

Welsh Town Centre Regeneration Inquiry Association of Town Centre Management and UK BIDs Submission

September 2011



Executive Summary

ATCM and UK BID's strongly support this inquiry into town centre regeneration by the Welsh Government. This inquiry is timely, with many of our town centres continuing to feel the lingering effects of the recession and reduced public sector funding.

The Multi-Dimensional Nature of the 21st Century Town Centre

The 21st century town centre comes in all shapes and sizes, serves multiple purposes and is home to many sectors. They include:

- Retail
- Public Services
- Arts, Culture and Inspiring Public Space
- Accessibility through a Variety of Modes of Transport
- Café Culture
- From Community Cohesion to Commercial Cohesion
- Office-based Businesses
- Tourism, Hospitality and Leisure
- Educational Institutions
- Town Centre Living
- Cutting the Carbon Footprint

Factors affecting the Success of Town Centre Regeneration

1. The Need for Strong Partnership and Professional Management in the Town Centre

We recommend that high streets and town centres in Wales become the beneficiaries of adequately resourced partnerships and professional management which have strong business involvement, support and participation from all levels of government and significant buy-in from all other stakeholders.

2. Coordinating the Policy-Making of the Welsh Government

We call for the Welsh Government to undertake feasible measures to better co-ordinate policy-making across departments and ministerial responsibilities. Specifically, one or more of the following:

- the creation of town centre focused impact assessments of new policies;
- the creation of a relevant All Party Parliamentary Group;
- the formation of a cross-departmental working group of senior civil servants;
- a ministerial level committee for town centres; and/or
- the appointment of a minister for town centre.

3. A National Strategy for Planning, Data Collection and Dissemination

ATCM Wales recommends that there is a national strategy to ensure council's with responsibility for planning have the skills and resources to develop excellent strategic plans which feed into the plans of other tiers of government. This includes publishing important national datasets where possible and offering a geographical breakdown for comparative research.

4. Empowerment through Democratic Planning for the Town Centre

ATCM Wales recommends:

Local authorities facilitate the development of strategic plans for town centres and wider areas ensuring economic development is plan-led and driven by a publicly accountable body.

The formation of these plans must have significant input from town centre partnerships, businesses and the community, preferably with planners engaging with town centre partnerships.

5. Competing with the Out-of-Town Centre (and the Internet)

ATCM Wales recommends that there is a commitment to a 'town centres first' policy ensuring town centre investment and usage is encouraged through better equality between the town centre and the out-of-town centre. This means working with government to ensure there is better parity with regards to:

- Accessibility via private transport
- The rates system

6. Link Local Government Revenue to Sustainable Economic Development

We recommend the Welsh Government establishes a link between local government revenue and sustainable economic development to encourage continuing re-investment in our town centres.

7. Recognition of the Importance of the Night-time Economy

We recommend that the Welsh Government plan for the night-time economy as a tool for economic growth and as an additional dimension to the 21st Century town centre. Policies must encourage, and not deter, the formation of night-time partnerships and initiatives such as Purple Flag, Best Bar None, Community Alcohol Partnerships and night-time specific BIDs.

8. Protecting Public Services, Public Property and the Public Realm in Town Centres

ATCM Wales recommends that local government, where possible, invests in the town centre, retains public services in the centre and invests in the public realm.

9. Creating a Culture where Small Business can thrive

We call on the Welsh Government to promote a culture where small business can thrive. Specifically:

- a national effort to understand the needs of small businesses in a rapidly changing economy;
- face-to-face assistance for small businesses on issues such as understanding rents, rates and other important local issues through a trusted mediator; and
- ensuring adequate business support is available, easily accessible and capable of equipping owners, managers and staff with the necessary skills they need to survive and thrive.

10. The Importance of Working Together for Crime Reduction

ATCM Wales recommends that the Welsh Government must support the creation of anti-social and crime reduction partnerships for the town centre and encourage their integration with wider partnerships and strategies for neighbourhood crime reduction.

Introduction

About ATCM and UK BIDs

ATCM and UK BIDs strongly support this inquiry into town centre regeneration by the Welsh Government. This inquiry is timely, with many of our town centres continuing to feel the lingering effects of the recession and reduced public sector funding.

