SLA Seminar

'Location Analysis & the New Economic Realities'

16th June 2009

strategic**perspectives**

retail planning, town centre & economic development consultants

Retail Led Regeneration:

The end of an era ....or the beginning of a new dawn?

Introduction

- Retail Led Regeneration: A Golden Age
- The Perfect Economic Storm Breaks
- Retail Led Regeneration: Planning for Future Growth
- Conclusions

Retail Led Regeneration: A Golden Age

1980s: *"Ghost Town Britain"*

- Lack of investment
- No leadership
- Poor management
- Neglect, vandalism & crime
- Poor design
- Inadequate public services
- Culture of short-termism
- no vision!

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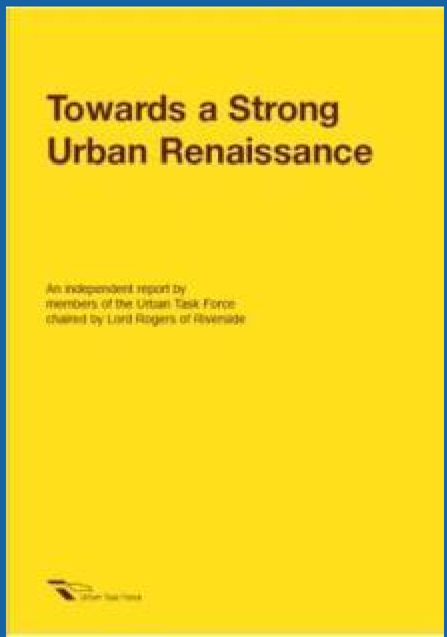
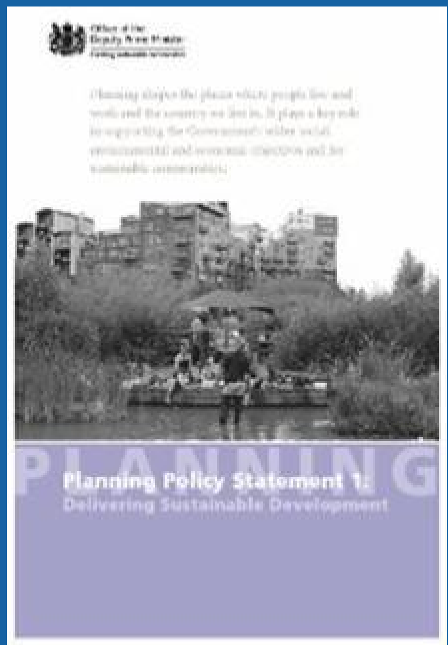
The Urban & Planning Renaissance

"…the creation of thriving town centres that provide local people with retail, leisure and other facilities they need is of critical importance to our vision of sustainable communities"

Keith Hill, Planning Minister (April 2005)

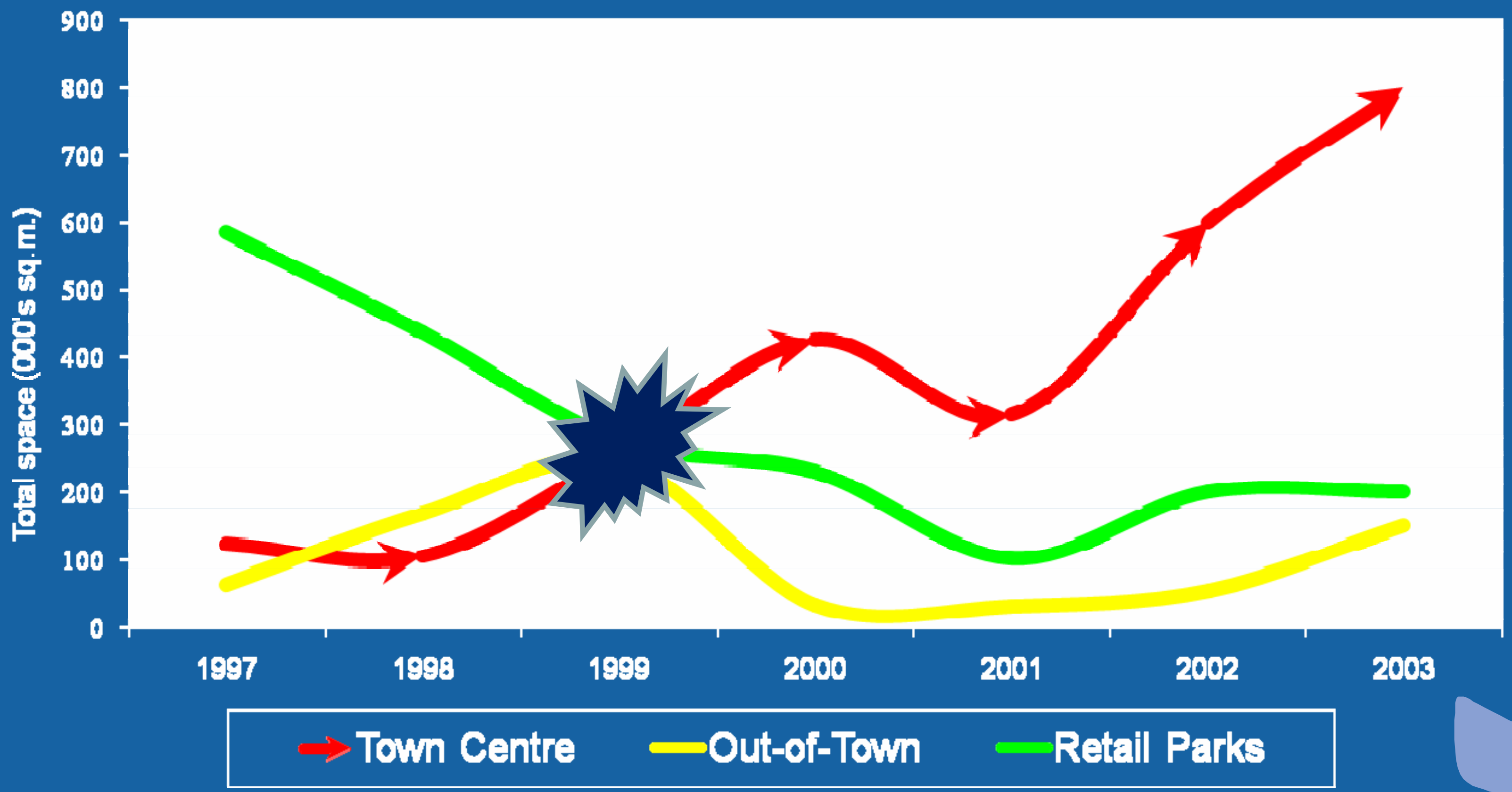




"Return" to Town Centres

"In 1994 only 25% of new development was in town centres. By 2004 it was up to 41%".

White Paper (May 2007),



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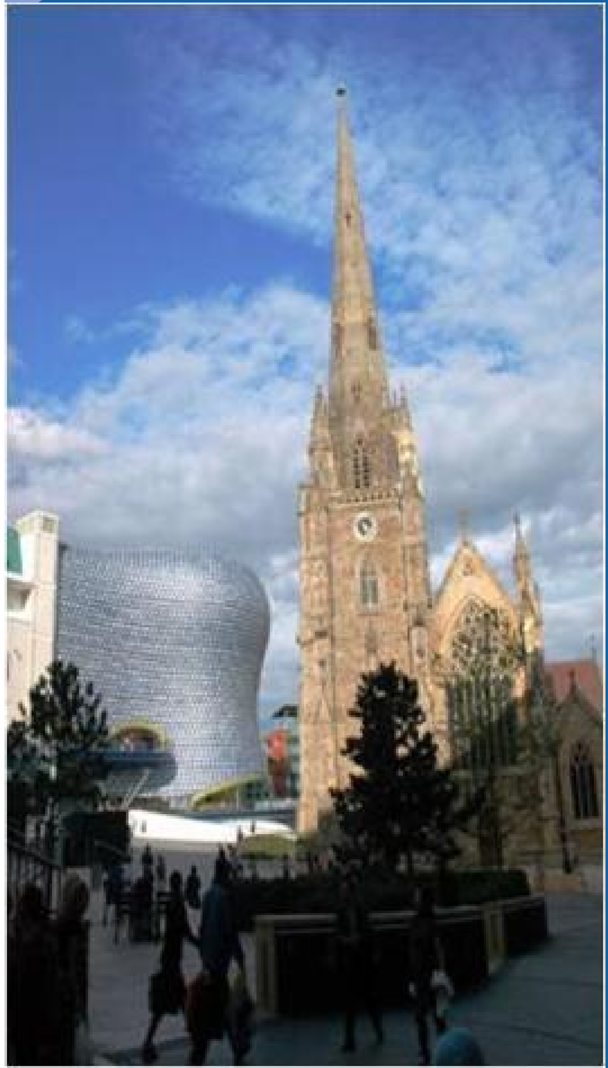
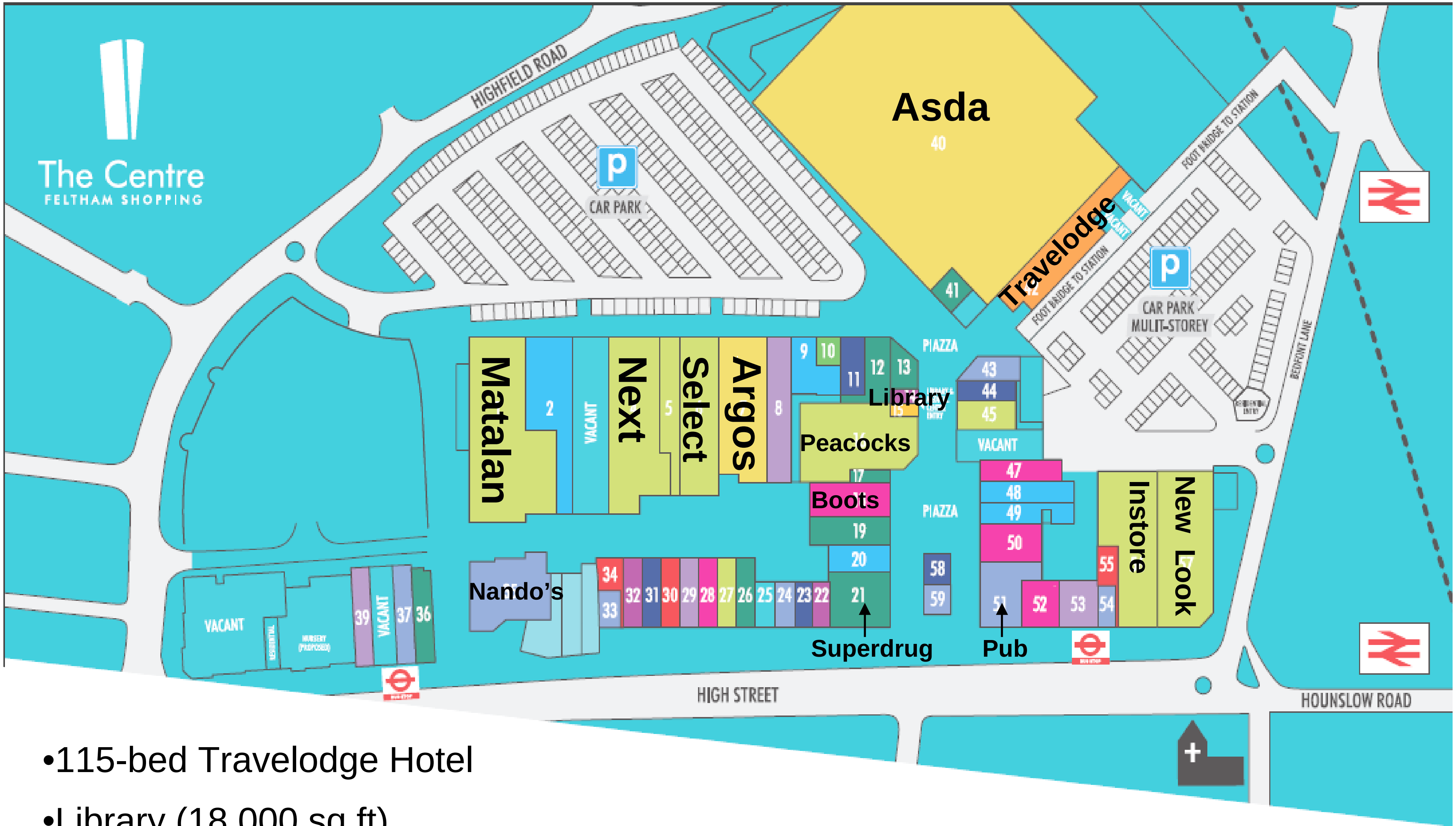
Transformed the *"Ugly Ducklings"*



