

North East Under-served Markets Event

Wednesday 5th December – half day event

Welcome

Jonathan Sykes, partner King Sturge sponsors of the event welcomed attendees to the Newcastle Football Club. **Ron Smith**, Head of Local Partnerships Policy from GONE then introduced the session.

Introduction to the USM Project

Bill Boler, USM project director, set out the key themes in the USM guide that had recently been published. He explained that the aim of the project was trying to get investment into deprived areas. He suggested that a twin track approach was required involving (a) Investment and (b) A regeneration strategy.

Experience with the pilot projects had revealed that there was a feeling amongst regeneration practitioners that the planning system often felt like a barrier or a disincentive to investment in deprived areas. This had led to the project focusing on the Planning System. Bill explained that his first finding on being appointed had been that deprived areas were not necessarily in Town Centres. This had exposed the need to link more closely regeneration policy to regeneration policy and crucially, a closer working relationship between the Neighbourhood Renewal Unit (NRU) at with the Planning Division at DCLG. He went on to explain that during the evolution of the project, PPS6 – the main focus of retail planning policy an town centre policy had gone through a review, the conclusion to which was expected early in 2008. In particular the was a move away from a “Needs test” to an “Impact Test”. He felt that both qualitative and quantitative issues needed to be sorted out.

Bill in common with others in the retail sector had experienced a resistance amongst people in the public policy arena that retail jobs were “real” jobs. A show of hands amongst the audience revealed (as had been the case with earlier workshops) that a majority of those present had at some stage in the careers worked in a retail setting, suggesting that as well as providing employment, retailing offered a platform from which to develop other employment opportunities.

Bill emphasised that the purpose of the workshops was to be as interactive as possible.

The National Policy Context

Caroline Burden, Head of Planning at GONE; then gave a presentation ([see attached pdf](#)). She opened by saying that it was not well enough understood just how much of PPS6 was devoted to deprived areas. She went on to explain the wider policy context of the National Strategy For Neighbourhood Renewal (NSNR) which was aiming to narrow the gap between the richest and poorest areas over a 10-20 year time-span. The new planning regime was intended to be positive and pro-active, something she felt confident the new LDF framework should help deliver, giving several local examples. She then set out the planning policy context in PPS1, relating this to PPS6 & PPS13, referring also to the upcoming review of PPG4.

Questions

Question: Does the policy apply to rural settings.

Response:The policy applies across the board in deprived areas.

Question: The emphasis seems to be on qualitative issues whereas PPS6 is more focused on quantitative measures. National Policy was unrealistic in aiming for no-one to be disadvantaged.

Response: It is a principle of the planning system and all national policy to seek to narrow the gap. There was also a new emphasis on plans being deliverable and implemented. There was now a policy cascade from RSS to LDF. It had previously been felt that planning was excluded from other national policy objectives – that is the challenge. Sometimes there was an unrealistic expectation as to how long policy took to take root.

Question: Does the RSS have the flexibility to allow positive discrimination across LA boundaries?

Response: There is the potential to do that. RSS's are geared to increasing economic growth. This meant defining growth areas and setting the parameters for delivering plans and strategies. Moving to RSS and RDA combined production of regional strategy might help.

Question: Not every deprived area is an underserved market

Response: Retail is only part of the solution of turning an area around. It is a symbol of success.

Question: One area of conflict is trying to get retail on employment sites. ie. retail jobs are not seen as real jobs.

Response: The correct process is the employment land review where evidence can be submitted that sites should be released or better used.

Question: The development plan process is too slow. Market formats are changing at an increasing rate which the planning system is too slow to adapt to.

Response: Things are changing. The plan making process is now less than 3 years, therefore there is a better chance of guiding development. GONE has recently noticed a huge interest in town centre schemes (eg Berwick, Consett) Bill Boler suggested that there was a need for applicants to have a strategy for delivery not just submission of an application which says it creates jobs. He felt you had to look behind the policy to make it work.