This inquiry is important to us because ATCM is a not-for-profit membership organisation dedicated to promoting the vitality and viability of town and city centres. It has more than 540 members including key stakeholders in town and city centres across the UK, who develop and implement shared visions, strategies and action plans for a total of more than 700 district, town and city centres throughout the UK.

ATCM Wales Regional Branch includes town centre initiatives in, or covering, many locations including:

- Aberystwyth
- Bargoed
- Blackwood
- Bridgend
- Caerphilly
- Cardiff
- Colwyn Bay
- Ebbw Vale
- Llanelli
- Merthyr Tydfil
- Neath
- Newport
- Pontypool
- Pontypridd
- Risca
- Swansea
- Wrexham

Why Support the Town Centre?

Town and city centres across Wales are at the heart of our communities; they form a key economic driver and make a significant contribution to achieving and sustaining a successful Welsh economy. For visitors they are a key image of Wales and form a lasting impression of the country. The buildings that make up towns and cities define communities by their architecture, history and use. They are a way of connecting the present generation with its historical past and also help to shape the future. Towns and cities invoke strong emotions within people, feelings of pride, belonging and promoting a sense of identity. Ultimately, these are the places that the people of Wales call home. However, they are under pressure and urgently need action and professional management in order to survive.

The Multi-Dimensional Nature of the 21st Century Town Centre

To deliver a comprehensive and effective plan of action to revitalise town centres, the Welsh Government must first understand its dynamism and multi-faceted nature. The 21st century town centre is a place of multiple sectors, industries and stakeholders coming together which can no longer be defined narrowly as just retail hubs. The high street is still critical to the town centre but it anchors and is anchored by a network of activities and communities. Only by understanding the symbiotic relationships within this network can we ensure the high street remains the natural home of retail.

The town centre supports, and is supported by, the following functions and activities:

Retail

The retail sector is an engine room for private sector employment in Wales providing work for 10% of the population¹. The sector generates 10% of the Gross Domestic Product of Wales compared with 7% for the UK as a whole. There are 8,965 retail businesses in Wales operating from 13,670 premises. Approximately 12% of business establishments in Wales are retail, accounting for 5% of the UK total with Cardiff the 6th most important retail destination. Furthermore, the high street is the natural home for many of our invaluable smaller retail businesses, such as markets, who provide the grassroots for innovation and creativity across the sector providing consumers with diversity and choice.

Public Services

Town centres are the political centres for communities and the focal point for many public services. They are at the heart of the public sphere providing physical access to everything from libraries to local democracy.

Arts, Culture and Inspiring Public Space

Art works, cultural events and our most jaw-dropping architecture and public space tend to be located where people can access and enjoy them. For years, our town centres have benefited from the colour and creativity of talented individuals who have inspired the nation.

1 British Retail Consortium (2011) Manifesto for Welsh Retail @ http://www.brc.org.uk/brc_news_detail.asp?id=1939

Accessibility through a Variety of Modes of Transport

Town centres have a large amount of investment in transport infrastructure and act as a hub for public transport, which not only provides consumers and commuters with a choice of modes to travel, but also enables them to combine several different purposes in a single trip.

Café Culture

The intelligent use of alfresco dining and café culture have quickly become a mainstay in many of our town centres since being introduced from the continent. Town centres have become almost unique for enjoying time outside during summer evenings for visitors, tourists and workers alike.

From Community Cohesion to Commercial Cohesion

Whether its communities coming together, achieving remarkable feats through social interaction, or businesses working together to make their trading environment a more vibrant place to visit, the town centre has proved to be a place of partnership, allowing different elements of society to gel. The town centre is the venue where the Big Society happens, and has been happening for years.

Office-based Businesses

Behind the hustle and bustle of the consumer facing industries, it is often forgotten that the town centre is the choice location for many office-based businesses because of the accessibility for the workforce and capacity to network with other neighbouring businesses. From the creative and digital industries to the financial sector - the town centre is where creating, trading and networking takes place.

Tourism, Hospitality and Leisure

Hotels, restaurants, leisure centres, pubs and clubs all add to the town centre offer in very different ways. Ultimately, they allow us to capture the spend of visitors who have come to enjoy the natural beauty Wales has to offer.

Educational Institutions

Many higher and further educational institutions play an important role by being based within town and city centres because of their accessibility for students and tutors. This provides an additional dynamic to the town centre, acting as an anchor to the knowledge economy.

