



## **National Assembly for Wales:**

### **Enterprise and Business Committee Inquiry into the Regeneration of Town Centres**

#### **Evidence submitted by RTPI Cymru**

#### **Background**

The Royal Town Planning Institute (RTPI) is a membership organisation representing over 22,000 spatial planners; RTPI Cymru represents the interests of almost 1,100 members in Wales. It exists to advance the science and art of town planning for the benefit of the public.

RTPI Cymru welcomes the Inquiry by the Committee. This evidence has been developed by RTPI Cymru's Policy and Research Forum, which has representatives from across the planning community in Wales.

#### **General**

Town centres are an important resource for an area; they can offer a vibrant centre servicing a range of needs, including economic, tourism and leisure, community uses. They are natural transport hubs, providing opportunities to offer sustainable transport options for those using the centres. They are also places which offer a multiplicity of uses for any given trip, as opposed to single purpose trips, thereby reducing travel.

RTPI Cymru believes there are retail issues that need to be addressed, specifically the decline of independent retail that has been observed leading to lower competition and diversity in some town centres and the likely emerging effects of reduced retail spending should the economic downturn persist.

The provision of early policy certainty is a highly desirable goal, particularly in current market circumstances. Retail and town centre proposals often form the bedrock of crucial regeneration and physical improvement programmes for places. Such proposals can take many years to deliver, through plan-making, land assembly, the preparation of schemes, planning applications, construction and letting. Current market conditions are providing considerable uncertainty that may well begin to direct investors to delay existing proposals and to slow or cease the development of new proposals.

Planning, by its very nature, needs to be able to constrain the market as and when necessary in support of wider interests of acknowledged importance; to achieve the best balance of social, economic and environmental benefit. While it is not within the remit of planning to directly and openly promote competition in the retail market at the expense of the wider balance of community benefit, it is up to planning strategies to see to it that social inclusion is encouraged (for example in providing excellent public transport access) and in doing this, at the very least allow for other retailers to locate in town centres if they wish to do so. This can also help provide a wider range of options and choices for the consumer, in line with the planning vision for the area.

The Scottish Government set up the Town Centres and Local High Streets Learning Network specifically to support town centre regeneration. The Network undertook a number of activities and brought together a range of interested parties including planners, regeneration professionals, employers and town centre users. It was initially set up to coincide with the launch of a £60million regeneration fund for town centres to promote learning and exchange experience to inform how this fund was used and also to learn the lessons from the use of the fund. The lessons from this Network for a similar approach in Wales may be worth investigation. An outline to the network can be found at: [www.scotland.gov.uk/Resource/Doc/94257/0080959.pdf](http://www.scotland.gov.uk/Resource/Doc/94257/0080959.pdf). Wales has its own Centre for Regeneration Excellence (CREW), which could be an appropriate organisation to take forward such an initiative forward in Wales.

The remainder of this paper addresses the specific questions posed by the Committee.

### **The roles the Welsh Government and local authorities play in the regeneration of town centres**

National planning policy published by the Welsh Government, as set out in Planning Policy Wales (edition 4, February 2011) places an emphasis on retail development being situated with town centres in the first instance and out of town sites only as a last resort, when evidence of need has been demonstrated and if they are accessible by a number of means of transport. Planning Policy Wales (PPW) directs local development plans to include planning policies to “promote a successful retailing sector which supports existing communities and centres.” It is important that Local Planning Authorities have up to date development plans which provide the evidence base to demonstrate need and guide development to existing centres and which are easily accessible by public transport, as well as cycling and walking.

RTPI Cymru supports this policy which places the emphasis on creating and retaining vibrant town and district centres. This provides an important land use tool in guiding retail development to appropriate and sustainable locations, in line with need; other Government activity should be mindful of this policy when planning activities from the outset.

By the very nature of town centre regeneration, it is important that it is approached on a cross-agency, department and discipline basis, and that this way of working is embedded at the start of any scheme, rather than looking to bolt-on solutions which could have been more effectively integrated at an early stage.

Land in public ownership can be used positively to contribute to an overall approach to town centre regeneration, including packaging sites through Compulsory Purchase Orders (CPOs) powers, if required. The public sector can play a key role in providing the necessary infrastructure required to facilitate private sector investment within an area. The public sector can use various tools available to it to reduce the risk of private investment in sites and areas, through the use of masterplanning, development briefs and investment in protected assets, such as Listed Buildings.

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

It is important that stakeholders feel like a scheme has been developed with them, all too often we have heard it said "the scheme was done to us by the Local Authority". The key to this is early engagement so to avoid too many decisions being made which can not be changed.

As an example, the Brewery Yard Regeneration Scheme in Abergavenny, located close to the town centre, was a disused group of 'backland' sites which were previously disconnected. The scheme has regenerated the area improving connections between the town centre and another redevelopment site. Monmouthshire County Council placed a great deal of effort on community engagement in planning the scheme; a dedicated Public Realm Group was established as a key part of the strategy for communicating with some very well informed local stakeholders. The approach paid dividends in terms of the lack of objections received for the planning applications submitted.

### **The factors affecting the mix of residential, commercial and retail premises found in town centres**

Any proposal for a successful town centre needs to ensure a multiplicity of uses to ensure a sustainable approach to the town centre. Market research plays an important role in informing the right mix of uses in retail centres. The right mixture of uses can lead to a vibrant town centre, which in turn attracts more users. Although in the current climate planning needs to allow some flexibility about this mix as the scheme develops.

