

DEPARTMENT
OF THE
ENVIRONMENT

TOWN CENTRE PARTNERSHIPS



a survey of good practice and report of an action research project

TOWN

CENTRE

PARTNERSHIPS

a survey of good practice
and report of an action research project

a report for the
Association of Town Centre Management

by

urbed 

(Urban and Economic Development Group)

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THE STUDY TEAM

Town Centre Partnerships

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foreword*by*

Nick Raynsford, M.P.,
Parliamentary Under Secretary of State
(Minister for London and Construction)

In coping with the challenges facing many of our town centres to raise standards and adapt to new competition, town centre management has proved its worth.

There are now over 200 Town Centre Managers and a growing number of partnerships between local authorities and businesses seeking to maintain and enhance the vitality and viability, but above all the competitiveness, of our town centres. However, there is now a need to take stock, to analyse the experience and disseminate good practice on the organisation and resourcing of town centre partnerships.

This report, which assesses good practice in town centre partnerships, breaks new ground. Not only is it based on extensive surveys and over 40 case studies, but also because it has used a series of demonstration projects to develop new ideas. It also provides plenty of useful check lists for partnerships at different stages of development.

One of the principal lessons in the report is the importance of local authorities taking positive initiatives and focusing efforts on what is often the heart of the community. The time has come to put these partnerships on a proper business-like footing. The pioneering examples of cities like Bristol and Coventry are already inspiring others to look at setting up companies to manage their centres and to formalise what are usually ad hoc arrangements.

The report sets out a demanding agenda for action. There are innovative ideas for involving the private sector through the equivalent of a service charge, and incentives for investment, drawing on experience in other countries.

The research also raises the complex subject of the rating system and local government finance, with some interesting ideas for allowing towns to compete on a level playing field. Undoubtedly the report will stimulate debate for some time on how to mobilise the resources to sustain our towns and enable them to flourish in the 21st Century.

I am pleased to endorse this guide, which is being launched simultaneously with another on good practice in managing urban spaces in town centres, as a demonstration of the Government's commitment to improving our town centres.



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summary

Concern about how best to organise and fund the improvement and management of town and city centres led the Association of Town Centre Management (ATCM) to set up this major research project. The project was sponsored by the Department of the Environment, Scottish Enterprise, the British Property Federation, Land Securities PLC, Prudential Portfolio Managers, and Boots The Chemists. URBED (Urban and Economic Development Group) managed the project and wrote the report, with help from a panel of experts. Six demonstration projects in the major cities of Bristol, Coventry and Nottingham, and the medium-sized towns of Ayr, Gravesend and Royal Tunbridge Wells have enabled the ideas in the report to be tested out in real situations.

The report also draws on the results of several surveys, including an analysis of what local authorities are spending on their town centres and how town centre management is operating; 47 case studies illustrate aspects of good practice, and 28 exhibits in the form of charts and check-lists summarise key conclusions. The bibliography gives reference to previous reports and guidance on Town Centre Management. Fuller accounts of the case studies and demonstration projects are available from the ATCM, along with a series of briefing papers. The report is the most comprehensive on the subject to be published, and follows up the research report *Vital and Viable Town Centres: Meeting the Challenge*. It has led on to follow-up research to test the potential for securing contributions from the private sector on a more systematic basis.

The report is divided into six chapters, which can be read in any order, plus appendices on the demonstration projects and the results of the Local Authority survey.

1 The **Introduction** summarises the issues, explains the methodology and sets out the contents of the report.

2 **Facing the Challenges** explains what town centre management is and confirms its importance:

- *It is only by all the interests pulling together that the future vitality and viability of town centres can be secured.*
- *Town centre partnerships are needed as the public sector cannot meet the challenges unless it engages the support of the business community and other local interests.*
- *The potential for improvement is considerable (as the case studies illustrate). However, although town centre management is growing rapidly, in most places the management, organisation and resourcing do not yet measure up to the tasks. While there are over 200 initiatives, less than half have a distinct budget and in many cases their role is limited to liaison.*
- *Situations vary. For example, smaller towns require different approaches to medium-sized and larger towns and cities, as they do not have the resources both to employ someone full-time and to make the improvements that are needed. However, they can make more use of voluntary effort.*
- *There are considerable economic, environmental and social benefits in acting now before decay sets in.*
- *The results or added value can be quantified.*

3 Managing Town Centres explains how to launch an initiative:

- Local authorities must play a leading role in initiating the process of town centre revitalisation, by building partnerships with the local community. The private sector will only back initiatives where the local authority is clearly committed to making improvements.
- The first task for town centre management is to ensure a concerted focus on improving the centre, by bringing together those with the powers and resources needed to attract and sustain activity and investment. This requires champions within the local authority at both senior officer and political level.
- A shared vision and clear strategy is needed before any decision to appoint a manager is made (and examples are given of how these can be generated).
- Confidence is generated by some early wins, so there must be a budget to tackle basic concerns at the outset.
- Once trust has been built up, town centre management can help cross sectoral divides and expand the role it plays.
- The structure of an initiative needs to evolve through a life cycle of conception, infancy, growth and maturity.
- Towns, like human beings, tend to have a hierarchy of needs, so it is essential to tackle the most obvious problems first. A seven-stage model is put forward of how to grow from **vision to results**.
- Lessons from the long-established US Main Street Programme confirm the importance of building a track record for delivering results and focusing resources on a common agenda.

4 Organising for Action sets out the nature and benefit of full partnerships between the public and private sectors in a town, and puts forward alternative models for establishing a not-for-profit Town Trust:

- Formal partnerships bring the benefits of continuity, confidence, communications, commitment and capacity. They are set up to achieve through collaboration what no one partner could achieve on their own.
- Formal partnerships are more than alliances or coalitions as they involve agreeing how to share responsibilities.
- Successful partnerships are hard to establish, and are characterised by their membership, mission, money, management and measurable results.
- The experience of the demonstration projects is that, once initiatives have built up trust and started to grow, they should formalise their relationships.
- Establishing a **Town Trust** involves setting up a fund-holding

body with corporate status, to serve a designated area, with an agreed business plan, full-time staff and arrangements for monitoring progress.

- Accountability can be secured through a broadly-based high-level board, and through published reports that show progress against targets.
- Even if a Town Trust is not set up, a formal partnership may still be useful for specific tasks.

5 Monitoring Results explains why better information is essential:

- An initial **health check** and **audit** should profile the town centre, and provide 'benchmarks' for key indicators such as vacancy and property values. There is considerable scope for making better use of existing data, such as car park usage.
- Service levels and expenditure should be monitored against agreed standards.
- Outputs should be monitored against plans, for example, in terms of promotion, environmental improvement, and economic development.
- Partnerships should budget for developing **Town Information Systems**, including monitoring changes in investment and property values, sales and transactions, attitudes and footfalls.

6 Resourcing Higher Standards considers who should pay for improvements:

- The private sector wants a more robust system that avoids 'passing the begging bowl'.
- Over-reliance on bidding for public funds is creating a 'lottery' which does not facilitate long term planning and then makes it harder to budget and therefore to implement plans for improvement.
- Experience in North America of **Business Improvement Districts** provides a possible model, particularly where there are substantial property owners with an interest in seeing the centre improved.
- Incentives are needed in areas of high property vacancy, and **Investment Priority Areas** are suggested, as in the Republic of Ireland. A start could be made using existing powers.
- The research has identified a series of anomalies in the business rating system which need to be addressed if town centres are to compete on a 'level playing field' with all their new competitors.

introduction



Bradford-on-Avon

Town Centre Management (TCM) has taken off because of the need to upgrade and diversify town and city centres in order to respond to increased competition and the higher standards customers now expect. Challenges to the vitality and viability of town centres have led to a succession of conferences, reports, and Government statements. There is an emerging consensus on the need to invest more in improving town centres, and on the value of town centre management in co-ordinating the efforts of both the public, voluntary and private sectors.

ISSUES

1.1 Despite there now being over 200 initiatives in Britain, relatively little is written about how TCM should be organised and resourced for best results. Local authorities are under increasing pressures to respond positively and innovatively, in many cases without having the management capacity or financial resources, and may expect too much from the appointment of a town centre manager on his or her own. This action research study therefore addresses three issues which concern government, business and the wider community:

- What roles and functions should town centre management seek to undertake?
- How should a partnership be constituted and held accountable to its members or sponsors?
- What level of resourcing is needed and where should the funds come from in both the short and longer terms?

1.2 The impetus for this study came from the report by the Parliamentary Select Committee on the Environment, on *Shopping Centres and their Future*, which concluded:

"We believe that indecision over how to fund town centre management initiatives has hindered the development of TCM in Britain and must be resolved as a matter of urgency. We recommend that the DoE work with local authorities, the Association of Town Centre Management and other relevant parties to evaluate which is the best way forward for promoting local accountability and for funding more effective partnerships. We also recommend that they consider the most appropriate mechanism for controlling TCM expenditure and resource allocation - such as some sort of town centre authority."

