

reviewing high streets and town centres



In early 2011 the UK Government asked the 'retail guru' Mary Portas to conduct a review of the future of the High Street. The Portas Review was published in November 2011¹ to a great deal of fanfare and some optimism that the Government might do something about the declining state of many of our high streets. Twenty-eight recommendations were produced (see Box 1), which tended to focus on the business situation, on costs and opportunities, and on the roles and responsibilities of those with vacant properties. To all intents and purposes it was a supply-side analysis of space and use on the high street.

In the two years since its publication, the Portas Review has seemingly gone from acclaim to dismissal. The most controversial element (to some) – an 'exceptional sign-off' clause for all new out-of-town developments – was ignored completely and immediately by the Government. Some money for some Portas Pilot Towns was found, in order to test out the ideas of the review, but these have become embroiled in controversy over their spending levels² and in rows over the TV series produced about some of the pilots.³ Mary Portas herself has had to defend her report and involvement in various elements of the review follow-on in front of a Select Committee.⁴

Portraying himself as a sort of 'anti-Portas', Bill Grimsey, a colourful ex-retailer,⁵ assembled a small group to produce an alternative review in 2013. His report was published in September 2013⁶ and has generated substantial media coverage,⁷ not least because of a proposal to levy (tax) 'national retail and leisure chains 0.25% of one year's sales'. His report made 31 recommendations (see Box 2) which, while also focused on a supply-side analysis, in many ways (rates, vacancies, change of use management) did begin with a strong analysis of the changing demand side of the equation in terms of changing consumer needs and behaviour and the retail response to these structural changes.

While much of the Mary and Bill show quickly degenerated into a rather unedifying bout of name-

calling and point-scoring,⁸ at least the debate about high streets was rekindled somewhat, aided perhaps by a substantial rise in complaints and even anger over the rates burden on retailers⁹ (especially those in town centres) and the postponed rates revaluation of 2015.¹⁰ Playing on his business and commercial credentials, and those of his small review team, Bill Grimsey positioned his report as the practical, solution-oriented, more focused and urgent approach to the future of our high streets. He saw this as a tough but achievable path, but – in a nod to both Portas and the Government, one suspects – one that had to be 'gimmick-free'.

Between the times of publication of these two duelling reviews, in 2012 the Scottish Government had commissioned a national review of town centres. Led by architect Malcolm Fraser,¹¹ the review reported in July 2013¹² and has received far less publicity than the Portas or Grimsey reports.

Based around the Patrick Geddes mantra of 'folk, work, place', the report seeks to identify a 'people-focused, productive and rooted Scotland'. A very different read to either Portas or Grimsey, not least in its 15-page brevity, the Fraser Review sets out a broad-brush vision of town centres (note, not high streets) and articulates 27 key actions and recommendations (see Box 3), which are more embedded in the narrative than the listing approach of the other two reviews. Where perhaps it most differs from the other two reviews is in its recognition of the roles of different levels of government and people in place-making, and not just business or retail or commercial support.

The Portas, Fraser and Grimsey reviews have in common the fact that they were carried out independently of government, although both Portas and Fraser were government-commissioned. During this period both the Northern Ireland Executive¹³ and the Welsh Government¹⁴ have themselves carried out high street and/or regeneration reviews of their own. While interesting, these 'official' reviews are of a different form and type than the Portas, Fraser and Grimsey reports and are beyond the scope of consideration here.

Anyone who has read the various slanging matches between Portas and Grimsey and the newspaper coverage thereof might be forgiven for simply wanting to put 'a plague on both houses'.

Box 1

The Portas Review recommendations

Getting our town centres running like businesses

- Put in place a 'Town Team': a visionary, strategic and strong operational management team for high streets.
- Empower successful Business Improvement Districts to take on more responsibilities and powers and become 'Super-BIDs'.
- Legislate to allow landlords to become high street investors by contributing to their Business Improvement District.
- Establish a new 'National Market Day' where budding shopkeepers can try their hand at operating a low-cost retail business.
- Make it easier for people to become market traders by removing unnecessary regulations so that anyone can trade on the high street unless there is a valid reason why not.

Getting the basics right to allow businesses to flourish

- Government should consider whether business rates can better support small businesses and independent retailers.
- Local authorities should use their new discretionary powers to give business rate concessions to new local businesses.
- Make business rates work for business by reviewing the use of the RPI with a view to changing the calculation to CPI.
- Local areas should implement free controlled parking schemes that work for their town centres and we should have a new parking league table.
- Town Teams should focus on making high streets accessible, attractive and safe.
- Government should include high street deregulation as part of their ongoing work on freeing up red tape.
- Address the restrictive aspects of the 'Use Class' system to make it easier to change the uses of key properties on the high street.
- Put betting shops into a separate 'Use Class' of their own.

