Enterprise and Business Committee
Inquiry into Town Centre Regeneration

Evidence from Bridgend County Borough Council

The comments are based around the areas identified in the consultation paper.

The roles the Welsh Government and local authorities play in the regeneration of town centres.
Town Centres are central to the prosperity and well being of communities that they serve and are a key driver to the sub regional and local economy as an employment base.
Development of town centre businesses and the retail sector are important provides of jobs and economic growth; retail is one of the biggest employment sectors in the country.

There are a number of ways that WG and local authorities can regenerate; through their statutory responsibilities, by ensuring that their planning and land use policy, licensing, trading standards facilitate businesses. That the processes are not over cumbersome and allow businesses to apply to regulatory bodies easily and simply.

Visits to town centres (generally) have dropped by 20% over the last 5 or so years. Planning policy issued by central government has made the task of protecting and developing our town centres very difficult with the scale of out of town centre development seen throughout Wales and the rest of the UK.

Public realm improvements and maintenance of public realm has always been a local authority led activity to ensure town centres are attractive for private investment to continue.
Some building improvements have also been enabled through local authority involvement in initiatives like Townscape Heritage Initiative and Town Improvement Grant.
In terms of the community side of regeneration events programmes are often led by local authorities to improve footfall and widen and improve the use and perceptions of town centres.

If focus is taken from town centres the social, environmental, economic and psychological issues would be quite massive. Closure of shops, loss of jobs, physical deterioration of buildings, reduced investment, unsustainable transport system, development in areas that of most convenient and based on achieving maximum profit for developers purses – potential to create town centres that will eventually have acute social problems and become areas of real deprivation, which would then require huge resources being thrown at them. Plenty of evidence of such deterioration in some poorer metropolitan areas already exists.

With regards the planning system, there are a number of ways in which it could be improved to support town centres. One way is with regards mezzanine floors being added to out-of-town retail units. Currently they do not require planning permission in Wales. In England, this situation was altered in 2006 to require planning applications for those mezzanine floors over 200 sq m.

Mezzanine floors can help to address issues of supply of retail floorspace where a need has been identified. However where a mezzanine is proposed which has the effect of increasing gross floorspace in an out-of-centre location, where there isn't a need for additional retail floorspace, or sequentially preferable opportunities for development exist; it will almost probably result in a negative impact on the neighbouring centres.

WAG did consult on closing this loophole in Wales back in 2006: http://wales.gov.uk/docrepos/40371/403823112/40382/40382/consultations/4038213/555601/DCS_consultation_Distributed.doc?lang=en&status=closed however, the conclusion from the consultation was that there was no 'appetite' for this control in Wales at that time.

Another planning issue is the wording of older planning conditions on existing out-of-centre retail sites. These older permissions appear to allow 'open A1' retailing because of the legal wording of the conditions at the time. All new retail developments have appropriately worded conditions to prevent the change of use to 'non-bulky' goods, however some of our older out-of-centre developments do possess the ability to change to selling non bulky goods, without recourse to the planning system and therefore not subject to the traditional 'town centre first' policy control.

The extent to which businesses and communities are engaged with the public sector led town centre regeneration projects or initiatives, and vice versa.

Since 2008/09 Bridgend has employed a town centre manager as part of its Regeneration team and this post is the key link to business community in the town. We have already seen a difference in the businesses perception of the town and beginning to see a growth in business involvement. Operational group work and quality led events are still in their infancy but we are heading towards making an impact in our town centres with this mix of projects, events and communication/involvement.

The use of more social media as a communication and marketing tool has increased the community engagement around town centre events especially with the younger consumer.

The factors affecting the mix of residential, commercial and retail premises found in town centres - for example, the impact of business

rates policy; footfall patterns and issues surrounding the night-time and daytime economies within town centres.

Attractiveness of the town centre has to be maintained to enable continuous private investment. Town centre regeneration has not been anywhere near as innovative as British (multiple) retailers and has to catch up. Too often it has followed capital funding streams and has not dealt with the bigger picture of changing consumer habits. UK retail is being changed by supermarkets, internet retailing, smartphone 'app' retailing and the continuing consumer (and retailer) preference for out of town locations.

One of the key factors in understanding town centre regeneration is putting it in the context of retail change. The British retail sector is one of the most cut-throat, competitive, and therefore innovative in the World. Other countries follow the trends our retailers set.

The traditional menu of town centre retail (building enhancements, public realm enhancements and events) is essential - town centres have to be places people WANT to visit. However, there is a need to extend the menu of interventions.

The often noisy and unwieldy night time economy in many town centres presents problems which add to issues around making flats above shops being more popular as town centre residencies. On top of this the apartment market collapsed and will not be functioning like it was in 2008/9 for a number of years.

Lastly, the quality of shopper experience inside the shop has largely been ignored. Are traders web savvy? Is their customer service relevant to today's consumers? Are they deploying visual merchandising / retail psychology? Are they working together? Do they have a healthy working relationship with the local authority?

Anecdotally in Bridgend, business rates continue to be cited as one of the main reasons that business cannot afford to trade on the high street. Business rates are confusing and the way values are set are not transparent enough.

As rent levels fall in response to the economy, this is not reflected in the costs of business rates. Lower rental levels can encourage new start up retail businesses which in the short term meet the Council's objectives in reducing vacancy rates; developing retail diversity and independent niche retail opportunities; encouraging economic growth and providing employment opportunities. The current cost of business rates in the primary retail areas are prohibitive in encouraging this type of retail growth.