Promoted to the Premier League

Revitalised ”Crap Towns”



- •115-bed Travelodge Hotel
- •Library (18,000 sq.ft)
- •Health Centre (20,000 sq.ft)
- •Nursery (7,000 sq.ft)
- •800 Residential Apartments
- •2,000 parking spaces

Economic & Social Benefits

- Increase attraction
- Strengthen catchment
- ‘Claw back’ shoppers
- Increase market share
- Rental growth
- Increase footfall
- Create new jobs
- Uplift in Confidence
- Create sustainable locations
- Address social exclusion
- Change perceptions of areas
- Help to tackle crime
- Improve quality of life / health

The Perfect Economic Storm

Meltdown

HIGH STREET CLEARANCE

High street on the skids

Budget 2009: The high street is in need of some retail therapy

HIGH STREET CRISIS HAS ONLY JUST KICKED OFF

Fear stalks the banks

Collateral Damage

WOOLWORTHS

adams kids
KIDS LOVE FASHION

MEXX

mfi
quality built in

Dolcis

SOFA WORKSHOP

ScS
great sofas, great prices

ethelaustin

Stead & Simpson

PASSION
for perfume

EMPIRE
direct.co.uk

zavvi
zavvi.co.uk

Land of Leather

mkone
fashion

The Works

THE OFFICERS CLUB

the PIER

BARRATTS

"As the trees shake in the economic storm, the rotten apples are falling to the floor" (The Times, 27/09/08)

JJB sports
MARKS & SPENCER SIMPLY FOOD
Whittard OF CHELSEA

KAREN MILLEN
GOLDSMITHS SINCE 1778
oasis
Hamleys THE FINEST TOYS IN THE WORLD
WAREHOUSE
principles
Whistles
HOUSE OF FRASER
coast
Jane norman
THE SHOE STUDIO GROUP
NINE WEST
PIED A TERRE
Iceland
MAPPIN & WEBB

End of the Line?

Centre	Scheme	Developer(s)	Estimated Retail Floorspace (m²)	Estimated Cost (£m)
Leeds	Eastgate Quarter	Hammerson	110,000	£800
Portsmouth	Northern Quarter	Centros	96,500	£500
Leeds	Trinity Quarter	TQ Developments	93,000	£650
Sheffield	Seven Stone	Hammerson	80,000	£600
Oxford	Westgate	Liberty International	69,000	£330
Stockport	Bridgefield	Lend Lease	60,400	£500
Southampton	West Quay	Hammerson	42,000	£100
Lancaster	Canal Corridor	Centros	30,000	£140
Liverpool	Hope Street	Maghull Devts	20,000	£100
Bristol	Temple Quay	Castlemore Sec	20,000	£200
Hull	Fruit Market	Igloo	6,500	£100

End of the Line?

Centre	Scheme	...veloper(s)	Estima... ...d Reta... Floor ...e (...	Estimated Cost (£...m)
Leeds	Eastga...	...mm...n	1...	£...0
Portsmouth...				...00
Leeds				
S...				...0
Oxfo...				
St...				...00
Lan...		...tros		£140
Li...		...hull D...		£100
Bristol	...Quay...	Castlemore Sec...	...0,00...	£200
Hull	Fruit Market	Igloo	6,500	£100

c.650,000 m^2

c.£4 billion

The Wave Slows to a Trickle

- Newcastle – Eldon Sq extension
- Bury St Edmunds – The Arc
- Gloucester Quays – Designer Outlet
- Cardiff - St David's 2
- Aberdeen – Union Square
- Witney – Marriotts Close

- Blackburn – The Mall extension
- Burnley – The Oval
- Newbury - Parkway

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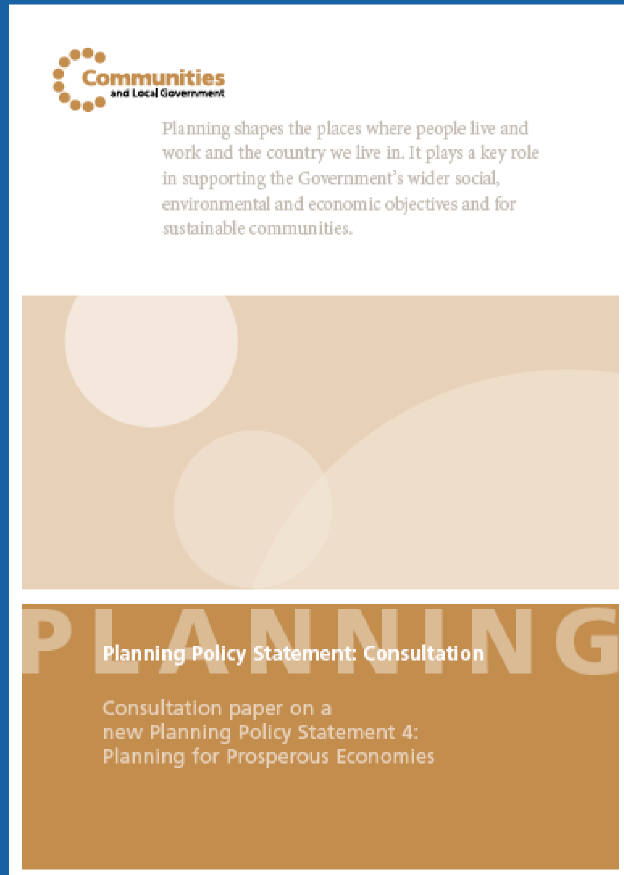
Retail Led Regeneration:

Planning for the Future?

Planning Policy – *"Shifting Sands"*

"We are fully committed to promoting the vitality and viability of town centres and to ensuring that the planning system supports the growth and development of our town centres".

