



HOUSE OF LORDS

Built Environment Committee

Corrected oral evidence: High streets in towns and small cities

Tuesday 26 March 2024

10.45 am

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Members present: Lord Moylan (The Chair); Baroness Andrews; Lord Bailey of Paddington; Baroness Eaton; Lord Faulkner of Worcester; Viscount Hanworth; Lord Mair; Baroness Miller of Chilthorne Domer; Baroness Warwick of Undercliffe.

Evidence Session No. 6

Heard in Public

Questions 95 - 115

Witnesses

I: Councillor Vikki Slade, Vice Chair, Local Infrastructure and Net Zero Board, Local Government Association, and Leader, Bournemouth, Christchurch and Poole Council; Councillor Susan Brown, Vice Chair, District Councils Network, and Leader, Oxford City Council.

Examination of witnesses

Councillor Vikki Slade and Councillor Susan Brown.

Q95 **The Chair:** Welcome to the sixth evidence session of the Built Environment Committee's inquiry into high streets in towns and small cities.

We welcome two witnesses representing local authorities: Councillor Vikki Slade, vice-chair of the Local Infrastructure and Net Zero Board at the Local Government Association; and Councillor Susan Brown, vice-chair of the District Councils Network.

My name is Daniel Moylan; I chair the committee. I shall not individually introduce the other members of the committee, as I shall have the opportunity to do so when they ask questions. They have name plates in front of them.

We will leave it to you to decide who answers questions first, or whether you both need to answer every question.

For the sake of crispness and brevity, I ask Members to keep their questions short and to the point, and I ask you to keep your answers short and to the point.

The evidence is being transcribed, so, unless we are being particularly dim, there should be no need for constant repetition of similar points, if I may put it that way.

Baroness Eaton: I declare an interest as vice-president of the Local Government Association.

As you heard, our deliberations are on high streets in small cities and towns. It would help us if you defined a high street in a town or small city and what its purpose is.

Which mix of uses would local authorities like on the high street, and what is the role of public services on the high street?

Councillor Vikki Slade: The definition of a high street has evolved over time. Fundamentally, it is the commercial and social heart of a place. It is very different from place to place. A small town will have a different range of hyperlocal services that may have more of a public service space, whereas a small city or large town will have a more commercial focus. It is impossible to define that as being the same everywhere. The beauty of the high street is that it is different, with its alignment to the place it serves. Fundamentally, it is the commercial and social heart of a place.

Councillor Susan Brown: I challenge the use of the word "hyperlocal", which is confusing in some senses. In Oxford, the city I represent, there is a High Street. People sometimes genuinely get confused when we talk about "the high street", as they think we mean an individual street. It is often more useful to talk about city and town centres.

I agree with Vikki, but for me the important thing is to have a good mix in a city or town centre. You need a mix of housing, retail and workspace to have a vibrant, working city or town centre that delivers for local people and for businesses and the local economy. You need all those things together to make it work.

Baroness Eaton: Do you have anything to add?

Councillor Vikki Slade: The prime definition of the mix is the purpose of the high street. A small community high street is there to serve the people who live close to it. A market town high street is there to serve the people who travel into it from the villages around it, and they will have slightly different needs. A small city such as Bournemouth or Oxford that is a tourist attraction serves other people, too. We need to work out who it is for before defining what the mix needs to be.

Q96 **Baroness Warwick of Undercliffe:** That leads swiftly to my question. What is the role of local authorities in supporting their high streets, and what specific actions could they take to revive them—taking your point that it often is not just a street but a town centre?

We are very much aware that a lot of local authorities do not have local plans or community asset registers. Are they making sufficient use of the powers that they have, and are those powers adequate for the needs, as you perceive them? Do you need more powers to enable you to do the job better?

Councillor Susan Brown: I would like to put a statement to you. I think that it would be better to ask what people want from their local high street, with councils trying to interpret that and work with them to achieve what they want from the city or town centre.

Local authorities are well placed to help to achieve that. The District Councils' Network is very close to our communities and has regular contact with local residents and businesses.

We are planning authorities, so I do think that local planning is important to that process. The community asset register—certainly in Oxford—is an important and valuable part of the whole concept of what makes a good city centre.

There are good examples across the District Councils' Network of people using their powers to reinvent and support their city centres. For example, Broxtowe has been reinventing its town centre with a boost to the entertainment and leisure experience, bringing in the footfall. It launched the Beeston Square regeneration development, starting with the official opening of the 700-seat Arc cinema complex. It is joining that with a 132-apartment residential development.

Those are ways in which local councils can play an active role in regenerating their city centres.

Baroness Warwick of Undercliffe: Do you think that they have enough

powers to do that and do not need more?

Councillor Susan Brown: We could always do more if we had more powers available to use. There are powers that we could use quite effectively. In particular, it would be useful to be able to work more closely to reanimate empty spaces. We have done some work on that in Oxford with an organisation called Makespace. Engagement has been difficult with some businesses, and if we had more powers to enable that it would be helpful. There are definitely more things that we could do.

Baroness Warwick of Undercliffe: Local authorities have powers to enforce continuing empty assets, or do they not have enough?

Councillor Susan Brown: They are not easy powers to use.

Baroness Warwick of Undercliffe: Councillor Slade?

The Chair: What partnership arrangement existed in those instances? What were the sources of funding?