Town Centre Living

Not only does the town centre serve the needs of the surrounding population, it can often act as the home for a more local population. A town centre which is able to mix other spatial uses with residential space, will find itself engaged with town centre users, 24 hours a day offering a place of employment, a place to shop, a place to eat and a place to drink whilst reducing pressure on the transport network by cutting the need to travel.

Cutting the Carbon Footprint

The town centre provides a number of opportunities for curbing our dependence on oil. By providing a critical mass of activity, successful town centres make existing public transport links viable. Town centre living, reduces the need for travel all together, plus other unexplored initiatives mean the town centre is an important piece in the jigsaw to fighting climate change and lessening our wider impact on the environment. By targeting investment back into town centres we reduce the need for 'urban sprawl' which has done much to erode our natural environment.

Subsequently, protecting and promoting the town centre is essential for the health of each of these functions and activities. Part of this challenge is getting the right mix of uses dependent on locations is essential. The planning system must both retain main town centre uses in the town centre while being flexible enough allow what is defined as a main town centre use to evolve as times change.

Factors affecting the Success of Town Centre Regeneration

The Need for Strong Partnership and Professional Management in the Town Centre

The success of a town centre is influenced by multiple agencies and stakeholders. Everything from street cleaning to create an attractive environment to inclusive strategic planning is dependent on high levels of cooperation. A town centre's ability to host large scale cultural events, create loyalty schemes for shoppers or respond quickly to crime is all reliant on good management and good partnership. This is something which many in-town and out-of-town shopping centres already benefit from.

The need for professional management was graphically demonstrated during the 1980s and early 90s by the decline experienced by many of our high streets when faced with out-of-town development and the lack of a concerted response. The UK Government's commitment to a 'town centres first' planning policy was supported by its recommendation that the private sector, property owners, infrastructure agencies, the community and the local government should develop centre management initiatives. We are facing a similar crisis now.

We recommend that high streets and town centres in Wales become the beneficiaries of adequately resourced partnerships and professional management which have strong business involvement, support and participation from all levels of government and significant buy-in from all other stakeholders.

The type of strong partnerships at local and national levels that can assist town centre regeneration might include:

- Local government;
- Retailers;
- Shopping centre managers;
- Landowners;

- Employers;
- Chambers of commerce;
- Transport operators;
- The leisure and hospitality sector;
- The media;
- Police;
- Residents;
- Charities;
- Community groups;
- Local Enterprise Partnerships; and
- Other working groups.

For these partnerships to meet the needs of multiple stakeholders, they must be democratic and inclusive. Their success is dependent upon a shared effort at all levels. We see the Welsh Government playing a role through promoting, supporting, encouraging and facilitating partnerships and professional management. In the town centre itself we see private, public and voluntary sectors coming together to lead management schemes, identifying appropriate funding mechanisms that suit the local context. Ultimately, these funding mechanisms must deliver a return on investment those who financially support the town centre.

Funding Town Centre Regeneration

In terms of finding the right mechanisms for ensuring adequately resourced town centre regeneration schemes can take place, ATCM Wales recommends that Scotland bears a better resemblance to Wales than anywhere else in the UK and allows us to learn and build upon lessons learnt there. There are two aspects which we would like to draw to the attention of Welsh Government:

- > BID development in Scotland
- > Town Centre Regeneration Fund

BIDS: Scotland has seen a much quicker rate of growth in terms of BIDs in comparison to Wales. This may be because the necessary infrastructure required to support BIDs exists. BIDs across the UK have generated in excess of £250 million in private sector funding. It is a sign that, even when times are difficult, the private sector is willing to invest in regeneration if the correct mechanisms are available, if businesses are able to lead on, and dictate the terms of this regeneration, and if there is support from the private sector.

Through the town centre regeneration inquiry, Wales has the opportunity to develop a more innovative approach to the creation of BIDs and become part of its evolution. Because of the Local Government Resource Review undertaken by the UK Government, the town centre management industry is beginning to explore ways in which the collection of business rates can be re-appropriated in a way that would trigger sustainable, long-term private sector investment in town centres. We are beginning to develop ideas that allow for the initial process of putting a BID prospective together through a reinvestment of local government revenue which will generate funding in the longer-term. We believe the Welsh Government has the opportunity to lead on this exploration.