Changes in the redistribution of business rates could hugely benefit Bridgend's town centres. Local authorities should be able to retain all the rates they collect to spend on areas or issues that can support the economic viability of the town. Retaining business rates revenues will promote a pro-growth and pro business attitude amongst councils. Bridgend would be able to pay closer attention to the requirements of their local businesses and be able to respond appropriately to ensure they flourish.

The impact of out-of-town retail sites on nearby town centres.

McArthur Glenn's Impact on Bridgend over the past few years has seen a slight drop in performance and Bridgend town centre has seen a slight increase, however current figures show McArthur Glenn performance on the rise and unfortunately Bridgend could well suffer because of that. The shopping centre has no doubt drawn some trade from Bridgend town centre not just to retail but to commercial leisure (cinema) and food outlets too. Free parking and variety of mid/high end retail outlets makes it attractive on a sub-regional level, so drawing trade from places like Maesteg, Neath and Port Talbot too.

The use of funding sources and innovative financial solutions to contribute to town centre regeneration – including the Regeneration Investment Fund for Wales; the use of Business Improvement Districts; structural funds; Welsh Government, local authority and private sector investment.

Any development in retail and commercial sectors in smaller towns in South Wales over the next 5-10 years will struggle without different and more inventive funding packages. Banks are still adverse to lending on more risky developments and so products like RIFW might be the only way some developments go ahead.

BID's in larger towns are having a positive impact (evidence) but in smaller towns is there evidence of BID's working?? Wales only has one business improvement district (Swansea) which is currently going into its second 5 year term. Whilst there is some evidence of its success the question that needs to be asked is 'why has Swansea been the only place in Wales to use this mechanism to support its city centre?' There are over 150 BIDs in England and more coming on line each year. Why is this not the case in Wales? Is it because the Welsh Government does not recognise the impact a BID can make, does not sufficiently support the development of new BIDs and has not got Ministerial buy in, or is it because the business community in Wales have been so reliant on the public sector they are not ready for this type of initiative.

It looks certain that parts of Wales will receive more ERDF from the next Convergence Programme due to the poor levels of GDP. This will enable us to consider the importance of our town centres in terms of economic development and sustainability.

The importance of sustainable and integrated transport in town centres– including traffic management, parking and access.

Cheap or free, convenient parking is a top requirement for most towns but the smaller they are the more demand there is for free parking for them to compete for 'Saturday shoppers' when a trip to Cardiff or Swansea is not

necessary. Visibility of access and parking to drivers is also important. Access has to be seen to be easy or drivers will keep going.
Integrated transport works well in Bridgend, the town is small enough to have the bus and train stations within easy walk of the centre for shopping and working.

Unfortunately in Bridgend as in other councils in Wales, car parking revenue is seen as an income generator. Local Authorities should be discouraged from imposing parking fees as part of a revenue raising exercise. This will enable greater flexibility and simplify decision making regarding car parking charges and allow town centres to compete with alternative destinations.

The potential impact of marketing and image on the regeneration of town centres – such as tourism, signage, public art, street furniture, lighting and safety concerns.

Virtually everyone uses our town centres; they are highly visible to the local community and visitors alike. Not only is the local authority judged by its community by the appearance and strength of its town centres but communities also associate themselves with their town centre, driving their identity, image and pride from how their town is perceived. Protection of distinctive character to set the towns apart from other areas and provide reason to visit, increase the experience when here – character in the architecture, street pattern, historical interest

They provide a central area where activities converge, a hub for public transport – where you are able to shop and do business in a single location – sustainable. The opposite would be to decentralise such facilities which would put more pressure on transportation and become far more unsustainable.

Everybody expects and demands that our town centres are attractive as places to visit and shop; and probably more than in any other way they are the image we present of our area to the outside world. Place-making and branding are important elements of any town centre. The marketing and branding of a town cannot necessarily be done by the local authority corporate marketing. It has to be in partnership with or the businesses feel they do not have a say. Where BID's are in place these processes are understood more clearly.

A strong brand for the town is important and all public and private bodies involved in the town centre should sign up to the one brand. The signage, public art, street furniture, etc should reflect that brand.
Marketing, again, should reach as far as possible in society and social media has played a big part in that over the last few years and will continue to do so in the future.

The extent to which town centre regeneration initiatives can seek to provide greater employment opportunities for local people.

There are a number of initiatives we can begin applying to the work already being implemented in town centres. For example Community Benefits in terms of supplier development and local skills development are both possible.
Marketing and Customer Care Skills are required for shop owners and workers where we've ignored how important it is to improve the quality of what happens inside the shop.
There are also other training requirements that we cannot address currently as there are very few available revenue budgets to facilitate training in these areas. These could focus on things like:
Are traders web savvy?
Is their customer service relevant to today's consumers?
Are they deploying visual merchandising / retail psychology?

The Committee would also welcome any recommendations on what measures could be used to evaluate success of initiatives undertaken to regenerate town centres.
Evaluation can be difficult with town centres as most of the things we want to measure are not within our gift. As public bodies we can only facilitate development from the private sector, and to grow our town centres.
Some of the easiest things to measure in Bridgend have been the outputs of the THI and TIG grants where each project was addressing one building and business, or specific businesses and measurements could be made of the private sector finance levered and the number of jobs that increased. With public realm projects the evaluation is more tenuous, but the public realm is the glue that sticks the town centre together.
Success should look at how much better local shops and independents are trading but the private retail sector will not want to make public specific financial details and so percentage indications need to be adopted.

Data collection at regional or National level will allow better decisions to made about the future of Wales' town centres. Statistically robust national data that is accessible will enable town centre professionals to better understand the role town centres play in Welsh society and how this compares to the UK as a whole.

Data collection should include footfall, crime stats, rental levels, economic outputs, car parking data, out of town performance etc.