Housing, Communities and Local Government Committee

Oral evidence: High Streets and Town Centres in 2030, HC 1010

Monday 12 November 2018

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Watch the meeting

Members present: Mr Clive Betts (Chair); Bob Blackman; Helen Hayes; Andrew Lewer; Teresa Pearce; Mr Mark Prisk; Liz Twist.

Questions 181 - 244

Witnesses

I: Peter Geraghty, Chair of the Planning, Housing and Regeneration Board, ADEPT; Richard Roe, Corporate Director of Place, Trafford Council; and Liz Philpot, Growth Programmes and Policy Manager, East Riding of Yorkshire Council.

II: Ojay McDonald, Chief Executive, Association of Town and City Management; Christina Rowe, Director of Operations, Bedford BID; and Jonathan Newman, Town Centre Manager, Great Yarmouth Town Centre Partnership.

Examination of witnesses

Witnesses: Peter Geraghty, Richard Roe and Liz Philpot.

Q181 **Chair:** Good afternoon and thank you very much for coming to give evidence to the Committee this afternoon. Before I come over to the witnesses, I will just ask members of the Committee to put on record any interests they have that may be relevant to this inquiry. I am a vice-president of the Local Government Association

Teresa Pearce: I employ a councillor in my office.

Liz Twist: I employ a councillor in my office.

Helen Hayes: I also employ a councillor and am a vice-president of the Local Government Association.

Bob Blackman: I am a vice-president of the LGA as well.

Andrew Lewer: So am I.

Mr Prisk: I am a non-exec director of Stanfords, which is a leading travel and cartography retail business.

Chair: That is us on the record, so over to you: could you say who you are and the organisation you are representing today, please?

Peter Geraghty: Good afternoon. My name is Peter Geraghty; I am the chair of the planning, housing and regeneration board for ADEPT, which is the Association of Directors of Environment, Economy, Planning and Transport.

Liz Philpot: I am Liz Philpot, the growth programmes and policy manager in the economic development service of East Riding of Yorkshire Council.

Richard Roe: I am Richard Roe, corporate director of place at Trafford Council.

Q182 **Chair:** Thank you all very much for coming this afternoon to talk to us about what the high street is going to look like in 2030, with your crystal balls out and ready for the occasion, no doubt. Could you tell us, in the here and now, what challenges are facing high streets and town centres in your experience, and how you are working to meet the challenges that you are facing?

Peter Geraghty: One of the great challenges and one of the reasons why this Select Committee inquiry is taking place is in terms of retailing, but high streets are also under considerable pressure in a number of aspects. From a local authority perspective, we are trying to grapple with those pressures, understand what they are and provide leadership in how we might deal with them. We try to do that in partnership with businesses and local communities. I am a director at Southend, where we have tried to use the resources we have as a local authority to work with the BID, the business improvement district, and to use our existing resources through capital programmes to help support public realm improvements and highway improvements for better accessibility. We are also embarking on a programme of communication with the wider community through Southend 2050, which is looking at how the borough will develop and meet some of the challenges of the future. The work we are doing is very similar to that which you will find across local authority areas, including those that are ADEPT members.

Liz Philpot: Across the East Riding of Yorkshire Council we have a range of towns, the largest with a 35,000 population down to smaller towns of 6,000 or 7,000. Market towns have their typical characteristics, but as a council we work with partners in those locations. We also have three seaside towns, with the typical challenges of coastal deprivation. It is not one size fits all, and some are more prosperous than others and faring better. With those local partnerships, we aim to work with a cross section of interests to build on the assets that those locations have and tackle the barriers and challenges. It is really not one size fits all across our area. We have 1,000 square miles and a population of about 330,000 residents. We are quite close to the city of Hull and that takes catchment for shopping on a larger scale. As an economic development service, we want to use our whole range of services to work with those partners, develop solutions and respond to the opportunities that are presented through policy development.

Richard Roe: As Peter said, we operate in a very challenging economic and retail market. The news over the last couple of years has not been good for the retail and high street sector, with a challenging economy, and a challenge from online sales and other opportunities for people to spend their money. From Trafford's perspective, we also have competition. We are a couple of miles outside Manchester city centre, which is a significant retail centre in its own right, and we have the Trafford Centre, which is an out-of-town retail centre, again of regional scale.

We have been successful in working with the private sector and other parts of the public and community sectors in the regeneration of Altrincham, which is something that Trafford has spent a lot of time doing over the last few years, but Altrincham is one of four town centres we have. Not only are those town centres competing with Manchester city centre, the Trafford Centre and other town centres within Greater Manchester; they are also competing with each other, so we have to make sure that we are proportionate in how we spend our money.

It is a challenging economic climate for local authorities. The investment we put into high streets has to be balanced against the investment, both revenue and capital, that we are putting into other front-line services. That is a difficult decision that we have to make. Where we can use our investment to leverage greater private sector investment, that is the approach we are trying to take. The public sector cannot do it on its own.

Q183 **Chair:** That issue of resources is interesting. Are you talking about resources just in terms of buying up property, or in terms of staff helping to lead and promote the work you are doing in partnership with others?

Richard Roe: It is across the board. There is a resource for staff. We have two members of staff who work full time on town centres and town centre regeneration. Across four town centres, that is not a huge amount of resource. We also have a business improvement district in Altrincham that brings in additional resource, but it is a strategic town centre management resource; it is not somebody who is on the streets in the town every day. Some of the businesses with which we work would like someone who is more local, actively managing the town centres in dealing with issues around ASB, bins not being emptied and those nitty-gritty issues that can have an effect on a town centre. We do not have the level of resource to do that.

There are also resources for improvements to public realm. We have invested in public realm in two of our town centres, Altrincham and Stretford. We have invested £4.5 million over the last three or four years. We have another £3 million to invest. That has been good; it has been really beneficial. There is another town centre where we have a public realm strategy that requires £8 million of funding. We do not have that resource, because you do not get a direct investment return from your investment in public realm. We have assets to invest that give us a financial return. We have acquired a shopping centre in Altrincham for regeneration purposes, but it also gives us an investment return on the back of it, so we can get a financial return that more than covers the cost of the PWLB borrowing.

Chair: We will probably come on to that.

Richard Roe: From investment in public realm, you get a return further down the line from business rates, but not a direct financial contribution back.

Q184 **Chair:** In terms of staff resources to do the planning and all that regeneration work, do you have those resources or are you struggling for funds?

Liz Philpot: We had a staffing review, in common with every other local authority, I am sure, which has reduced our resource available for local regeneration delivery. As I have said, we have a disparate area with six main towns to cover. There are seven staff covering those six towns and the other areas. We look at local growth plans, which we develop by co-ordinating with local partners. We have partnership meetings, which we service and support regularly. We do not cover just the pure economic growth, but social inclusion activity as well. We also seek funding opportunities, as Richard has already said. We are very keen to pursue external funding to supplement the council's resources, and I completely concur with what Richard said about the difficulties of making a business case for public sector investment in public realm.

To quote the What Works Centre, it says, "There is a lack of evidence around the cause and effect of public realm interventions of all types on local economic growth", and that is completely true. We have seen local growth funding. It is hard to make the case for funding through the LEPs. If you look at competing proposals to invest public funds in run-down business parks or to unlock housing development, there are clear tangible outputs that can be demonstrated in a business case. You would hope that your town centre benefits from public realm investment, but it is very hard to quantify that in a business case.

Chair: We are going to explore that further.

Peter Geraghty: In respect of local authorities generally, there has been a contraction of the resources available. You heard evidence earlier about planning departments. One of the ways they have suffered over the years is that, because the pressures of funding have come forward, departments have contracted in size and the specialist skills of regeneration, heritage and urban design expertise that would support the delivery of regeneration have tended to be lost, in numbers, quality and experience. That has therefore put local authorities under pressure.

Q185 **Chair:** Moving on to the source of funding, the Government have come up with the future high streets fund and task force. Do you have an initial reaction to that or are you still trying to digest what it means?

Liz Philpot: On the face of it, we welcome that very positive step forward. It appears that that programme will be competitive. I have first-hand knowledge of the coastal communities fund. We are on round 5 of that now and it is also competitive, so I expect the scale of demand for that programme to be incredibly high. We would welcome the opportunity, particularly at the moment. We are undertaking a town centre, retail and leisure study that will inform a review of our local plan and we expect the recommendations from that to start to form proposals that we could take forward through the future high streets fund.

I would advocate master planning for the regeneration of town centres. In our experience, a long-term master plan has been invaluable in helping our communities to understand what can be aspired to, expected and anticipated, and then to understand the change process as it starts to take place. We will certainly be engaging with our communities in that initiative, working with various partners, as Richard said, to respond to it.

Peter Geraghty: In general terms, an issue with any funding is that, while it is welcome, from an ADEPT perspective and as local authority members, we would encourage the Government to make sure that it is as frictionless as possible, because a lot of resources are often spent bidding for these pots of money or sums in investment terms. If you do not get them, you do have an opportunity to recoup that expenditure. In some cases, you need officers or local government employees who are specialists in that area. Sometimes their availability can be lacking so, from a community and local authority perspective, whatever those funds are, we would encourage that they are made as frictionless and available as possible, so we can avail ourselves of them.

Richard Roe: Any funding is always welcome, so we are never going to say no when there is an opportunity for funding. It is the scale of the funding against the scale of the challenge, so £675 million is a lot of money, but it is a maximum of £25 million per town centre. If everyone goes for the maximum, 23 town centres will get the financial benefit from it, so we need to see more detail. As Peter said, we need to see what the bidding round looks like, how much time it takes and what the quantum is there, but we welcome it as a starting point.

Q186 **Andrew Lewer:** You have said how valuable long-term master planning is, and yet we have had medium and, in some cases, short-term radical changes to town centre needs, shopping patterns, out of town, internet and so on. How valuable can long-term master planning be in the context of a situation that is changing so rapidly?

Liz Philpot: We have the example of our strategy for the redevelopment of our largest seaside town, Bridlington in the East Riding. We experienced and evidenced significant retail spending leakage out of the town. We are probably looking at the evidence base around 2006. We had a major site assembly programme and the development of larger-floor-area units to correct market failure. A lot of our properties had smaller trading floor areas. The loss was to other nearby towns that were within travel-to distance. We have had to actively manage that strategy, adapt it and be flexible. Flexibility is probably one of the strongest themes that will come through today. Now, the loss is not necessarily to those other shopping locations within the vicinity; the majority of it is online, which we will never be able to recoup, however attractive we make the town centre.