Question: Gateshead Council suggested that using s106 was a way of delivering objectives.

Response: Bill Boler felt that was a "back to front" approach. The objectives should be included as a core consideration in the application itself.

Encouraging Investment & Planning

Peter Coe: Head of Regeneration and Partnerships, Easington Council; then presented a case study of stimulating retail investment in the East Durham Coalfields ([see attached pdf](#))

Peter Coe explained the employment, income, educational, health and other social indicators in Easington. All wards in the area are in the bottom 5% most deprived in terms of health, and overall Easington is the 8th most deprived area in the UK. The area also faced high levels of environmental degradation. A priority had therefore been to promote economic change. This had meant facing several challenges; Creating a growing economy; developing and attracting people with higher skills; tackling deprivation and worklessness; raising household incomes; housing renewal and affordability; connectivity and accessibility issues.

He then went on to explain the Policy Framework, both existing and emerging, before moving on to some key project initiatives such as new road connections, which in addition to making access to the area better has also in turn opened up land for potential housing development.

Peter then went through the case study of Dalton Park – a £36 million investment creating 1100 jobs, that had been through a lengthy development process including a public inquiry (where the inspector recommended refusal) and the subsequent approval by the SoS. The timescale from pre-submission to completion had taken 7 years. Since opening the annual footfall had been over 2 million and the scheme had attracted over 60 retailers.

Peter then turned to another case study – Byron Place – on the waterfront, a project that had involved re-locating the port buildings and the re-development of the site to support the existing town centre. The developers; Modus ha delivered a mixed residential retail scheme anchored by an Asda store. 350 + jobs had been created in the £27 million pound project which had attracted widespread support locally. Two other key outcomes had been that the image and profile of the area had been raised.

Peter then went on to explore the key issues that emerged from the 2 case studies. These included the need for; A planned strategic approach based on good evidence; A realistic idea of lead in times coupled to an approach that encourage early engagement between the different partners, the choice of which was also key – teamwork was key to success. He encouraged a project management approach to the development process coupled to a good dash of persistence. Enlisting community support and managing realistic expectations had also been important. He felt that there was insufficient weight given to retail employment in planning terms. Two other key lessons stood out. The need for flexibility and the benefits of risk sharing.

Questions.

Question: Where did the objections to the scheme come from?

Response: The existing local plan had an industrial zoning.

Question: Is it inevitable that there will be a short-term hit to other retail outlets. How do you minimise impact?

Response: There is a balance to be struck. On reflection there could possibly have been more in the development agreement eg a % of profit back into the community. Grants were made available to shop fronts in the local high street. Often it is a matter of getting the message across to local retailers to be pro-active.

Also, the area was suffering leakage before the arrival of the new development. Local retailers were struggling before the arrival of the new Asda.

Bill Boler felt that the key issue was how retailers entered the local market. There had to be a strategy for footfall and parking that benefited the area. With the right process in place, as the 2 case studies had shown it was possible to have a win/win – but it is necessary to break down and analyse the issues.

George Nicholson, Secretary of the National Retail Planning Forum, gave a presentation (see attached pdf) on the work of NRPF and also the NRPF web-based knowledge base. He reported that the output from each of the USM workshops would be available on the NRPF website; www.nrpf.org . There was also available on the website as part of the USM report a pdf on the knowledge base from Stirling University as well as a pdf on the ESRC/NRPF project updating the 1971 census of distribution. This was a review of the trends over the last 30 years of retail development, the final results of which would be available in 2008. George then went through some statistics on the retail economy based on 2 recent pieces of work, one from the research project on the future of retail property by BCSC and the other some information from the recent LGA/NRPF bi-annual review of retail planning.

Bill Boler gave some closing remarks emphasising that the USM project was not simply about promoting retail development. The project was however based very much on the principle that change should be seen as a positive opportunity.

Ron Smith, from GONE then thanked the audience for the attendance. He reminded them that further USM workshops would be held in other regions, the output of which would be posted on the NRPF website.