Councillor Susan Brown: I would have to ask to give you a written follow-up on Broxtowe.

The Chair: We would be very grateful. We treat written evidence as valuably as oral evidence given at the committee. We would be interested in partnerships and funding. To what extent are local authorities simply—“simply” is not the right word—taking advantage of private sector investment? The regeneration is effectively private sector-led, with the local authority giving approval, as opposed to local authority-led and drawing in the private sector. That is a fuzzy distinction—I understand that—but we would be interested to know about that, unless you have something to say now.

Councillor Susan Brown: I can think of examples where both are probably true. I cannot answer for Broxtowe’s financial model and I shall certainly get back to you on that, but my own authority has worked closely with private finance and has been a large part of it as landowners and through our own capital investment in regeneration schemes.

The Chair: I apologise to Baroness Warwick.

Baroness Warwick of Undercliffe: Not at all. Councillor Slade?

Councillor Vikki Slade: To answer the first part of your question, local authorities clearly have a role in planning but also in transport development. There is a level of business support. Despite their financial difficulties, a lot of councils continue to work with business. Business improvement districts are now beginning to do some fantastic things. We have four in our area and they are driving the agenda, and their being able to drive the agenda from the business sector is a useful model that enables them to get what works for them.

There are powers, but they are not necessarily in the right place. You referenced councils' powers to take control. The compulsory purchase powers are incredibly time consuming and expensive. They are a great deterrent, and often you can do something before you need them, but it is not a practical solution.

The new powers on high street auctions granted under last year's levelling-up Bill have been delayed until after the local elections. We have had a hint about what they will do, but we do not have enough information on how far they will go, how much they will support councils and whether landlords will put barriers in the way to make it too difficult for a council to step in.

I have read what we know so far, and it should not stop councils, but if a landlord is better off with a property being empty, particularly if upstairs is tenanted, measures to force them to activate the ground floor need to be really strong. That might be tricky.

Councils definitely have the will but do not have the resources—the people. We know that there are not enough planners. There are not enough people able to do on-street enforcement and force property owners to lift things.

I want to touch on the comments on partnership working. Weston-super-Mare is a fantastic example. I recently did a peer challenge there. It has a project, "Love Weston"—a play on the Weston-super-Mare thing. It is bringing a lot of culture into the town centre, which is enabling the reimagining of the town centre as retail falls down.

Locally, I can point to the example of Poole town centre. The landlord owns not only the shopping centre but the streets surrounding it. It has been able completely to reimagine the town centre by bringing in out-patients from the NHS. The council has brought in adult education; that is our direct investment. We have a library. We now have a children's play centre, which has taken the old Marks & Spencer site. We have an elderly persons' charity space, and an art gallery is moving in, in conjunction with the university.

That has completely reinvigorated the town, despite the fact that only about a third of the space is retail. I think there is one empty unit in the whole centre.

Brilliant things are being done, but it is very difficult when you have corporate landlords who are absent or multiple landlords whom it is difficult to make work together.

Q97 The Chair: With a single landlord such as on Marylebone High Street in London—Cadogan Estates and people like that—can you get better outcomes?

Councillor Vikki Slade: I think that you can form a much closer partnership and look long term. A family has purchased one of the old department stores in Bournemouth town centre, and they see it as a 30-

year vision. They know that they will not make any money now. They have transformed the department store, with each floor being completely different—art galleries, workspaces and micro-makers’ markets. It is thriving, but only because the landlord is willing to take a long-term approach. Some of the rules on business rates and planning zones have made that more difficult, without a very long-term view.

The powers that we need have to be long term.

The Chair: We come to Lord Mair. We are very interested in government interaction with high streets. Local authorities are crucial intermediaries, so this is a vital question for us.

Q98 **Lord Mair:** It seems that there is a plethora of government programmes aimed at supporting high streets and town centres—the levelling-up fund, the towns fund, the UK shared prosperity fund, the long-term plan for towns’ funding, high street accelerators, and so on. What has been your experience in navigating this rather complex collection of funding opportunities?

Councillor Vikki Slade: I know that LGA colleagues across the board have found that the bidding war, pitting towns against each other, is incredibly difficult. Resource goes into bidding for things, but you are not sure whether it is the right bit. If you do not bid, your MPs quite rightly get cross because they think you should be bidding for everything. You sometimes get money for things that are not seen by your communities as the biggest priority. If you do not bid, you are not looked at as being ambitious. Simplification of that would be helpful.

Bournemouth, Christchurch and Poole has been lucky enough to get UK shared prosperity fund, towns fund and levelling-up round 2. The difference in the way in which they have been managed by government has been quite stark. Delays from the announcement to when the money has come through have been as long as nine months. The ability to get the governance in place to satisfy government has taken a lot of resource. With the UK shared prosperity fund, it has been a lot easier to allocate funding to revenue, so we have been able to get the staff in place to do it. When it is mainly capital, it can be very hard to meet the timelines and recruit the staff quickly enough to meet the rules.

There has been a lot of publicity recently about very little of the money being spent. Given how long it takes to get the money and satisfy government that we have achieved the rules, it is hard to spend that money. We are confident that we will be on track to spend 80% of the money we have been given by the end of the 2024-25 year, and we should meet the deadline, but it is really hard, because of the problems with resource and inflation.

A simplification, a removal of the bidding and a longer-term view would be a lot easier for the council.