Exhibit 1

The panel of expert advisors

Michael Bach	Department of the Environment
Peter Baguley	British Property Federation
Jonathan Baldock	Royal Institution of Chartered Surveyors
Jerry Barford	Association of Metropolitan Authorities
Shaun Boney	Boots The Chemists
Rich Bradley	International Downtown Association (USA)
Mark Bradshaw	British Retail Consortium
Nigel Brookes	Prudential Portfolio Managers
Martyn Chase	Donaldsons Chartered Surveyors
Mike Ebbs	Association of District Councils
Alan Glover	Kent County Council
John Gould	Scottish Enterprise
Noel Hepworth	Chartered Institute of Public Finance & Accountancy
Graham McGowan	Titmuss Sainer Dechert
Stuart Robins	Hambros Bank Ltd
Keith Saunders	W H Smith Ltd
Alf Strange	Land Securities PLC
Alan Tallentire	Association of Town Centre Management
Tony Travers	Greater London Group, London School of Economics
Richard Wright	British Council of Shopping Centres

METHODOLOGY

1.4 A twelve-month project was therefore commissioned from URBED (Urban and Economic Development Group) by the ATCM (Association of Town Centre Management) with support from a wide range of sponsors. URBED has 20 years' experience of assisting public agencies to regenerate run-down areas and promote local economic development. It was the lead consultant in the influential Department of the Environment report *Vital and Viable Town Centres: Meeting the Challenge*, which revealed the trends and illustrated how local authorities could take appropriate action. The ATCM was established in 1991 to focus efforts on revitalising Britain's town centres and there are now over 200 members. The sponsors for the study represent all the main interests and include the Department of the Environment, Scottish Enterprise, the British Property Federation, Land Securities PLC, Prudential Portfolio Managers and Boots The Chemists. The report has been guided by a working group made up of Alan Tallentire, Chief Executive of the ATCM, Michael Bach from the DoE and Martyn Chase of Donaldsons Chartered Surveyors who not only represented the client, but also contributed to many of the proposals.

1.5 This report and review of good practice are based on a combination of action research, surveys and case studies:

- A steering committee was set up for the project, involving a range of organisations from the public and private sector; twenty-one senior people have acted as expert advisors, responding to findings and suggesting ideas (though they may not necessarily agree with all the conclusions). (Exhibit 1)

- Briefing papers were prepared on the major themes, including:

1. From Vision to Results
2. Assessing the value of Town Centre Management
3. The Non-Domestic Rate
4. North American Experience with Business Improvement Districts
5. The Evolution of Town Centre Management
6. Funding Better Town Centres.

- Six demonstration projects were selected that exemplified a range of situations, and that were at the leading edge of good practice in different fields. The six towns comprised the major cities of Bristol, Coventry and Nottingham, and the medium-sized towns of Ayr, Gravesend and Royal Tunbridge Wells. Because smaller towns face somewhat different problems, they have been covered in some of the case studies and the

survey of local authorities.

- Seminars were held on the main themes, hosted by the demonstration projects, to discuss what was known about good practice in the light of local realities. The meetings of the network have not only helped shape this report, but have also enabled those participating to make faster progress.
- A postal survey was undertaken of all local authorities in England, Wales and Scotland to follow up the previous survey for *Vital and Viable Town Centres*, and produced over 230 responses (or approximately half the districts contacted). This was designed to throw light on the levels of funding required and how they are being resourced at present, as well as on the kinds of partnerships that are underway. An analysis was also made of the 114 town centre management initiatives in the 1995 ATCM *Directory of Managed Towns*.
- A series of 47 case studies of good practice were prepared, covering a range of different types of partnerships, as well as overviews of the situation in Scotland, France, Belgium, Germany, and North America.
- A newsletter was published covering the aims of the report and an interim summary report was widely disseminated to encourage debate and feedback on the main conclusions.

OVERVIEW

1.6 The report has been written to appeal to a wide audience, from local authorities who have been practising town centre management for years to newly emerging partnerships and local initiatives. Because there are so many studies available, this report tries to bring together the results of a number of research studies, with the lessons that have emerged for good practice. The report has been organised so that busy readers can refer to the sections that interest them most, and the conclusions are summarised at the beginning of each chapter. The executive summary brings out the main recommendations.

1.7 The report falls into six chapters:

1. Introduction

2. Facing the Challenges

explains what town centre management is and why it is needed; it shows that increasing competition demands higher standards and that town centre management can produce economic or social as well as physical benefits in very different situations.

3. Managing Town Centres

considers how to launch an initiative; it suggests that town centre management needs to grow incrementally, with the local authority initially taking the lead, then the setting up an ad hoc partnership, before ultimately in some cases transferring responsibilities to a full partnership with local business and property owners.

4. Organising for Action

sets out the nature and benefit of full partnerships between the public and private sectors in a town; it proposes the idea of 'Town Trusts' as a mechanism towards which town centre management can progress.

5. Monitoring Results

explains why better information is essential; it shows how both the inputs and outputs can be measured.

6. Resourcing Higher Standards

considers who should pay for improvements; it examines existing sources of funding and puts forward proposals for how longer-term sources of funding should be secured by sharing the costs between the main interests.

1.8 Further information is contained in separate reports on the demonstration projects and case studies, and summaries are included in the text (describing the situation in 1996). Separate papers on topics such as the Non-Domestic Rate and Business Improvement Districts are also available from the ATCM. The drawings and most of the photographs come from URBED's town centre collection.



2

facing the challenges



Bristol, Broadmead

Case Study 2.1



French Experience: Partnerships with Chambers of Commerce

French cities, facing problems of negative images and threats from out-of-town developments, have responded by setting up the French National Town Centres Federation. This is promoting cities as places for people to gather, aiming to create a sense of community and an identity to visitors. Partnerships between the municipalities have been established and links between Councils and Chambers of Commerce encouraged. The Federation has published a ten-point manifesto which includes parking and public transport initiatives, promotion of diversification and development of waste land. The Federation's plan encourages partnerships between Councils and Chambers of Commerce and the most innovative idea is the promotion of a town centre payment card allowing access to museums, transport and parking facilities. France has also introduced Zones d'Aménagement Concertées where contracts are used in selected areas to bid for national resources, similar to the Single Regeneration Budget.

- The potential for making our towns much more attractive and successful can be seen from examples both in Britain and abroad.
- The threat of losing the attractions that hold town centres together has led to the rapid growth of town centre management. However, the management, organisation and resourcing of town centre management does not yet match up to the tasks in many places.
- Situations differ greatly in both the challenges and resources available, with smaller towns requiring different approaches to larger and medium-sized towns.
- The benefits of taking concerted action to improve town centres are considerable, and are economic and social as well as environmental.
- The results of making towns more attractive can be identified and measured in ways that show the added value of improvements, and hence of town centre management.

2.1 This chapter deals with the tasks that town centre management is tackling. There is growing recognition that the problems facing many of Britain's town centres are not the result of a temporary recession, but of a longer-term dispersal of activity. This is due to increasing dependence on the private car, and changing patterns of work, shopping, and leisure. Some fear that the trends are environmentally unsustainable, socially divisive, and economically wasteful if they are taken too far. Hence town and city centres are having to invest in making themselves more attractive; relying on planning controls is not enough.

2.2 While situations differ, the threats apply to all kinds of towns, and to all parts of the country (**Exhibit 2**). There are few places without the tell-tale signs of vacant shops and empty buildings, charity shops and temporary lettings, neglected property and derelict land. This chapter considers in turn the potential for improvement, the rise of town centre management, the differing challenges facing different types of towns, the benefits of acting now, and the results that can be achieved.

THE POTENTIAL FOR IMPROVEMENT

2.3 An important message of the *Vital and Viable Town Centres* report was that British towns need to learn not only from the troubles which have beset US cities that have let their downtown areas collapse, but also from the inspiration of many Continental towns and cities that seem far livelier than our own towns. The boxed case studies in this report illustrate the range of possible initiatives. Thus, even France now has an Association of Town Centres, prompted by the concern of independent businesses that their towns are 'becoming museums' and losing their hearts (2.1). Town centre management is also taking off in countries such as Sweden, using voluntary agreements with private retailers. In the industrial southern part of Belgium too, improving the town centre is seen as an important part of rebuilding confidence after the loss of the main local employers. (2.2)

2.4 While it is clear that town centres can be brought back to life even when they have been destroyed, as in Coventry and Rotterdam, it is better to act before buildings and investor confidence collapse. The key to success is enhancing what makes a town centre special, as in Southern Belgium, for example. This includes providing a better quality public realm that is a pleasure to visit and which also makes the centre an attractive place to live, as has happened in many German towns, for example (2.3). The huge improvements that have taken place in many Scottish towns and English historic towns suggest that this Continental approach to town centres can be applied in the British climate too, given the will and the resources (2.4). Public know-how in quality design can change the image of a centre and encourage private finance to follow, as the example of Melbourne illustrates (2.5).