We have to look, and are looking, at other uses now. There were some large-floor-area retail units, which are not part of that plan anymore. Much of our strategy was on a major supermarket retailer, which will never now build a store of that type. There is a live proposal by one of the budget retail supermarket operators, which is a shift in itself. It is about remaining active, responding to those commercial interests and cutting our cloth accordingly, I suppose.

To add to that, we started off an ambitious programme of site assembly, under the regional development agency regime. Partway through our long-term strategy, that changed radically, beyond all anticipation. Again, the council had to take the decision about whether to continue under its own resources, which it actually did, or to be like other locations where those proposals have been abandoned. It is about being responsive, and making sure strategies can be developed and are adaptable. As I say, for planning, flexibility seems to be the major opportunity moving forward.

Q187 **Mr Prisk:** Following on from that answer, clearly much of the focus of this inquiry and the evidence we have received looks at the long-term shift away from retail towards hospitality, leisure and housing, which has an important spatial context. What changes are you specifically seeing in your centres and what are you able to do to encourage them?

Richard Roe: There is certainly a shift away from retail and a move towards more leisure use. We are seeing a lot more food and beverage use, and a number of vacant retail units are coming back for food and beverage use. We welcome that, but you need to maintain a balance, because you tip over if you do not have enough retail. There is a trend towards more residential, which is something we positively encourage. We think that is of real benefit to town centres, because you bring in potential spend and activity. A lot of town centres suffer because they are very quiet at night, so we encourage that. We are seeing offices being converted to residential using permitted development rights, which is very positive, but you have to make sure you have some office space there.

It is about activity. Town centres need to cater for a number of different markets. As soon as they become monocultures, they start to suffer. We are trying to use our planning and strategic powers to encourage residential, offices in the right areas, and to keep the retail core to a reasonable size. An issue we have had is that the town centre has expanded over time and those areas on the periphery, while they have advantages around rent and rates, do not get the footfall and you end up with empty shops. We are trying to encourage a more compact town centre, so that footfall does not have as far to go, to encourage that spend.

Q188 **Mr Prisk:** Before I move on, there are shifts away from the retail core, as you describe it. Where there is an opportunity for something to go to a different use, you will look at it differently if it is in a secondary or tertiary street than in the centre. Is that right?

Richard Roe: Yes.

Liz Philpot: Because of the scale of our towns, there is limited opportunity for housing use within the town centres. Certainly the neighbouring city of Hull, with which we work very closely, has a very proactive approach to using compulsory purchase powers for redevelopment, with a view to shrinking that primary retail circuit. We will probably come on to discuss the town centre first policy, which our council has used from the outset. It has been very effective, but probably more so because of the scale of our towns. We had a discussion earlier of where that has been more difficult, perhaps in larger conurbations. Our planners would support shrinking the peripheral boundaries of the primary retail circuit, where there are empty shops and properties that have an easier change of use to residential.

Going back to your main question, one of our towns is very vibrant on the back of its food and drink offer, which has grown massively in the last few years. One benefit of recent planning changes is being able to have less stringent restrictions on the percentage of retail frontages, so we have more flexibility and interspersed use along the high street. We had a 70% retail frontage requirement in that particular town, but relaxation of that will help us to have a more varied offer and retain some top-up convenience shopping of the type that generates regular footfall, while keeping that food, drink and leisure offer, which brings people into the town on a regular basis.

Q189 **Mr Prisk:** Before I move on from that, do you find that the way the use class orders are currently structured sometimes makes it more complicated to strategically manage things, or are they actually quite helpful?

Liz Philpot: I will refer that question to Peter, because we had a little chat about that earlier and I am not a planner by profession.

Mr Prisk: Fair enough; that is fine.

Peter Geraghty: In relation to the main question you have asked, our experience is pretty similar. There are only two points I would add. The loss of a lot of the major anchor stores has adversely affected town centres, which had a lot of dependency on them. We are trying to diversify the remaining stores, which has had an impact, and we are finding a lot more interest in residential as well, which is positive. Like all these things, it is a question of getting the right balance.

Bear in mind that use class orders have been in place since 1987 and have been amended slightly since then. They have a value, but having other strategic instruments, like permitted development rights and the general permitted development orders, has complicated the process. It has made it a much more complex process than the original intention was. My personal view is that the use class order is due an overhaul, because the nature of the uses that we now find in the town centre is much different from what was originally intended. Therefore, it is right that we look at that again, to understand it in the modern context. There should be an evidence-based approach to looking at it.

You heard earlier in your deliberations about the changes to permitted development having an effect, with a loss of retailing, which seems counterproductive to trying to protect the high street, in some ways, but there are other uses, such as residential. It is a complex process for people to understand. Trying to get that across can be difficult and the business community also does not quite understand the process. Some of the changes, while well intentioned, make it more complex and difficult to understand, from the practitioner's position, but also from the community and business community.

Q190 **Mr Prisk:** Before I go on to my next question, I will come back on that. I have seen some written evidence suggesting that the way to do that is to zone an area, let us say a primary retail area for a town, and to allow the planning authority much greater freedom in the type of use, rather than having a written use class that specifically identifies things under different banners. Would that be your preferential way as a professional planner?

Peter Geraghty: I have not given it thought, but that is certainly a way forward. It would introduce a degree of flexibility, which would be helpful. The key question is what the consequences or impacts of that change are. If there are none, why should that change not proceed? In that context, it might be helpful. In some ways, that was probably the original intention of the use class order, because you could switch between classes in certain circumstances, so there was that degree of flexibility. But, over the years, it has gradually become more complicated. It needs to be more reflective of current uses, and how town centres and high streets operate. In my view, we really need to have a look at that again.

Mr Prisk: On public realm, Mr Roe, you mentioned spending £4 million on Altrincham.

Richard Roe: It was Altrincham and Stretford.

Q191 **Mr Prisk:** What are the options for funding this kind of investment, which by its nature is a difficult beast to quantify? Are there things we should be thinking about in terms of how that is regulated that would make that job easier?

Richard Roe: Our investment has come through a combination of section 106 and section 111 funding, and growth deal 2 and 3 funding. Some local authority capital funding has gone in there, but the vast majority has been either section 106 or growth deal funding. You can only have section 106 if you have had the development there that leverages in that resource and enables you to do that, so it is not available to all local authorities. Growth deal 3 was something that we welcomed and were very successful in bidding for. It is a recognition that Government funding is required, because so many of the returns come through business rates and wider economic activity. The financial return is not just at the local authority level. Business rates retention might start to change that a little for authorities, but it requires a Government-scale level of intervention rather than local authority intervention.

Liz Philpot: As a council, we benefit from having some quite generous reserves of our own capital to invest. That has been targeted where we have had the regeneration strategy that I mentioned earlier, but it has also been combined with highway infrastructure improvements that were secured through the Department for Transport. Then we have been able to add enhancements to achieve higher standards of public realm in some of those highway schemes. We have limited opportunity to use developer agreements unless there is a specific regeneration site to generate that, but our returns are very marginal, as you can imagine for coastal and rural market towns. Removing any barriers that we can has been our objective to encourage some sort of viable commercial development.

We have been fortunate to qualify for the current round of European structural and investment funds as well and have had some green space urban realm funding through that route. We have had two major projects that were £1 million each of grant. That is largely down to the council's own investment in the overall package of regeneration. The coastal communities fund has been an opportunity, because we have three coastal towns and all of them have quite strong public realm strategies, but it is very competitive. I think it was five times oversubscribed or more this time round.

We look for all opportunities. The other one we are keen on is the townscape heritage initiative we are running, looking at the restoration of heritage properties in our conservation area and properties at risk, with Historic England. That requires property owners to put a share of their own investment in, but there is an opportunity for heritage grants and then restoring heritage features, so we retain the heritage character of seaside towns in particular. We have tried for heritage action zones unsuccessfully. This highlights the amount of resource you have to put into the bidding processes that are needed to pursue some of these opportunities, often for no end result.

Peter Geraghty: Local authorities have really become adroit at looking for different funds. I was going to say "adept", but that would be too much of a pun. We are really looking for sources of funding, very much as my colleagues have said. The pinch point fund for highway improvement works, the coastal communities fund and the local growth fund have been really positive in supporting growth, from my experience as a director at Southend. Wherever we have found funding, we have tried to secure it. We have even secured European funding. In fairness to the authority, it has supported those funds through a capital programme. We have an extensive capital programme for works, but we would not be able to carry out a lot of the things we do—I will give you an example in a moment—without that support. External funding is really key and we spend a lot of time trying to either leverage or secure that external funding.

One scheme we have done, where we have really sweated the assets in a way, is for highway improvements combined with a sustainable urban drainage system, so we have made an improvement to that, and public realm improvements as well. We are using it to try to hit a number of aspects of improving the town centre and regeneration. Our experience as an authority would be very similar to other authorities out there, in that we are trying to maximise the funds that are available, but are supporting them through our own funding as a local authority.

Q192 **Mr Prisk:** A lot of members of the public like markets, of all different sizes, shape and forms, but what is their real role in regeneration? Where would you say they are most effective in helping to regenerate an area? Perhaps I will start again with Southend.

Peter Geraghty: We should not think of places and markets as homogenous. Southend is very different. It is a resort, for example, and places a lot of reliance on visitors and people coming, which may be very different from some other locations. It has a coastal character as well, which is very important to local residents. The key thing regardless of that is the personality of place, which the Local Government Association talks about. It has a toolkit that enables authorities to make assessments of the impacts on town centres. Quality of place makes for quality of experience, so it is about the quality of the place. If you have a heritage perspective, by all means work with that, but if you have another kind of character, develop that. It is understanding the local narrative, understanding what it is about that place, and trying to weave that into the policies and approaches that you adopt.

That is one of the things we have tried to do at Southend, in terms of marketing it. We have a programme I mentioned earlier, Southend 2050, which is having a conversation about how residents feel about the place. That is key to us understanding that. Then we have to interpret that so we can improve a number of aspects, but the town centre is one of them. It is almost understanding your USP, in a way, and trying to build on it, because not everywhere is the same, even if some of the pressures that authorities are under are very similar.

