease of access, free parking, perceived lower prices, range available,
- They sell everything, cheaper because of their bulk buying
- Increased shelf life (sell by dates etc) encourages bulk buying and reduced purchasing visits
- Lower prices – greater choice. BUT Pile ‘em high and sell ‘em cheap actually means lower margins and lower quality. Quantity v quality?)
- Why can ‘sheds’ sell everything retail?
- Employment by Supermarkets, majority are part time under 16hrs (low cost) and does not replace the full time employment of current High Street businesses.
- With the increasing automated stores (self service pick - collect – pay – depart) even fewer staff will need to be employed, other than out of hours shelf stackers.
- Competition commission? Why can they not act over the unfair competition by supermarkets to High Streets?

Planning arrangements

- Community and Town Council views should be specifically sought and accompany the documentation that goes to the Welsh Government. Given that such developments will have a major influence on their local areas.
- The Supermarkets expansion from convenience to comparison has had devastating effects on local businesses.
- Supermarkets to subsidise PCC car park fees for High Street users
- Supermarkets to sell non VAT items only!
- Why should they open 24x7?
- Planning applications for convenience stores (Supermarkets) are made by ‘agents / developers’ who in turn usually provide favourable Impact Assessments for the planning authorities.
- The planning applications always quote ‘leakage to other towns/areas’ as the prime motivator for the application.
- Supermarkets and their agents/developers are money making machines at the cost to the local economy, their profits are all exported out of the local areas – unlike the local businesses who live in the local area. .
- 106 agreements should include to pay the rent of High Street businesses who’s goods they sell for a 5 year minimum

5. 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.

There are a number of aspects to look at here, the major one being tax – in all of its forms.

Taxation

- Corporation Tax – first 10k of profit free of tax on businesses with less than £300k profits
- Simplify SME taxation, thus tax on takings less costs
- Increase VAT threshold from £73k to £100k
- Charge VAT on ALL catering and take away food hot or cold. Thus removing this ridiculous differential.
- Supermarkets selling below cost. This is anti dumping / predatory pricing and is banned in Euro land
- Include Business Rates as a business cost and thus make them an allowance within the taxation regime.

Other initiatives:

- Rate support for new SME businesses
- Training and appreciation of retail staff. Including customer service, window dressing, sales techniques. etc

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

Parking

- Accessibility is crucial to the success of town centres.
 - Shoppers look for good transport connections and plenty of affordable parking.
 - Remember On-street parking allows impulse stopping for impulse shopping.
 - Short stay free
 - 20 mph limits within town centres
 - Why are Supermarkets allowed free parking? When other town spaces are charged for.
 - CPE must be a partnership with ‘the town’ helping to keep traffic flowing and safe; not a money making revenue for County Councils.
 - A Free parking Honour Clock for short term parking, like the disabled blue badge.
 - Supermarkets to have their car parking spaces rated to subsidise the town centre parking charges
 - Supermarkets car parks to charge the same as town car parks
 - Permits for worshippers’ parking on Sundays. Or free parking Sunday mornings
 - 1-2 hours free to encourage longer stays.
 - Car parks safe / clean / secure with lighting.
7. 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.

Again tourism, signage, public art, street furniture, lighting and safety concerns are all worthwhile ‘simple’ methods of enhancing any area but they need to be part of an overall development strategy for that particular area.

Probably the most interesting and cost effective image making is via the Web

Internet

- Businesses with both Internet and shops will become increasingly interdependent. The good customer service provided by both arms of the businesses will affect and reinforce each other. (a good experience in one will lead the customer to ‘shop’ at the other & vice versa)
- Develop marketing – Promotional information emphasising the distinctive identity of the town.
- Local business websites to be actively encouraged
- FaceBook and other social internet sites are now an essential part of the retail armoury. These sites should also reflect the uniqueness of the town.
- Town / group websites developed as showcases for individual web sites.

- NEW 'Bricks & Clicks' retail and on line store combinations giving 24 x 7 availability

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

Not by allowing more 'supermarkets' in for the following reasons

- Employment by Supermarkets, majority are part time under 16hrs (low cost) and does not replace the full time employment of current High Street businesses.
- With the increasing automated stores (self service: pick - collect – pay – depart) even fewer staff will need to be employed, other than out of hours shelf stackers.
- Supermarkets are money making machines at the cost to the local economy, their profits are all exported out of the local areas (in some cases even out of the Country!) – Unlike the local businesses who live in the local area, work in the local area and spend in the local area. .

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

For a town the following figure should be considered.

- Shop vacancies (if successful reducing)
- New shops opening (if successful increasing)
- Previously residential properties changing to retail/commercial (if successful increasing)
- Shops closing (if successful reducing)
- Bankruptcies (if successful reducing)
- Within the town – number in full employment (if successful increasing)
- Within the town – number in part time employment (if successful increasing)
- Unemployment figures (if successful reducing)
- Car park usage (revenue is a good indicator)

We hope that the afore mentioned comments provide you with enough provocative thought to begin to develop a practical strategy to resolve some of the difficulties associated with town centres.

Should you require any further clarification or explanation we would be happy to oblige.

Yours sincerely,

Gordon Barry

Gordon Barry,
Secretary to the Narberth Chamber of Trade.