2.5 **Amenity**, which involves a sense of identity and security, is therefore a key

factor. What marks out the best-known success stories, such as Glasgow and York, is that a sustained and concerted effort has been made over several decades to diversify their **attractions** (2.6). The public sector has taken action to promote cultural life and the evening economy, and to bring people back to live in the centre. Such a vision is inspiring the efforts in many other British towns. However, it is also clear from studies of successful projects that success involves more than just spending money on environmental improvements. (See for example Chesterton's report for the ATCM on *Managing Urban Spaces*). A balance has to be struck between creating and maintaining quality streets, and providing the level of **accessibility** that customers will accept. Achieving this balance within the constraints of a traditional town depends on the different interests in a town, or part of it, working together in a spirit of partnership, which is why town centre management is so crucial to successful revitalisation.

Case Study 2.2



Town Centre Revitalisation: Lessons from Belgium

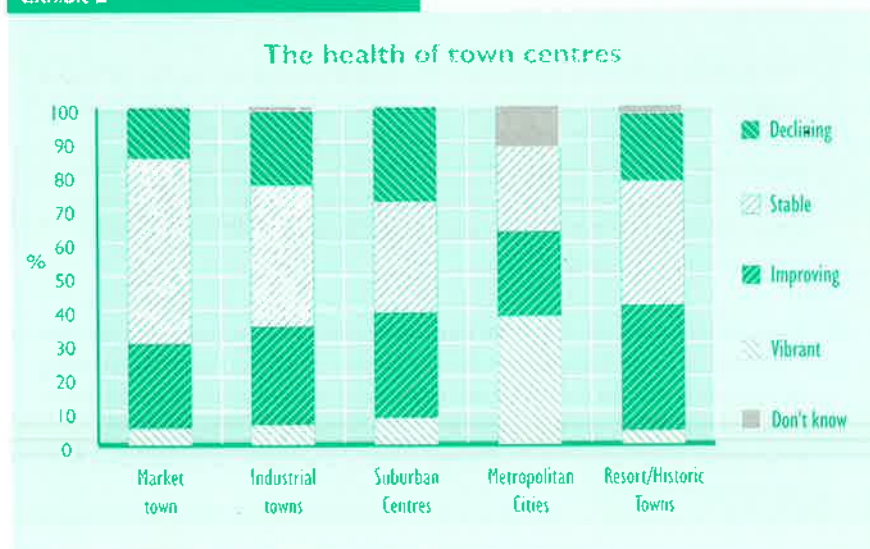
The contraction of heavy industry, on which parts of Britain and Southern Belgium once depended, has brought similar problems to their towns and cities. In both countries, there has been a flight to the suburbs, leaving the inner areas with an ageing and poorer population and vacant flats above shops. In Belgium, however, more public areas now exclude or calm traffic and cars and trams are frequently sent underground. More pedestrianised space has been given over to cafés and restaurants which make the streets and squares seem safer and more interesting, providing a mix of activities. Old buildings are kept in use with 60% renovation grants for listed buildings. Shops are more likely than in Britain to be independent and diverse. There are fewer peripheral superstores and it is less common for the traditional pattern of shops and streets to have been dispersed, thus providing higher density towns, encouraging people to walk or use public transport. There is no direct equivalent town centre management system, but all municipal councils put great stress on having a healthy town and there is a strong emphasis on promotion and events.

Specific Lessons From Belgium

- | | |
|------------------|--|
| Charleroi | <ul style="list-style-type: none"> - Invested in rapid transit system underground - 2 car parks under the main boulevard - Pedestrianisation of the centre - New square with performing fountain - 'Un Projet de Ville' to revive the town by conquering the community's feeling of depression following industrial decline - Task forces formed on subjects ranging from urban life to culture; cars were shifted out of the centre, replaced by public space and a fountain. |
| Namur | <ul style="list-style-type: none"> - Conversion of an arsenal into a university refectory |
| Mons | <ul style="list-style-type: none"> - 250 private sector initiatives since 1980 to keep older buildings in use, increasing the inner-city population by 10% and providing a hostel and a foyer |
| Bruges | <ul style="list-style-type: none"> - A rescue strategy in 1972 included restoring buildings, cleaning up the canal, excluding traffic, expanding shopping and developing a mass transit system with buses every 10 minutes. The town now attracts 3 * million visitors per annum. |

Exhibit 2

source: Town Centre Partnerships survey.



Case Study 2.3



German Towns: Giving pedestrians priority

Greater autonomy of independent towns and states and compulsory membership of the Chamber of Commerce have allowed businesses to develop their roles and influences. Many more people live in or near the centres of town and there is greater respect for urban values, helped by large-scale pedestrianisation and increased cycling to work. Public transport is heavily supported. German cities have been protected from out-of-town developments through positive planning and the containment of urban sprawl. Funding from local income and expenditure taxes has facilitated many improvements within German towns.

THE RISE OF TOWN CENTRE MANAGEMENT

2.6 The reasons for not spending time and money in town centres have to be recognised and countered. Recent developments have gone too far to rely on a shift in government policy to turn back the tide. This is leading to local authorities developing strategies for making the most of their town centres, but they are limited in what they can do on their own. Hence, there are now many of them that work with the private sector to implement town centre management, as can be seen from the statistics in ATCM's *Directory of Managed Towns* (Exhibit 3). Whereas it took ten years from 1980 for the first 13 initiatives to be set up, the numbers are currently rising at over 20 per year, and exceeded 150 at the start of 1996. Furthermore, there are many more local authorities that are starting initiatives that are not yet members of the ATCM, as the results of our survey of local authorities show.

2.7 The idea behind town centre management is to get all the different interests and groups to pull together. Previous research for the ATCM by Donaldsons and Healey and Baker, *The Effectiveness of Town Centre Management*, concluded that "TCM brings to our urban centres the same planned and co-ordinated approach to retailing that has marked the success of edge-of-town developments".

Town centre management is now definitely proving its worth. Recent research sponsored by Boots The Chemists indicates that towns with managers perform significantly better than those without, in terms of retail sales (See *What's Happening in our Town Centres?* by John Lockwood). There are a growing number of success stories; these include

not only well-known cities and historic towns, like Edinburgh and York, but also industrial towns like Bradford and Wolverhampton (2.7). There are also a number of smaller towns, like Frome in Somerset, which have succeeded in reversing their decline, through the promotion of new roles (2.8).

2.8 But despite the achievements, there is a major worry that far too many towns have not yet 'got their act together'. The level of resources available in most towns does not yet match the scale of the tasks. The gap to be filled can be gauged from the ATCM's own *Directory of Managed Towns*, which covers 114 different towns and local authorities.

- While the growth in towns with managers has been rapid, the great majority do not operate town centre management; this is particularly true of the 600 or 700 market towns that are large enough to have a Boots, but are too small to afford a full-time manager, or to justify a concentrated effort. In 1995 only 25 towns with populations of under 50,000 had managers, although our survey showed many are considering some kind of initiative.
- The budgets available in the towns with managers vary enormously. 53% have budgets of under £100,000 and there is no obvious relationship with the size of the town (Exhibit 4). In medium-sized towns of 50,000-200,000 population, 57% have budgets of under £25,000. Many managers still have neither the authority nor the experience to make the impact that is needed. Often they are on short-term contracts (two years typically) that may end before results are visible.
- Even where substantial resources have been assembled, as in some of the City Challenge or Single Regeneration Budget funded initiatives, the public spending on improving the town centre is still often only a fraction of what is invested in a superstore. While greater hopes are being placed on leveraging private investment, the problem of funding the ongoing management of the town has not yet been resolved.

2.9 Those who are currently taking the lead in providing resources, such as the Department of the Environment and retailers like Boots The Chemists and Marks & Spencer, believe that the time has come to find some lasting solutions to the problems of resourcing town centres. These private sponsors are concerned that lessons are drawn from initial experiments to help overcome the problems of management, organisation and resourcing.

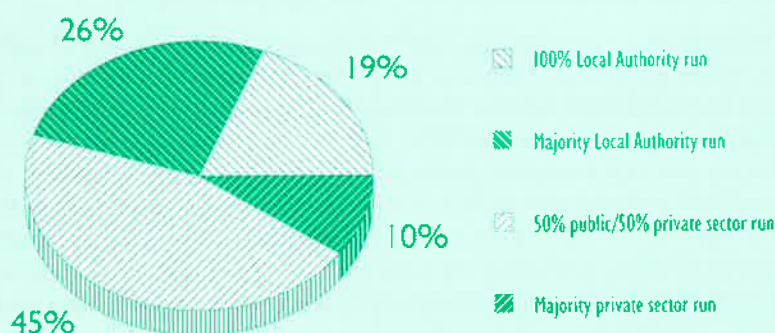
2.10 Local authorities, too, are equally worried. Typical comments from our survey of local authorities were:

"Very limited participation by local small traders and limited interest from national multiples" or "despite council offering to match private contributions less than 1% contribute". Others warned "large numbers willing to participate, very few willing to contribute financially unless everyone contributes - that is what rates are for", and "results were slow, expectations too high". As British towns do not have the same traditions of local business collaboration as are to be found in France and Germany, for example, it is much harder to face up to the challenges, and to secure a concerted response.

