

## **USM workshop –Yorkshire and Humberside, 21<sup>st</sup> November 2007**

### **Welcome from the host's King Sturge**

King Sturge's partner for regeneration, Atam Verdi, welcomed participants to the workshop. King Sturge is active in the area of retail-led regeneration, working on current projects in Huddersfield and Gateshead. The aim of the firm is to create a renaissance through retail development.

### **Introduction**

#### ***Speaker: Bill Boler, Director Under-served Markets (USM), BITC***

Bill explained that this is the first workshop to be run following the publication of the guide in October. He reiterated the origins of the guide in his experiences of working to use retail as a regeneration tool in the Harlem, US.

In the UK, in order to promote investment in deprived areas there is a need to work with the planning system. The USM Project became one first of trying to influence the planning system through the discussions taking place on the revision of PPS6. The project successfully worked with Government to get a stronger mention on deprived areas in national planning guidance.

The project also focused on developing pilot projects to try to put into practice the approaches suggested by the project. The 'How to' guide came out of a desire to publish more than a 'what we did' type of report.

The Guide is divided into three parts:

- Attracting investment and working with business
- Using planning system to encourage retail-led regeneration
- Maximising regeneration benefits

The Guide is accompanied by a research annex produced by University of Stirling.

The regional events are intended to start the debate which will be fed into the upcoming planning review.

### **National policy context**

#### ***Speaker: Geoff Dibb, Government Office Yorkshire Humberside***

The overall message of PPS6 is that the policy is town centre focused but not worded in a way that should be seen as a barrier to using retailing to regenerate deprived areas.

Government policy on tackling deprivation is set out in the National Strategy for Neighbourhood Renewal (NSNR), and accompanied by the Neighbourhood Renewal Fund, which following the Comprehensive Spending Review is now to be called 'Working Neighbourhoods Fund'. One in seven of the most deprived 20% of wards are located in Yorkshire and Humberside.

There have been some notable successes of the NSNR e.g. education, but in some areas e.g. employment and skills there is a need to do more.

The planning system provides a positive framework for encouraging retail-led regeneration, especially through the plan-making system. One key issue is the need to achieve the integration of different strategies through the LDF process. The statutory planning framework sets out the context and there is a need for up to date

plans. The Government has recognised that there are issues regarding the time it takes for plans to be approved and is working on proposals to speed up the system.

PPS 6 is not primarily about retailing but promoting the viability and vitality of town centres town centres. It is concerned with how to encourage a range of varied uses there that will contribute to this aim. PPS 6 also has other objectives e.g. addressing deprivation and there are various paragraphs that refer to this.

PPS6 reiterates the primacy of the plan-making process. The system advocates a hierarchy of plans -regional, local, small area. A key point made by Geoff is that **development can address the needs of deprived areas while not necessarily being located within the deprived area itself.**

The recent Competition Commission report will lead to a review of PPS6 over the coming months.

## **Discussion**

While the points in Geoff's presentation were acknowledged, there was still a need to be very selective to find references in PPS6 to deprived areas. It was suggested that PPS 6 does not give a clear guide to how planning system can be used to promote retail-led regeneration. In Leeds many thriving small retailers that operate in deprived areas are not well-served by planning system which, it was argued, primarily served the needs of large retailers.

**Response** – although policy covers much more than deprived areas it is not a barrier. The existence of such views regarding PPS6 is the reason for holding these regional events.

The example of Bradford as set out in the guide shows that the plan-making process is the way to deal with the issue.

There may be a downside to investment by major retailers in deprived areas. The Tesco development in Batley, Sheffield is taking over as a one stop shop and damaging small, independent retailers.

**Response** - Is this because it is not integrated enough with town centre? How the development is planned is crucial to whether the impact is positive or negative. The issue is why didn't the development act as a catalyst? This Tesco has mezzanine floor and sells a bigger range of goods than planned. A key challenge was how such developments could get people to spend more time in a town centre rather than just go home after the visit.