Lord Mair: By simplification, do you mean—

Councillor Vikki Slade: Fewer pots—a pot that runs alongside the revenue grant or revenue funding whereby you can say, “This is for these projects and you need to account for them”. Separate pots make it really difficult, especially when circumstances change and money has to be moved from one priority to another. It has been made easier more recently, but, even so, if it was not on the list when you got the money you cannot add it later.

Councillor Susan Brown: The Public Accounts Committee found that it cost local authorities on average about £30,000 every time they put forward a bid. It is unaffordable on a regular basis for many local authorities to continue constantly to be bidding, particularly if they are not likely to succeed. There are relatively small pots and not many winners.

I would go back to my placemaking point. It is important that local authorities reflect the views of their local residents and try to deliver the collective vision for their local place. That may or may not fit into a government scheme of pots of money at any given time. Some of them have been very specific about what they require councils to bid for. That may not be what people want to do locally, so councils have sometimes been tempted to bid for pots of money that do not deliver exactly what they want, but they are nearly there so they think that perhaps they had better put in a bid.

That is not a great way to run local areas. We should be reflecting the views of local residents, doing our own policymaking and placemaking. We need to give councils more freedom to do that.

Q99 **The Chair:** Do all these pots sit with DLUHC, or do some sit with other departments of state?

Councillor Susan Brown: I think that they sit with a variety of departments. There are pots of funding with the Department of Transport and with all sorts of different places.

The Chair: Specifically for high streets.

Councillor Susan Brown: I am not sure.

Councillor Vikki Slade: Heritage is in the mix. A lot of things affect the high street. The transport plans are key to the success of high streets. The cities grants come through what was BEIS—does that still exist? The industry department.

Councillor Susan Brown: It is more than one department.

Q100 **The Chair:** If you had a single pot, how much money would you need in aggregate? This is an LGA-level question rather than a local authority question, looking at the whole of England and Wales.

Councillor Vikki Slade: I think that that is an impossible question to answer. If you ask local government how much money it needs, it will always—

The Chair: How much would make a difference?

Councillor Susan Brown: It is a difficult question to answer. My local authority has done a city centre action plan. It looked at all the things that we would like to do, and where we can we are allocating funding to that plan, as we go forward or where there are developments. We can take money out of Section 106, or whatever, towards that action plan. I cannot tell you whether that has been done over the entirety of local government, but I suspect not. It is a very difficult question to answer.

Councillor Vikki Slade: I would be more than happy to ask the LGA to give you some evidence on that.

The Chair: That would be useful.

Q101 **Lord Mair:** The message from both of you is strong: there are too many pots with a number of departments. How is this best resolved? If there should be one department, which one do you think it should be?

Councillor Vikki Slade: My instinct is that DLUHC is the right place for it because it has the other measures that work and it has "Communities" in its title. This is at the heart of our communities and it is about development. My instinct is that it should sit there. The culture and transport departments are important, so there needs to be engagement with the others, but one route in for funding would make life a lot easier for officers across councils.

Councillor Susan Brown: It would, but we often suffer from the lack of joined-up relationships between government departments. We do not find those links between the Department of Transport and the more general issues around the economy, skills and business that we in local government deal with daily. One of our big difficulties in delivering these projects is the lack of skills and getting the construction industry to respond quickly. A whole load of other issues affect our ability to deliver some change and regeneration.

Q102 **Baroness Andrews:** This is very useful and interesting for us. A lot of the questions that I had have been answered, but may I drill down into a couple of them?

You mentioned external factors inhibiting local authorities' abilities to make use of these contracts—contradictory pots, in some ways. You have inherent difficulties involved in different criteria, different timescales and different processes. Bidding is always a problem for weaker local authorities. What is the alternative to the bidding process, even with one pot or fewer pots?

Councillor Susan Brown: I would approach it with a different way of funding—securing local government funding so that we do not constantly have to bid for pots of money that are determined by central government. That feels like a better way to go. That will partly be through things such as the local government settlement as well as

through bids, which Vikki mentioned and which have been a helpful way for councils to be able to fund themselves.

Tourism taxes are an important part of that, and they do not have an impact on central government finances. They are very common across the world and, for the most part, they do not impact on UK taxpayers. That feels like an easy win for local and national government. In places such as the city I represent they would make a material difference to our ability to fund, in particular, regeneration around the city centre, decluttering our high street and making it a much more pleasant place to visit.

Q103 Viscount Hanworth: I was going to ask you to recount how this confusion over pots of money had arisen, because an incoming Government have to avoid hazards. Has it been simply the departments themselves and the civil servants therein who have had various projects, or has it been the politicians having bright and charismatic ideas? What has been the reason, because clearly it is dysfunctional?

Councillor Susan Brown: It would be pure speculation on my part, but my speculation is that individuals have great ideas and think—

Viscount Hanworth: Individual politicians.

Councillor Susan Brown: Yes.

The Chair: I think that that is one for the Minister.

Councillor Vikki Slade: I would not want to speculate, but as a council leader I get two emails daily—one from the Local Government Association and one direct from DLUHC. Every day, there is one or more bit of funding about which I have to think, “I wonder whether my officers are aware of this”. I send it to the relevant officer and ask, “Have we bid for this? Is it relevant to us?” That creates a huge amount of work with people having to respond to me, because I am so wary of getting a phone call from one of the five MPs who cover my area asking, “Why didn’t we get any money from this pot?” I then say, “Because we didn’t bid for it.” “Why not?” “Because it was not really right for us.”