Exhibit 3

source: ATCN Directory of Managed Towns

Most TCM boards involve the private sector



Case Study 2.4



Scottish Towns: Upgrading the public realm

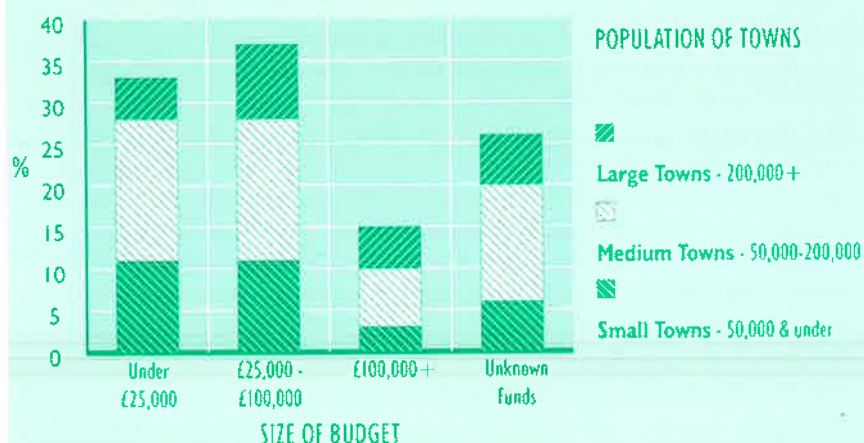
Unlike other British towns, many Scottish towns are more compact with a Continental feel. Flying freeholds have encouraged higher buildings and there is a great tradition of living in centrally located flats. Research into space and place demonstrates that Scottish towns have added value and produce a higher quality public realm due to alliances of public agencies. Despite the decline in heavy industry, the growth of tourism in Scotland has helped to compensate for job losses. Therefore, investment in public realm and tourist promotion has coincided with extensive pedestrianisation, good sign posting, new maps and local history information being developed. Memorable streetscapes with flagstones, cobbles and attractive lighting have also been created.

Scottish initiatives are regarded as successful because there is a willingness to experiment and learn from innovative projects, where public resources are concentrated in particular areas.

Exhibit 4

source: Town Centre Partnerships survey

The size of the town makes no difference to the funding



Case Study 2.5



Melbourne, Australia: Riverside renaissance

Cities in Australia are having to face the challenges of dispersal by broadening their roles and by improving the quality of their centres. The best lessons can be drawn from Melbourne, the capital of Victoria. The renaissance of the city centre started in 1982 with the election of a Labour government and the appointment of a commission to lift the city out of its sense of doom. To show what was possible as part of the 1986 bicentenary celebrations, the main street, Swanston Walk, was covered in turf for a weekend. Two years later, the pavements were widened, and the street was landscaped for three blocks, while the adjoining main shopping street was pedestrianised. Redundant offices have been converted into apartments. An art centre, specialist shops and restaurants have created a renaissance on the riverside. The complete tram system has been conserved and improved. Improvements to the environment are the responsibility of a city department of 26, made up of urban designers, landscape architects and project managers. Some 70% of the cost of street improvements comes from developers, often negotiated in exchange for higher densities.

DIFFERING CHALLENGES

2.11 To understand how town centre management can cope with the challenges, this project has worked with six towns that are at the leading edge of innovation in terms of how they organise and resource improvements (see summaries of the demonstration projects at the end of the next chapter).

2.12 The study has inevitably concentrated on the situation facing the larger towns, as these are where town centre managers have been employed the longest. Some idea of the challenges can be gained from the different experience of each of the demonstration projects:

In **Bristol**, where a new regional shopping centre is under development on the outskirts, the first task has been to agree a strategy on how the centre should respond. A company has been set up to run the major shopping centre of Broadmead, and Marks & Spencer has seconded a senior manager to lead it. Partnerships are being used to diversify the attractions of the centre, with a major success being the promise of Millennium Lottery funding for new cultural facilities. The council now recognises the improvements that need to be made to the public realm, and pilot projects are underway. But giving the area the priority it needs is difficult because of all the competing demands for expenditure. Also, although the company has been formed, agreement has still to be reached on resourcing all the high priority projects.

In **Nottingham**, a metropolitan city which has managed to resist the impact of out-of-town shopping centres, £6-7 million has been invested in what is one of the most extensive pedestrian networks in Britain, thanks largely to European funding. Employment in the city centre has grown from 50,000 to 55,000 in the last five years, and the city is attracting major new employers. Town centre management has helped to transform the car parks and made park and ride work, through joint ventures between the council and private operators, as well as acting as a lobby to improve public services, such as litter collection and street repairs. Now the challenge is to extend the improvements beyond the centre, for example, by improving links with the station and financing a rapid transit scheme. As a major foreign company has bought the main shopping centre, there may be an opportunity to take town centre management forward on to a more permanent basis, but it is not clear where the future lies.

In **Coventry**, considerable progress has been made on improving the environment and the image of the city centre. A decision was made during the course of the research to establish a company to take on the next stage of upgrading and diversifying the centre, with the majority of its board coming from outside the council. The securing of European commission funding for capital improvements form part of the strategy. The council is transferring some of the car parking income to the company and aim to encourage the private sector to provide matching funding.

In **Gravesend**, an industrial town in North Kent that has become a suburb of London, major improvements were initially made to the environment, through Kent County Council's IMPACT scheme. The town centre management initiative has gathered information to show that the town is holding its own, but will face additional competition from nearby Bluewater regional shopping centre which is due to open in 1999. In a town of this size independent shops and services are relatively more important and the old High Street has lost many of these, despite (or perhaps because of) pedestrianisation. Here one of the main challenges is restoring derelict buildings and attracting new uses such as housing and market stalls that will bring this historic part of Gravesend back to life. A major issue has been how to attract private investment into what is basically a very risky scheme, and the support of English Partnerships has been key to progressing this project.

Exhibit 5

The size of town shapes the typical opportunities and management tasks e.g.

	SMALL MARKET TOWN	MEDIUM INDUSTRIAL TOWN	LARGE METROPOLITAN CITY
ATTRACTIONS	Food store Independent shops Market Schools	Comparison shops Leisure Centre Cinema	Major shopping streets Department stores Universities Museum Theatre(s)
ACCESSIBILITY	Bypass Car dependent	Pedestrianised centre Multi-storey car parks Buses	Rapid transit Park and Ride
AMENITY	Historic centres Market place	Redundant industrial buildings Parks	Historic buildings
ACTION	Individual property owners Three tiers of local government District with 5-7 centres Little public funding	National multiples and managed shopping centres Two tiers of local government Public funding	Largely owned by Institutions/ Property companies Unitary local authority Private funding

In **Royal Tunbridge Wells** in Kent, a historic town and resort, the town has been very successful in attracting new retailing investment, and making the most of its heritage. However, an improved bus service is needed to link up the disparate parts of the centre. Although a company had been set up with the private sector, there was difficulty in securing additional private sector support, despite the appointment of a skilled Town Centre Manager and restructuring of the company following County advice. Although the Town Centre Management Initiative had a well worked out strategy and action plan, its budget was exhausted due to problems with funding the Christmas lights, and the company was put into abeyance. This shows that setting up a company by itself does not generate private funding, and the issue of how to enable the initiative to become self-sustaining remains.

In **Ayr** on the West Coast of Scotland, an ancient market town and seaside resort has been upgraded with award-winning street improvements and pedestrianisation schemes, and the restoration of a number of fine buildings. The town centre manager has been responsible for promoting the town's attractions, through a company that brings the top business people and public sector officers together. However, the initial grants are coming to an end, and despite efforts to raise funds from members' subscriptions, there is a major question over how this successful initiative will be continued now that the local council has become a unitary authority.



Chatham

2.13 While these examples do not cover the myriad of smaller towns who are facing the loss of their convenience or food shopping and which are generally under-resourced, they do indicate the difficulties that substantial town centres are up against, even where there is a town centre manager in place. They also suggest that different types of town will call for different solutions (Exhibit 5).

2.14 Although this division is highly simplistic, it does show that towns have to find distinctive roles that make the most of their particular strengths and opportunities. Obtaining the required resources will depend on involving whoever are the main stakeholders, and these vary with the size of town. Perhaps the most crucial factor is the degree of representation by national multiple retailers (so the existence of a Marks & Spencer having over 50,000 sq metres of retail floor space may indicate the dividing point).