Q193 **Mr Prisk:** Do you have a regular market?

Peter Geraghty: We do have markets. We have markets at different times of the year. For example, we will have a Christmas market. It just depends on the nature of the events that we hold. We have had European markets as well, so we have tried a lot of different aspects.

Liz Philpot: We have markets in several of our towns and they are managed in different ways. The local authority manages some. Town councils have managed some and we also have one that is managed by a market traders' co-operative, with varying degrees of vibrancy and success. Again, they are part of the overall offer. They are not all week round; they are on certain market days. They work effectively in one particular market town location where they close the road, so the main shopping street is closed off, which creates a safe and relaxed environment. That is proving to be very popular. We also have a market hall in one of our towns, which has just been put on notice to come back to the local authority, which is the landlord. It was operated by the town council, which decided it had reached the stage of being unviable, so the council is currently looking at options for where to go from here. That is quite a challenge at the moment, as you can imagine.

I will refer to our neighbouring authority to the north, which is Scarborough Borough Council, which has a market hall in the town centre. They received a substantial grant from the coastal communities fund to redevelop. I think it was £2 million, off the top of my head. It is lovely, a traditional market hall. Their feedback to us is that it is very popular with visitors, but not as popular as it should be with the residents. There is a disconnect there, which is quite a challenge.

Richard Roe: It would be remiss of me not to talk about our little place. Altrincham is a 21st century market town. The market has been central to the success that we have had in regenerating Altrincham. As Peter and Liz have said, it does not work everywhere. It worked in Altrincham because it has had a market since 1290. It is a market charter town. It is embedded in the culture of the town. We were able to invest capital in the market to improve the facilities, and we went out to tender for a market operator to come in and run that, rather than the local authority. It is a locale that has the right audience and market to cater for what the market does, so it worked and was really critical to the success of Altrincham, but you cannot just lift it, shift it and say the model that worked there can just be put down somewhere else, in other towns. The hook will be something different. The USP will be something different.

The market was the USP for Altrincham; that does not mean it is the right USP for different towns.

Q194 **Mr Prisk:** I can understand that. Mr Geraghty has brilliantly already managed to answer this question, which is on place branding. It is one of those phrases that we have heard orally, seen in written evidence and hear sometimes in our own locations, but what is your experience of the idea of place branding? Is it something that works just for certain places or is it applicable across pretty much any town centre?

Richard Roe: It works across any town centre if you have the right brand. It has to be a brand that is recognisable to the people who live, work and visit in that town centre. For Altrincham, "a modern market town" was the place branding we had and the branding that came up between the public, private and community sectors. Everyone understood it. It is really easy to understand and to promote. That is not necessarily the same in other towns. Place branding can be right, but you have to have something that you can brand. You need a sense of place and of belonging, and a brand that actually means something when you are talking to the community and to private sector.

Liz Philpot: In East Riding, in having three seaside towns along the Yorkshire coast and Beverley, which is the largest market town in the area, our tourism marketing and promotion has place branded those resorts along the coast, and then Beverley is classed as a destination. Then we have the Yorkshire Wolds. We probably promote and brand our places more to potential visitors from outside the area than to our residents. Our residents are making their own choices, because our towns are close enough together for them to be familiar with them. They will go there because there is a certain offer.

For example, Beverley has a very strong food and drink offer at the moment. I know that people visit it from the other towns in East Riding, particularly with train connections, for a good leisure experience, because it is a food and drink destination, and not just for shopping. That was not necessarily as evident before this food and drink offer emerged. Some of it is about the way market forces take a place in an area. Our population is quite mobile, because the towns are about 20 minutes or so apart. With knowledge of what is on offer nearby, the change of scenery attracts people to those other places.

Q195 **Mr Prisk:** Presumably, the shift away from retail towards leisure, tourism, eating and drinking, and so on, potentially makes place branding more important.

Liz Philpot: Yes, it does. We were going through the ballot process for a tourism business improvement district for the Yorkshire coast with Scarborough, Whitby, Filey, Bridlington, Hornsea and Withernsea. The ballot is out at the moment, so that will be a very interesting result to watch out for, for us, in how we participate and support that moving forward.

Peter Geraghty: It is about authenticity. The community recognises if it is just a branding exercise. There has to be something about understanding that and the authenticity of the places you are branding; otherwise, it can quickly be a cynical exercise that is not of any benefit to anyone. It is that embeddedness of place. I would not underestimate the importance of people's communities to their sense of identity. Where they live and their experience is a very powerful motivation and, if you can harness that in a positive way, you are on a route to getting wider support and community backing for what you are trying to do.

Q196 **Andrew Lewer:** I would like to hear how you are all using the opportunity that has been brought about by high street and town centre regeneration, but also change, to promote community cohesion, social interaction and, especially, residents' health.

Peter Geraghty: There is now much more recognition that all those factors play a part and more understanding of how they work together. To quote Jane Jacobs, "Lively, diverse, intense cities contain the seeds of their own regeneration". It is a question about that liveliness and diversity, and celebrating and taking advantage of that. In some communities, that is different than in others, but, as I said earlier, it is about the authenticity of understanding what the place is and how it functions. It is important to make places more accessible to a wider group of people.

For example, some of the work we have been doing at Southend is about improving accessibility, which does not mean just car-borne accessibility but other forms of transport as well, so that you have a range of people coming to places. It is not just about retailing. It is about the experience and meeting people. It is about the opportunity to go there and do things that you could not do in a more local community. It is building upon that. Part of that can be, in heritage places, being able to walk and see heritage sites, which improves health, and cultural aspects. It is being more aware of the opportunity for a broader, more diverse range of things at those locations.

Liz Philpot: I will give an example from Withernsea, one of our smaller seaside towns with a population of about 7,000 people. They have just secured a Sport England pilot for an initiative called Active Withernsea. The likelihood is that, coupled with the town regeneration plan for seafront developments very close to their town centre, the seafront promenade will become a setting within which to deliver that Sport England pilot and engage people in activity that improves their health and well-being. To bear that out, they have a big local initiative in one of the community-led regeneration programmes. That was the majority funder of some new seafront pavement fountains, not as a visitor attraction, but as a resource for the community to attract more people into the seafront town centre areas, to enjoy the facilities they have in the town.

In our larger seaside town, we have a project called Healthtrainers, which is an initiative run by various healthcare partners. They have a shop on the high street to encourage people to drop in and use their service. We have several other voluntary and community sector partners that are providing services and community hubs, so there is a good variety of opportunities for people to engage in social interactions that are a little different from the traditional retail offer.

Q197 **Andrew Lewer:** You have been very grant and project focused. What I use to really value from council officers, when I used to be a county council leader, but which they did not do very often, was coming back to me and saying that a project had not been very successful or very good. It is hard to assess the value of a project when everybody comes and says, "We've done this great project and it's been brilliant", every time. Are there some you have been involved in, because it sounds like you have been involved in a lot of these, that have been less successful than others, from which you could learn lessons?

Liz Philpot: Yes, you are quite right; there are varying degrees. One running at the moment is an extensive social inclusion European-funded programme that covers Bridlington and Scarborough. The European outputs and what you are trying to achieve—people put into employment or businesses supported—are quite narrow, but we are using a social value evaluation to look at the wider benefits of social inclusion, engagement, dealing with loneliness and those other sorts of issues. They are not necessarily as easy to quantify, but the East Riding Council has developed a social value engine toolkit, so we can assess the added value. Some of that is about moving towards the UK shared prosperity fund and how we demonstrate evidence of need moving forward.

It is hard to think of a project that has been less successful, off the top of my head, but I am sure there are some. Because of the rigours we have to go through when we are trying to commit council funds or seek external funding, there is usually a pretty robust case for accessing funding in the first place, so you need to be sure your business case will make it happen.

Richard Roe: To pick up on what is being said, it is about creating the right environment. We want people to be active in the town centres. We want them to be pedestrian and cycle friendly, with good public transport links. We have invested in the interchange in Altrincham bringing the trams to the train station. The project we are just starting to work on now, which is something that we have not focused on much in the past, is around disability-friendly town centres and whether we can do more there. There are some very simple things, such as working with shops on an initiative to provide seats. In a shop with no seating, for example an old-fashioned butchers, bakers or something like that, where people queue, you can put a seat there for older people. It is a very simple thing. That is something on which we have just started work. I am thinking about how we can support community groups. Where we have vacant shop units, can we use those as pop-up shoots to get community uses into the town centre, again working with local communities?

Q198 **Andrew Lewer:** Quite a few places have talked about the value of the nighttime economy to their future prosperity or future planning. Do any of you have nighttime economy experiences, good or bad examples, in terms of how they relate to the overall wealth of the town? Also, the individual pluses and minuses of them to local residents and other businesses would be useful to hear about.

Liz Philpot: I can give an example of our major seaside town, which struggles to achieve a nighttime economy, probably because we have quite high proportions of day visitors. The pattern is for everybody to go home round about teatime. We have made efforts, certainly during the peak summer period, by extending the operating hours of the park and ride service. That was in response to the perception of businesses that, if the park and ride service finishes at 6 o'clock, they will all rush back to get on the park and ride and head back. We went to 8 o'clock in the evening, with the aim of keeping people in the town centre. Keeping that running, along with the weather in the summer we have just had, has had a beneficial effect.

I have mentioned the success of the food and drink offer in Beverley, our largest market town, which is more of a day/early evening economy, which has been very vibrant in recent years. Because it is day/evening, it has not had some of the major challenges that are more pronounced in a real nighttime economy.

Richard Roe: There can be challenges with a nighttime economy, undoubtedly. There is the potential for an increase in anti-social behaviour, noise nuisance and other nuisance. There are health disbenefits from high levels of alcohol consumption, so our health and social care colleagues are not necessarily that happy about us promoting a nighttime economy. Altrincham had a fairly poor reputation for the nighttime economy it had, due to anti-social behaviour and the like. The investment we have made has helped to spread the nighttime economy. One issue is that the nighttime economy becomes very concentrated in quite a small area and you get a lot of people, in that small area, all coming out of the pubs and clubs, at the same time. That creates issues and also means that that area quite often is very quiet during the day and you create dead zones during the daytime. That evening economy and the transition from the day economy into the evening economy, then into the nighttime economy, is something that we are encouraging.