There is the effort involved, from the civil servants having to issue these regularly to the people receiving them, so any simplification would be welcome from both ends and would make the system more efficient.

The Chair: The question that has to be factored in—it is not a question for you, but it is a point that I want to make—is that the Government have to have some means of where best to deploy their resources. If a competitive bidding process is not the best method, some other method has to be suggested. The two must go hand in hand. I can understand why you want to kick against competitive bidding, but there has to be an alternative, and it will not go away unless there is.

Councillor Vikki Slade: May I make an observation? Oflog, which has just started, and LG Inform do some really good benchmarking. There is

a lot of benchmarking and data out there. How is government using the data that has already been collected and could decide the threshold that it wants to be met? Rather than have a bidding space, it could have fewer funding streams and be more directional about wanting to lift people to meet the thresholds. We have much better data analysis now, so let us use it in a way that is a little more intelligent and more responsive to the changing circumstance.

The Chair: Let us come back to Baroness Andrews, who may not have finished her questions.

Q104 **Baroness Andrews:** I have another question specifically about the levelling-up fund, which was very delayed and difficult to access. Can you explain a bit more about why that was, and whether you think that there was a better way that would have got more money out faster to the places that really needed it, or is that too big a question?

Councillor Vikki Slade: I do not know whether you had levelling-up money, Susan?

Councillor Susan Brown: Personally, no, but generally, on behalf of district councils, there were a number of issues for councils, one of which was the changes in market conditions since projects were agreed. Everyone had to do a lot of value engineering to try to make sure that projects were affordable within the financial envelope. That was really tricky.

The projects have had very short turnaround times and, frankly, artificially tight deadlines have made them difficult to deliver. The general pressures on local government, which have meant statutory services have to be prioritised and our capacity to do other things has been reduced, have meant that fewer officers have been able to support this. I think Vikki referred to this earlier. A lot of money that comes from these pots is around capital funding, but you still need resources—the people—to get those projects delivered. Therefore, you have to be able to resource that in some way.

There is quite a lot of evidence that people have had significantly to change the scope of the projects that they bid for because of inflationary costs, and that has had a really big impact on their ability to deliver them.

Baroness Andrews: You mention the problem that is created by capital projects, having to spend a lot of capital very quickly.

Councillor Susan Brown: Yes. Sometimes it is difficult to do.

Q105 **Lord Bailey of Paddington:** Councillor Brown, what has been the impact of the change in permitted development rights and the introduction of use class E on high streets?

Councillor Susan Brown: I am afraid that it has been pretty negative. The issue for me is that local communities should be able, through their

directly elected representatives, to determine the planning policies that work for their areas. I think that local residents expect local councils will get involved in determining what neighbourhoods look like.

This has meant an obvious loss of some of those powers, but, even more importantly, it has also led to some truly awful housing. While I absolutely support the building of more affordable housing, it is really important that we keep the housing standards at an appropriate level. What we have seen, sadly, in quite a lot of areas—I can give two examples from the broader District Councils' Network—is really poor housing. For instance, Crawley had a number of commercial buildings that were at the end of their useful lives, but they ended up being converted into lower-end studios or one-bedroom flats.

The Chair: Were these office buildings?

Councillor Susan Brown: Yes.

The Chair: Are these high street examples?

Councillor Susan Brown: I believe so. The units were, therefore, considerably smaller, but also poorly laid out. What you end up with are units that do not have natural daylight and people living in accommodation without adequate windows and light. That can also lead to antisocial behaviour.

The conversions in Waverley did not match the character of small market towns. The units are now well below national space standards. They had to put Article 4 directions in place to overturn the permitted development rights because the problems were becoming so extreme.

The problem with using Article 4 directions is that you have to wait for the problem to arise before you can tackle it. To me, that feels like the wrong way round. What I would like to be able to do through planning powers is address problems before they arise rather than after they have arisen.

Councillor Vikki Slade: You are right in saying that permitted development rights have caused huge problems. They are also creating a lot of community tension. Residents feel completely disempowered when councils have to tell them that there is nothing they can do. As Councillor Brown said, the time taken to put these things in place and do repairs is too late in a lot of cases.

A lot of us think about the glory days of the high street. If we go back to the traditional high street, people did live above the shop and there was something of a community in itself. There is something that we need to try to recapture around people living in our town centres. We need to animate them. We know that people living in town centres has a positive impact on antisocial behaviour, if it is done well, but we cannot have town centres becoming ghettos and poor places in which to live.

Councils have a role to play in enabling those changes, not just with consent but with the demands of local people. Where you might have a raucous pub, a betting shop and those sorts of things at one end of a high street, you probably do not want families living above those places. At the other end of the high street, where you have traditional local shops that people want, we want people living there.

My request would be that the permitted development rights have gone too far. They were well intentioned, but they have taken powers away from councils. Councils know their places best. We would like to be able to master plan our places to suit the needs of the local community.

- Q106 **Lord Bailey of Paddington:** Are you saying that the permitted development rights would be better with tweaks? You could argue for ages what those tweaks should be, but are you saying that we should completely remove them or modify them? Which would be more useful, Councillor Slade?