Case Study 2.6



York: Enhancing a unique centre

In the 1960s York was well known for its historic character and as a centre for the railway and chocolate industries. As these industries declined, the City Centre has been the focus of a series of growth initiatives in an attempt to maintain York's economic position. Car access to the city centre was first restricted in 1973 and proposals for pedestrianisation were debated until 1987 when a £3 million scheme to create long and short stay car parks serving central 'foot streets' was announced.

Park and ride schemes (in one case from a superstore car park) and measures to encourage cycling and walking have been successfully implemented. Retail developments such as the Coppergate Centre, and the promotion of the National Railway Museum and the innovative Jorvik Viking Museum, have diversified the centre's attractions and made it a destination for tourists. New housing has increased the numbers living in the centre.



Leicester

THE BENEFITS OF ACTING NOW

2.15 With so many competing demands on resources, it is essential to justify why public funds need to be spent on improving town centres and to monitor the impact of any money that is spent. Even though the risks of town centres declining are considerable, there is an argument that change is inevitable, and that, if consumers wish to use their cars to shop out-of-town, it is not the responsibility of the public sector to restrict choice. A further argument is that, if the main stakeholders are private property owners, then they should be footing the bill. As economic arguments cannot be countered by emotional appeals, it is necessary to understand why town and city centres are special, and to appreciate the economic benefits that result from maintaining activity in them and acting before it is too late.

2.16 **Physical benefits:** While town centres are at root economic entities, meeting a variety of human needs, they also have special qualities which give them an additional public value. Consequently they need to be evaluated along a number of dimensions. The ancient origins of most town centres make them part of our heritage or inheritance, to be treasured because of their links with the past. As town centres contain buildings, many of architectural or townscape value, they contribute to a sense of beauty, and if they are left to decay, then we are all poorer. Town centres are also places that support human interaction and a feeling of community, encouraging informal meetings, particularly among the young or the elderly, that can never be replaced by electronic communications. The extent of these almost intangible values can be seen by the protests that occur when some ancient monument or part of nature is threatened with destruction. Although the erosion of town centres may be far less dramatic, it is no less real.

2.17 An increasingly important factor is that maintaining town centres is one of the most practical ways of contributing towards sustainability. Sustainability means passing on to our children an environment that is no worse than what we inherited. Towns contribute towards sustainability in many different ways. Because of the mix of uses, more trips can be made without a car, and linked journeys are possible too. This saves energy and reduces emissions. Denser, terraced buildings are inherently better at conserving energy than free standing ones. It is far less wasteful to retain and adapt buildings than to be building anew. The

work of conservation and maintenance is more labour-intensive, and ideal as a way of creating employment for those who would otherwise be unemployed.

2.18 As the loss of the vitality and viability of town centres, due mainly to a loss of trade to new centres, affects the capacity to maintain the physical and social fabric, it is right to take account of these effects in allocating public resources. In particular, as prevention is far cheaper than cure, it is prudent to invest before a town has lost its main attractions, rather than waiting to see what damage will be done. However, the amounts available for public expenditure on conservation, the arts and community development are always relatively small. Hence it is also essential to consider the straightforward economic arguments.

2.19 **Economic benefits:** Towns and cities, like all public spaces, have to be maintained, and the question arises of who is to pay for them. Traditionally this is what rates were for, and towns have vied with each other to have more beautiful buildings or public spaces in order to attract investment and consumer spending. Regulations to protect the value of investment are as old as civilisation, but it is only recently, with the mass ownership of private cars, that towns have found themselves competing not just with each other, but with totally new private developments out-of-town.

2.20 Out-of-town developments flourish not only because of their management and promotion but because they are designed with the car in mind, and hence attract the customers with most

money to spend. But they would not be possible without the public investment in a highway system which they use but do not directly pay for. Towns have to charge for parking to regulate the use of a scarce resource, while out-of-town centres charge nothing (and may even have benefited from grants towards land reclamation).

2.21 Even if no more planning permissions were granted, there is enough retail development in the pipeline to put significant numbers of existing centres at risk. Hence, for towns to stay healthy it is essential to improve what they offer in qualitative rather than quantitative terms. In other words, rather than trying to add still more floor space, they have to make what they have got more accessible and attractive.

2.22 While physical improvements only form part of any strategy they inevitably have a role to play. It is no coincidence that *Vital and Viable Town Centres* found that many of the town centres that are doing best are the historic centres where most has been done to conserve and enhance the public realm. The pay-off can be seen, for example, in the lower yield recorded for retail property in Nottingham compared with Sheffield, where yields rose significantly after the opening of Meadowhall. This means that investors have more faith in Nottingham, and attracting private funding is easier as a result, as the lower the yield, the higher the expected long-term returns.

Case Study 2.7



Wolverhampton: Progress in partnership

Wolverhampton suffered in the late 1970s with crime and racial tension, due to industrial contraction, which created a bad image for the town. The town centre was cut off from its hinterland by a ring road. In 1987 a partnership was set up between the local authority, police and business leaders.

The revitalisation has been incremental, starting with environmental improvements, focusing initially on 'clean and safe' issues. A well-lit entertainment area has been promoted and cars allowed back into the town centre in the evening, reducing the feeling of a desert. This was followed by more specific projects and private sector involvement, which included one of the first town centre CCTV systems and a radio link to help retailers combat shoplifting. A late night bus service, policed by club bouncers, takes people home after the clubs have finished. An audit by consultants, and subsequent work to agree a strategy, have led to a 'Town Centre Forum' being set up. This is a partnership between the council and major stakeholders from business, the community and other institutions to implement an agreed action plan and to promote the centre to investors and visitors.



Roupell Street, London SE1

Case Study 2.8



Frome: Finding a new role for a small town

Frome in Somerset suffered when its cattle market moved out and the larger towns of Bath and Trowbridge and an edge-of-town development sucked trade from the town centre. It had a 25% shop vacancy rate in January 1995, with 60% of the 35 units in Catherine Hill lying empty. A Town Centre Manager, responsible for both Frome and a neighbouring town, responded by implementing the recommendations of a consultant's study and targeted Catherine Hill for a specific revitalisation initiative.

She set up a Vacant Property Schedule and built up good relationships with landlords who were willing to put together flexible leases and reduce rents. A 30% blanket reduction in rates was achieved. Temporary children's exhibitions filled vacant shop windows. A Shop Watch scheme was set up in partnership with the police and an area clean-up scheme was organised with the council. The area was promoted as a whole and a new identity for Catherine Hill was created with the support of the local press. Raising the community's confidence also prompted company donations and sponsorship.

Investment was encouraged with a 1 year retail grant of up to £2,500 to cover capital start-up and decoration costs. This initiative was very successful, with 12 applications in the first year, prompting extension of the scheme. The vacancy rate in Catherine Hill fell to 15% in 17 months as specialist arts, crafts and antiques businesses moved in, providing a catalyst for the development of the rest of the town.

INDICATORS OF SUCCESS

2.23 It is vital to convince the private sector that concerted efforts to improve town centres will pay off, and produce added value. If we ask what tangible benefits have resulted from the obvious success stories, like York, Nottingham, Edinburgh or Cardiff, a number of positive results can be identified (see also Chapter 5):

- Their centres look more attractive, and feel cleaner and friendlier. The upkeep of the environment is an indicator of their long-term **viability**.
- Their streets are livelier, by day and by night, and the extra people not only bring money to spend but create a 'buzz' or **vitality** which is itself a benefit - reflected, for example, in the scope for browsing and 'people watching'. Pedestrian flow or footfall is therefore a key indicator.
- Pedestrian footfall supports a range of shops and services far wider than in a modern out-of-town shopping centre. It thus supports a critical mass of activity in areas such as the arts or culture that would not otherwise thrive, and a **diversity** of activities that makes the centre more resilient, so that it can withstand competition. The changing range of shops and services can be analysed to identify strengths and weaknesses and also gaps.
- The resulting activity helps to make the streets feel safer, and, though it may sometimes produce a higher incidence of crime, contributes to a greater sense of **security** than dead streets would. Crime figures can be monitored and compared with other similar towns.
- Another basic indicator is **vacancy**, as the sight of too many vacant shops, with broken windows or posters, often signifies a centre that is dying. A healthy town is one where premises remain occupied, and when shops become empty someone invests in a new use.
- Not only does the reuse of empty premises raise the level of private investment, but it also contributes to innovation and economic growth. Many of those taking over empty units are small businesses, who could not establish themselves out-of-town. As the growth of small businesses may be the best way of creating new **employment**, retaining the role of town and city centres as seedbeds for new enterprise is of vital economic value. A further benefit is that these independent businesses are more likely to respond to what is missing, and to give the centre a special identity.
- Improving **accessibility** within town centres will have a direct public impact. Pedestrianised, or pedestrian priority streets, encourage movement by means other than cars. They can also improve linkages and overcome some of the disadvantages that centres planned before cars were invented can have. The feeling of being able to move freely through a pleasant environment is one of the main factors driving tourism, particularly among older people with more money to spend, and lies behind what are called 'leisure shopping' and 'cultural tourism'. Spreading tourism around is of real economic benefit to avoid overcrowding.
- As well as the physical results, there are also the economic effects which need to be measured and evaluated to reassure private investors and sponsors. **Retail turnover** is the most critical factor, and indices of turnover obtained from collaborating businesses can provide a good measure; so too can the **number of transactions**. In both cases, however, some yardsticks are needed, such as regional trends and performance in similar types of town to correct for any external factors that town centre management cannot influence.
- Following on from increased levels of consumer expenditure or turnover comes **property investment**. This can

be a mixed blessing. On the one hand, higher rents attract developers and outside investors, and may enable a town to secure a fresh attraction. But they also may drive out local businesses or the very residents the area most needs. Areas undergoing change are generally characterised by vacant and derelict property, sometimes acquired by speculators or those without sufficient resources to develop them. Fortunately most towns are large enough and sufficiently complex to support areas that are going up as well as ones that are declining. The rating of towns by investors (known as yields) can provide a good indication of what league the town is playing in (and hence its capacity to attract new investment). It can also show up changes in expectations as a result of new competition.