Levelling the playing field

- Make explicit a presumption in favour of town centre development in the wording of the National Planning Policy Framework.
- Introduce Secretary of State 'exceptional sign off' for all new out-of-town developments and require all large new developments to have an 'affordable shops' quota.
- Large retailers should support and mentor local businesses and independent retailers.
- Retailers should report on their support of local high streets in their annual report.

Refining landlords' roles and responsibilities

- Encourage a contract of care between landlords and their commercial tenants by promoting the leasing code and supporting the use of lease structures other than upward-only rent reviews, especially for small businesses.
- Explore further disincentives to prevent landlords from leaving units vacant.
- Banks who own empty property on the high street should either administer these assets well or be required to sell them.
- Local authorities should make more proactive use of Compulsory Purchase Order powers to encourage the redevelopment of key high street retail space.
- Empower local authorities to step in when landlords are negligent with new 'Empty Shop Management Orders'.
- Introduce a public register of high street landlords.

Giving communities a greater say

- Run a high profile campaign to get people involved in Neighbourhood Plans.
- Promote the inclusion of the high street in Neighbourhood Plans.
- Developers should make a financial contribution to ensure that the local community has a strong voice in the planning system.
- Support imaginative community use of empty properties through Community Right to Buy, Meanwhile Use and a new 'Community Right to Try'.

Re-imagining our high streets

- Run a number of High Street Pilots to test proof of concept.

Box 2

The Grimsey Review recommendations

Making the transition

- Accept that there is already too much retail space in the UK and that bricks and mortar retailing can no longer be the anchor to create thriving high streets and town centres.
- Set an objective to repopulate high streets and town centres as community hubs encompassing: more housing, education, arts, entertainment, business/office space, health and leisure – and some shops.
- Establish a Town Centre Commission for each town with a defined skill base and structure to build a 20-year vision for each town supported by a broad business plan in five-year chunks.
- Require local authorities to hold a public meeting annually to present the 20-year vision, town centre plans and progress made in the year, supported by an annual progress report.
- Prepare for a 'wired town' vision or 'networked high streets' that puts libraries and other public spaces at the centre of each community based on the technology that exists today and will develop in the future.
- Establish a 'Digital Maturity Demographic Profile' for each town to prepare for 'networked high streets' and tailor connection and communication strategies accordingly.

Creating a fairer, more economically sustainable high street

- Reintroduce immediately the 2015 business rates revaluation to realign property values and freeze business rates from 2014.
- Once revaluations have taken place any future increases should be an annualised Consumer Price Index (CPI) inflation rate rather than a one-month snapshot.
- From 2017 revaluations must be conducted annually.
- Any business occupying a retail property in the retail core of a town centre that has been vacant for 12 months should receive 50% rate relief for two years.
- There must be a political will and determination to reduce property taxation once the Government's fiscal debt consolidation plans have been fully implemented.
- The business rates system needs a root and branch review to establish a flexible system that will reflect changes in economic conditions as they occur.
- Local authorities to use a portion of their reserves to offer loans to qualifying small businesses.
- Understand the success of the Bank of Dave set-up and establish a process, including local crowdfunding, for local people to collectively invest in the local community and start-up businesses.
- Connect planning applications to the business plan for each town and ensure that developments fit within the criteria set.
- Enable the change of use process to be used to convert entire sub-high streets to residential or other uses within the agreed high street plan and relocate the successful independent retailers into the main commercial centre.
- Make it easier for motorists to shop by building in a two-hour free high street and town centre car-parking system to the overall business plan for the location.
- Local authorities to freeze car-parking charges for a minimum of 12 months.