White Paper (May 2007)



Plan Making Policies

- **Policy EC1** – Prepare and maintain a robust evidence base.
- **Policy EC5** – Set out a spatial vision and strategy for the management and growth of centres.
- **Policy EC6** – Proactively plan for consumer choice and promote competition for town centre development
- **Policy EC7** – Select sites for new development, based on sequential test.
- **Policy EC8** – Prepare policies to help manage the evening & night-time economy

Decision Making Policies

- **Policy EC18** – Supporting evidence for planning applications for main town centre uses:
  - *Sequential assessment*
  - *Impact assessment*
- **Policy EC19** – Sequential assessments for planning applications for town centre uses.
- **Policy EC20** – Impact assessments for planning applications for town centre uses not in accordance with the development plan.
- **Policy EC21** – The consideration of planning applications not in a centre nor allocated in an up-to-date development plan

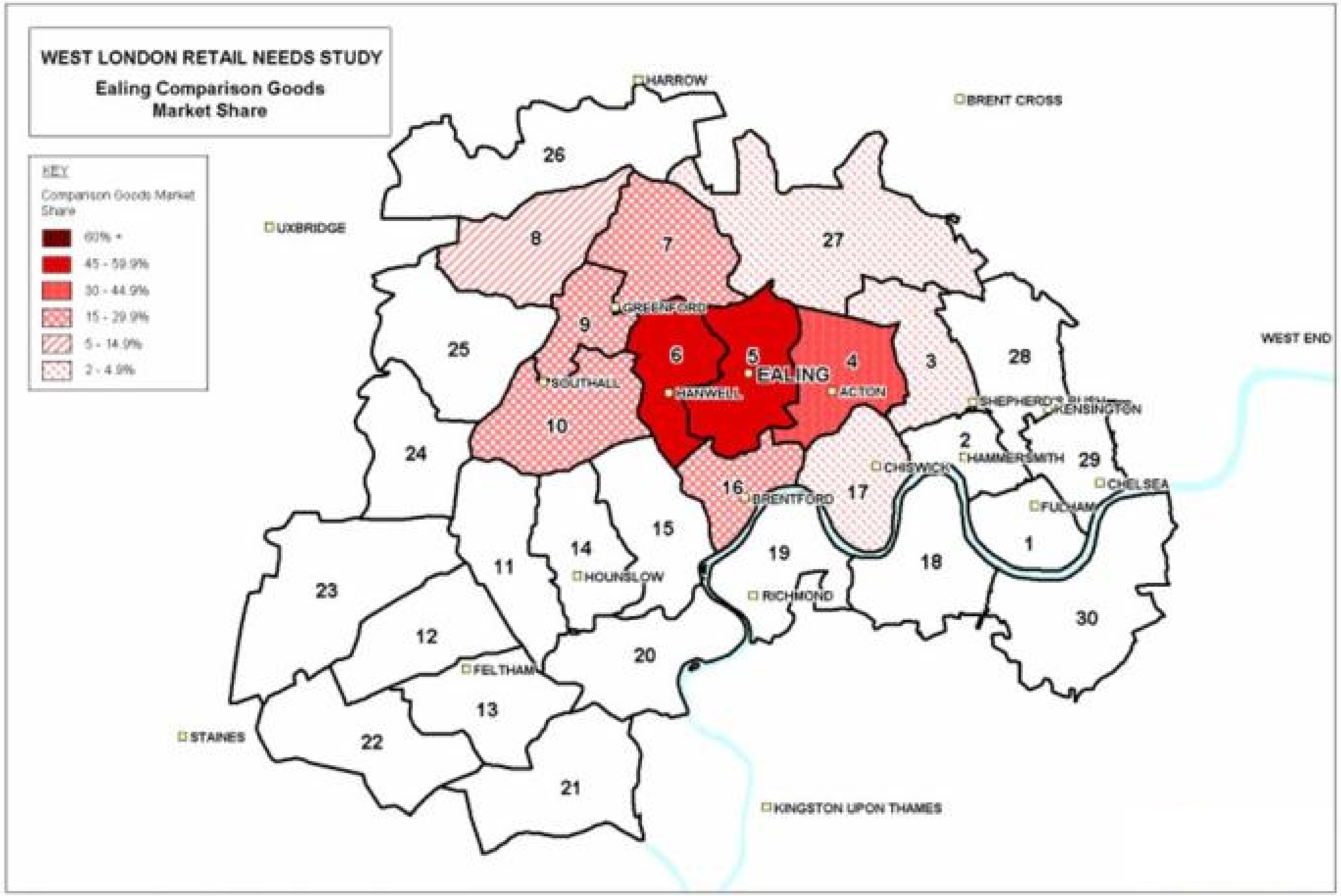
Visions & Strategies (Policy EC5)

- Define network and hierarchy of centres
- Assess need for new development
- Identify ‘gaps’ in provision.
- Identify and allocate sequential sites.
- Define extent of primary shopping area and town centre.
- Assess potential for town centre extension.
- Have flexible policies
- Manage & monitor growth and decline.

Robust Evidence Base (Policy EC1 / EC5.13)

- Use relevant v&v indicators, market information and economic data to inform tools such as AAPs, CPOs and town centre strategies.
  - Catchment / Customer profiles
  - Audits & Healthchecks
  - Market Demand Assessments
  - Pedestrian Footfall Surveys
  - Household Telephone / In-Centre Interview Surveys
  - Business / Stakeholder Consultation

To Help Understand Catchments....



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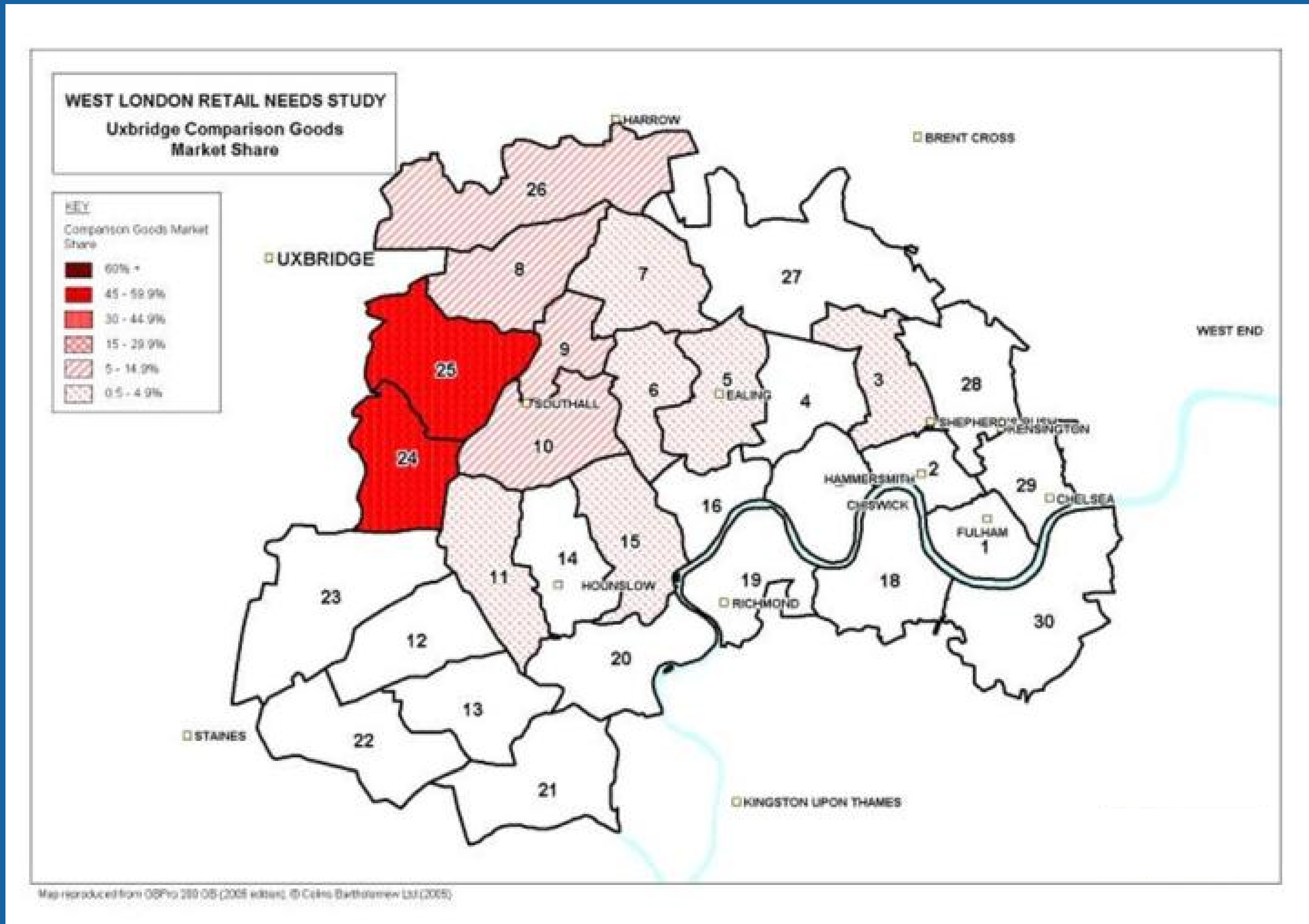
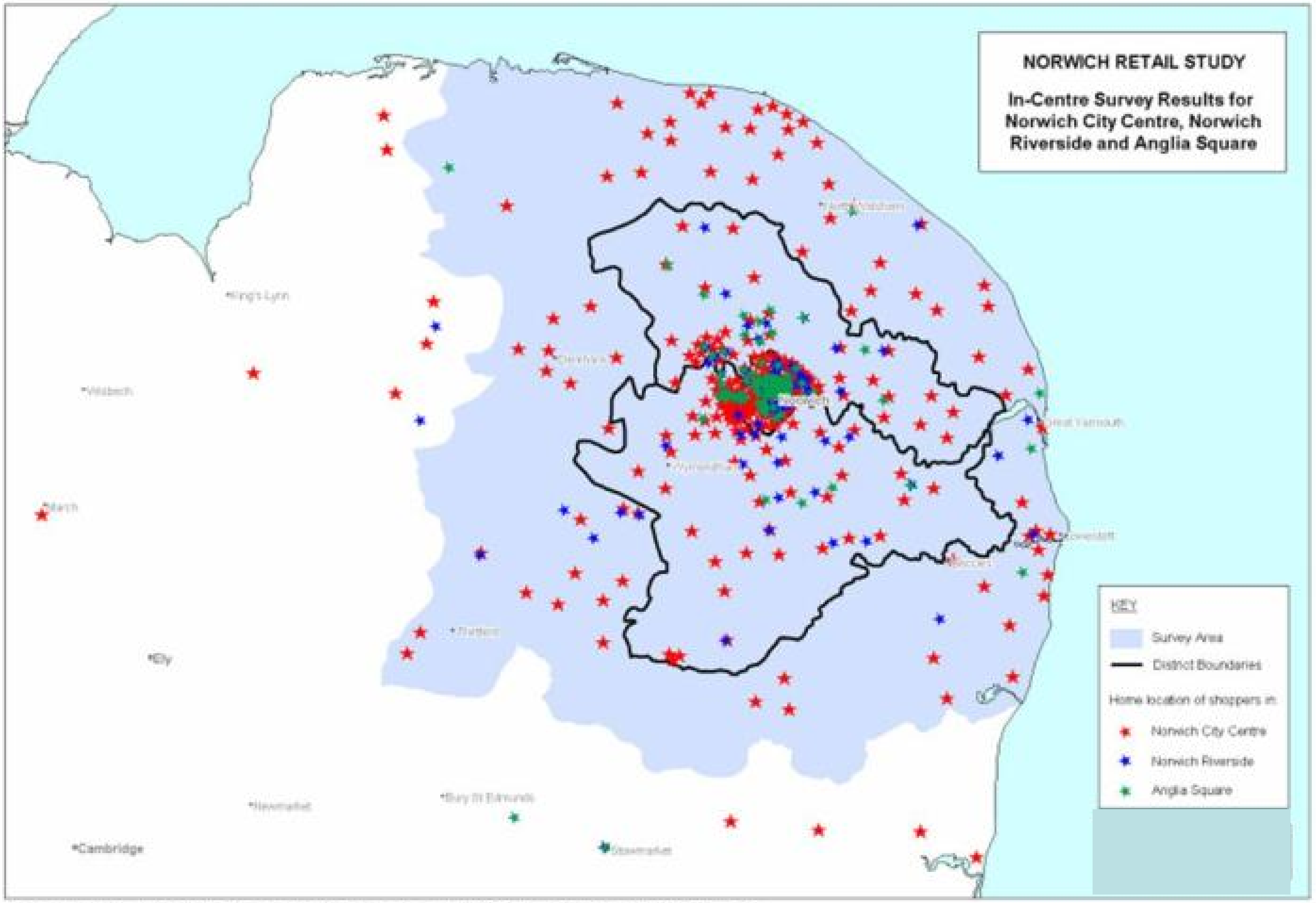
...Competition