- To these direct benefits must be added a number of indirect and less tangible benefits, for example, **image** or reputation. If a town is well rated by visitors and the media, it is more likely to attract investment. No-one is going to open up a business without first visiting the town. Undoubtedly there are places, particularly resorts, where much of the economic activity stems from people wanting to live there, and then setting up a business to help make that possible. Positive press comments are a good indicator of the town's success in promoting itself, as too are the individual investments, large and small, on which good news is based. **Exhibit 6** summarises the benefits or added value.

Exhibit 6

Added value from town centre management

Factor	Indicator
Viability	Private investment in property
Vitality	Greater footfall
Diversity	Wider range of shops and services
Security	Reduced crime (e.g. shop theft)
Vacancy	Easier lettings/fewer empty properties
Employment	New businesses/training opportunities/jobs
Accessibility	More shoppers/visitors
Retail Turnover	Increased transactions
Property Investment	Higher rentals/lower yields
Image	Favourable publicity



3

managing town centres



Barnsley

- Local authorities must play a leading role in initiating the process of town centre revitalisation, while building partnerships with the local community.
- Town centre management has been growing rapidly in numbers and influence.
- The first task for town centre management is to ensure a concerted focus on improving the centre by bringing together those with the powers and resources needed to attract and sustain activity and investment.
- A clear vision is required before a manager is appointed, leading on to a strategy and budget for early action.
- To build confidence, it is essential to start by producing some 'early wins', however small, and to tackle basic concerns first.
- Once trust has been built up, town centre management can help cross professional and sectoral divides, and expand the role it plays.
- Rather like the business life cycle, initiatives go through the stages of conception, infancy, growth and maturity.
- Towns, like human beings, have a hierarchy of needs, and there are seven steps in going from visions to results.

3.1 An important issue is what town centre management and town centre managers should be expected to achieve. The impetus for launching an initiative usually comes from the threat from other centres, and the need to fill vacant shops. Out-of-town centres (which include business parks, as well as a wide range of retail parks and superstores) have the advantage of unified ownership and management with enforceable service charges, which enable them to respond faster to what customers want. Whilst 24 hour access and a multiplicity of uses, users and interests are the major strengths of town centres they make management more complex and challenging. Ownership is fragmented and businesses think they already pay more than enough in rent and rates.

3.2 Although town centre management is more difficult than running a shopping centre or major store, it is often expected to deliver far more. It is therefore naïve to expect appointing a town centre manager to produce miracles on its own. This chapter considers who should take the lead, the process of launching an initiative, generating a shared vision, appointing a town centre manager, expanding the role, and building capacity so that initiatives can become self-sustaining.

TAKING THE LEAD

3.3 There is often an argument over who should take the lead in improving town centres, and consequently a tendency to 'pass the buck'. The private sector looks to the local authorities to whom they pay rates; the local authorities say their hands are tied by central government and other priorities; the government looks to local initiatives. However, local authorities have always played a key role in the successful development and operation of town centres as they are responsible for the standards of accessibility and amenity. With the tougher economic environment, their involvement is becoming even more critical, although their role is changing. Collective action has always been important, and the roots of most towns go back to market charters, the growth of guilds of merchants, and the use of regulations to raise standards. Indeed the origins of rates can be traced back in some places like Bristol to even before Elizabethan times, with levies being raised from merchants to undertake public works. When these loose arrangements could no longer cope with pressures for higher environmental standards and democratic accountability, the system was reformed, over a hundred years ago.

3.4 The modern British local authority has seen many of its functions removed, such as the provision of utilities. Its funding and staffing have suffered cuts. The collapse of the commercial property market has limited the scope for negotiating planning gain and undertaking comprehensive development. At the same time the role of most district councils has broadened from the delivery of services to the promotion of economic as well as physical development.

3.5 The concept of local government has also changed in recent years. Local authorities have come to see their roles as enablers, rather than trying to do everything themselves. The growing need to bid for funds in competition with others has seen the rise of entrepreneurial officers in many authorities; this has been coupled with a switch from a professionally based structure to area management. The recognition of pockets of need, as formerly in the 57 designated Inner City Areas, is now much more widespread. This started with the designation of Industrial and Commercial Improvement Areas. The requirement to show tangible results from public expenditure has led to the growth of initiatives focused on small areas, such as the Single Regeneration Budget and the various Challenge funds, each with their own strategies and steering groups or partnership boards, as in the London Borough of Greenwich, for example (3.1).

3.6 Recognition of the limits to local authority powers and resources has encouraged the formation of many kinds of alliances and partnerships. While there are differences in political values and styles of management, many authorities want to involve and work with their local communities. Many more want to create partnerships to tap available funding. A growing number are establishing consultative forums and sharing power and information, which is the first step in creating a successful partnership (3.2). There has been a great upsurge in contacts between the public and private sectors, as in Oxford, for example (3.3), and a better understanding in many places of the need for collaboration. There have also been a host of abortive initiatives, angry meetings, and unmet expectations.

3.7 British towns face a number of obstacles, which make the task more difficult than on the Continent or in North America. Power has been centralised not just in central government, but also as far as property ownership, finance and most forms of business are concerned. Small businesses are relatively weak and disorganised. This makes it much harder to identify all the 'stakeholders', let alone bring them together. Also despite the efforts of organisations like Business in the Community, to which many of the largest private companies belong, it is difficult to get the local managers of large organisations to play much of a role in local

Case Study 3.1



source: Greenwich Waterfront Development Partnership

Greenwich Waterfront Development Partnership: Regenerating run-down areas through partnership

The Waterfront Strategy is a regeneration partnership between local businesses, local communities and the London Borough of Greenwich, covering 11 km of waterside land including the town centres of Greenwich and Woolwich. The partners each have five representatives on a Board which provides a focus and facilitates action. In addition, the partnership has secondments from the police, a further education college, the University of Greenwich and major retail and banking outlets, to help implement the strategies that have been developed. Committed support and the links to influential decision-makers are very important. Subsidiary bodies under the partnership's umbrella include the Business Forum, the Community Forum (where people can spell out their needs and ideas for regeneration), steering groups for Woolwich and Greenwich who provide financial aid, Town Centre Managers and a Conservation Partnership with English Heritage to preserve Greenwich's buildings.

Government funding initially was minimal, so the council used small amounts of its own money to lever funding from other sources and assemble a 'package' of money to do one job. This, however, slows down regeneration as co-ordination and agreement between many partners can be difficult. The businesses in the area are small and have little spare cash, but they will spend if they know others are investing. Therefore a credible and confidence inspiring strategy is essential. The partnership has gone on to win £3.7 million from the government for its Greenwich 2000 Tourism Development Plan and funding for the Greenwich and Docklands International Festival to mark the millennium, as well as Single Regeneration Budget funds for Woolwich.

source: NATWES Group plc

Case Study 3.2



The Woolwich revival programme: Regenerating Woolwich through an action plan

Due to financial constraints initial improvements to Woolwich town centre under the Waterfront Strategy were limited to repaving, parking, repairing street furniture and bus re-routing.

Town centre decline was deep seated, due to competition from other towns, the loss of traditional functions and low investment. The breakthrough came with a successful SRB bid for £25m over 7 years. The Woolwich Development Agency, with representatives from the council, Woolwich Business Forum and the community, has several full-time staff. It will implement the 42 projects which make up the SRB Woolwich Revival Programme. Objectives include improving school results, bringing derelict sites back into use and implementing the Town Centre Action Plan.