Community first

- Reduce mandatory rate relief for charities from 80% to 70% and of the remaining 30% payable in business rates apportion a third to a ring-fenced local authority pot for projects that benefit the community.
- Establish greater clarity on the mandatory rate relief criteria for charities, social enterprises and Community Interest Companies. Organisations whose primary function is to exist for the benefit of the local community – i.e. hospice shops – should be given priority status for top-up relief from local authorities.
- Landlords of empty shop units should be required to apply for a change of use and make the asset productive in the community as housing, health, leisure, culture or education facilities in line with the town plan.
- Make it compulsory for all Mega Mall developments to create a percentage of affordable space within the development for local traders and market stall pitches.
- Evaluate the future of out-of-town shopping parks and prepare a plan to bring unwanted space back into use to benefit the community.
- The Community Infrastructure Levy should be used to support the delivery of a town centre plan

Better-managed high streets

- Put in place common key performance indicators to measure the economic health of each town and link the reporting through a data dashboard to provide independent, objective and current data on performance

Box 2

The Grimsey Review recommendations - continued

- Create a full-time high streets minister to replace the current part-time position that is tagged on to the duties of housing minister. Encourage greater cross-departmental work between the Department for Business, Innovation and Skills and the Department for Communities and Local Government to fully understand shared Government responsibilities for helping improve local high streets.
- Establish a comprehensive evidence base that tracks the change in retail and leisure locations from a local, regional and national perspective. Actively encourage and fund research based on this data by academic institutions in partnership with the private sector in order to ensure ongoing thought leadership into the nature and reasons behind changes taking place.
- Ensure that the economic blueprints produced by Town Commissions are sustainable and environmentally practical by understanding and emulating innovation from the Transition Town trials, for example.
- Make it compulsory for national retail and leisure chains to invest 0.25% of one year's sales (2014) into a local economic development fund to sponsor local start-up businesses in a similar way to the Prince's Trust. This would be a one-off levy.
- Implement the Town Centre Commission process through five trials to test the methodology, information requirements, modelling techniques and viability of the whole process, including public consultation.
- A timetable should be set to conduct the trials by March 2014 and aim to exit 2014 with plans, measures and central technology in place for all town centres for implementation from 2015 onwards.

There are differences of approach from business based, to place based, to emphasis on the social role of town centres. All of these matter. However, there is much more that joins these three reports than separates them.

'No-one can deny that we have been, and are, living through a massive structural change in how, where, when and why we carry out many activities'

If we are serious about the nature of this country, then the sense of place that town centres, and high streets within them, provide is fundamental. No-one can deny that many (although not all) of our town centres are in trouble and that we have been, and are, living through a massive structural change in how, where, when and why we carry out many activities.

Table 1 is our attempt to summarise the three reports in terms of their recommendations. We doubt that it is a perfect analysis, but it provides an entry into the topics that might be crucial to high street and town centre futures. There are huge differences within the approaches each report takes to some of our summarised topics, but for present purposes the point is that the issues are on the

table for potential solutions to be discussed. This is critical, as no-one alone has the answers to many of these issues – rates, for example.

Our reading is that the top four common and most crucial issues we need to consider for our town centres are as follows:

- Town centres have become too difficult and costly for many of the actors, and we need to address how we make them easier places in which to do business, be creative, and work, live and play. Town centres are about people, and we need to make sure people want to be in town centres, by making it easier, cheaper and better to be involved. Supply and demand have moved well out of kilter in many places.
- Structural changes mean that we have vacant and under-used space across our town centres and high streets. Some of this is long term (including above the ground floor), which represents massive waste. We need to find ways to encourage this space back into appropriate uses for modern town centres, whether by compulsion or through the right balance of financial incentives and disincentives. For many town centres this will mean finding ways to encourage local initiatives and enterprise, rather than relying on national developments.
- The costs burden within town centres has become out of line with commercial and community realities, and we need to rethink how costs are shared across sectors, activities and place. There is no simple solution to this owing to rigidities in the current system and the reliance of government on

Box 3

The Fraser Review recommendations

The evidence base

● We accept that there is a need for action to be based on a clear understanding of the health of our town centres. The evidence here is patchy and inconsistent and the different types of data need [to be] brought together to present a useful overall picture. We recommend a model is developed, through a demonstration project, showing how data can be collected, presented and shared.

Town centres first

● At the heart of our key actions and recommendations, and running through this Review, is the need for the implementation of a Town Centre First Policy: a request to government, local authorities and the wider public sector, and the communities, institutions and people of Scotland; that to achieve a social, bustling and sustainable Scotland we must put the health of our town centres at the heart of our decision-making processes. ● The Scottish Government and local authorities need to recognise and prioritise the importance of town centres in plans for economic recovery and sustainable economic growth. ● The Scottish Government and all public sector bodies need to ensure that funding and investment programmes are aligned to achieve the maximum effect in supporting diversity, enterprise and creativity in our town centres. ● The Scottish Government should allocate additional, dedicated funding to support and further develop the recommendations proposed by this Review.