What are the levers to make developers/retailers provide facilities, training etc. to make the development work for deprived areas?

**Response** - It was necessary to use the LDF system and work with major retailers.

In Rotherham regeneration activity is a focus but it is not well-linked into the LDF process. This will be used to moderate ambition of major retailers and make sure that they support existing 'offer' and town centres. Discussions with major retailers may be happening at a high level in councils but divorced from planners within the authority.

**Response** - planning needs to be integrated to the corporate core. It is a major challenge for smaller cities to be able to negotiate with large retailers who have large well-resourced teams.

Deprived areas also need smaller retail centres but it is currently difficult for local authorities to resource work on this or to provide sites.

**Response** – hierarchies of centres are a key planning tool. Also, retail formats are important in terms of addressing need.

Are some 'independent' retailers better and more deserving of support than others e.g. take-aways, massage parlours etc.?

**Response** - yes – we need to move away from 'brand' v. 'SME' debate towards one of 'good' v. 'bad' based on how far the retail use makes a positive contribution to the area.

Guidance is more geared towards large retailers. Retailers putting in large schemes do assessments of need but these do not pick up the large number of existing small businesses. Problem is picking up needs of independent small retailers.

**Response** – it is hoped that the planning review will focus more on picking up the 'impact' issue. However, there will still be need to address resource needs of small retailers. Many of the organisations representing this sector are focused on protesting against large retailers rather than looking positively at opportunities in deprived areas.

### **Encouraging investment and working with business**

**Speaker: Richard Lewis, Town Centre Securities**

The issue should be how to work with the community and why attract investors in the first place? Making development sustainable in the long-term involves getting the local community to identify with it e.g. the Bull Ring in Birmingham is now welcomed by a majority of the local population. This is the reason why developers spent a lot of time with the local community.

Investors are attracted by prospect of growth over time. There is a need to provide a scheme that fits in well and provides for future growth. Hence need to get buy in by local community.

There are many examples of schemes that have not worked. Working with the community operates on many levels. Any new scheme will impact on existing occupiers. Need first to understand their needs and see if they would back your scheme. Also need to get broad engagement with local authorities, councillors, residents, through exhibitions, information gathering. Desire is to develop an integrated scheme. People are pro-change where things are not currently working. The difficulty is getting people to engage as they may not be used to this. It may be possible to use umbrella organisations –e.g. community forums etc. to help with this.

Town Centre securities are involved in the East Gate Centre of Leeds which involves displacing some existing users who need to be moved. The key is to ensure that communication is good.

Connectivity is important e.g. how to connect new developments with existing communities physically, socially, etc. Retailers etc. do not always grasp what they need to do to connect

## Discussion

Statement of Community Involvement now requires developers to actively consult do this but this should be what is done anyway.

**Response** - having this as a requirement may lead to a 'tick box' culture. Which type of investor you want to work with is important – some will want on-going ownership by the community and put effort into this.

Some local authorities are better at 'partnering' than others. This may be driven by best value but this means different things to different departments.

Investors need to show real commitment to an area and knowledge of an area to allay fears.

**Response** - developers that retain an interest are more likely to show commitment to an area than those looking for a quick profit and then to sell on.

There is a concern among the private sector that plans are out of date before they are agreed. Can plan process be made to happen more quickly?

**Response**- an announcement on this is to be made by Government as part of an announcement on speeding up plan-making in the next few weeks.

## Proactive planning

**Speaker: Mike Osborne, ARUP**

Two case studies were discussed – Bradford Centre and Bradford canal.

Bradford is the third largest economy in Yorkshire region.

### Bradford Centre scheme

Scheme is based on improving public realm and circulation space. A 'neighbourhood development framework' (NDF) has been produced. Need to decide what the catalyst projects are which will take scheme forward. The NDFs provide a consultation focus. A Tesco scheme has been submitted for planning permission, including funding the building of part of a new stretch of canal. The scheme had to investigate the issue of how you obtain the necessary consents to build canals. Powers such as those set out in the Transport and Works Act are necessary. .