We have other town centres that have no nighttime or evening economy. Everything shuts at five, and it is a real challenge for those communities. They are telling us they want an evening economy, but again they want the right sort of evening economy, not one that is going to bring in a lot of noise nuisance. They like restaurants and cinemas, but are not necessarily quite as keen on takeaways, cafés and pubs. It is a difficult balance. When we talk about the nighttime economy, we have to define it, but I do not think we necessarily define it that well.

Peter Geraghty: We have a similar experience. Southend's position is that we have not pursued the nighttime economy in the sense that some other places have. The issues are very much the same, with impacts on amenities and health. We are becoming much more cognisant of the health impacts of a nighttime economy. An added dimension is that we are a university town, so the character is slightly different and the age profile can be different. That brings a slightly different context, in that sense, to the nighttime economy. We have tried to support it, but we have not actively pursued it in that vigorous way, because we recognise this is about diversifying the offer in the town. As I have said, we have not pursued it in the same way others have done.

Q199 **Andrew Lewer:** Broadening this out altogether and going back to the question I asked earlier about, longer-term planning is difficult, for the reasons we have discussed: the shocks and big changes that are happening in town centres and retail particularly. Taking that into account, are there any steps that you either are taking or would like to take to futureproof your town centres? Is there anything getting in the way from the centre or from Government, not just throwing cash at you but other changes that might help you with that futureproofing process?

Richard Roe: For us, it is about the ability that we have to control and manage, and the flexibility that comes with that. We are very keen on master planning. As Liz said, it is the right approach. You need to take a long-term strategy for your town centres, but that strategy is based on being adaptable, flexible and able to change. Support to enable us to set that wider strategic structure is important. We had a zoning discussion around how you zone and use classes being a very blunt instrument. There are some things about bringing residential into the centre of town. I do not see that as something that is going to change in the next five or 10 years. It is a long-term strategy that makes sense and is not necessarily subject to the wider economy.

Where we would like to see the centre helping is in the conflict between out of town retail and high street retail. The planning policies of town centre first and the way the NPPF works do not necessarily support us, in where we are, as well as they could. It is quite difficult to defend town centre first against interested developers. How the planning system can support a high street first, town centre first approach on the retail and commercial side is something we would be interested to see.

Liz Philpot: Having spoken to planning colleagues before I attended today, I completely concur with what has just been said. One of the things they highlighted was that the previous NPPF changes in 2012 and the most recent ones in 2018 were welcomed, but had not matched the rate of change that was experienced in those years. Their main points were, as we have already discussed, use class flexibility, speed of response of planning policy frameworks to keep pace and town centre first. The council has tried to ensure that its own services are focused on town centres, using the One Public Estate initiative to consolidate with other public service providers and retain them in town centres as far as possible, as a way of generating frequent football. Those are the main areas that spring to mind in that respect.

The other thing is around the risk that is necessary when we are trying to develop regeneration and schemes that will deliver those changes in the town centre environment, with the resources that have to be put up front. The Heritage Lottery Fund process is a two-stage approach. You apply at stage 1 and, if you are successful, get stage 2 development funding, which is very welcome and can provide dedicated resource. As I have already said, we are quite thinly spread in our area, but having some certainty that we can develop a scheme in more detail, and engaging with the community to get the right scheme to take forward to the next stage, is a very helpful approach to us.

Peter Geraghty: I support the use of the local plan. It has stood us in good stead for many years. That is not to say that it does not have issues around it. One thing to bear in mind is that having a local plan in place sometimes provides certainty for investors and it can help with investment decisions, because there is a clarity around the vision that a particular local authority may have. Sometimes we beat ourselves up too much about the fact that time moves on for a local plan. As with anything, any policy or any piece of legislation, time moves on regardless of where it is. We sometimes get too focused on the fact that things have changed. The local plan should be the basis for planning for the future, particularly in relation to areas, and there should be a degree of flexibility to take these different changes into account.

You have heard some suggestions about planning guidance, informal guidance or supplementary planning guidance as ways of doing that, but there could be a particular approach to town centres, if there is an added degree of flexibility to allow policies to flex and change. In most development management functions in local authorities, I think you will find a great degree of flexibility. They see the benefits of trying to find solutions. It is not about development control; it is about development management and trying to find a solution. My overwhelming experience is that that is the case.

We need a framework that enables them to do that. We need a degree of flexibility. Bear in mind that local plans are often challenged on a legal basis, so we have to recognise there needs to be a degree of structure around them. We can make them quicker to develop and prepare, but also make them the basis for having a conversation with the community, as one of the main ways of having a conversation and engaging with the community. I do not think we should be frightened of spending a little more time talking to the community, in that sense. There is a pressure on authorities to get this thing done quickly and move it through a statutory process but, actually, there is nothing wrong with having a conversation with the community and the development industry. That is what it is there for; that is what it is trying to deliver.

We beat ourselves up too much about the process. The process is right, insofar as it is needed, but we also need a degree of flexibility. I am probably asking for my cake and trying to eat it at the same time, but that is what we need to move towards. It is not a focus on individual policies or whether the use class orders say this or that. The key is getting that conversation with the community and business interests to try to get something that we know will change. It will probably even change in the lifetime of its preparation, but we will have something that is the basis of a conversation and is flexible for the future.

Richard Roe: The other area that we have not mentioned is around CPO powers and the ability to land assemble in town centres. If you want to deliver master plans and strategies, which lots of local authorities work on, bringing the land together to do that requires CPO powers. CPO powers are still very cumbersome, expensive and time consuming. We would want to look at how CPO powers could be sped up to support those town centre strategies.

Chair: We still have a few important issues to discuss, and I am conscious of the time, because we have another panel to follow you. Bear that in mind as we go on to further questions.

Q200 **Bob Blackman:** I am moving to the issues of encouraging people to come into town centres by car. Free or low-cost car parking can encourage footfall, but there is the other dilemma: do you want to encourage commuters, who are possibly working or going elsewhere, by giving them free or low-cost parking? What have your local authorities done to change parking arrangements and charging for parking, to encourage people to use the high street?

Liz Philpot: We have residents' parking schemes for on-street parking and off-street car parks that the council manages in most of the towns that I have talked about today. As I have said earlier, we cover 1,000 square miles and the towns are spread out. We are a unitary council and we look at our parking policy across the whole area. There are variations; it is not one size fits all. The residents' parking scheme seems to be an effective way of managing the situation that you have talked about, where you make sure parking spaces are kept for the turnover of shoppers close to the town centre and in the car parks.

Q201 **Bob Blackman:** That seems to be a dichotomy. You have residents' parking, which I completely understand, but how does that encourage people coming in from out of town to use the shops and the high street?

Liz Philpot: The streets that are zoned as residents' parking have short stay on street, for an hour or two hours. They can be used as short-stay on-street free parking still or, if you wanted to stay longer, you could pay in a car park. The residents could park all day; they would have a residents' pass to park all day. On weekends through December, Saturdays and Sundays, our car parks will be free, as an incentive to encourage pre-Christmas shopping.

Q202 **Bob Blackman:** If those changes are taking place, have you measured what impact they have had?

Liz Philpot: I can provide that information as a follow-up.

Bob Blackman: It would be very useful, because this is one of the things we are looking at.

Liz Philpot: I will forward that as supplementary information.

Richard Roe: We spend hours talking about car parking charges.

Bob Blackman: I am sure you do.

Richard Roe: Over the last few years, we put out charges up and then brought them down a little. Usage of our car parks dropped by about 25% when we put them up, and then it stabilised at that level, although, in the same period, footfall in the town centres, certainly in Altrincham, has gone up; vacancy rates in town centres have reduced; and the council has earned £600,000 of additional income from car parking, compared to the previous regime. It is very difficult to work out the balance, and there are conflicting priorities, such as around supporting town centre workers. They are often on fairly low wages, and if you put up the prices to discourage commuters, actually, you are pricing out people on low incomes who work in the town centre.

We do not have the answer. We have stabilised at a level that seems to work without impacting directly on the town centre, and we recognise that the local authority provides somewhere around 50% of the car parking in Altrincham town centre, with the rest being in private car parks, so we are not the only player in town.

Peter Geraghty: I have a point relating to Southend and a general point. It is very difficult, in a number of areas, to reconcile. In terms of Southend, we have different charges for what we call district car parks. We have slightly lower charges, in some cases, for town centre car parks that are identified for shopping. We have a lot of visitors and we have a lot of pressure for spaces, and our seafront and our town centre are quite close together, so we have differential pricing in terms of our seafront.

Of course, it is an important source of income to the local authority; there is absolutely no doubt about that, and we have to maintain, monitor and enforce proper use of car parks. We have a lot of costs that are involved in that as well. We try to strike a balance but, as has been said by Richard, it is a very difficult balance to strike, because everybody would like to come and park right outside the premises that they want to go to, and the reality is that that is not going to happen.

That brings me on to my general point, also on the competing points. I am reminded about the discussion there was on pedestrianisation, as to how the lack of car parking availability would kill many town centres, and it had the opposite effect. It can be quite complex. It is a question of balance. If you encourage solely car-borne transport, through car parking, you make public transport less encouraging, and then you get things like pollution and congestion. That undermines the environment of the town centre and the enjoyment that people have, because it is choked up with vehicles. It is getting the balance right, and that can be quite difficult.

Q203 **Bob Blackman:** Can I ask all three of you: have you made any changes to the car parking arrangements for nighttime? You mentioned weekends, but have you done anything for nighttime, which might build on the issues of the nighttime economy?

Richard Roe: We are free after 6 o'clock; we are free on Sundays; and, similarly, we have Christmas free after 3.00, which goes from the middle of November to the middle of January, although we are currently starting to consult on extending our car parking until 8.00 pm, Monday to Saturday, 12 months down the line.

Liz Philpot: We have free after 6 o'clock in the majority of ours.

Peter Geraghty: It is similar. As mentioned earlier, we have days when we provide free parking: small business day, bank holidays and things like that.