...Customer Origins / Profiles



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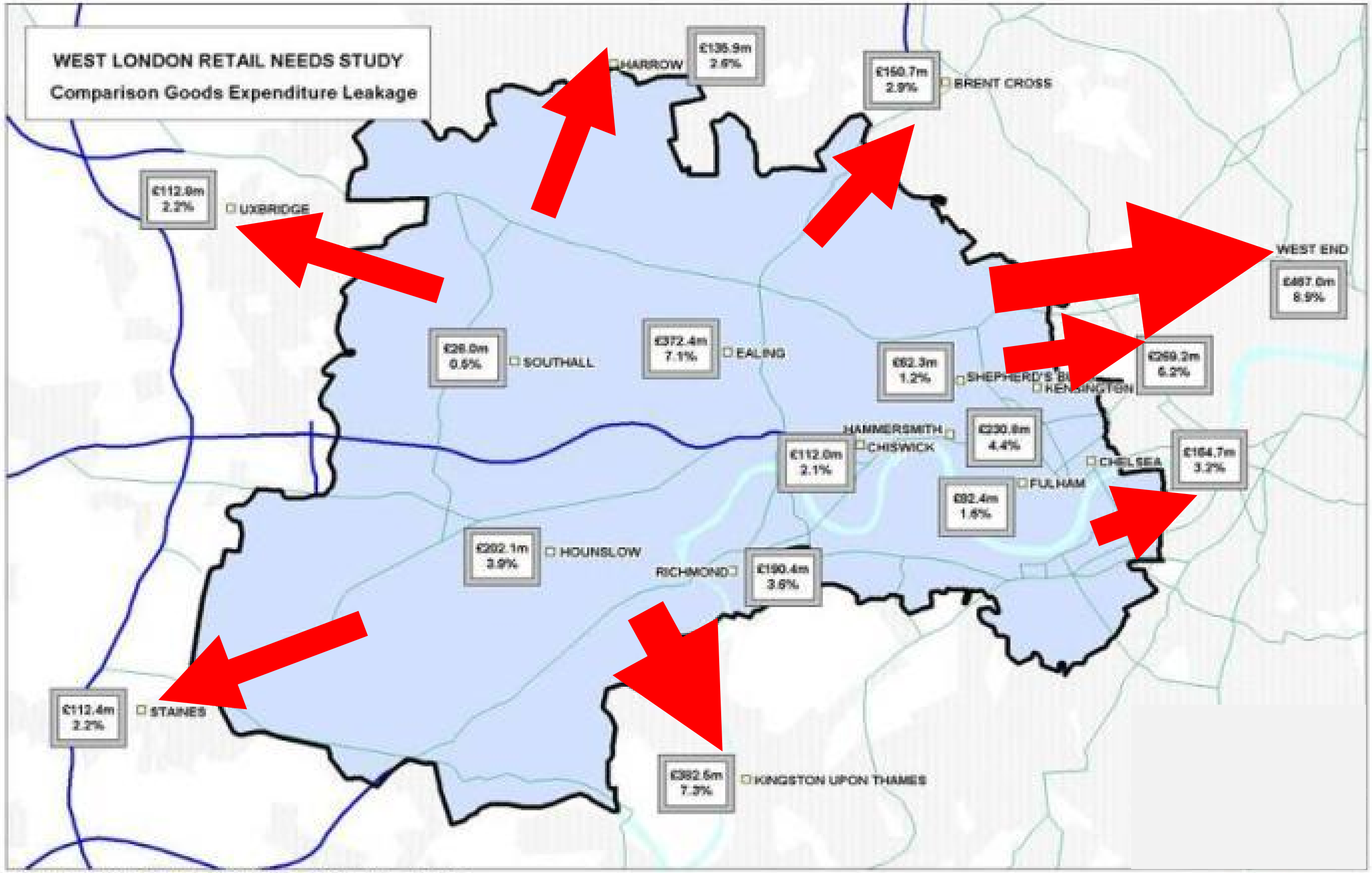
...& Shopping Patterns



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Forecasting the Capacity for Growth

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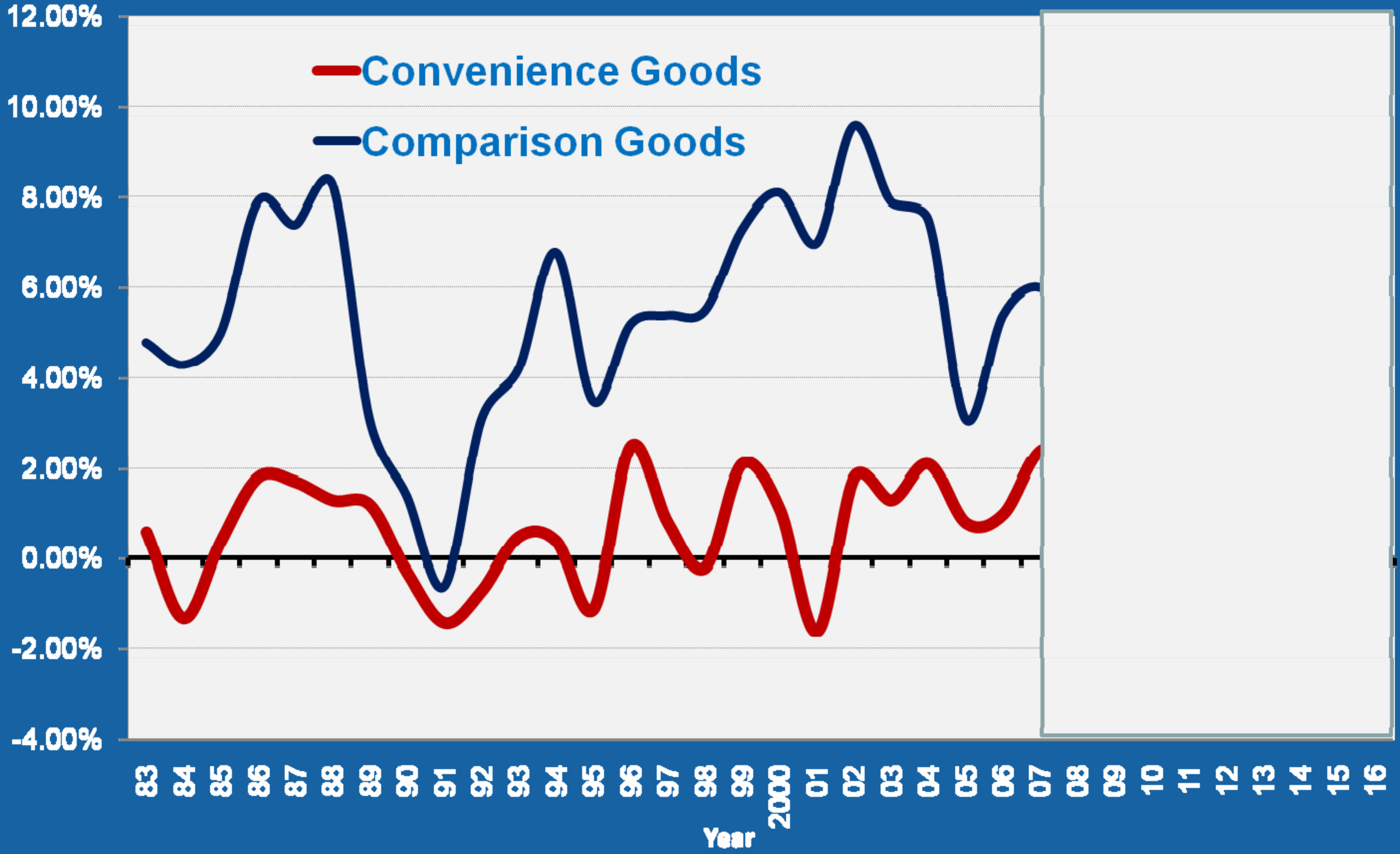
Retail Spending Growth: 1983 - 2007
(annual % growth)



Source: MapInfo Information Brief 08/02 (September 2008), Table 1.