Councillor Vikki Slade: I think it is far more than a tweak. The environmental standards in homes that have been converted from offices, as well as the space standards and mental health of the people living there, are pretty poor.

The other point that is lost is the ability for councils to get community infrastructure levy, or Section 106, from these conversions. People living there use the services just as much as, if not more than, everyone else, yet we do not have any expectation that the developers will contribute to the impact of those people. That is one of the real problems with permitted development, so what is needed is much more than a tweak.

- Q107 **Lord Bailey of Paddington:** What about class use E? Has that had an impact one way or the other?

Councillor Susan Brown: I think it has. To add to Vikki's point, some analysis done by the LGA indicates that between 2015 and 2019 the lack of contributions from these conversions led to the loss of up to 13,540 affordable homes that otherwise could have been funded out of that money.

The Chair: We are talking now about use class E.

Councillor Susan Brown: I just wanted to add a point to what Vikki was saying.

The Chair: I thought you were answering the question. We were talking about use class E, which does not involve switching from a restaurant to retail, or vice versa. That would not generate CIL, even if it required planning permission.

Councillor Susan Brown: I am personally more relaxed about that, but there are some exceptions. There are areas where there have been large numbers of takeaways. You might wish to try to preserve some retail shops for local residents. That has potentially been problematic. To be

honest, that has been less the case for our city centre than for district centres within our city. That has had some negative impacts.

Councillor Vikki Slade: I agree that this is less of a problem. It is a potential problem for retail. I was a shopkeeper and got into local government because of my frustrations around how the high street was being supported. This was when I came in 15 years ago.

The frustration arises when rents go up, because now anyone can use that space, whereas if it was a more restricted type of use—retail, hospitality or ground-floor offices for banks and such things—you would, yes, have the risk of something being empty longer, but it is more likely to get snapped up by something that does not benefit the wider community, rather than leaving it a little bit longer and the landlord realising, “Hang on. I’m not going to get this. I need to put it back and keep it to retail”.

Q108 **Lord Bailey of Paddington:** I slightly challenge that view. I might not be a fan of a huge number of takeaway shops, and maybe you are not either, but if something is economically viable there is an argument that that is what the community wants. If it is not, it will go away. Who gets to pick what the mix is?

The Chair: Perhaps I may come in and put it very differently. This is part of a trend that has been going on manifestly for at least 15 years where fundamentally, on the high street, retail has been outbid by everybody: by people who want restaurants and cafes; by people who want to have takeaways; and by all sorts of characters, even substitute offices and things that look like shops but are fundamentally like travel agents and people like that. Everybody can outbid retail. We cannot use the planning system to stop that happening over the long term, can we?

Councillor Vikki Slade: No. I think that the example I gave with our town centre in Poole demonstrates that the ability of class E to reimagine that shopping centre has been a massive success. What we need to do is make sure that there is the ability to some extent for local authorities to know when things have gone too far.

Q109 **The Chair:** I used to be a councillor. My local authority owned shops. The shops were often parts of housing estates but were not in the housing revenue account. We as a landlord could choose to sustain a local butcher and things like that. Do local authorities use their own land in this way, or increasingly do they operate on a purely commercial basis?

Councillor Vikki Slade: It is difficult to speak for all councils because they vary from place to place, depending particularly on their level. Certainly, we do not own those sorts of shops. One of the huge benefits of the new rental auction trailblazers is the potential that we may have to take some of those empty units and put them back into social use, so they have the potential to be really good.

The Chair: Or into retail units.

Councillor Vikki Slade: What we are hoping to do in our town centre is look at whether there are retail units that we could rent and then sublet to push that retail level back and give people that starting point. Kingland, a fantastic project in Poole, did exactly that. It created a whole new high street and gave it to new businesses. It said, "You have two years. After that, your rent will go up". Some of those businesses have gone on to take fully paid shopfronts elsewhere, because it has given them the two years just to get themselves started.

Class E is fine as long as there is a carrot and a stick, but I do worry. You are right. You and I might not want those takeaways, but for us the measures are very limited around things like schools with the obesity crisis. Anyone can have a vape shop. They pop up next to a school. There is nothing we can do, but the public expect that there is something we can do. I think that is part of the problem.

Councillor Susan Brown: In Oxford, we own quite a lot of retail space, including our historic covered market. It is 250 years old this year and currently has the highest footfall it has ever had.

The Chair: It is not like it was.

Councillor Susan Brown: It is not like it was because, as you rightly said, retail is changing.

The Chair: With all those little stalls selling delicious food, it is very tourist- oriented.

Councillor Susan Brown: There are more hospitality outlets. It is still aimed very much at local people as well. They are not particularly tourist places because we control quite carefully the mix of different uses within the covered market.

The Chair: It is in your power. I am just wondering about the extent to which it is being used. I completely understand that local authorities need to maximise revenues from their assets. To what extent is it being driven commercially, and to what extent does it still have shops selling Bath Oliver biscuits and things like that, as it used to? But there we are. When I last went in, which was quite recently, I thought it was very touristy; it was aimed at the tourist market.

Councillor Susan Brown: I would be delighted to walk round it with you and point out that there are a lot of very good local businesses, including some really good recent start-ups. That is one of the reasons it is so great for our city centre.

The Chair: It is a point we might like to dig into, because you have direct control where you own. Some local authorities are out of this, but where a local authority owns its own retail units it can put its principles into practice. The question about how often they do that is quite an interesting one.