Q204 **Teresa Pearce:** Talking to shopkeepers, particularly independents, they would cite business rates as the biggest drain on their business. However, they are also a significant portion of income for local authorities, so there is a little bit of a conflict there. You are saying you want to support high streets, which clearly you do, but it is an income stream for you and a demand on shopkeepers. Given the number of business rate reliefs there are, what are you doing to use those to support shopkeepers, and are they a reasonable way to support shopkeepers? Do you think there would be something better?

Richard Roe: The starting point is that the local authority collects business rates, but they go into central Government. Unless you are in a business rates growth pilot, you are a collector of business rates. We promote the schemes that the Government have to our small businesses because we think that it is the right thing to do. We do not have any specific schemes ourselves.

Q205 **Teresa Pearce:** Do you have rural communities?

Richard Roe: No, we are an urban area. There are lots of issues with business rates. It is not necessarily a great system. The Government have looked at recalibrating business rates. It keeps on being pushed back. The way in which business rates are assessed makes it very difficult for business owners to understand how they pay the level of rates that they do. It is a significant drain on businesses, undoubtedly. Rates and rents are the two biggest issues for them, over which they have very little control, if any. Something that looks at the way in which business rates are assessed and calculated for town centres, and the factors that are used to assess them, urgently needs to be done.

Liz Philpot: I did say that I would provide some information as follow-up, but we have a network of business centres where we have free business advisers who work with local businesses to access the relief that is on offer. That service has been taken up. We have an awful lot of businesses that qualify for the relief because our town centres tend to be smaller in nature and the footprint of the shops is smaller. That is an area that has been utilised. As I said, I will follow up with some figures of how that has worked within our area.

Peter Geraghty: I will answer it in the context of ADEPT's position. ADEPT had always considered that the issue of rates should be really considered in the context of funding local government. It is an important source of income. As ADEPT represents upper-tier authorities, so mets, unitaries and counties, there is the added pressure on all those additional services, such as adult social services. If you do not have alternative sources of funding, it can put very considerable pressure on local authority budgets. The position of ADEPT has been that it is right to have a look at rates and evaluate how you value properties in terms of their rating valuations, but it needs to be in a context of a wider discussion about local government funding. It recognises that, as Richard has said, the nature of that process needs another thorough review.

Q206 **Teresa Pearce:** How do you think the move to retention of business rates for local authorities will change the way you may behave? Do you think it would? You could have something that might be good for retention of business rates but not necessarily in the best interests of the community or a revitalised town centre. Does that not put a conflict in there?

Peter Geraghty: It does create a challenge. There are some situations where the business rates position might be in a wider context where there are greater pressures in terms of social issues, therefore putting pressure on services, and there is a growing population, but the rateable values may not be in a position to support that, which then puts pressure on local authorities' budgets. It is not my area of expertise but it is quite a complex area. That is why, from the ADEPT perspective, we would really want to see a thorough review of how that might work.

Q207 **Teresa Pearce:** What do you think might work better than business rates—anything, nothing, something?

Peter Geraghty: In terms of town centres, there are retailing activities, for example—you have had evidence on this—that may not have a significant presence on the high street, but have quite a significant consequence for vitality and viability. I do not know whether there are other forms of taxation, such as a retail tax, that may be added to the consideration of those issues, looking at funding in a broader sense for town centres.

Q208 **Teresa Pearce:** It is a reform, basically. What about you, Liz? You are smiling.

Liz Philpot: That is the thing. Business rates are one element of the pressures that small business will be faced with. There was one example given to me last week. There was a figure given for the rent that they are paying, which I am not going to quote, and if you have to make that before you start to cover any of your other costs, it is actually quite frightening. That is an example of a business where flexibility of planning and use classes have come into play because they have tried to diversify to be able to attract additional business, into the early evening and so on. It is looking at the whole picture of the challenges and the overall demands on the operating costs placed.

Richard Roe: On principle, we are very much in favour of business rates growth retention. We think that is the right thing to do because it encourages local authorities to look at economic growth, and that is something that is a priority for us. In terms of how we balance that with potential conflicts, it is the type of debate we have about lots of things within the local authority all the time. We deal with it by ensuring that our colleagues in finance and in the business rates team are part of the team that is looking at regeneration and place-shaped activities so they are taking decisions in the round, so we understand if there is a business rates impact of a decision that we take, and we factor that into the business case. We also look at the upsides. There may be a business rates impact but you might have a council tax increase impact, because you are converting retail and office space into residential units. We can look at how those two things play against each other.

In terms of reform, the danger is the way the business rates system works, again because in part at least the way it is set up is linked to our rent levels. You are penalising businesses for having successful town centres. You get a town centre that is successful; you get the regeneration; therefore, you get businesses that come in. That starts to push the rent up and starts to push the rates up, and then you get to a point where it becomes unaffordable and so they start to go under. That cannot be a sustainable way of doing it. There has to be a way in which you share the benefits of growth in a different way, in which you create an environment for a business to flourish. You do not then come along and effectively penalise them by making it pay more, when actually just because it is flourishing does not necessarily mean it is making a huge amount of profit. Profit never seems to get taken into account when looking at business rates.

Q209 **Helen Hayes:** We have heard evidence that some landlords are more interested than others in both their tenants' businesses and the health of their tenants' businesses, and also in the wider high street or town centre environment in which they own property. To what extent does that match your councils' experience and how have you worked with landlords to improve our high streets?

Richard Roe: That is probably a reasonable thing to say, although whether they are local or national is not necessarily the issue. There are just some landlords that are more interested and engaged and there are some landlords who are less so. We work with landlords who have portfolios across the country but are very active, very engaged and work closely with us. We have other landlords who have smaller portfolios and are less active. We have a landlords' forum. We use the landlords' forum in Altrincham as a way of engaging with landlords. It has been through periods where we have had less interest and more interest. It is now coming back up.

What landlords want to see is what the investment is and what the local authority strategy is. It comes back to the place-branding bit and around the strategy. What does the local authority want to do? If you can capture their interest, there will be investment that comes in behind that. That is what you want the landlords to do. You want them to invest in their property and to make proportional decisions about rents and what flexibility they may provide about rents, certainly for new businesses coming in but also maintaining businesses, so they take a long-term view. That is often easier for a local authority to do than it is for a private landlord, who has a different financial driver.

Liz Philpot: Our experience is many and varied. Some of the closures of the larger retailers that we have experienced have been national decisions that we have fallen foul of, which is disappointing when you know a store may have been trading quite well locally, but obviously those decisions have been made elsewhere. We know that some of our local landlords are actively negotiating with tenants because they would rather have a tenant than have an empty shop. Obviously, those are probably some of the more community-minded landlords. Absentee landlords would probably behave in different ways again.

The levels of engagement have been good, on the whole. They have been particularly good, interestingly, as I referred to earlier with our townscape heritage initiative, as an example, when there is money on the table. We have a 100% rate of engagement on the zone that we are targeting. The more we can concentrate on some of these financial conditions and engage with landlords to have those discussions, I would hope that would be a step forward.

Peter Geraghty: My experience is more limited in dealing with landlords but I would recognise some of the experience. In terms of the local authority's position, obviously we do try to engage with landlords, particularly in relation to some of the bigger premises. That will just depend on the nature of the relationship. Sometimes we have a very good relationship locally but decisions are often made elsewhere, or investment decisions are made elsewhere. You have to respect that to the extent that it is what it is. We do try to work locally. I mentioned our relationship in terms of the BID. We have tried to use the BID in a very positive way. That is probably the experience that I have had in that area.

Q210 **Helen Hayes:** Mr Roe, I understand you acquired a shopping centre in one of your towns. Do you own that commercial property as an investment or for the purposes of regeneration and redevelopment? How does your ownership of that asset help to support other businesses in the town?

Richard Roe: We own it for both. We bought it as part of our investment strategy, so we make a financial return from it, but it was the shopping centre that was in the part of Altrincham that is in the greatest need of regeneration at this point, so we bought it deliberately. Whilst it provides an investment return to us, we would look to redevelop it on the basis that it is underutilised at the moment and is a poor part of the offer. It connects because of its location between the market quarter and new development area called Altair. We have been out to tender for a development partner to work with us to go through it, because we believe by regenerating that, potentially with more residential, potentially with a different retail offer, we can provide an offer that Altrincham does not make at the moment, which will help us bring a wider market in. That will support other businesses. We want to encourage footfall. That is the approach we have taken.

Q211 **Helen Hayes:** You have all touched on issues to do with planning already, so do not feel the need to repeat things you have said already. Can I ask about your response to the changes recently proposed by the Government to use classes, and what you think about those? What do you think about the proposal for a permitted development right to build above existing buildings? Do you agree with those proposed reforms, and are there any other planning reforms that would really help to support your town centres?

Peter Geraghty: The changes have really introduced a degree of complexity that is not necessary. My view is the approach is that if you have a planning process, a planning team and a planning service to be able to deal with these issues, that is where the matter should be considered. Using permitted development rights, for example, you need prior approval. It is just introducing layers of complexity that you do not need. I often struggle to understand what the problem is that is trying to be fixed. It is sometimes looking for a problem when you have a solution, almost.

As I said earlier on, often the public and the business community do not understand what they are. The difficultly—again, there has been research to support this—is there are some unintended consequences in terms of quality of accommodation, if you take for example the residential. There is loss of retail and loss of business use, particularly in town centre locations. The impacts of those changes are not adequately considered in terms of the permitted development process, understanding what residents or local citizens' views may be, the impacts of car parking and perhaps environmental impacts. I know there is a step there, but why not just consider an application as it comes forward? Look at it in its entirety. By all means, you can have a process to expedite that consideration of an application but straightforwardly submit an application, properly funded through an application fee, and have all the matters that need to be considered and process it.

I have been a practitioner for quite a while. I do not really understand the reason behind it in terms of outcomes. I am reluctant to see more permitted development rights. What we should be doing is properly resourcing local planning departments with the right people with the right skills, and making it clear that they need to deliver in terms of making the decisions that the community wants to see.

Richard Roe: For us, we are broadly supportive of changes around use classes. As we touched on earlier, we would like to see some zoning to stop the retail part getting watered down too much but, similar to Peter, we have real concerns around permitted development on the height extensions because of the implications of that. It does seem to overcomplicate. It does not add anything that a planning application could not deal with more straightforwardly. There are very little things that permitted developments do that stop your control. It is very simple things like bins. You would think it is a tiny thing but if you do not get that right in a town centre location, you have bins all over the place. It creates all sorts of issues in the town centre. It is a tiny little thing, but it does not get picked up through permitted development; it does through the planning application. We have some fairly serious concerns around that.