Retail Spending Growth: 1983 - 2007

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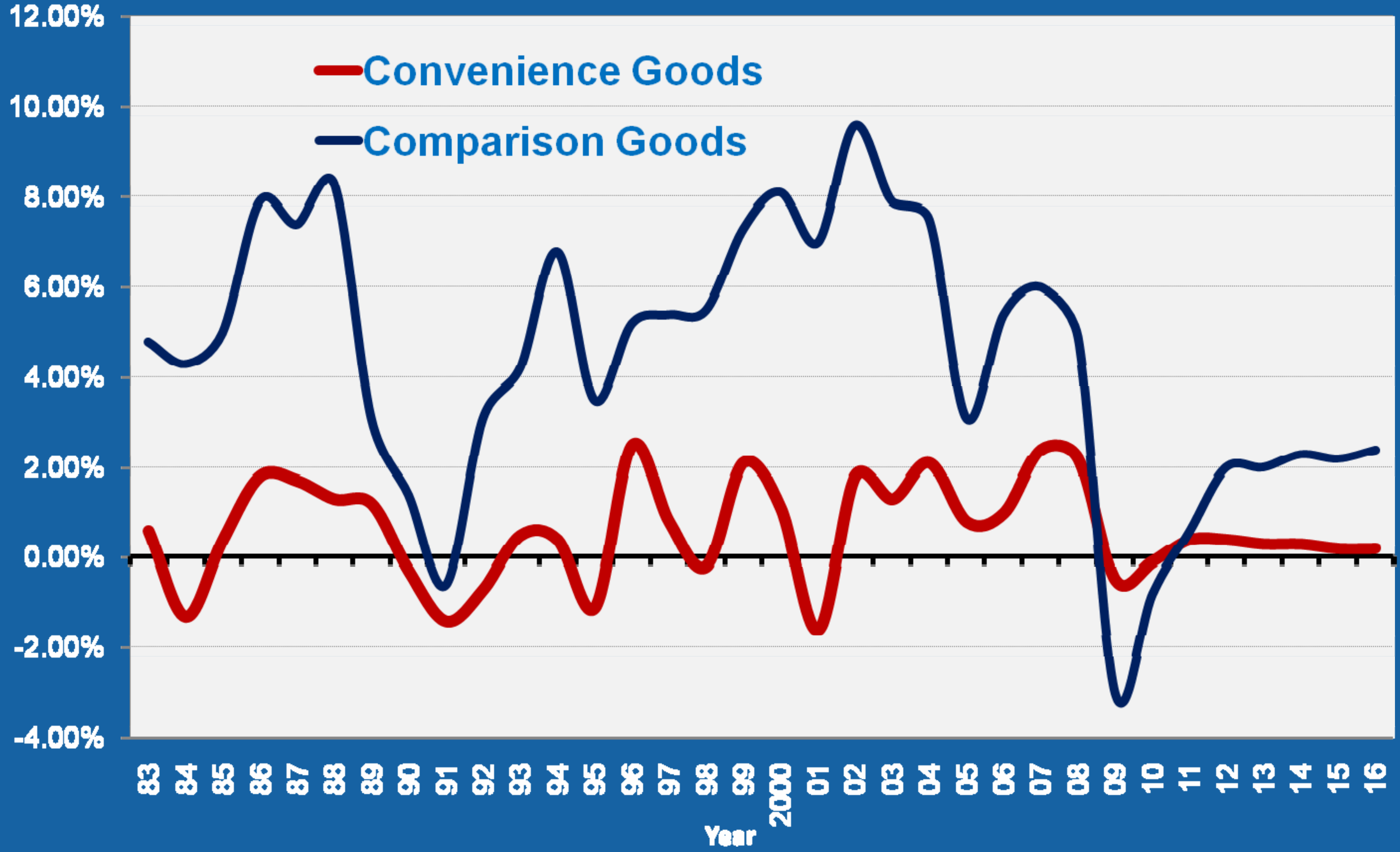
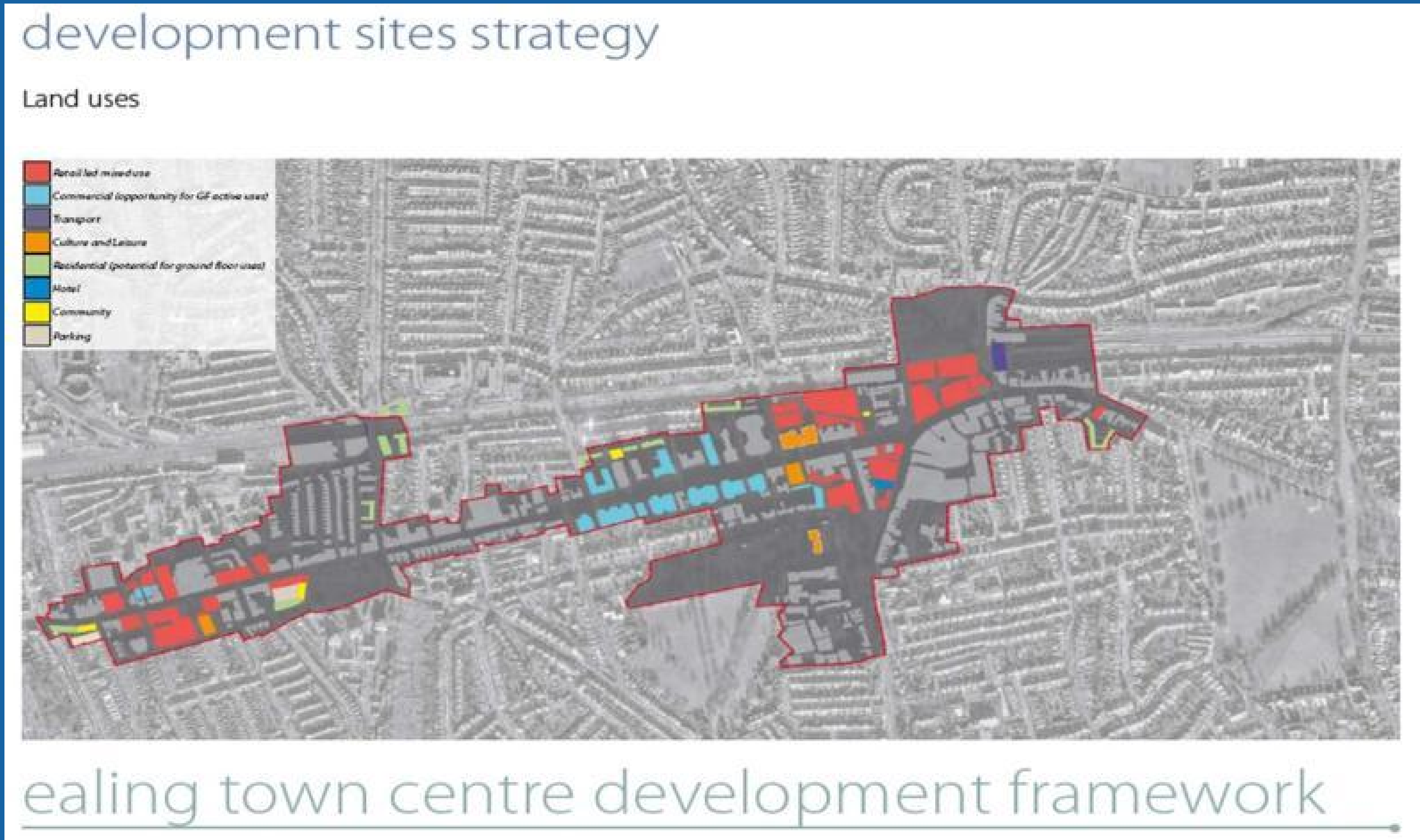
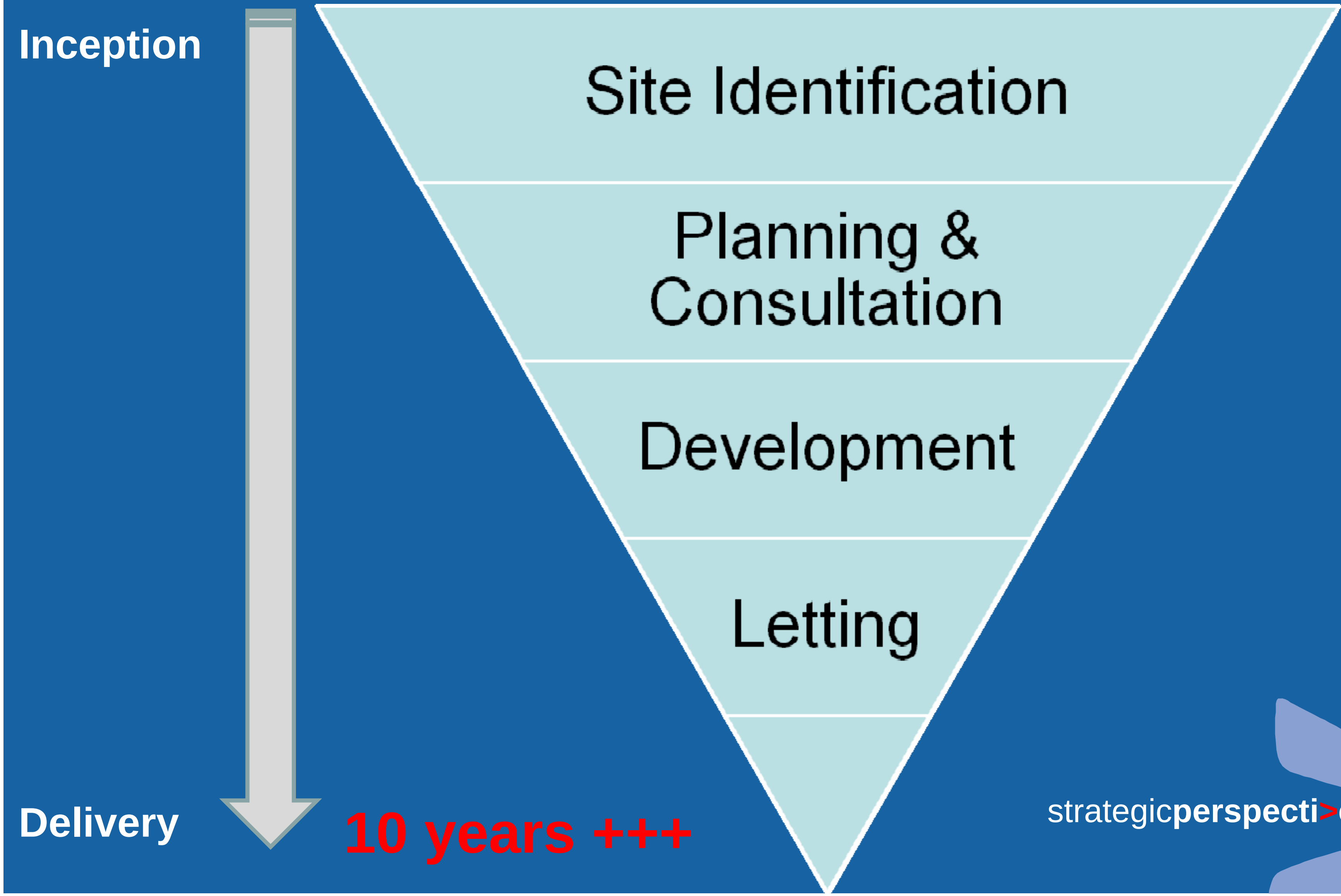