Scottish Town Centre Regeneration Fund: The town centre regeneration fund is an initiative which was introduced in Scotland at the outset of the recession. The Scottish Government provided £60 million in funding to various innovative projects to substantial increase the attraction of the high street. This has certainly been a step in the right direction for Scotland. The next step is to find a way to make this fund long-term and sustainable. We feel that this inquiry puts the Welsh Government in a position where it can lead on this process.

The issue will be to find ways in which to raise revenue for the Welsh Government to ensure that a fund can be created to invest in our town centres which is fiscally neutral. ATCM is currently exploring the rates system as it has been brought to our attention that out-of-town developments in parts of the UK benefit from certain rates exemptions which town centres do not. It appears, for example, that out-of-town car parks are not charged rates so long as they remain free for consumer use. As these locations will compete with the town centre it appears that we have financial incentives the wrong way round and should consider raising revenue through rates on out-of-town and invest that money on town centre regeneration schemes (e.g. a BIDs support fund/public realm/modern leisure facilities/small business support etc.)

Business Improvement Districts (BIDs) may provide part of this function. ATCM would welcome efforts to strengthen, support and build on the existing BIDs experience. Though BIDs can operate in many commercial areas, town and city centre management initiatives have been at the forefront in developing BID proposals. The key difference from existing funding approaches is that once a majority of businesses within an area vote in favour of a BID, all businesses in the area are committed to contribute throughout the life of the BID, a maximum of five years. BIDs will enable many town and city centre management initiatives to deliver on their action plans more quickly and with more certainty.

However, BIDs are not a replacement for a town or city centre partnership, which will have a broader and more strategic remit, rather than the narrow demands of levy payers. The two can and should exist side by side. Furthermore, BIDs will not be appropriate for every town centre in Wales. The specific size and dynamics of each location has to be taken into account.

Case Study: How the Heads of Valley Initiative Funded Town Centre Management

The Welsh Government's Heads of the Valleys Initiative (HOV) which comprises of 5 local authorities (Rhondda Cynon Taff, Merthyr, Blaenau Gwent, Merthyr, Caerphilly and Torfaen) supported and funded town centre managers and town centre management initiatives. Each of the 5 local authorities received approximately £40k per financial year for 3 years which financed and supported the following activities:

1. Funded the Town Centre Managers in Merthyr and Blaenau Gwent
2. Funded a part time events officer in Caerphilly
3. Funded a Business Mentoring Programme in 2 towns in Rhondda Cynon Taff
4. Funded Footfall Counters for the key towns in the HOV area
5. Funded Marketing Research reports for the key towns in the HOV area
6. Funded a website for the town of Treorchy in Rhondda Cynon Taff
7. Funded a study to assess the potential for establishing a BID in Merthyr
8. Funded a programme of events in Rhondda Cynon Taff

The funding has established close working partnerships amongst the Town Centre Managers of the 5 local authorities and subsequently strengthened ATCM Wales. Unfortunately, due to budget constraints this funding has been cutback. However, it is a good example of what is possible when adequate resources are made available for town centre management. Where possible we would like to see all of Wales' town centres benefitting from future support.

Coordinating the Policy-Making of the Welsh Government

The town centre is a neutral, shared community and commercial space – one of significant economic, social and environmental value. Despite positive overtones towards the town centre from different UK Government administrations since the 90s, many policies emanating from across Whitehall have unintentionally hampered the town centre's ability to be viable. Different government departments will have different and occasionally competing objectives. Many of the resulting policies will impact town centres which are home to so much commercial and community activity. However, many areas of Whitehall have not been aware of how their policies affect unique places like the high street. The work of departments and ministers requires excellent coordination to ensure the lip service paid by the Government can be realised at a local level. The departments within the Welsh Government which may impact on the success of town centre regeneration includes:

Business, Enterprise, Technology and Science;
Local Government and Communities;
People, Places & Corporate Services;
Sustainable Futures; and
Strategic Planning, Finance and Performance.

We call for the Welsh Government to undertake feasible measures to better co-ordinate policy-making across departments and ministerial responsibilities. Specifically, one or more of the following:

- **the creation of town centre focused impact assessments of new policies;**
- **the creation of a relevant All Party Parliamentary Group;**
- **the formation of a cross-departmental working group of senior civil servants;**
- **a ministerial level committee for town centres; and/or**
- **the appointment of a minister for town centre.**

In the same fashion in which partnership has become so critical to town centres at a local level, partnership is also critical at a national level if government is to play a successful role in supporting town centres. In the long-term the ad hoc, disjointed policy-making of the UK Government which has undermined the town centre must be avoided by the Welsh Government.