Liz Philpot: I would not add to that but we will be responding to the consultation.

Q212 **Helen Hayes:** Again, you mentioned the town centre first policy. Do you think that works adequately, or is there a need to reform it for the context that town centres face now?

Liz Philpot: Briefly, it has worked for us. We have applied it quite rigorously since the outset. Some of the reason why it has worked for our local authority area is because of the scale of the towns and the retail centres that come under our jurisdiction.

Richard Roe: We have some concerns that we have a significant out-of-town-centre retail in the borough. We think that the original intention in the NPPF has been watered down through case law since it was introduced. One of the issues is the issue around disaggregation, and the way that it frames it encourages out-of-town retail to go bigger, because the bigger the development, the harder it is to be able to demonstrate that you are able to deliver that within the town centre. Therefore, in a perverse way, it encourages more out-of-town retail. That is a big issue for us.

Peter Geraghty: I would not add much except to say in principle you would want to see those type of uses in the town centre, and national planning policy to support that. There can be unintended consequences as a result of that.

Q213 **Helen Hayes:** Finally from me, we have heard evidence from other witnesses that there needs to be greater co-ordination between planning and licensing teams. How do planning and licensing work together in your local authorities to support the bigger objectives around the health of town centres?

Richard Roe: For us, at an operational level, they work closely together. They both sit in the authority within my directorate, so those teams work closely together at an officer level, but they are different regimes. Our planning committee and licensing committees sit separately. Our constitution prevents us having the same people sitting on both committees, to deal with any conflicts of interest, but that does mean that those two communities could, on occasion, make effectively conflicting decisions. Opportunities to be able to look, in the right context, at a single regime for some types of licensing on an application would have some benefits because then you are able to take a look at a decision in the round. The deciding factors of all those committees are different. You do not have the opportunity to have that single view.

Liz Philpot: We work closely together between the two services. It is probably reflected similarly in what Richard has already said. Feedback from planning colleagues suggests that perhaps some of the confusion occurs amongst the public where they will see something have a planning permission of some kind, but then it goes on to have licensing permissions that are considered not necessarily at the same time. It is perhaps how that is understood outside of the inner workings that presents more of a challenge and perhaps some unexpected surprises for communities.

Peter Geraghty: I echo most of that, in terms of what has been said. Bear in mind, they are doing slightly different things and the licensing regime takes into account some things that the planning system does not deal with—public safety and things like that—although it could be for material planning considerations the focus generally tends to be through licensing and whether someone is a fit and proper person to have a licence, for example. There is an overlap, absolutely, and maybe there is an opportunity there, but they do different things for different purposes.

The other thing to bear in mind is, of course, if you have widespread operation of permitted development rights, then some of these things will only be picked up through the licensing process, like opening hours, for example. Again, you have to understand, when you make these changes, the consequences of what will happen.

Chair: Thank you all very much for coming to give evidence to the Committee this afternoon. It is appreciated.

Examination of witnesses

Witnesses: Ojay McDonald, Christina Rowe and Jonathan Newman.

Q214 **Chair:** Thank you very much for coming to give evidence to the Committee this afternoon. Could you just go down the table and say who you are and the organisation you are representing today?

Christina Rowe: Hello. My name is Christina Rowe, and I am the director of operations for Bedford BID, the business improvement district.

Ojay McDonald: I am Ojay McDonald. I am the chief executive of the Association of Town and City Management.

Jonathan Newman: Jonathan Newman, town centre manager, working for the Great Yarmouth Town Centre Partnership.

Q215 **Liz Twist:** Can I start with you please, Mr McDonald, as I believe your organisation is a kind of overarching membership organisation for town centres and place management? Can you just tell us a bit about how different place management organisations vary in structure and in the way they work, please?

Ojay McDonald: There is no one model for place management organisations. It is fair to say that the model for place management is fairly organic. You see different models have emerged and evolved over the years, which fit the characteristics of each town, which tend to be fairly unique. One of the things all, or at least the vast majority, will have in common is this concept of the management of a town centre through the development of a partnership that brings various stakeholders together. The reason why that is important is because a town centre is a very different location to most others, because you have this mix of activity and mix of uses.

Lots of different stakeholders all have a vested interest in the town centre, whether it is different departments within a local authority, transport operators, police, the businesses, property owners, educational establishments or leisure operators. A whole range of different people have a vested interest in the town centre, but no one actually has control over that town centre. It is not like a shopping centre, where the shopping centre manager says, "Right, this will be the business mix for the shopping centre because this will work". There is no such overarching management body for a town centre.

What our members try to do is work in partnership with different stakeholders to try to form a unified vision that can deliver the change and evolution that town centres need going forward. They can sit within local authorities under some formal town centre management scheme or economic development planning. They can be independent of the council in town centre partnerships. They can be business improvement districts, so they are led by the local business community, funded by the local business community. There are community interest companies and development trusts. There are lots of different forms across the country.

Q216 **Liz Twist:** Would you say that is the right way to approach it? Is it what people think will work? Have you identified any particular structures that work more effectively?

Ojay McDonald: In terms of the actual structure of a partnership, it is important to say that in a way diversity is good to a certain extent, because that partnership has to reflect the needs and the challenges of that local area. That is really important to a certain extent: that diversity of town centre partnerships should be celebrated and supported. Some of the things we would like to see, in terms of consistency, is making sure that those partnerships are strong, they are speaking to their local communities, they have businesses on board and they are bring local authority and businesses together, with strong public-private partnerships. Whatever form that comes in, whatever structure it is, so long as you have the very best of public, private and voluntary interests all working together, we can definitely support that.

Q217 **Liz Twist:** The structure is not so important as the willingness to work in partnership? Is that right?

Ojay McDonald: Yes, absolutely.

Q218 **Liz Twist:** Some places do not have any such partnership arrangements, do they? What do you think the consequences are where those partnerships do not exist, or some kind of organisation does not exist?

Ojay McDonald: It is then difficult to get that vision. It is difficult to get that collective vision and that energy that allows the town centre to evolve. That can be a struggle for some places. We are all under absolutely no doubt that town centres are changing at a rapid rate. They have always been changing. Maybe the pace of change in the current days is faster than it has ever been, especially because of technological changes. As a result, town centres need to evolve and adapt. Having that partnership in place, of some sort, makes it a lot easier. There are some areas of a certain scale where there is not necessarily the funding that allows a partnership to be particularly sustainable. Maybe some areas are just relying on the goodwill of community activists and there is not a proper partnership in place that has any sort of sustainability or effectiveness. That is a case in some of the smaller areas, unfortunately.

Q219 **Liz Twist:** Do you see that as holding back regeneration on the high street?

Ojay McDonald: For some of the smaller areas, it can do. Having a vision and a will to work together is really important for the evolution of high streets.

Q220 **Liz Twist:** If I can ask Ms Rowe and Mr Newman in particular, what do you see as the priorities for your organisations? Can you tell us something about the initiatives you have undertaken?

Christina Rowe: We are predominantly about generating footfall in the businesses that we have in the town centre. We have a variety of different activities. Our marketing and promotion strategy is very much about providing that compelling reason as to why you would come into Bedford. That is a combination of things; it is to do with events, promotions and also new businesses and making sure that those businesses are broadcasted out. We also have a loyalty scheme, which means that vouchers can be used within the town. We have redeemed just over £1 million worth of vouchers. That is just an example.

Q221 **Liz Twist:** What do people have to do to earn the loyalty vouchers?

Christina Rowe: You can buy them. We are privileged to have a very active college in the town centre, and they purchase a large amount of vouchers every year for their staff and also throughout the year for their students. Those are redeemed within the town, so you get that combination of them supporting the town and also it is generating funds.

Q222 **Liz Twist:** That is really for employers outside the town centre to promote the town centre.

Christina Rowe: It is to spend money in the town centre. The vouchers are redeemable in all the businesses within the town. That is all the shops. There is an estate agent, a travel agent and a variety of different businesses.

Q223 **Liz Twist:** When you talk about a loyalty card, I often understand that I am getting something for free because I go somewhere, such as my sixth cup of coffee in a coffee bar.

Christina Rowe: These are vouchers that have been purchased and then they are given to somebody. For instance with the college, they purchase then and they give them to their students and their staff. They redeem them within the town centre. Other people buy them for presents, such as Christmas presents.

Jonathan Newman: The partnership in Great Yarmouth exists primarily for the benefit of its members, of the business members in the town centre. Their need from a very early stage of the development of the partnership was around crime reduction and perception of crime within the town centre. Much of our delivery is based around a uniform presence within the town centre, crime reduction schemes and a radio link for retailers to use.

However, we also recognise that people need to be attracted into the town centre. Another element of our output is a number of events held throughout the year and a lot of marketing, mainly these days through social media, to try to overcome some of the negative perceptions of the town and encourage more people to go shopping.

Q224 **Liz Twist:** My next question was going to be about how your priorities in your strategies and your plans evolve. It sounds like, Mr Newman, yours started as making people feel safe coming to the district and has now developed into more like in Bedford, which is promoting things going on. Would that be right, or have I got that wrong?

Jonathan Newman: We try to do both. It is about people feeling safe not just to visit but also to work and live in the town centre as well. However, that does not make it competitive. We need to add more experiential activities to the town, to support the retailers, because there are so many other choices, when people can spend their money online, as we have touched on already. Before it was online, there was the threat of out-of-town retail as well.

We have always created events, whether they have been annual or whether we have tried something—it works or it does not work, and we move on. There are a series of events throughout the year that we use, whether they be treasure trails where people bring their families in and take part, whether it be a current Christmas market we are planning for December. It is important, while we do deliver a range of initiatives on behalf of our members to help them feel safe and to deal with some of the issues that are facing Great Yarmouth—as is the case in many other town centres currently—that we are also encouraging people to visit the town centre as well through other initiatives.