Source: MapInfo Information Brief 08/02 (September 2008), Table 1.

Identify & Allocate Sites



Town Centre Development is not easy



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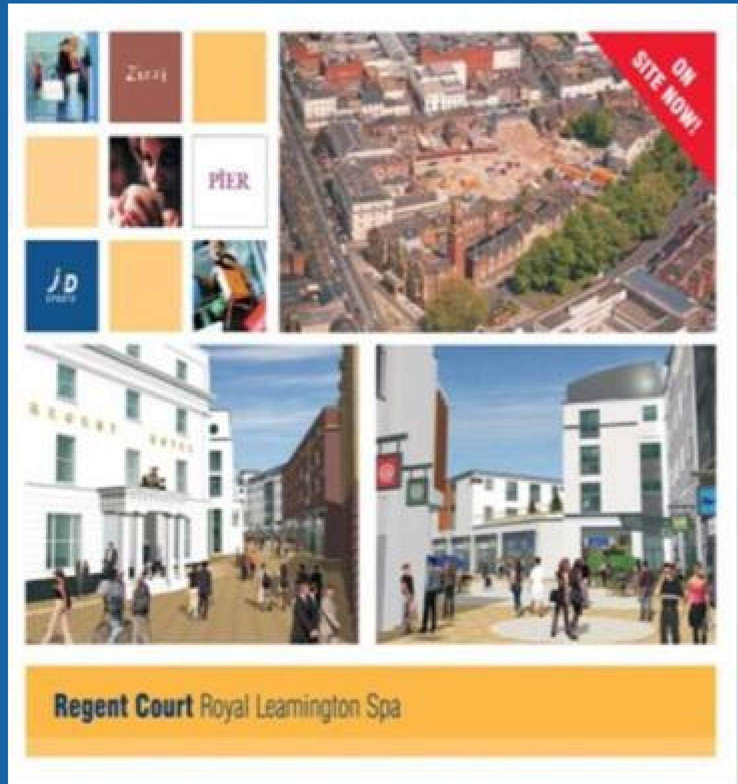
Leamington Spa – Regent Court

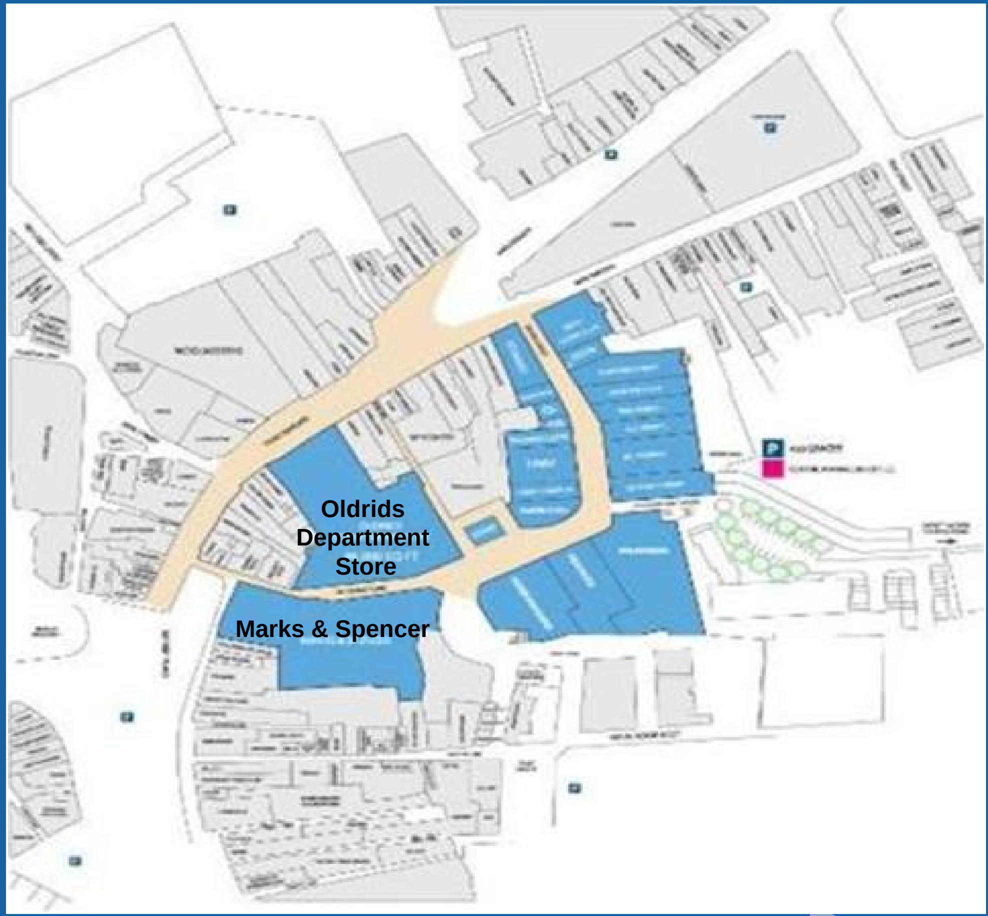
- **Mid 1980s:** Original proposal
- **Early 1990s:** Shelved
- **Mid 1990s:** Site sold /new plans
- **Late 1990s:** Shelved
- **1999:** Sold
- **2002:** Revised plans
- **2002 - 03:** CPO
- **2005:** Opened



Pescod Square, Boston.

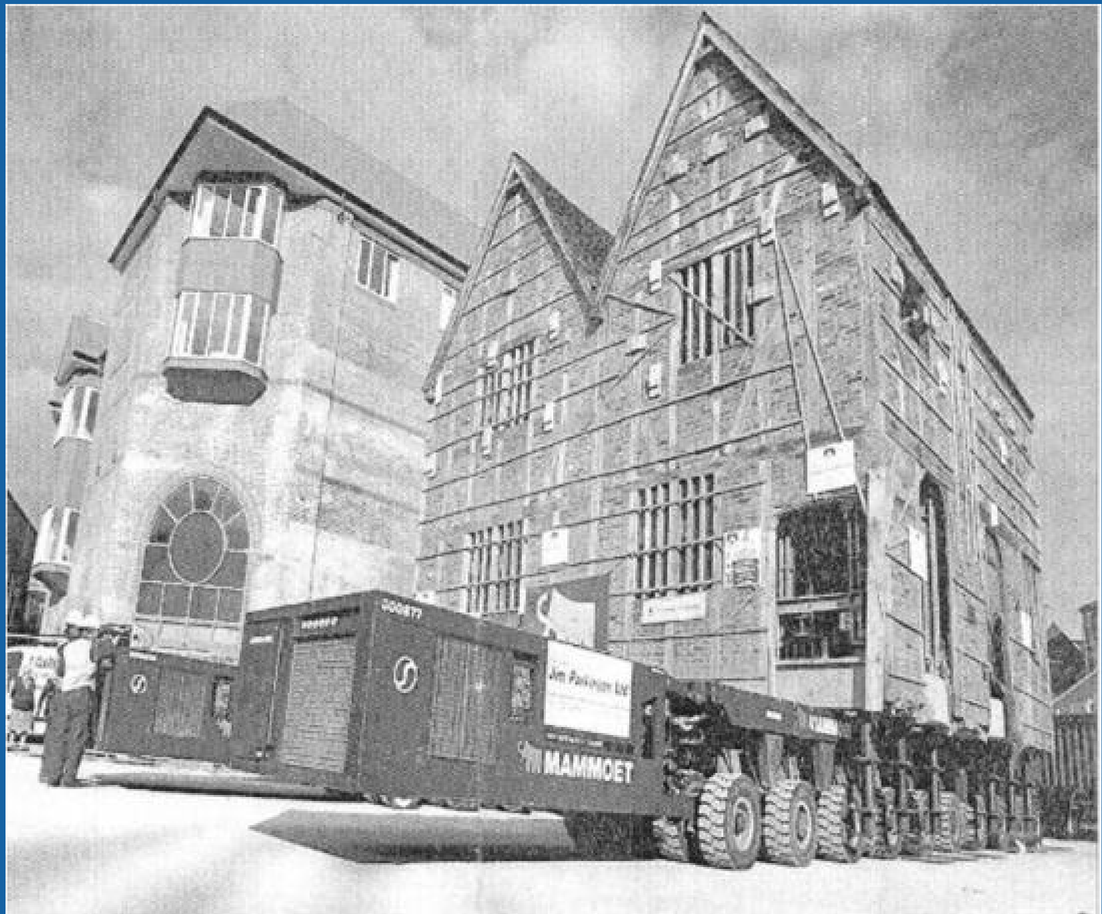
- Opened October 2004
- 8,600 m^2 of retail
- 400 parking spaces
- BCSC Gold Award 2005
- Civic Trust Award 2007

- 17 years in the making…



Barriers to Development!