A National Strategy for Planning, Data Collection and Dissemination

The development of a strong evidence base gives local authorities the capacity to develop assessments of the local economy which help improve strategic plans and drive well informed decision-making which can only benefit town centres and wider economic development. This is critical for growth.

For example, we know from anecdotal knowledge that many out-of-town developments have had a corrosive effect on our town centres. We also know that not all out-of-town development is necessarily negative. So how can local planners make well informed judgements on the type and scale of development that will promote genuine growth and not just displace trade from one location to another? We are not even completely sure about the extent of the economic, social and environmental damage caused by inappropriate developments that have hurt the town centre. There have been surprisingly few independent studies that have monitored trends in town centres before, during and after the creation of out-of-town centres so a good assessment can be made regarding the long-term impact, both in Wales and across the UK. At best we only have snapshots of data which suggest, but do not ultimately prove, a bleak picture where trade is displaced, making long-term economic growth through out-of-town development negligible.

Having good data also informs us of how the dynamics of a region are evolving and therefore what type of investment opportunities our town centre must exploit to remain relevant. However, there are factors affecting local authorities capacity for obtaining and using good data in Wales and across the UK.

- It is not enough for local authorities to collect data locally. Useful data will be comparable to other datasets across Wales and even across the UK. This means some form of consistency in dataset collection and dissemination at a national level.
- Not all local authorities have the necessary skills or resources available make use of data to create excellent strategic plans which can lead economic development.

ATCM Wales recommends that there is a national strategy to ensure council's with responsibility for planning have the skills and resources to develop excellent strategic plans which feed into the plans of other tiers of government. This includes publishing important national datasets where possible and offering a geographical breakdown for comparative research.

Empowerment through Democratic Planning for the Town Centre

Merging strong evidence bases with inclusive planning which benefits from the input of town centre partnerships would be a step in the right direction to ensuring good strategic plans for the town centre. It is important that all of Wales' larger town centres have a strategic plan for growth, investment and natural evolution and, where resources allow, small centres too. The needs of all stakeholders must be taken into account, a prospect which is far easier when an inclusive partnership is already in existence. Planners within local authorities must be closely aligned with town centre partnerships to ensure the needs of the town centre are appropriately represented.

ATCM Wales recommends:

- **Local authorities facilitate the development of strategic plans for town centres and wider areas ensuring economic development is plan-led and driven by a publicly accountable body.**
- **The formation of these plans must have significant input from town centre partnerships, businesses and the community, preferably with planners engaging with town centre partnerships.**

Competing with the Out-of-Town Centre (and the Internet)

Visits to town centres have declined by over 20% in the last 5 years to December 2010². In the publication 'Ghost Town Britain II: Death on the High Street', the New Economics Foundation outlined how high street decline was driven by the growth of out-of-town shopping in 2003. Between 1986 and 1997 the number of out-of-town locations increased four-fold with an average spend of £55 compared to £34 in town centres. To compound matters, in 2009 Verdict revealed a 25% growth in Internet shopping the previous year, estimating that it will form 10% of all retail spend by 2013. Overall Internet share of UK retail has risen to 8.5% from 4.8% over the last ten years.

Despite the awareness and perceived threat of out-of-town shopping to town centres, towns and cities remain the most important location for retail spending³. 66% of total revenue in retail locations in the UK in 2010 (excluding online shopping) is attributed to town and city centres. This compares with 28% of retail revenue captured by retail parks and factory outlet centres, and 5% by out-of-town shopping centres.

When comparing out-of-town and town centre, it is important to remember that the town centre is much more diverse in its uses. Policies that favour out-of-town over the town centre do not just hurt high street retail but also other sectors.

However, we are concerned about the role of out-of-town centres. The costs of operating on the high street are increasingly prohibitive, especially for smaller businesses. Despite the town centre still being the most important commercial space for consumer facing businesses, even small reductions in footfall caused by consumers visiting out-of-town centres could make many high street businesses unviable which can trigger a downward spiral. Furthermore, the social and environmental damage caused by the erosion of the high street should not be underestimated. Those who rely on public transport find it much harder to purchase the goods they need plus the growth of the out-of-town centre at the expense of the high street encourages dependency on the car. Car parking charges in the town centre means those who would otherwise drive into the town centre to shop may decide to drive further to the out-of-town store which comes at a cost to the environment.