The impact on existing retailing is important. The existing M&S will move to the new development. This has led to the need to investigate how to channel investment to make sure that existing retailing doesn't suffer. The proposals are also trying to create a new focus by investing in the public realm and improving transport circulation.

### Bradford canal project

Canal spur going into Bradford has been closed. Desire now to reopen water course (£50m project) and provide a new walk/cycleway. Scheme includes a new Tesco scheme which would involve a redevelopment of an existing store. Scheme would involve realigning the canal to go through development sites with the new store sitting alongside the watercourse. There was a problem in planning policy terms as the Tesco was 'out of town' and would be seen as competing with town centre uses.

The response was to amend the plan for the area to recognise the importance of the site as a retail 'hub'. The site is now also seen as a housing growth point which in turn will require new retailing to support it.

## **Discussion**

Not much on inclusion agenda in these projects.

**Response** - in terms of the city centre project -not many people live there although there was discussion and consultation. The canal scheme links with the Manningham regeneration area and it was this link that made the project a pilot for the USM project.

Key planning issue is that the land is designated as employment land but this area had no regeneration plan.

Bradford will be affected by the market drop-off and the potential impact of the new Tesco on a fragile existing retail market. Bradford have responded by developing a new action area plan for the area.

Is there an issue in the Bradford centre scheme that it will be a closed shopping centre development?

**Response** - Westfield the developer has been made to pick up on these issues by the Council and have restricted when the centre will be closed to the public.

Canal scheme is in an employment area. Has the issue of the value of retail employment been raised and this caused problems in terms of making the scheme acceptable in planning terms?

**Response** – While the area is designated for employment use, the existing uses are mainly car showrooms which do not generate much employment anyway. Also, employment is changing to more knowledge intensive and 'just in time' businesses. The aim is to re-engineer the area and increase density of uses and create a better mix. Argument is that loss of employment land is justified in terms of community benefit that will ensure. Also Bradford has other employment land to move people to. The fact that the land was designated as employment land has helped in negotiating benefits from Tesco's. Challenge is now to ensure that Tesco's provides funds for canal in time and doesn't delay.

Retail employment does not currently count under the definition in the existing PPG 4 on economic development.

**Response** -this issue will be addressed in the new PPS4 on economic development which will include retail employment and the need to value it.

The importance of the Bradford canal in changing the perception of Bradford and acting as a catalyst was stressed. In terms of how the new stretch of canal will be funded ARUPs have looked at developer contributions e.g. Tesco will contribute approx £20m along the line of the canal. It is estimated that the canal will lead to around £1bill of new investment. There are also plans to re-open a station at Manningham near to the site. The area is also defined as a Growth Area which comes with funding from Government. The scheme including the canal will take ten years to complete.

**One key lesson is the need to be able to adapt to changing circumstances in terms of project design.**

## **Maximising the benefits**

**Speaker: Cecilia Sheilds, Burngreave NDC**

Sheila works for the New Deal for Communities (NDC) Programme situated to the North East of Sheffield City Centre. There are 4200 households in the area: 1/3 council, 1/3 RSL, 1/3 owner-occupied. The area also has a declining district shopping centre (Spital Hill) which is affected by Meadow Hall out of town shopping centre. There are low levels of skills and income among the local population, a history of worklessness, poor educational attainment and an association with gun/drug crime.

NDC has to work in partnership. CE of the council reports to NDC every six weeks on how mainstream funding is contributing to achieving the programme's aims. The NDC made a decision to invest in local people as the area's greatest asset to enable them to compete, but also in services and key buildings. They are developing a new iconic building which will be a centre for training but will also be commercially let as well as used for delivering community services e.g. police and also for incubation space. They have also re-built an historic building from the centre outwards (Vestry Hall). Another building owned by the NDC is Forum House – a centre for learning and skills. All these buildings are located in the centre of Burgreave.