The Impossible is Possible!



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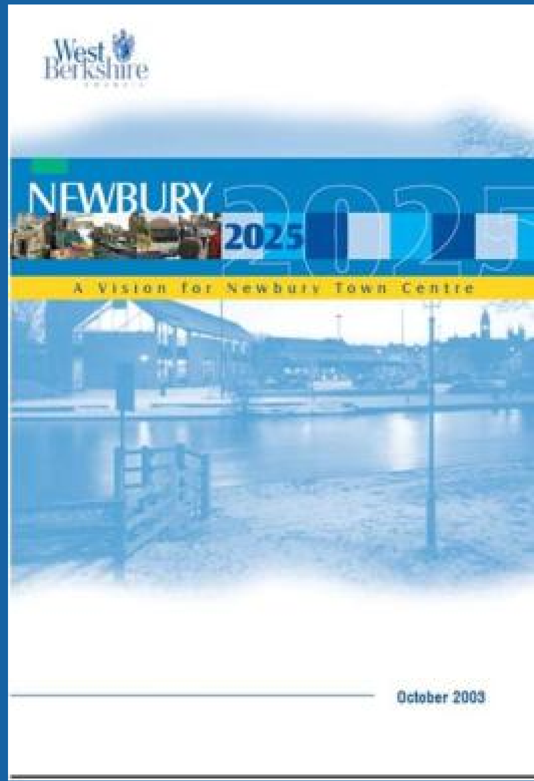
Newbury – Vision & Strategy

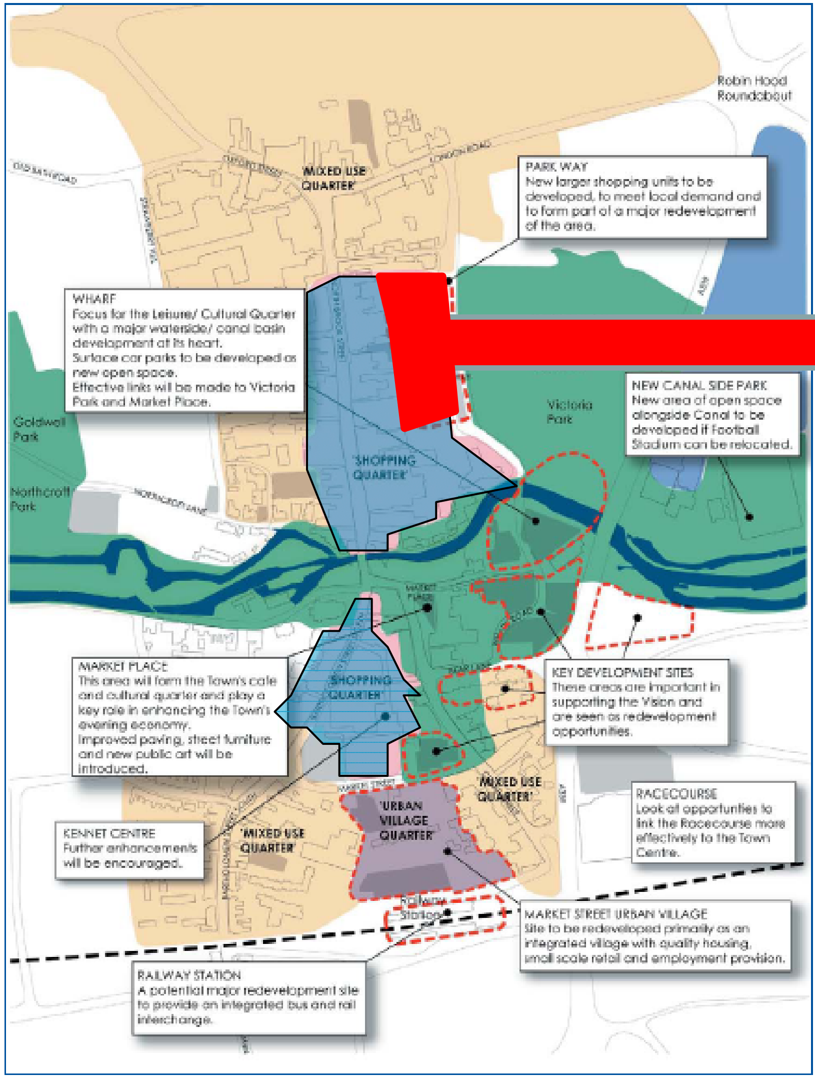
- Retail Study identified:
  - ✓ Falling status, ranking & market share
  - ✓ Increasing competition
  - ✓ No major investment
  - ✓ Few large shop units
  - ✓ Quality 'gap'
  - ✓ Strong Market interest

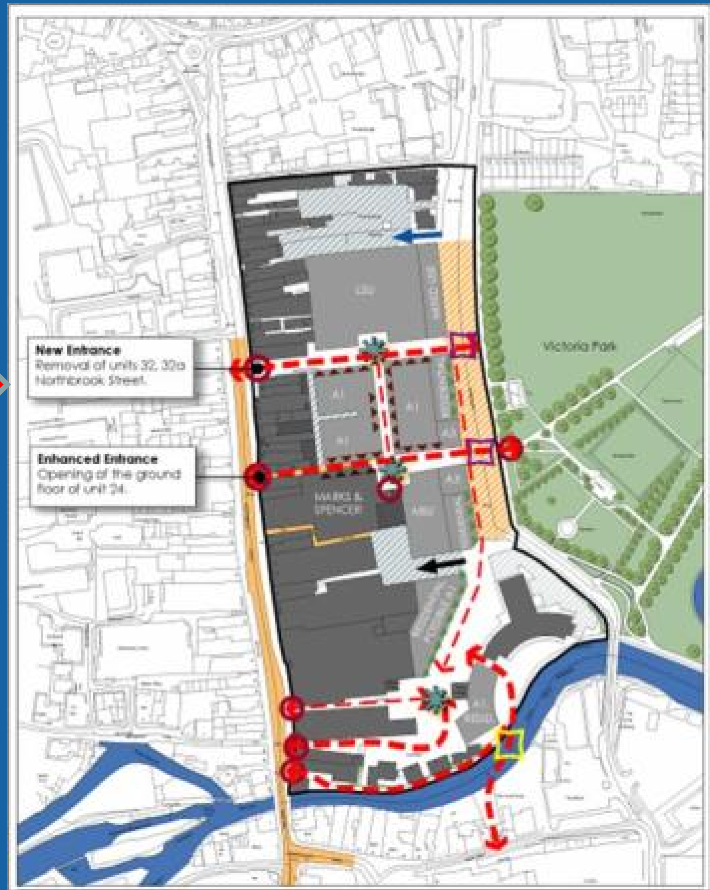


- Forecast capacity for 25,000 sq.m net of new retail demand.

Towards Delivery

Figure 1 - The Quarters Framework





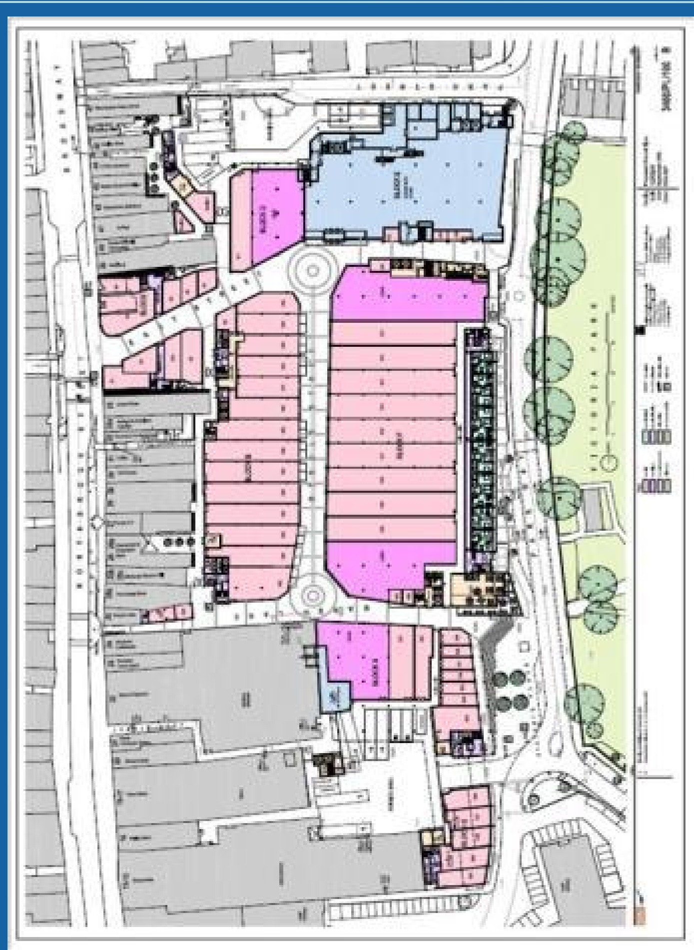
Making Development Happen

- **2002:** **Retail Study**
- **2003:** **P&D Brief**
- **Summer 2004:** **ITTs**
- **Nov 2004:** **Preferred Developer**
- **2005:** **Masterplan**
- **Dec 2005:** **Application:**