2 ATCM/Springboard National High Street Index

3 Springboard's Milestone @ <http://milestoneuk.org/>

ATCM Wales recommends that there is a commitment to a ‘town centres first’ policy ensuring town centre investment and usage is encouraged through better equality between the town centre and the out-of-town centre. This means working with government to ensure there is better parity with regards to:

- **Accessibility via private transport**
- **The rates system**

Members feel that both car parking charges and the rates system favour the out-of-town centre at the expense of the town centre. Any efforts to revitalise the town centre must allow for a more level playing field which enables the town centre to compete fairly with other commercial destinations.

We are not arguing for universal policies as each area is different, and in some respects decision-making must be led by local authorities taking into account local dynamics. We are also not necessarily arguing for the complete abolition of car parking charges for the town centre. We are fully aware and accept the financial pressure many local authorities are under. We also accept that the abolition of charges may not attract additional shoppers as commuters may simply use all available car parking spaces. We do ask that the Welsh Government works with local authorities to find ways to encourage town centre investment through fiscal measures which can be offset by revenue from out-of-town centres, striking a fairer balance between competing destinations.

Link Local Government Revenue to Sustainable Economic Development

Town centre management is not a statutory function of local authorities. In a time when local government is faced with funding cuts it can be assumed that many non-statutory services will be reduced or withdrawn completely. This means town centres, which have already been hurt by the initial impact the recession has had on retail, services, commercial property and the capacity of investors to regenerate town centres, are now facing a second blow through a reduction of public sector involvement. The Welsh Government can counter-act this by ensuring the necessary policy mechanisms are in place to ensure that local authorities are financially rewarded for delivering sustainable economic growth. 'Sustainability' is the key aspect of this economic growth as we have seen too often in the past, developments which have brought short-term growth but long-term decline.

We recommend the Welsh Government establishes a link between local government revenue and sustainable economic development to encourage continuing re-investment in our town centres.

Recognition of the Importance of the Night-time Economy

As mentioned from the outset, we believe a broader understanding of the multiple uses of the town centre, and how these uses shift from day to night is essential. Shifts in consumer behaviour with regards to leisure consumption have led to an acute need for strategic planning around the night-time economy. Poor planning in terms of the mixture of leisure and hospitality businesses and the contribution of the town centre layout to dispersal strategies can fuel late-night disorder which has been exposed in the media spotlight in recent years. For example, it has been calculated that in 2008/09 alcohol misuse cost £69.9-£73.3 million⁴ While in 2006 the annual cost of alcohol related crime and disorder to the Welsh economy was estimated to be £750 million⁵.

On a positive note, the contribution of the night-time economy is huge according to TBR and MAKE Associates. The NightMix Index for 2008 reveals the night-time economy contributed £66 billion across the UK and employed nearly 1.3 million people in the core night time economy⁶. The combined core and non-core UK Night Time Economy represents around:

- 10% of all UK employment
- 8% of all UK firms
- 6% of all UK turnover.

Therefore, we cannot underestimate both the potential and potency of the night-time economy which can be a severe drain for Wales or, with the right intervention and management, can be a significant wealth generator.

ATCM's work across the UK has shown that the right intervention and management only happens when partnerships are formed and comprehensive strategies are implemented to ensure the night-time economy is not solely focussed on the 18-24 year old market which carries problems with 'pre-loading'. With the right mix of businesses, amenities and attractions a broad range of users can be attracted to create a vibrant and safe night scene.

4 Welsh Government (2010) Assessing the costs to the NHS associated with alcohol and obesity in Wales @ <http://wales.gov.uk/docs/caecd/research/alcoholmisuseandobesityreporten.doc>

5 National Public Health Service for Wales (2006) ALCOHOL AND HEALTH IN WALES: A MAJOR PUBLIC HEALTH ISSUE @ [http://www2.nphs.wales.nhs.uk:8080/vulnerableadultsdocs.nsf/\(\\$All\)/C866F51E7F03DB32802571AA002F6081](http://www2.nphs.wales.nhs.uk:8080/vulnerableadultsdocs.nsf/($All)/C866F51E7F03DB32802571AA002F6081)

6 The figures are derived from TBR/ MAKE's definitions of core (e.g. pubs, bars, restaurants, clubs, theatres etc.) and non-core activities (e.g. accommodation, taxis, food and drink suppliers, and relevant public services). Please note that they include the whole borough, not just city centres; head offices as well as local businesses.