The NDC programme has tried to create the conditions for investment. Some outputs of the programme include:

- A 'no wrong door' approach i.e. any enquiry will lead to the correct response
- 1000 people successfully moved into employment
- 200 apprenticeships
- Successfully developed a skilled workforce (2000 places)
- Credibility with large employers
- Harnesses potential of enterprise through BIG (LEGI programme)
- Captured voice of business
- Created conditions for long-term investment – Tesco/employment zone

## **Spital Hill Partnership**

The principle being the programme is avoiding regeneration being 'done to' the area. NDC chairs the partnership which has a range of public/community partners. Tesco is the superstore which forms an integral part of the programme. The NDC has persuaded Tesco to change the design of the store e.g. it is on three-stories, with changed access points to help local businesses, includes banking facilities (there was no ATM previously). There was concern that Tesco would grab market (e.g. by selling halal meat and competing with existing shops). The Key is being able to successfully influence Tesco from the outset.

Want private sector to fund the employment zone situated opposite Tesco store. Have successfully introduced a jobs Charter with the following outputs:

- Local people are made aware of job offer
- Offer of pre-employment training and guaranteed job
- Integration with wider regeneration of Burngreave
- Contribution to 'Skilled in Sheffield' strategy
- Strong sense of community –e.g. have introduced a 'spice theme' based on the Asian restaurants already in the area
- 650 jobs created locally
- Resisted Tesco 'badging' in favour of local badging.

Future challenges: how to harness the impact of social and capital investment to maximise economic impact. Ensuring a parallel investment to that being put in by Yorkshire Forward RDA. Are trying to maximise private sector investment. Are also using S106 monies for public realm development

### **Discussion**

How did NDC create a create community spirit?

**Response** - there was a focus on the numerous languages in the area, seeing them as assets. Have tried to influence private sector companies to be more inclusive in their recruitment strategies.

NDC is an area-based initiative. Has this made regeneration easier or harder?

**Response:** the benefit of NDC money is that it is broad-based to tackle issues holistically. The programme has successfully influenced spending of mainstream agencies e.g. the City Strategy.

Competition commission said that deprived community is one without 3 or 4 supermarkets – this wouldn't work in Burngreave.

LEGI funding enables the NDC to deliver advice/support in a different way. Have been able to engage with people re starting a business as they are 'not the Council or Business Links'. Have run 'dragons den' – type process in a local school which caught attention.

Is there a danger that through the LDF process people will feel over-consulted? How to make it fresh?

**Response** - NDC employs a community engagement team that operate by stealth – e.g. they go where people are anyway, piggy back on other events, keep it short, run a trip to the seaside and consult people on the way. The NDC paid local people as 'mystery shoppers' as part of their training. Key is keeping the issue specific.

**Key lesson- have locally delivered schemes which would encourage people to participate and raise their expectations/aspirations e.g. local people would not take part in an enterprise initiative that was pan-Sheffield but would if it was given a local Burngreave tag.**

### **Summary messages**

Some scepticism exists on the extent to which deprived areas are a central message in PPS6. It is hoped that the next review of PPS6 will consider this and how best to address the regeneration of deprived communities via retail/TC use strategies. The policy needs to be clearly articulated.

The review of PPS4 offers an opportunity to reinforce the opportunities offered for employment in retail and targeted training & employment of people in deprived areas via retail development.

There is a general feeling that large retailers are able to negotiate the planning 'maze' but the smaller ones struggle. This might be a planning resource issue for smaller retailers. Also there is a need for strategies to help smaller retailers adapt to the (new) presence of a large supermarket in its area. The question of how you allow small neighbourhood shops to flourish without opening a loophole for larger retailers to slip through was posed if not answered.