  ***** 27,428 m^2 Class A1***

  ***** 184 Dwellings***

  ***** Basement Parking***
- **Oct 2006:** **Permission**
- **May 2007:** **CPO Inquiry**
- **end 2010:** **Opens**



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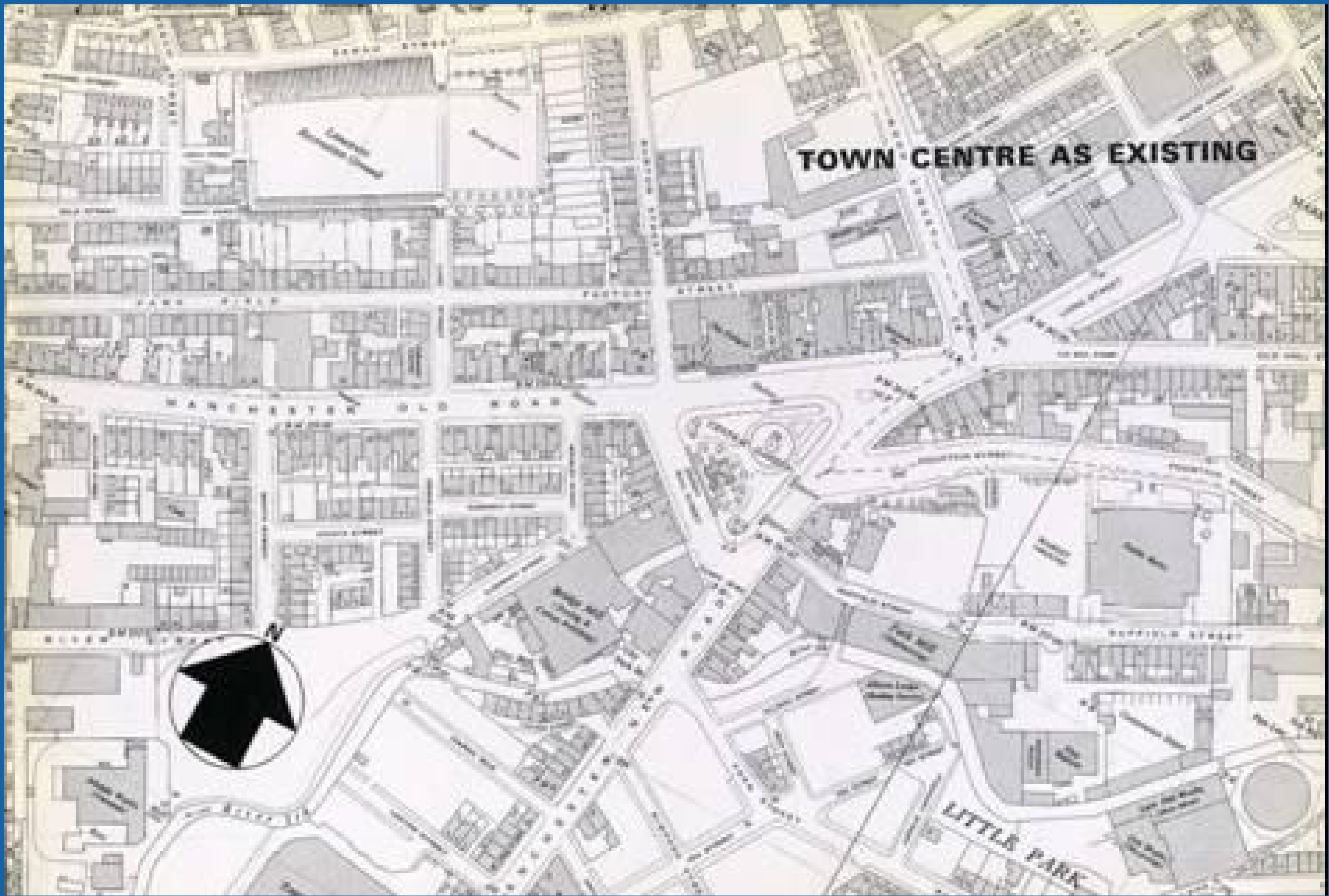
Learn from the mistakes of the past...



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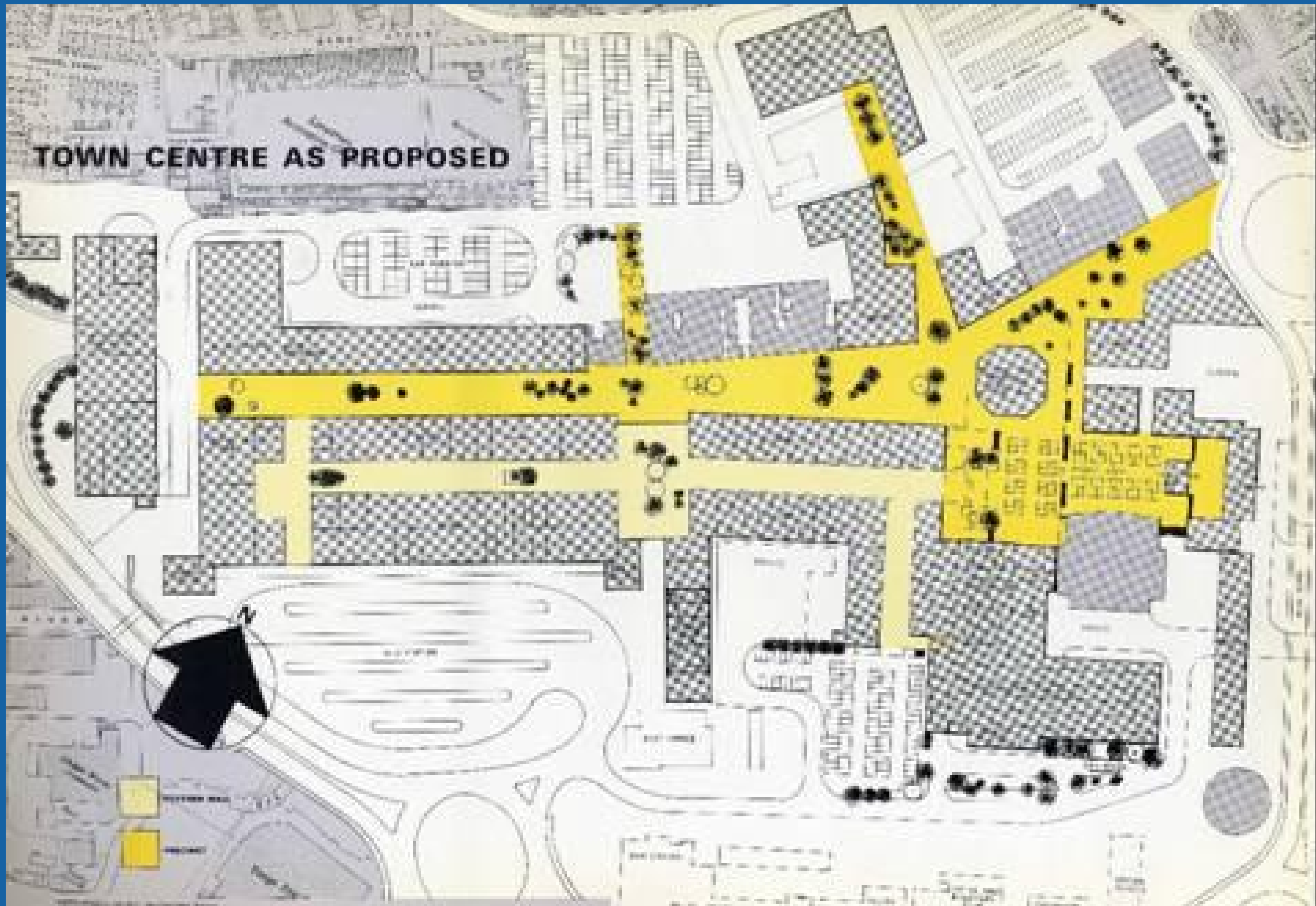
Learn from the mistakes of the past...



Retail Led Regeneration: Is it Exhausted?

Significant Challenges Ahead

- **‘SEXY’ centres v. ‘CRAP’ towns**
- **centres v. neighbourhoods**
- **urban v. rural**
- **primary v. secondary pitches**
- **multiples v. independents**
- **Young v. old** (e.g. evening economy)

Town Centres - The Strongest Links

Delivery, Delivery, Delivery

- Town centre development is not easy…..
- Harder (and more informed) choices needed
- Need for proactive planning and partnership working
- Underpinned by robust & sound visions & strategies

Green Shoots?

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Dr. Steve Norris is head of Strategic Perspectives LLP, which is part of The Perspectives Group LLP. He was previously Director in the planning teams at GVA Grimley and DTZ. He has over sixteen years experience providing planning and commercial property consultancy advice on a wide variety of retail and town centre issues for both public and private sector clients.

Over recent years he has been lead Director on a number of strategic retail planning and town centre studies. These include the South East Plan for SEERA (South East of England Regional Assembly); the Norwich Sub-Regional Study; the West London Study; the PUSH (Partnership for Urban South Hampshire) Study; and the recent strategy for the London Boroughs of Greenwich & Bexley.

Steve provides advice on all aspects of PPS6, ranging from sequential and capacity/ impact assessments, to town centre strategies, visions and development frameworks. Examples of centres/areas where he has worked recently include Canning Town, Basildon, Leamington Spa, Wembley, Pitsea, Ealing, Norwich, Worthing, Newbury, Kings Lynn, Harlow, Braintree and Bournemouth.

Steve's PhD examined the potential impact of out-of-centre regional shopping facilities on town centres and the future of the high street in the 1990s. He is a member of the British Council of Shopping Centres (BCSC) and Association of Town Centre Management (ATCM); a Visiting Fellow at the University of Surrey; and an external examiner for the University of Reading's MSc Planning and Development course.

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