It is estimated that a total investment of £100m will be generated. SRB funds are being matched with finance from the EU's Konver Programme for areas with defence closures. The only significant worry is that some property owners remain sceptical about the future of Woolwich, despite the new marketing strategy and action plan. However, long-term funding for the Town Centre Agency still needs to be raised from elsewhere.

affairs. Their main concerns are said to be with short-term trading results and their own promotion prospects. Some multiples (including banks) discourage their managers from getting actively involved in local affairs and give little discretion or budgets to local branches. This is a great pity as not only do towns lose the local leadership they once had, but major companies lose the chance of developing entrepreneurial management skills.

3.8 There is also deep suspicion and sometimes enmity between many of the interests that make up a town. Chambers of Commerce typically

represent only a minority of businesses in a town and have little power or resources compared with their French or German counterparts. Retailers often feel left out and, in such a negative or carping environment, creating a spirit of partnership and common purpose is extremely difficult (though encouragement and guidance through publications such as *About Town* should help to generate interest). It is therefore essential that local authorities play a leading role at the start of town centre management, before the private sector will respond, and give the subject the top management attention it deserves.

LAUNCHING AN INITIATIVE

3.9 Town centre management is about working for the future of our towns and cities. It has been defined by the ATCM as *"the effective co-ordination of the private and public sectors, including elected executives from the local authority, to create, in partnership, a successful town centre building upon full consultation"*. Similarly, the British Retail Consortium, which represents all the main names in the High Street, refers to: *"Developing a partnership between private and public sectors in order to assess the competitive strengths and weaknesses of particular towns"*. It is strongly advocated in PPG6, the Department of the Environment's planning guidance for local authorities, which states: *"The essence of management is making things happen, or turning visions into results. The key task for town centre management essentially is to ensure a concerted and sustained focus on improving the centre by bringing together all those with the power and resources needed to attract and sustain activity and investment."*

3.10 Town Centre management is clearly a growth business as the ATCM's Directory of Managed Towns indicates. The 114 initiatives that it profiles show that a number of different approaches are being taken. About half had either a formalised or an ad hoc partnership. 29% were local authority led and 15% involved a company or trust. Most still involved relatively few people; 18% had consultative forums and 12% had local authority town centre committees. Our more recent survey shows some changes, with 78% of the responding towns benefiting from some kind of town centre management initiative. The bigger the town the more likely it is to have an initiative. All the metropolitan cities have initiatives, while market towns have the lowest proportion. The committees vary in who they include, but are mainly made

up of local authority officers or councillors, and retailers, who play an especially important part in industrial towns. In contrast, chambers of commerce and community groups play a bigger role in market towns, where the multiples are typically less dominant. Property owners, interestingly, are involved in 42% of initiatives, and 75% of those are in metropolitan cities.

3.11 105 of the 235 towns have adopted formal strategies for their centres, but over half have been formed since 1995, and only 15% date back five years. This shows that PPG6 is having an impact, but it also suggests that there are many places without a strategy, even though there may be some form of initiative. Where there is a published strategy, it is usually produced by either



Copenhagen

the town centre partnership or the local authority. Only 2% are drawn up primarily by the private sector and 4% by consultants.

3.12 Strategies are often quite narrow; nearly all cover retailing and leisure, 65% also cover housing, but less than 20% include education. Transport and the environment are featured to some extent but promotion and economic development are addressed in less than 10% of cases. Tourism is hardly mentioned, even in historic/resort towns

only 11% cover it in their strategies. This suggests that many strategies are still at an early stage of responding to the most obvious concerns, with retailing still dominating the role of a centre. **Exhibit 7** summarises the actions involved in launching an initiative and it is important to realise that a strategy needs to be worked up in the initial stages, so that the partnership can be clear on its objectives and early action can be taken. However, it should also be remembered that it is possible to practise town centre management without necessarily appointing a full-time manager.

Case Study 3.3



Source: Oxford City Centre

Oxford City Centre: Sponsoring a multitude of projects

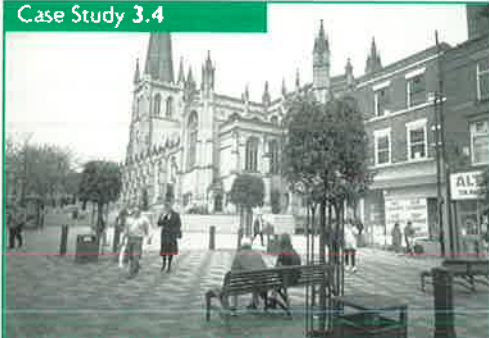
Oxford is an attractive place to live and work in but suffers because its short-term visitors do not contribute much to the wealth of the town. To respond, a City Centre Management Working Party was set up with a large membership (36 members), half of whom came from the private sector and the rest from voluntary organisations, the council and other authorities. In this way a greater number of organisations are working together than if the initiative were just a part of the local authority, but because of the close involvement of the council a more strategic approach has been taken. The projects are funded half by the private sector with the council providing matched funds. However, securing funds takes up managerial time which could otherwise be employed in progressing development, as many sponsors only give small amounts. A business plan has set out a wide range of actions and projects, stretching over a three-year period, and puts stress on monitoring performance.

Exhibit 7

Launching an initiative

- Recognise the importance of town centres to the social, economic and physical well-being of the community
- Profile and undertake 'health check' of the towns(s) and its competitors
- Establish local concerns
- Identify a champion within the local authority and potential allies elsewhere
- Set up a Forum for regular consultation with local interests
- Develop a vision
- Work up a strategy and a budget for some early action.

Case Study 3.4



Wakefield City Centre: Launching a management initiative

Like other satellites of Leeds, Wakefield has to work hard to promote its distinctiveness in order to flourish. The threat of a major out-of-town development sparked off a number of conferences, external presentations and a pilot study in a smaller town to encourage the commitment of the Local Authority and businesses in Wakefield.

After extensive physical improvements a Town Centre Management Initiative was set up under a memorandum of understanding, signed by the 14 members' organisations. This sets out the initiative's objectives, the term of agreement, the constitution and working arrangements.

A business plan has been developed by the City Centre Manager and includes a vision statement, a summary of the city centre manager's role, proposals for funding and an action plan for meeting the agreed objectives. The city centre strategy and action plan emphasises that any financial support received is an investment which must show real returns in terms of quality of life, business growth, cost savings or improved services. The aim is to secure private finance which exceeds the council's contribution of £90,000 over three years. So far 30 core sponsors have committed £80,000.

A monitoring system is being set up to assess increases in activity and changes in the position of the city nationally. The City Centre Manager is based in a building in the town centre which acts as a 'drop in' centre.

GENERATING A SHARED VISION

3.13 Building a partnership takes time. It can easily go wrong if there is no common interest, or if the partners do not put the necessary effort into making it work. Too often, in a bid to impress, schemes will be launched without the necessary groundwork having been done to create a consensus or find common ground. The process of building a partnership for a town centre has to be incremental, and usually starts with an initiative by the local authority in response to local concerns; the initiatives in Coventry and Gravesend clearly illustrate this, and the Wakefield case study also shows how it helps to have achieved some tangible improvements first in order to build confidence (3.4).

3.14 It is clear, both from experience over the last 20 years and from all the research that has been done on the subject, that a great deal depends on the people involved. The constitutions and procedures that take up time are usually incidental. However, securing the involvement and support of people with power and money does not happen by chance. Our demonstration projects show that partnerships need to be built from the ground up. There are four essential steps, which form what is often called a SWOT analysis:

- Build on **strengths**: As most of the features of a town - physical, economic and social - are relatively fixed, it is important to make the most of whatever makes the town special, so that it can find a niche. This means comparing the town not just with the shopping centre down the road, but with other similar places that have gone through similar challenges. This is where health checks and audits can be so useful, because they force people to face the facts. Even in quite ordinary towns there is usually something in which people can take pride. Thus Ayr has promoted its diversity of places of entertainment.
- Concentrate efforts on overcoming obvious **weaknesses**: Funding is always limited, particularly at first. So once there is a clear idea where the town wants to go, it is essential to produce some early visible improvements, as otherwise the initiative will not be taken seriously. It is better to do a few things well that are widely appreciated than to spread efforts thinly over a large area. This has been the philosophy of the Impact programme in Kent which was first tried out in Gravesend. The evident results made it easier to enlist the support of the private sector subsequently.
- Invest in the **opportunities**: All initiatives wither if they do not secure resources. It is vital therefore to know not only what improvements or development projects are possible, but also where the funding could come from to make them feasible. Successful partnerships back winners, and research pays off. Thus Nottingham made the most of the availability of European Commission funding to pedestrianise its centre before Meadowhall opened. This in time has helped attract major private investment to the city.
- Recognise the **threats**: A major transformation takes place when people in a town see that the problems they complain about can only be resolved by acting together, rather than by blaming someone else. It does not matter at first whether everyone is involved or agrees, provided that there is a group of people who are committed enough to work together and who represent the different interests. This may mean starting with a small area that is obviously a priority, perhaps because of how many people use it, or the level of vacancy. In Bristol, for example, it has been easiest to make a start in Broadmead because that is where the main multiple retailers are concentrated.