Q110 **Baroness Miller of Chilthorne Domer:** I should probably declare an

interest as a member of the all-party group on the district council network.

We have talked a lot about permitted development rights. Are there any other non-fiscal government policies that either support or limit a local authority's ability to support regeneration?

Councillor Susan Brown: We talked a little bit about some of them—for instance, compulsory purchase powers and how quite difficult they are to use. They are important for us in acquiring and assembling land as part of high street regeneration, but it is not always easy to do.

One of the challenges that we often have is our ability to identify the owners of land. A significant challenge for us is that in Oxford city centre a couple of buildings are owned by people from overseas. Getting engagement with those organisations or individuals is really hard. You have to be able to do that to carry out compulsory purchase. That alone is one of the difficulties of using those powers.

Not every local authority has a bid. That is very useful for local authorities that do, but, where authorities do not, giving them the freedom to do things like tourism taxes would be very helpful. Generally, more powers and flexibility in relation to planning and licensing, as we have just been discussing, would be helpful.

Councillor Vikki Slade: Planning and licensing is the big thing. I think that the question of viability is huge. You will note that a lot of councils have paused their local plan process to take advantage of the revised national planning policy framework coming in. We hope that local plans will start to go through at a greater pace.

Some of the issues around viability—particularly where there are lots of heritage and conservation buildings that we, quite rightly, want to protect in our towns and small city centres—make it incredibly difficult to make regeneration viable. When we are faced constantly with developer pushback around their viability test, we often see really good regeneration fall apart. How do we manage to support that through things such as Homes England work to provide that funding gap and ensure proper regeneration in town centres?

If the local economy is strong, it will drive a good high street because people have the disposable income to pick up coffee on the way to work and pop in for presents and not buy online. Everybody would rather have that experience during their work day—before work and at lunchtime—but they do not because everybody is struggling at the moment. If we can help with that funding gap, particularly through the work of people such as Homes England, that would be a great benefit.

The tourist tax is interesting. Manchester and Liverpool already have it. The only option at the moment is through an accommodation BID—a similar model as the Business Improvement Districts, but around the hotel trade. Bournemouth, Christchurch and Poole goes out to ballot on ours next week, I think. We will potentially be the third one. We are

probably the area that does not have that international effect. It will affect the domestic position, but it has the ability to drive the local economy that is being made more difficult with the funding pressures on councils. If those things can be made easier for councils, outside the remit that it has to be done through the hotel market, that is definitely worth government looking at it.

Q111 Lord Faulkner of Worcester: I should start by declaring some Oxford interests. I own two properties that are let to graduate students in the city. I am an honorary fellow of Worcester College and a frequent visitor to the city. For that reason, I have interests with the railway and the North Cotswold Line Task Force. I am something of an enthusiast for public transport to and from Oxford.

I should like to ask Councillor Susan Brown whether local authorities are doing enough to improve transport infrastructure and connectivity for people to be able to access high streets more easily.

Councillor Susan Brown: Representing the District Councils' Network, I should start by saying that by definition we are not transport authorities, but it is important to say that we absolutely recognise the importance of transport infrastructure in making our places work and, in particular, making our city and town centres work. The better the transport infrastructure, especially the public transport infrastructure, bringing people into those areas, the better and more thriving they will be and the more pleasant they will be for people to spend time in. Those are important issues.

Clearly, the approach will differ from place to place. Different measures will need to be taken in a very rural district with small towns from my own area, which is a city and has pretty good public transport links, including an excellent railway station, with which I am sure you are familiar.

One of the challenges for us at the moment is indeed that railway station and getting more investment in it. Some of that is happening, but a lot more could happen to improve the railway station and the infrastructure around it.

Lord Faulkner of Worcester: For example, reopening Botley Road?

Councillor Susan Brown: Reopening Botley Road would also be interesting and welcome and will happen soon.

It is important to say that district councils do work with their transport authorities. In Oxford, we have been doing that very specifically around regeneration of the city centre. For instance, right next to the market that I was talking about is a street called Market Street, which we are intending to regenerate and make into a space where people will spend more time. We are pedestrianising it. The county council has just agreed an experimental traffic regulation order. We hope that that will deliver more custom, footfall and people into the covered market to spend time and money there and, therefore, the city centre as a whole. That is just

one of the ways in which we work together. I could add a few more bits if you wish.

Lord Faulkner of Worcester: Please do.

Councillor Susan Brown: There are some other good, concrete examples from other districts, including Hinckley & Bosworth Borough Council and Stevenage Borough Council, both of which have been involved in new bus interchange facilities—again, with local transport authorities. One of the significant issues for many places is getting enough cycle parking in place. That is very difficult to achieve without taking up too much pavement space. It is an increasingly big challenge in our city centre but it is really important if you are trying to have properly connected travel.

Lord Faulkner of Worcester: You take the view that cycle parking is far more important than car parking, provided you can improve public transport at the same time.

Councillor Susan Brown: Over many years, we have been gradually reducing the amount of car parking in our city centre and increasing the amount of cycle parking. Footfall has continued to go up in our city centre; spend has gone up, as the number of car journeys has gone down. We have evidence that you can do those two things.

Q112 **Lord Faulkner of Worcester:** Vikki, do you feel you have powers to provide bus services beyond what the commercial operator might wish to do?