We recommend that the Welsh Government plan for the night-time economy as a tool for economic growth and as an additional dimension to the 21st Century town centre. Policies must encourage, and not deter, the formation of night-time partnerships and initiatives such as Purple Flag, Best Bar None, Community Alcohol Partnerships and night-time specific BIDs.

Protecting Public Services, Public Property and the Public Realm in Town Centres

Town centres compete against well financed, privately owned, modern out-of-town centres fit for the contemporary consumer. Having developed organically, some of them for hundreds of years, the town centre is not purpose built for modern shopping needs and many cannot compete like-for-like with the offer of out-of-town. The town centre as a public entity also struggles with maintenance issues which can have a strong impact on its attractiveness.

Where the town centre can find a USP is through its distinctiveness. Through historical architecture, art and irreplaceable public realm it can be unique in nature and evoke a strong sense of place. The town centre is also the home for essential public services. However, not all local authorities have considered how important their role is in this respect, relocating some services out of the centre to cut costs to meet savings targets and not investing adequately in ageing property portfolios and public realm. This can impact on the following:

- Public toilets;
- Cleanliness;
- Signage and marketing;
- Safety and security; and
- Public spaces.

ATCM recommends that local government, where possible, invests in the town centre, retains public services in the centre and invests in the public realm.

With local authorities under so much financial pressure we accept that this is not easy. We encourage local government to work with town centre partnerships to achieve this as it is an important element to keeping the town centre at the heart of the community and will have a beneficial impact on high street businesses who rely on healthy footfall. Furthermore, well-designed public realm is a fantastic advantage which out-of-town locations cannot compete with. Poorly designed public realm, or a lack of continued investment in the public realm will not deliver a compelling offer to consumers.

Creating a Culture where Small Business can thrive

While town centres are often the heart of communities, small businesses are the lifeblood of the town centre.

They are central to many local economies through the diversity of their offer and the footfall they can bring to the high street. For example, well managed specialist markets can provide the high street with a distinctive USP, attract visitors to the town centre and create local supply networks from which many other businesses can benefit from.

SMEs are also good for the Welsh economy bringing unquantifiable levels of innovation, employment and providing a route to business ownership for entrepreneurs.

However, this essential addition to the high street may also be the most vulnerable. Independents may not trade on particularly large margins so the squeeze of decreasing footfall and increasing operating costs will put many out of business. Many businesses will not have the resources or knowledge to deal with a complex system of rates and rents.

While the efforts of the Welsh Government in terms of extending rate relief to small businesses should be commended, historically the high rentals which SMEs are exposed to mean many have not benefited from this relief.

We call on the Welsh Government to promote a culture where small business can thrive. Specifically:

- **a national effort to understand the needs of small businesses in a rapidly changing economy;**
- **face-to-face assistance for small businesses on issues such as understanding rents, rates and other important local issues through a trusted mediator; and**
- **ensuring adequate business support is available, easily accessible and capable of equipping owners, managers and staff with the necessary skills they need to survive and thrive.**

BUSINESS MENTORING

Our members consider mentoring for SMEs to be critical, especially for younger businesses. The provision of practical support, advice and guidance has proved in specific areas, to be a valuable asset and is something which should be mainstreamed if we want to support the foundation of the economy.

Case Study: A Business Mentoring Programme

Undertaken in 3 town centres in Rhondda Cynon Taff County Borough Council namely Treorchy, Mountain Ash and Tonypany. Outlined below is a summary of the scheme funded by the Welsh Assembly Governments 'Heads of the Valleys' (HOV) Initiative for Treorchy Town Centre.