There is the potential to subsidise or support activity generators such as craft and food stalls or art galleries in empty properties or murals by children, etc.

It should be noted that planning has limited flexibility over its control of certain uses on any particular site under the Use Classes Order (Town and Country Planning (Use Classes) Order 2987 as amended and the Town and Country Planning (General Permitted Development) Order 1995 as amended). This means that when a retail unit is classed as A1 under the Use Classes Order, a range of uses are permitted without requiring further planning permission in terms of its use. For buildings with A1 permission, these uses can include shops, travel agents, hairdressers, internet cafes, retail warehouses, cold food takeaways, Post Offices, therefore covering a wide range of uses. Planning cannot distinguish between the actual companies operating; only the use.

### **The impact of out of town retail sites on nearby town centres**

As already indicated, national planning policy states that out of town sites should only be permitted if there is an evidence of need for the use and that, using the Sequential Test, there are no available town centre or district, local or village centres. It also emphasises that these sites should be highly accessible by public transport, walking and cycling.

The experience from across the UK and Wales is that out of town developments reduce the viability of town centres, this causes a negative impact on the efforts made to

regenerate town centres. Due to their location with limited access by public transport, the use of private car journeys is increased, often for single trip purposes and increases congestion, particularly on major road junctions, including the M4 in south Wales.

### **The use of funding sources and innovative financial solutions to contribute to town centre regeneration**

Planning obligations, or S106 agreements, are an option if a proposed development is deemed to have a negative impact on a town centre, and a contribution can be sought for measures which would directly mitigate against this impact. Any agreement must be in line with the Community Infrastructure Levy Regulations 2010.

The Scottish Government Network (see above) highlighted in the introduction to this evidence provided a hub in which ideas and experience were shared on a range of issues, including funding. Its original aim was to ensure that the town centre regeneration fund was used effectively. A similar network for Wales could offer the same opportunity of pooling knowledge on financial resources.

Whilst European funding has been responsible for funding a large number of town centre regeneration schemes, future funding could look to be more flexible in terms of what it will fund as part of a scheme. Traditionally this type of funding has been heavily weighted towards physical environments rather than looking at wider factors which are important for town centre regeneration.

Given the nature of town centre regeneration which involves a variety of actions and cross-departmental and multi-organisation working, so funding also needs to come from a number of sources. It is necessary to consider different public funding sources in a holistic manner to maximize the effectiveness of the funding, whilst minimising the complexity of pooling the resources. It is also appropriate that a long term approach is taken to any funding package, providing confidence to the private sector to also invest.

Business Improvement Districts (a Business Improvement District (BID) delivers a sustainable financial model to a defined geographical area of a town, city, commercial district or tourism and visitor area, where businesses have voted to invest collectively in local improvements in addition to those delivered by statutory authorities. They are often, although not exclusively, a partnership arrangement through which the local business community and the statutory authorities can take forward projects which will benefit the local economy, but are not a replacement for public sector funding). Swansea has a proactive BID operating in the city centre and offers a useful model for replication elsewhere in Wales.

### **The importance of sustainable and integrated transport in town centres**

RTPI Cymru believes that it is important to provide a range of transport options to support town centres, with a priority in reducing car journeys. Safe and easy access by walking or cycling must also be a priority to promote, as well as the provision of public transport.

Whilst there should be an overall approach to reduce the amount of car journeys to town centres to reduce congestion and make the centres more attractive, inevitably many will still want, and in some cases need, to travel by car. There therefore needs to be a holistic approach to car parking policy within and adjacent to centres, including policies on tariff setting.

### **The potential impact of marketing and image on the regeneration of town centres**

The RTPI believes that design quality is an important aspect of town centre regeneration, including maximising the opportunities offered by the historic environment, not solely Listed Buildings and Conservation Areas, but the historic character of a place should also be reflected. We suggest that this should include the wider townscape setting, including neighbouring buildings and associated open space provision. Bridgend County Borough Council has used a conservation-led scheme for the regeneration of Bridgend town centre, which has focussed on promoting heritage conservation as an integral part of the social and economic regeneration of the town centre.

The Brewery Yard Regeneration Scheme in Abergavenny is also a successful scheme in terms of transforming underused sites into a public space supporting the town centre.

Merthyr Tydfil is a relatively recent example of where out-of-town retail has impacted on the already weak town centre. Merthyr Tydfil County Borough Council undertook a project to start the physical regeneration of the town centre to stimulate further private investment. A programme of public realm enhancements was undertaken in the heart of the town centre, to ensure that the centre remained a regional shopping centre and could compete with the emerging out of town developments.

Along with physical improvements the branding and publicity associated with town centres and their regeneration is an important factor. There is a need to find the unique quality of a town centre and what places or history produces pride of place for the residents. These things should be at the heart of the branding.

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

There are two levels of employment to consider, those associated with the implementation of the physical works and those associated with the operations of the scheme.

In terms of employment during the construction stage the use of 'social clauses – community benefits' is growing and becoming more accepted by contractors, however one of the obstacles to this currently is the constraints put on the tender process by funders, as well as the resources required to monitor the delivery of them. Such clauses can be introduced at the tender / contract stage however there could also be an opportunity to develop Supplementary Planning Guidance (SPG).