Councillor Vikki Slade: There is a real issue. Some of the bus service improvement plans granted 18 months or so ago had the power to unlock some improvements. We have certainly seen improvements in bus journey times; we have seen passenger satisfaction improve. Councils received ZEBRA funding for electric buses, so some really good work is being done.

The ability to provide bus services that are not commercially viable is a problem, because that was given only to councils that were able to franchise. Until very recently, that has been only mayoral areas. Lots of places and districts—certainly areas like mine—have no desire for a mayor and are perfectly good, functioning areas that do not want to be a part of a combined authority, but should be able to subsidise and protect services that do not work otherwise. With the funding crisis in local government, we have three subsidised services left, which the bus service improvement plan will support for two years. Beyond that, unless they are commercially viable we know that the bus companies will pull out, which will leave communities isolated.

We are working incredibly hard to make bus travel attractive and to try to sell the argument that that will be the biggest driver in reducing congestion. That drives everything forward, does it not? If we loosened the rules about the ability for councils to run and operate bus services it would be very welcome, but I recognise that the bus industry might have

issues with that because it is about being really clear about where the line is for protecting them. If we lose some of our bus companies, that will harm a lot of people, particularly in rural areas.

Viscount Hanworth: Am I right in thinking that councils are now empowered to create their own bus companies?

Councillor Vikki Slade: There are some new powers, but they are very limited. Obviously, it is a non-statutory service. Given how difficult it is for councils to do non-statutory services at the moment, it will be fighting with everything else to keep going. To enable those powers is really good. My ask would be to enable more councils to have access to them rather than it being linked to a devolution deal. I do not think devolution is the magic bullet.

Q113 **The Chair:** Coming back to car parking, you, Councillor Slade, gave examples of market towns that depend very much on people from local villages and areas coming in to shop. We have heard evidence from retailers about the importance of parking. What about areas that do not have the benefits—transport and a tourist economy—that Oxford has and that, to an extent, Bournemouth has because of the tourism element there?

Councillor Vikki Slade: Parking policy is a really difficult balance to strike. It is hugely important that we remember the accessibility issues for people with disabilities and older people. One-third of people do not have access to a private car; they rely almost entirely on public transport. If they live outside town, active travel becomes quite difficult if they have to go more than five miles. We have to think about the differences between urban places where micromobility—bikes and those sorts of things—is a solution for a lot of journeys but not so much so in the market towns.

The provision of space for parking is a particular problem because car parks are often the bits of land that councils are able to develop. If there is a drive, quite rightly, for us to get affordable homes in accessible and sustainable places—doing that and maintaining what are, effectively, empty spaces for a lot of the time, because a lot of the car parks may be busy on a Saturday morning but may not be busy at other times—and if we can find a better balance for commuters, for people living in town, for businesses and for freight to use the space more effectively, we need to try to do that.

Underground parking is incredibly expensive. It is three or four times the price per parking space, and even undercroft parking is difficult when that means properties have to go that much higher because, once you get too high, viability becomes a problem. It is a balance. Public transport has the potential to be a solution, but it needs to be a combination of commercial, community and council-led. There is no point in having a bus service that runs only on a Tuesday.

The Chair: That is not happening.

Councillor Vikki Slade: No, it is not, and it is not happening because it is not statutory.

The Chair: It is not likely to change.

Councillor Vikki Slade: No, it will remain a problem. I do not think anyone has quite worked out the answer. We need to maintain some car parking, but we need to do everything we can to move people who have a choice so that people who do not have a choice can use that. It is absolutely right and proper that we have sufficient car parking for people who live too far out or have disabilities.

Q114 **Viscount Hanworth:** How do the various kinds of local authorities differ in their approach to supporting high streets? I have in mind the distinction between combined and unitary authorities and two-tier authorities. Are we talking about master plans versus local autonomy?

Councillor Vikki Slade: The Local Government Association represents all levels of council. The answer is almost always, "Get it to the lowest level closest to people". Every area has the opportunity to do some level of planning, whether it is a neighbourhood plan, which can go right down to a community or parish level, right the way up to regional spatial plans. Master planning is important. Using all the powers available through the planning process is important, whether it is supplementary planning documents or so on.

It is a different solution in a different place. I know from my experience that getting a local plan through the system is a massive time commitment. Our planning policy team has been working on it full-time for years, and then when that goes through we think, "Now what do we do?", and then it is time to do it again.

We have to support the planning industry to make sure that we can make our planning policymaking leaner and more agile as circumstances change, and that will require planning resource in terms of people. I support the recent announcement about the training of more planning officers. We need to keep them in local authorities and not lose them to the private sector, and that is very difficult when there is a funding squeeze.

Viscount Hanworth: Planners are a rather depleted corpus.

Councillor Vikki Slade: Planners are hugely depleted. You have the twin problem of planners being pushed to be speedier in decision-making, which clearly then drives the economy, and more deliberative in making the longer-term plans that are thought out and well consulted, and they are the same bunch of people.

The Chair: I just want to frame the question and remind everyone what the question is—that is all. The question is about whether different types of local authority structure have different approaches and about how local authorities—combined authorities, two-tier, unitary and so on—decide to allocate funding between city centres and neighbourhoods and so on.

That was, I think, what we were aiming at.