Christina Rowe: We are now developing other things more progressively or more dynamically. We also do a retail radio link. We developed that into an application called DISC, which is empowering businesses to be much more proactive about trying to exclude people within their business but more importantly to create a catalogue of incidents to enable the police to prosecute. By virtue of that also last year we did "buy one, get one free", effectively, with the Bedfordshire Police, where we had two PCSOs in our town dedicated to dealing with issues of anti-social behaviour—things like rough sleepers and professional beggars. That has now evolved into this DISC application. Also, as a result of that, it meant one of the PCs was dedicated to our town to investigate alternative powers and build on that knowledge, so that we could then prosecute some of these people more effectively than how we had been before.

Q225 **Liz Twist:** Can I ask you a bit about those additional powers and some of the groups you mentioned, like rough sleepers and other things? Is that primarily trying to drive people away from your area of the town?

Christina Rowe: It is a very complex and sensitive area. It is about working with multi-agencies, which we do very effectively. It is about engaging them, offering them and channelling them into the support and signposting them into the services that should be available to them, such as mental health services or accommodation. Ultimately, if we do have evidence of persistent beggars that are begging, on the basis of knowing that they do have accommodation or knowing that they are not legitimately homeless, then there will be prosecutions.

Q226 **Liz Twist:** It sounds like both of your strategies are developing and evolving as circumstances change.

Jonathan Newman: We regularly consult with our members, our businesses, and ask them if what we are doing is what is needed and what is wanted. In terms of the crime reduction area, we are one cog in a bigger machine. We are working, as Christina said, in a multi-agency set up. That can have some positive impacts as well. If you are making it a little bit more difficult for people to shoplift to feed a habit, they may have to get help elsewhere. We do see that as something. It is not just a case of putting the shutters down and being quite unreasonable about the difficulties that town centres and communities face. It is actually working with other organisations to look for solutions.

Ojay McDonald: That evolution is really reflective of the national picture for our members. A lot of our members, when they started, looked at some of the simple, effective initiatives around making a town centre safer and more attractive—cutting things like shoplifting and dealing with things like graffiti and street litter. It was some of those simple initiatives that could help support the trading environment. Over time, what we have found is as those town centre partnerships of various forms have evolved, the tasks they have taken on have become ever more strategic, more around vision and more around engaging with the community and understanding what is next for the 21st century town centre, in terms of things like the digital high street. There are a lot of impressive strategic tasks they have taken on.

One of the things we have found, though, as you have heard from both Jonathan and Christina, is that safety is something that has come back to the top of the agenda again. That is probably because of issues around police funding. For our town centres, one of the things we have found is because we are dealing with a place that has so much activity happening within it, it tends to be on the front line of a lot of societal change. Where we see issues in policing, those issues will manifest themselves in town centres. If there is an issue with homelessness, those issues will manifest themselves in town centres. A lot of these town centre partnerships have had to evolve because ultimately a lot of these societal pressures will impact them first, probably before it impacts other areas.

Q227 **Liz Twist:** It takes some money to put on events and organise things. How do you get your funding, Mr Newman and Ms Rowe? How do you fund your organisations?

Jonathan Newman: We are a business improvement district as well as a town centre partnership. We are a modest one, I would hasten to add, but that is our prime area for funding. We are also in a position to bid for other funding. We have had successful bids with Arts Council England, for example, for a series of events within the town centre, but it is primarily from our own funding that we are creating these events, albeit we can also sponsor or subsidise other organisations' events to enhance them, particularly if they are town-centre focused.

Christina Rowe: We are the same. We are 2% on rateable value. We yield about £426,000 a year. We do put on events and activities ourselves, but not a lot. We are inclined to support others and to use those as a hook, as well as promote them through our website, which is very successful, to draw people in. We work with other partners to help them and to help us.

Q228 **Liz Twist:** The Government have recently announced the Future High Streets Fund and the High Streets Taskforce, which I think is to start next year. What is your reaction to that?

Jonathan Newman: I am excited about it insofar as it shows some focus on town centres from the Government. I imagine it will be a very competitive pot of funding. However, I am sure that my colleagues at Great Yarmouth Borough Council will be very interested when more details come out. Over the last three years, the local authority with partners, including yourselves, have worked out a masterplan for the future of the town centre. Of course, with any masterplan the missing link is often where the funding is going to come from to make this happen. I think it is something that gives us some hope, and it is an opportunity perhaps, as a town, to put in an expression of interest or bid at some future date when the details are clearer.

Q229 **Liz Twist:** It is £675 million. I guess there are going to be quite a lot of bids for that.

Ojay McDonald: I have absolutely no doubt there will be. Similar to Jonathan, I think it is potentially exciting. There are no doubt a number of town centres whereby that desire to evolve and adapt has been a struggle for various reasons, and a pot of funding like this will be seen really positively. The devil is in the detail in terms of how it will work, who will be able to bid for it and what type of funds they will be able to get. I realise it is co-funded as well. The mechanics of that are going to be important. I would also say it is no alternative to adequately resourced local planning authorities that can help drive forward change in town centres. It is no alternative to strong public-private partnerships of BIDs being involved in the evolution of town centres. It is also no alternative to a modern tax system that will encourage more private sector investment in our town centres.

Ultimately, £675 million only touches the surface. It scratches the surface. It is not enough. When you think that business rates across England bring in close to £30 billion annually, £675 million over the course of I think it is two years for centres probably is not anywhere near enough, in terms of what we need.

In terms of the High Streets Taskforce, again this is very much down to what transpires early next year when we see what it looks like. There are various iterations. That could be incredibly positive. We have already talked about the role of those community groups and smaller centres, which probably need additional support in terms of their evolution. If, say, the High Streets Taskforce was to support those particular areas, that would be extremely positive. If the High Streets Taskforce is about bringing together various Government Departments to talk about town centre policy, that would be extremely positive, because there is not enough joined-up thinking when it comes to national Government policy. It is an issue both at a local level, within councils, but also at a national level. Things like policing from the Home Office, the Department for Digital, Culture, Media and Sport and things like the industrial strategy all have a role in shaping modern town centres as well as the Ministry for Housing, so why do we not have more joined-up thinking between the lot of them?

There is concern from our membership that what this might be is simply about advising the industry, some of the BIDs and town centre managers who have been around for years, about what town centres should look like going forward. Their challenge with that is that some of these guys have been around the block, and the conversations the Government are having now about the future high street, in terms of things like understanding the role of housing, leisure and community uses, are things the industry was talking about probably around the turn of the century, because of out-of-town retail and the impact that was having on town centres. They were talking about the need for town centres to find their USPs back then. I do not think the creation of a taskforce to tell BIDs and town centre managers what they knew 20 years ago will go down particularly well. It is important we get that High Streets Taskforce right, because it can be a force for good, but a lot of our members at the moment have question marks about what it is going to look like.

Q230 **Liz Twist:** Ms Rowe, did you want to add anything?

Christina Rowe: It has put this under the microscope, so that has to be good, because there is a focus. As Ojay says, the devil is in the detail. How that money is controlled, how it is delivered, whether or not that is going to go back to the local authority, and whether or not there is going to be independent ownership of it, through the likes of BID, are the sort of things that we eagerly awaited hearing.

Q231 **Liz Twist:** It is a good idea but they need to learn.

Christina Rowe: Definitely. I have had experience with Portas pilots and also with something called Business in the Community. Portas pilots particularly is public money, so one has to recognise that there is going to be an element of control management constraint around it. The people that hopefully will be delivered the initiatives, which will be the likes of hopefully BIDs, need to be in the loop with it as well.

Q232 **Bob Blackman:** Turning to another area, in terms of the place management organisations, some are more successful than others. Why is that is the case? Is there a specific reason? Is there something that has been done somewhere? Ojay, this is probably for you. Is it one thing that is making the impact?

Ojay McDonald: No, it is not necessarily one thing that is making an impact. One of the things we will put to one side is geography, because it is fair to say that geography does play a fairly strong role in terms of the success of a particular town centre. There will no doubt be town centres in London and the south-east that have vibrant economies anyway. Putting that to one side, leadership can be really important. Sometimes it is the leader of the council or another councillor, or maybe an officer within local government, who takes hold of the issue of a town centre and really drives forward a vision that can inspire others to get behind it. We have seen it in some areas where somebody has been able to inspire the local community and various stakeholders.

Q233 **Bob Blackman:** In terms of people who are not being successful, do they need more support, more training or the support of others? Is there something there that needs to be done?

Ojay McDonald: Support for some will be needed, absolutely. Place management is a very challenging industry. It is a very challenging role, and the reason is because you think about the number of things you need to be able to understand to drive forward change within a town centre. You need to understand the retail economy. You need to understand how local government works. You need to have a decent understanding of planning policy, safety and security. Maybe it is things like tourism and how the local economy works, but also how that sits within the broader national economy. When you start putting all these various skillsets together, not least things like stakeholder management as well, there is a lot to understand. It is something that I know the Institute of Place Management, for example, has done a lot of work around.

It is really important that people have that understanding of the various things they need to know in order to be able to drive forward positive change. In some cases, you will not always necessarily get great leadership. In some cases, it is about the quality of that partnership that exists. Sometimes it is about the partnership working together to drive forward change. If you get those two things at the same time, fantastic—local leadership and good, strong partnership. Ultimately, the test of a strong partnership will be how resilient the partnership that is left is when your local leader moves on. That resilience is something that is really important. Sometimes people move on in their careers. They might move area. That resilience is the test of a strong partnership.

Q234 **Bob Blackman:** Christina, how has your organisation improvement town centre management and place management?

Christina Rowe: Picking up partly on what Ojay was saying, the board of representatives that we have are from a variety of different businesses themselves, whether they be large or small. Also, we are fortunate enough to have the deputy mayor on our board, who is the portfolio holder for transport and environment.

Q235 **Bob Blackman:** The deputy mayor in this case is an executive member.

Christina Rowe: Yes. That gives us an inroad into getting things done. As a consequence of that, for things you were talking earlier about, like parking, we have had quite a lot of influence on the free parking provision. They come to us and ask us about what they are proposing. We would like it to be sooner, but obviously we have to take it to the council to get approval on. They come to us and ask us about these things. I suppose it is engagement. Picking up the theme from partnership, if we engage, which is what we are about, that is really where we are trying to make inroads into the success of our town: to get everybody, the businesses as well as the stakeholders, engaged in what we are doing.