Business Mentoring, Treorchy Summary

- Charter Solutions signed up 27 traders to the initiative
- In order to provide them with expertise in retailing, selling, marketing and business improvement techniques

1. Business Support

1. Generating additional sales / margin from existing customers
2. Attracting new customers
3. Exploring and implementing profitable new product opportunities
4. Identifying new local markets to access
5. Identifying revenue opportunities in outlying markets
6. Exploring new revenue streams currently not utilised e.g. online opportunities

2. Project Objectives

1. To engage the local businesses of Treorchy, using the current Town Centre Forum as the catalyst for engagement
2. To provide marketing and sales support to a number of local businesses through a series of one-to-one mentoring interventions
3. To incorporate a menu of other support activities, such as telephone and online help lines, "flying angel" visits and accelerated learning interventions
4. To increase the size, profile and ambitions of the Forum
5. To generate more self-generated and managed initiatives

3. Feedback from traders

The majority of the traders were very enthusiastic about the support being offered and the quality of the mentoring provided

- 94% of traders felt that the initiative was very useful
- 81% felt that it had a positive impact on their business

4. Comments from traders on the initiative:

“Made us more organised, gave us promotional ideas which we have put into practice”

“Several long existing staff issues were positively addressed”

“I think the approach Charter used to identify schools in Cardiff will be a very useful template to use”

“We feel that there is a lack of business support for small independent retailers to improve their businesses and turnover. Too much emphasis is given to providing support for non-retail businesses which doesn't reflect the number of jobs created by independent retailers.”

The Importance of Working Together for Crime Reduction

While the town centre is a focal point for positive commercial and community activity it also becomes a focal point for negative activity such as crime and anti-social behaviour. This has the ability to discourage investment and general usage in town centres and do irreparable damage to local economies and consumer perceptions.

High street retailers find themselves in the frontline of this fight. They rely on attractive visual merchandising which means products will be on display and exposed to the possibility of theft. The local response to crime and anti-social behaviour has in some areas been extremely positive with businesses, local authorities, communities and the police coming together to put in place strategies for prevention and apprehension. Occasionally, it is the need to reduce crime that has triggered the creation of town centre partnership that has evolved into something larger and more strategic.

However, we must warn the Welsh Government against complacency with regards to anti-social behaviour and crime on the high street which is a complaint labelled against previous UK Government administrations. Retail crime has a corrosive effect on communities by supporting and maintaining drug dependence, alcohol misuse, anti-social behaviour and violence and reducing the economic viability of businesses. People become fearful of visiting their local shops where the threat of anti-social behaviour in and around retail premises and violence and abuse can become routinely accepted by shop staff, compelled to absorb the perception of crime in retail premises as 'victimless'. Crime will cost businesses around the UK billions each year both in losses and in the cost of security, with the smaller shops being the most vulnerable. The true extent of crime is never fully known in areas where there is a lack of a coordinated response simply because owners and managers feel the administration burden of reporting crime is too much in situations where apprehension and conviction is unlikely. Town centre partnerships which link to wider partnerships and strategies on crime reduction are essential for making a difference.

ATCM Wales recommends that the Welsh Government must support the creation of anti-social and crime reduction partnerships for the town centre and encourage their integration with wider partnerships and strategies for neighbourhood crime reduction.

Case Study: Cynon Valley Business Crime Reduction Partnership

This partnership between the local authority, police and businesses was established to reduce crime and the fear of crime in Aberdare town centre, with a particular focus on cutting violence in the night-time economy. A business crime coordinator was appointed, enabling information on crimes and criminals to be shared between all partners on a regular basis. The use of photographs of target criminals soon led to arrests and an exclusion scheme was set up to bar offenders from members' premises. The project went on to encompass some 30 fee-paying businesses, whose contributions paid for a radio link system and enabled the launch of a safe child scheme. Night economy initiatives, including a successful application for Home Office funding for high visibility policing and the purchase of unbreakable plastic glasses for town centre pubs and clubs made a significant contribution to reducing violence over the festive season. A security advice programme contributed to a 31% downturn in commercial burglary and a 26% reduction in shop crime, whilst car crime was down 42% following a public awareness campaign. These combined successes led to the town receiving a Safer Business Award in 2005.

Additional Information

We hope that the information provided is useful to the Welsh Government in better understanding the town centre during this challenging time. Although this submission and its recommendations have been written specifically for the Welsh Government, partnership is required at all levels, from the public, private and voluntary sectors is required for its vision to be achieved. Government's primary role must be to encourage, support and facilitate, while in many cases it will be down to local partnerships to action and implement.

The membership of ATCM and UK BIDs are more than happy to assist in making these recommendations work in practice by setting out strategies, offering advice and where relevant even delivering results. Additional schemes which have helped high streets secure a better future can be found in 100 Ways to Help the High Street (www.100-highstreet.co.uk).

We look forward to hearing from you.

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