Councillor Susan Brown: I am giving evidence for a district council. Vikki is giving evidence for a unitary council. I do not think that we have said very much that is different about the problems facing councils and the solutions that we both would like to see. I do not think that there are many differences about issues related to structure. For every council, it is about working with your local community. It is about trying to make sure that you are working with local businesses and producing locally the solutions that work for that place.

I also think it is about partnership-working. Certainly, a large part of my time as leader of a district council is spent on partnership-working. I chair the local partnership arrangements in Oxfordshire. We rotate it between all the local councils, and this year it is my turn. The Future Oxfordshire Partnership, which is the successor body for our growth board, brings us all together to work on making our local economy more inclusive, planning, environmental improvement, biodiversity, housing, and infrastructure. On all those things, we get together and try to work through solutions together.

There is a lot that we can do in partnership, and I do not think it is particularly related to the current structures.

Q115 **Viscount Hanworth:** A unitary authority presumably has to adjudicate between various claims from lower-tier authorities. Is that a difficulty or do they have a methodology for deciding to whom to give preference?

Councillor Susan Brown: I am not sure I understood that question, sorry. Would you repeat it?

Viscount Hanworth: I was envisaging a unitary authority that has a great number of plans within its purview, and it must somehow decide which ones to foster.

Councillor Vikki Slade: I can answer that as a unitary authority that has three completely separate towns with a very different vision for each town and 19 different neighbourhoods within that. It is a constant battle between each community thinking that it has the biggest claim on the pot. That is just the life of a local council leader, as some of you will have experienced. It is like having a very big family.

The Chair: The question is: how do you respond to that?

Councillor Vikki Slade: I do not think there is a methodology as such. With our local plan we have recently worked across the 33 wards and created ward plans so that we know what the vision is for each of the communities, and it is about trying to deliver those. The priorities will change. The priorities change in every council. The reality is that in regenerating high streets the key is to have a strong economy more generally so that it drives the high street. That is where our core has to come from, in driving our economy through whatever means there are.

The businesses will choose the high street that works best for them. If you have an area that has lots of different places within it, just as you as a visitor or a resident will choose which high street you need depending on what you are going to purchase or what experience you want, a business will do the same from the other direction. Our job as councils is to be a shop window to say, "Well, actually, you might be better suited to this place. Actually, we have a lack of something over here and a glut of something over here". That is where the planning policies that we referred to earlier with Lord Bailey are about how we can make sure that we have a little more influence to be able to pull those levers so we can help those communities to become the best that they can be.

Viscount Hanworth: You have learned a lot from the commercial response.

Councillor Vikki Slade: Absolutely.

Councillor Susan Brown: Sorry, I have understood the question now. It is true that every council, as Vikki has rightly said, has to balance different needs. I have lost count of the number of neighbourhoods in my city that have told me that they are the forgotten neighbourhood. It is inevitable that people see a certain amount of investment going into another neighbouring area and instantly feel that they have somehow been left behind. What you are trying to do constantly as a council leader and as councillors is to balance the priorities of the council as a whole and of the city as a whole and the needs of different neighbourhoods—

The Chair: I am sorry to interrupt. You are explaining the problem, and, as one of you rightly said, some of us have experienced the problem, but the question is: do you have selection criteria? Are you primarily driven by private sector investment in deciding where to put your funds? What in practice are the drivers that end up selecting one area over another? That is what we are trying to get to. There may not be an answer to it, but that is what we are looking for.

Councillor Susan Brown: What I am saying is it will differ from council to council. Most councils will have their own set of priorities, which they will use to determine how they spend money in different areas.

Speaking for my council, we have our priorities, which would include looking at need, and where there is a lot of data available to us that can clearly identify the communities in a city that have the greatest need, whether that is economic need or health need—and they are usually very closely related; it is quite evident—those will inevitably be priority areas for investment, and they are often the areas that need the most regeneration and investment as well.

Sometimes it will be around infrastructure needs. It might become apparent that particular communities need investment in infrastructure that is fading away or was all put in at a particular time and now needs to be replaced. We have recently been putting investment into three

different community centres in our city that were all built at different times but all in recent years have come to the end of their natural lives.

Those are the sorts of decisions that we have to prioritise as councils. I think everyone will be making their own decisions based on, I hope, some data as well as their understanding of the needs and priorities of their area.

Councillor Vikki Slade: Could I double-back to where we started? You asked about criteria. The criteria are typically set at whatever we are told the latest bid is, because the truth is that most councils have hardly any money of their own. We get told, "Levelling up is coming and these are the criteria".

I will give you my local example. We were delighted to be given £20 million of levelling-up funding in Bournemouth. I was horrified to find that that funding was being spent on the seafront. If I want to level up Bournemouth, I will go to the most deprived part of Bournemouth and level it up to make sure that people there have the same opportunities as those who live in the best part.

The criteria for the levelling-up fund were for a capital project that you would be able to see in a certain amount of time. That decided the criteria. I do not have access to £20 million of money because our council is just about bumping along, avoiding a terrible stage. If the levelling-up fund tells me that I have to do these criteria, I will look around and see what fits those criteria. I do not believe that the place that we are levelling up is the place that should be levelled up. I believe that the place that was most in need of levelling up is where the money should have gone.

Viscount Hanworth: Do you have to match that funding in any way?

Councillor Vikki Slade: No.

The Chair: That brings us to the end of our evidence session. We are very grateful to both of our witnesses.