Town centre living

● Housing associations or other bodies, working with local authority housing, regeneration and planning officers, to offer owners a 'Develop and Manage Package' for their properties that would repair, upgrade, tenant and maintain them, allowing those owners to realise value on their property and bringing beneficial use back into them. And the Scottish Government's new £2million Town Centre Housing Fund will allow the first, exemplar proposals to test the Housing Act's provision, identify sources of funding and establish models that can work across the whole of Scotland. ● Local authorities to recognise the importance of bringing residential footfall back into town centres and prioritise appropriate sites for town centre housing development within their local housing strategies. ● Public agencies and the private sector to be alive to the potential for the conversion of empty offices and redundant public buildings. ● All housing providers to consider the needs of, and market for, family homes in town centres and the new, or refreshed old models that can deliver the amenity that modern family living requires.

Vibrant local economies

● Town Centre Investment Zones: Scottish Government and a willing Local Authority to establish and monitor the results of a demonstration 'Town Centre Investment Zone' to trial enhanced business rate discretionary relief for, say, a five-year period within the defined area of the town centre. ● Local authorities to work with local businesses (both private and social enterprises) as collaborative partners to pilot regulatory one-stop shops providing a 'route map' through statutory processes for prospective, start-up and existing town centre business. ● Town centre businesses and local authorities to review existing Business Gateway and social and community enterprise support and resources.

Enterprising communities

A Community Estate Agency, where professionals and local groups can collaborate to identify people and partnerships, and suitable properties from a 'town centre asset audit'; and development trusts or other appropriate models can provide support capacity, and draw down seedcorn funding, to evolve business plans and identify funding. ● A Scottish Government Microfinance Fund, or fortified existing fund, tasked with lending responsibility to community enterprises with sustainable business plans. Such a fund could grow as businesses pay back their loans, underpinning a new sector of the economy.

Box 3

The Fraser Review recommendations - continued

Accessible public services

● Community planning partnerships to be fortified through the Community Empowerment and Renewal Bill, with public accessibility to services and the Town Centre First presumption brought to the fore within the 'Single Outcome Agreement' criteria that govern their decisions. ● 'Place-Based Reviews' carried out at the first stage of the Scottish Futures Trust's public infrastructure assessments, with the wider financial implications of decisions evaluated as a matter of course, not choice.

Digital towns

● Town Centre WiFi: commercially-driven, secure link-ups of town centre businesses' WiFis, so that they combine to offer a shopper, or general visitor, free and immediate access to a virtual town centre marketplace from the comfort of the corner seat in a café, or a bench in the park on a sunny day.
● Town Centre Digital Demonstration Project: a demonstration digital learning network, aligned to local Business Improvement Districts (BIDs) and the Digital Scotland Strategy, growing and enhancing digital skills and pooling existing community, business and local authority resources, knowledge and expertise. ● High-speed broadband to be available to communities in all town centres across Scotland.

Proactive planning

● Town Centre First: Planning Policy already includes a 'Town Centre First' presumption for retail development, with a 'sequential test' to apply it. This test should be applied to all footfall-creating uses, from leisure and office, to public facilities and homes, for we should not – for all the reasons set out in this Review – build anew on the edge of town when there are empty sites within it.
● Local demonstration projects to fast-track and evaluate the concept of a single 'Town Centre Use Class' in willing participant towns. ● Incentivise town centre development by reducing the cost of developer contributions there. ● Local authorities should ensure that development properly reflects the cost to the public purse, and note that costs associated with an out-of-town development are heavy, and may include schools, parks, roads, new public transport links, sewers and the like; while a comparable town centre development may even save the public purse the cost of, say, closing down a school. ● Proactive Compulsory Purchase Order (CPO) use to stimulate re-use of vacant and under-used sites and buildings in town centres where owners are resisting regeneration, and the consideration of changes to CPO legislation to facilitate this.

And finally, for communities

● Town Futures/Planning for Change: this Review seeks a new narrative for our towns, with communities fully engaged and involved in forming it. We believe they would greatly benefit from a 'Masterplanning Toolkit' to implement their vision, that is complementary to the town-centred, pedestrian-friendly Scottish Government 'Designing Streets' planning policy, which has set out the culture-shift necessary to change the post-war roads presumption to a 21st century people one.

the finance generated. It is possible that the rates issue requires a re-examination of national and local finance and delivery expectations. It is not only a retail issue, as some have seen it.

