

Enterprise and Business Committee

Inquiry into Town Centre Regeneration

Evidence from the British Retail Consortium

BRITISH RETAIL CONSORTIUM
for successful and responsible retailing



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

Introduction

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

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

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

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

Retail wants to work with National Assembly for Wales

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

BRC priorities for Welsh town centre regeneration

¹ Skills smart Retail 2010

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

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

Key policy challenges:

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

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

Delivering growth – a policy framework for Welsh retail

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

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

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

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

Support our social and environment commitments by:

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

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

Maintain employment by:

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

Preserve the essential infrastructure for trading by:

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

Reduce costs by:

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

Reduce retail crime by:

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

Retail – delivering for Wales

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

Retail has led the environmental agenda

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

Retail is an excellent employer

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

Retail transforms places

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

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

Contact the BRC

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

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

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

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