Jonathan Newman: To back that up, it is important to have a strong board to support the place manager—the person nominated or employed by that board to do its will, if you like. That board has to be supported by a number of other things, whether it is a committee or board of directors as in our case. There needs to be, as it is a partnership, a good understanding between both the business members and the local authority members sitting on that board.

In my own experience, I have been fortunate that our chairman of recent times is a businessman; he is a property owner and a retailer. We also have on our board the chair of the economic committee of Great Yarmouth Borough Council. We will have a representative from the county council on the board, as well as a number of other businesses within the town centre. There is a balance.

Q236 **Bob Blackman:** How do you measure whether you are being successful or not? Christina has referred to proposals that are considered by the local authority.

Jonathan Newman: The easy thing to point to is the successful ballots we have had for renewal of the business improvement district. We have had two re-ballots, with percentages in the 80s and 90s voting for the bid. That, if you like, gives us the confidence. It also tells the local authority that we do have a mandate from the business as well, because we have been democratically voted by the local business community to speak for them.

Christina Rowe: Can I just pick up on that? In addition to that, we have a whole series of KPIs that we measure. They are reported back to our board. Those are based on our tactical activity, so things like bringing footfall into the town, what influence we can have over vacant units, the number of people that visit our website, and on it goes. We have to do that on a monthly basis. We then release that out so the businesses know what we are doing. At the AGM that we have, they need to know what we are spending their money on and how it has impacted on them and their businesses. That is how we demonstrate the initiatives that we have, that we have laid down in our business plan.

Q237 **Bob Blackman:** Finally, what are the limits? What is preventing further progress? Is there something that the Government could do, which we could potentially recommend to the Government, that would help and ease the situation? Are there any particular views?

Ojay McDonald: One of the things I have already touched on is the need for that greater joined-up approach, which would really support good public policy coming forward that helps town centres. Ultimately, the understanding we need at a national level is the way so many of these other policy agendas really impact on the success of a town centre.

One of the potential missed opportunities might be the fact that we are developing an industrial strategy but there is little or no mention of towns or city centres in there, even though the industrial strategy talks about the importance of economic clusters and how we need the right investment in digital infrastructure, transport and housing. That is, by any other definition, a town or a city centre. More recognition for how we use these town centre partnerships to really leverage some of the change we need to make the industrial strategy work is an example. You will find that with different things happening across different Government Departments: can we make sure that they understand the role of place management in terms of delivering on some of their objectives? Ultimately, that is what our members, whether they sit within the public sector or the private sector—

Q238 **Bob Blackman:** Is there anything specific that you would ask of Government right now?

Ojay McDonald: In terms of specifics, think about how town centre partnerships should be part of the industrial strategy. Think about how our town centre partnerships can support the police to make sure locally we have the effective use of resource that makes town centres safe. Ultimately, a lot of the issues around limits to police resource will manifest themselves in town centres, so our town centre partnerships are well placed to help support, and that is important for us because ultimately, if your town centre is not safe and you have alternative locations you can visit, or you want to do your shopping online instead, that is what people will do if the town centre is not a safe and accommodating environment.

I would also say two other things. First, in terms of public sector investment, local government finance is important. I know it was mentioned by the panel before. I have seen the stats from the Institute for Fiscal Studies. What they say is that from 2009-10 until 2016-17, local government spending has fallen in England by about 26%, but because local authorities have taken that decision to protect their statutory obligations, things like adult social care, some of those other service areas have been disproportionately hit. One of those things, for example, is planning and development, which over that time lost about 60% of its spending in real terms. Things like that have a real impact in terms of allowing the public sector to really get involved in the evolution of town centres. That has been a real challenge, for our town centre managers and our economic development officers, but also for the business improvement districts that want to work with their local authorities to get things done.

The other end of that is private sector investment. Here we really need to look at tax reform, especially business rates. I know it has been said plenty of times that we equate supporting high street retail and business rates reform. For me, it is much more than just about high street retail. Business rates impacts all sectors of the economy that rely on property. There are so many elements of the economy now that can do things differently because of digital, whether it is retail, offices, education or manufacturing. All of these things are under pressure because digital allows us to change the way we operate. People used to being in traditional offices can use co-working spaces. They can have a mobile office now. We have a café culture, where people just set up their laptop in Costa or wherever it might be. That need for office space is not as big as it used to be. That is changing all the time. It is the same for so many other different sectors.

The problem with our business rates system is it will not take those changes into account. Because it is revenue neutral, it will look to collect close to £30 billion a year. We need to be able to change that and it needs to take into account the digital economy. I absolutely get that that in turn will impact on local government funding. We need to think, alongside that, about how we shape local government finance to make sure some of the revenue we bring in from the digital economy then finds its way into the public sector, to make sure it works for everyone. I am pleased to see the Chancellor has made sounds that that is the way we need to go with our tax system. It is just a case that this is urgent because our tax base is changing so quickly and our tax system needs to catch up.

Q239 **Bob Blackman:** Christina or Jonathan, do you want to make any comments about barriers? What is one ask you would make of the Government?

Jonathan Newman: One of the biggest issue facing Great Yarmouth, and it is not alone in this, is the number of vacant units. What I would like to see are some incentives given to bring those back into use, not necessarily for retail. We know the heyday of retail shopping on the high street has been and gone. Unfortunately, I feel that many landlords have not realised that and are holding out for the next big retailer to come along with a new idea. We have seen some significant departures from the town centre, from Great Yarmouth town centre, and we are left with empty units that probably, with current property prices in the town, are not economically viable to bring back into use without some sort of incentivising to take place. The other side of that coin is the opposite of incentivising and some sort of penalty for leaving a prime retail unit empty in a town centre for one, two and three years, and so on.

Christina Rowe: In addition to that, the principle of BIDs is we have to go to ballot every five years. If a BID has done two, as in 10 years, it demonstrates that they are doing something right. Maybe there could be the opportunity for an extension, with a longer life of the BID.

Q240 **Andrew Lewer:** I wonder if I could move on to ask whether you feel that a BID allows you to make a great impact on high street and town centre improvements. Does that genuinely make a difference?

Christina Rowe: The model of a BID is that money is collected from businesses, is for businesses, is paid for by businesses and is ring-fenced to be spent on those things that a BID has said it is going to deliver in its five-year plan. That plan is made up in consultation with key stakeholders, which include your businesses within the town centre. In that respect, yes.

Q241 **Andrew Lewer:** I wanted to ask Jonathan about this distinction between Great Yarmouth's town centre partnership and Great Yarmouth's BID as there are two separate entities, which is a slightly different model than some others. Why are those two separate? Does that help or not?

Jonathan Newman: The town centre partnership has been in existence for 25 years or so. Therefore, it has, if you like, a reputation, hopefully a positive one, within the business community but also with the local authority as well. We developed the business improvement district as a funding mechanism when that legislation had been bedded in for a couple of years, in response to a recognised need to have a uniform presence in the town centre environment, as a reassuring presence. In another case, we call them street wardens; they have been called street ambassadors.

We had a membership base that was paying an annual subscription on a voluntary basis. We went to that membership base and the other surrounding business owners and said, "This is our business plan. Would you support it?" and they did. We still deliver our initiatives and projects as the town centre partnership, but we are funded by the local businesses through the business improvement district, as well as the town centre partnership still attracting some core funding from the local authority, as well as some earned income from some other initiatives that it delivers.

Q242 **Andrew Lewer:** They are not that separate then, really.

Jonathan Newman: No, they are not. One supports the other.

Q243 **Andrew Lewer:** Finally, for all of you, I wanted to ask about how the work you do in the organisations you are involved in works beyond the interests purely of business to benefit the communities that they serve as a whole, and how you do that wider community engagement. Attached to that, is there anything you feel, in terms of BID legislation, that could be changed to enable BIDs to operate even more effectively than they do, or more effectively in general?

Christina Rowe: We run research projects, and we do something called an intercept study. We do it twice a year. We do it twice within the term of our BID. That is about engaging with not just our businesses but also with the community at large, as to what they are thinking about the town centre, so it is about championing their needs and what they want. As I have explained, we work with the college. We have a very successful college. We support them with their achievements ceremony and with their hair and beauty. We work within that community of those students and how we nurture them to become shoppers in our town centre.

Jonathan Newman: I answer for Great Yarmouth. One of the reasons, going back to the previous question, that we were happy to have the town centre partnership as an entity, rather than just let the BID overtake it, was that it is more outreaching to the wider community. We run projects and workshops with local community groups, for example, for carnivals to take place or lantern parades to take place. Yes, ultimately, the aim is to bring more people into the town centre but we will work with any organisation that wants to work with us. The door is always open to anybody within the community that feels they could be of benefit of approaching the town centre. We are very much a bridge between the rest of the wider community and town centre business as a whole.

Q244 **Andrew Lewer:** What about BIDs in general, and improvements to help them succeed?

Ojay McDonald: In general, a recognition of BIDs and their role in local economic development would be really useful across both national and local government. There are so many things going on, where members will tell us, "That would be really good if we were engaged at an earlier stage, because it was something we could really support". Things like different transport initiatives coming forward or being involved in local enterprise partnerships are things that are really important.

In terms of legislation, one of the things we could look at is an emerging issue around GDPR. What BIDs rely in order to be involved in the ballot that allows the bid to be renewed every five years, as is part of the legislation, is the information of the hereditaments—the business levy payers within an area—which comes from local billing authorities. We have heard concerns that some local billing authorities are nervous about handing over that information to a business improvement district because of GDPR legislation. Maybe just look at something around that in legislation.

Andrew Lewer: For clarity.

Ojay McDonald: Yes, some clarity around it would be really helpful. With where we are at the moment with local government funding, one of the main principles on which BIDs were formed was the principle of additionality. BIDs are there to provide above and beyond the public services that the business community would already get. That would be delivered through baseline agreements and operating agreements. Where we are at the moment, we probably need to revisit what baseline and operation agreements mean in the current age, because I know there are more and more BIDs looking at their local authorities and thinking, “Are they able to deliver what they used to be able to deliver? Do we need a new working relationship in order to support the town centre?” Revisiting that would possibly be a sensible step forward.

Chair: Thank you all very much indeed for coming to give evidence to the Committee this afternoon. It is appreciated. Thank you.