- There is a desire to see places and town centres better managed, which suggests that current processes within local authorities have not delivered what is needed. Local authorities are accused of being neither commercially astute nor community or place focused. This is raising issues about whether alternative models and approaches need to be more strongly backed, but again poses

major questions for the public sector and indeed for the ability of the private or community sectors to be involved. One would hope that there will be no blanket approach here, but that the variances in capabilities of places will be recognised and built upon.

The Portas Review continues to attract attention, if only as a lightning rod, although some Portas Pilots are pleased with progress. At the time of writing, the Scottish Government is expected to respond soon to the Fraser Review; it remains to be

Table 1
Comparison of the review recommendations

	Portas	Fraser	Grimsey
Management of towns/places	✓	✓	✓
Start-ups/market skills	✓		✓
Rates	✓	✓	✓
Parking	✓		✓
Uses/Use classes	✓	✓	✓
'Town centres first'	✓	✓	✓
Large retail support	✓		✓
Vacant property issues	✓		✓
Planning engagement	✓		✓
Information/evidence	✓	✓	✓
Community hubs		✓	✓
Digital futures		✓	✓
Investment models		✓	✓
Minister/government		✓	✓
Town centre living		✓	✓

seen if it provides a more convincing response than did the UK Government to Portas. The Grimsey Review will continue to make waves, but its ability to force action is at this point uncertain, and its 'dog-whistle' publicity-attracting levy has set up tensions and oppositions from the outset. Nonetheless, what is certain is that for many towns and high streets things cannot go on as they have done; no further reviews are going to improve the position. The time for talking about high streets and town centres is over.

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Notes

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- 3 'Margate's £100,000 boost 'not tied' to Mary Portas show'. BBC News webpage, 14 Jun. 2012. www.bbc.co.uk/news/uk-england-kent-18438251; and

'Mary Portas vows to lift 'gagging order' on High Street traders'. BBC News webpage, 14 Jun. 2012. www.bbc.co.uk/news/uk-politics-18423445

- 4 'Communities and Local Government Committee question Mary Portas'. Communities and Local Government Select Committee webpage. 2 Sept. 2013. www.parliament.uk/business/committees/committees-a-z/commons-select/communities-and-local-government-committee/news/ask-portas1/
- 5 See www.jla.co.uk/conference-speakers/bill-grimsey
- 6 *The Grimsey Review: An Alternative for the High Street*. Sept. 2013. www.vanishinghighstreet.com/the-grimsey-review/
- 7 See www.vanishinghighstreet.com/news/
- 8 J. Thompson: 'Mary Portas and Bill Grimsey in high street battle'. *The Independent*, 2 Sept. 2013. www.independent.co.uk/news/business/news/mary-portas-and-bill-grimsey-in-high-street-battle-8793781.html; A. Bennett: 'Mary Portas high street review 'simply foolish', says alternative report author Bill Grimsey'. *The Huffington Post*, 5 Nov. 2013. www.huffingtonpost.co.uk/2013/09/02/bill-grimsey-high-street_n_3855008.html; S. Butler: 'Mary Portas: a 'step too far' to work with rival retail reviewer Bill Grimsey'. *The Guardian*, 2 Sept. 2013. www.theguardian.com/business/2013/sep/02/mary-portas-retail-bill-grimsey; and L. Armitstead: 'Portas dismisses Grimsey attack on high street report'. *Daily Telegraph*, 1 Sept. 2013. www.telegraph.co.uk/finance/newsbysector/retailandconsumer/10279481/Portas-dismisses-Grimsey-attack-on-high-street-report.html

trading places

- 9 J. Thompson: 'Retailers 'hit hardest by growing tax burden''. *The Independent*, 3 Jun. 2013. www.independent.co.uk/news/business/news/retailers-hit-hardest-by-growing-tax-burden-8641576.html; and C. Brook-Carter: 'Relieving rates burden would be real retail fix'. *Retail Week*, 4 Sept. 2012. www.retail-week.com/comment/comment-relieving-rates-burden-would-be-real-retail-fix/5052697.article#.Ujgom39YSPU
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- 11 Malcolm Fraser was supported by an External Advisory Group, of which one of the authors (Leigh Sparks) was a member
- 12 *Community and Enterprise in Scotland's Town Centres*. National Review of Town Centres External Advisory Group Report. Scottish Government, Jul. 2013. www.scotland.gov.uk/Topics/Built-Environment/regeneration/town-centres/review
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