3.15 The process of drawing up a vision or strategy helps to bring partners together, and agreements can then be drawn up, as in the case of Perth, to cover different action areas (3.5). Each town and group must create its own agenda and action plan. However, good information and advice can help avoid 'reinventing the

wheel'. *Vital and Viable Town Centres* contains a number of checklists and a substantial bibliography, but many of the most useful sources of information can be hard to track down. Limited time and budgets stop managers from obtaining the training they need. This is a gap that needs to be filled, particularly as far as smaller

towns are concerned, by the dissemination of good practice. For example, a summary of Kent's considerable experience has been published and a number of conferences are being held, increasingly at a county or regional level. There is also a growing amount of networking between towns facing similar problems, such as the Historic Towns Forum, and many of its members, such as York and Oxford, are in the forefront of good practice.

3.16 Local authorities that are considering launching a town centre management initiative, or appointing a manager, often find it helpful to draw on experience from elsewhere and to organise study tours to visit other similar places. They may go on to hold local conferences, involving organisations such as the Association of Town Centre Management and Boots The Chemists through their Town Centre Support Unit. An increasing number employ consultants. Over time the number of successful initiatives will grow, and with them the supply of managers with a good story to tell.

3.17 Once there is sufficient impetus for launching an initiative, there are a number of practical steps that local authorities can take to draw up a vision and strategy including:

- Identifying individuals, probably both a senior officer and a leading councillor, to act as '**champions**' for improving the town centre.
- Establishing a **council sub-committee** to focus on how to improve town centres, and to make a budget available for studies and action.
- Commissioning a **health check** and audit to establish how well the centres that may be at risk are in fact doing, and to identify the kinds of action that need to be taken.
- Setting up an officer task force or interim **steering group** to oversee both the preparation of plans and the implementation of pilot projects. In many of the smaller towns, it will be desirable for districts to be working with Counties, as well as Town Councils, and organisations such as the

Rural Development Commission are beginning to become involved. In larger towns, it may help to involve organisations such as English Partnerships, which is taking on many of the functions of the Welsh Development Agency or the Scottish Local Enterprise Companies (LECs).

- Identifying priorities, often best undertaken as part of a study, which can range from business and community **surveys** to **seminars** or **action planning events**.
- Establishing a consultative **forum**, which may range from a steering group made up of those interested in sponsoring town centre management, to a wider group that brings in the smaller and independent businesses or community and cultural organisations that might otherwise feel left out.
- Publishing a **strategy** to ensure that all the organisations affected by major projects that affect the town centre, such as new traffic schemes, or arts and leisure facilities, are involved in the process, and that key actors who are considering opening or closing attractions in the town are kept fully informed, and treated properly.

3.18 Bradford provides a good example where a number of partnerships are being used to progress different projects (3.6). But partnerships do not energise without a great deal of hard work, consultation and meetings. Some places have found it helps to organise 'visioning' events. Action planning, which includes the use of outside experts for most periods to help brainstorm options, can help local people to see opportunities. Techniques like community planning conferences, as in Stroud (3.7), planning for real and design competitions can all play a useful part. **Exhibit 8** (see page 20) sets out a checklist of actions for devising a vision for an area. Success of the initiative to revitalise Birmingham's city centre stems in part from ideas generated at a brainstorming weekend (3.8). An important feature of a good vision is that it helps everyone to see the potential, like the idea of developing Swansea's centre as a series of parks, starting by turning the old docks into a 'Maritime Quarter' (3.9).

Case Study 3.5

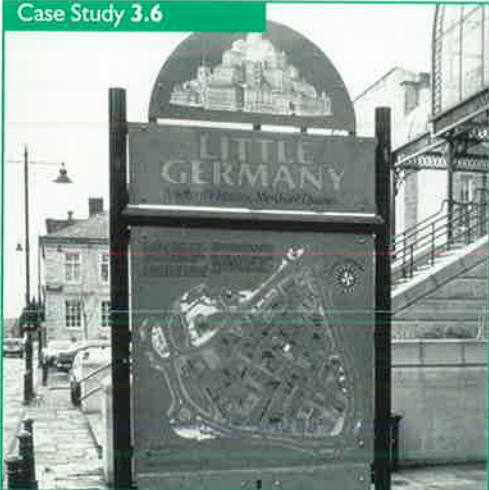


Perth Partnership: Regeneration through a public and private sector partnership

The Perth Partnership was set up to strengthen the competitiveness of the city and improve employment prospects over a five-year period from April 1996. It comprises the Council, the Chamber of Commerce, the local College, the Tourist Board, Scottish Enterprise and Scottish Homes. The partners jointly agreed to set output and input targets to determine Perth's economic profile and future performance. The six main target areas are: land, property and infrastructure development; inward investment; marketing and promotion; environment, traffic and transport; tourism and culture; city centre development and management.

A City Centre Management Initiative was set up with a steering committee, management team and working groups drawn from the Partnership. The initiative is responsible for networking, communication and liaison; promotion, marketing, events and festivals; physical development and maintenance; accessibility and legibility; business skills and training; and economic profiling and performance monitoring. The Partnership focuses the resources of a range of agencies in a joint strategy to make the most of the town's strengths and distinctiveness.

Case Study 3.6

**Bradford:****Vision into action through city centre management**

Despite tourism initiatives on the fringe of Bradford City Centre, such as the Photographic Museum and the Merchant's Quarter in Little Germany, the shopping centre had been largely neglected. An award-winning pedestrianisation scheme was insufficient by itself. An energetic City Centre Manager was appointed with funding from both the private and public sectors and a properly constituted steering group with clear and jointly owned terms of reference was set up. This funding was extended by all the founding partners for a further three years to 1999. A 'Visions into Action' strategy has been drawn up, encompassing environmental works, car parking and access, management and administration, maintenance and marketing and promotional events. There was a core budget of £127,000 for 1995/6 and partnership opportunities are identified with a staggered pricing system that enables a wide range of organisations to be involved and often a multiplicity of partnerships. It has also led to a number of redundant buildings being reused, such as the old Wool Exchange as a Dillons and the Old County Court as wine bars and restaurants.

Exhibit 8

Devising a shared vision

- Join ATCM!
- Consult key interests on their concerns
- Undertake survey(s) of retailers, local groups, etc
- Review experience from elsewhere e.g. conferences
- Visit similar places
- Prepare briefing papers on key issues
- Draw up lists of possible allies
- Organise workshops or other 'action planning' events to brainstorm options and agree priorities
- Publish the results for consultation.

APPOINTING A TOWN CENTRE MANAGER

3.19 Once there is consensus on the need to improve the town centre - a shared vision - it is time to appoint a full-time and dedicated manager (although in smaller towns the job may have to be shared), whose role is described by the ATCM as:

- To work with the key people involved in the town centre.
- To forge a link between business and civic interests.
- To encourage co-operation and co-ordinate activity.
- To identify and define the management targets for the town.
- To develop and implement an Action Plan.
- To communicate progress and results.

3.20 **Exhibit 9** is an example of a job description which illustrates the range of expertise required. While there is growing acceptance of the need for town centre management, reflected, for example, in the Government's planning guidance, the number of business sponsors is still relatively few. As budgets are very tight, achieving results is crucial, which will be difficult in the short term. Furthermore, there is considerable divergence in the objectives of those sponsoring town centre management:

- The initial funding from the private sector has tended to come from a few retailers: Boots The Chemists and Marks & Spencer, who have since been joined by others such as Sainsbury's, Sears Group, Somerfield and WH Smith. The retailers who are funding town centre management are primarily concerned about levels of trade, particularly in the prime areas where they have shops. Because they are sophisticated organisations, they want to see information that shows how the town centre is performing, and what is being done to improve it. In the end they will locate wherever the trade goes.
- A number of property owners, such as the Prudential and Land Securities, are beginning to support town centre management initiatives in some of the major towns. Property owners are worried about the effects of increased competition on property values and returns. Property is managed by surveyors who are concerned about the levels of investment that are being made, and the tangible measures being taken to create the quality of environment that occupiers and their customers demand.
- District councils are the main source of funding at present. Local authorities understandably are mainly concerned about being re-elected, and therefore listen to the concerns that voters raise. Local authorities are keen to secure more control over resources, and to find better ways of financing the improvements that are needed. While the larger cities want to match the higher standards achieved on the Continent, the smaller town centres are usually vying both with each other and with other priorities. Financial, technical and managerial resources are all very limited, making it much harder to fund ongoing town centre management initiatives. Hence their main concern is with producing visible results.

3.21 If town centre management is to continue to grow in influence, it is essential that it creates **added value** for all its sponsors, so that they increase in number. A review of the expanding literature on town centre management illustrates the wide range of current practice. Most experts agree on the need to go beyond what have been called the 'janitorial functions', which tended to characterise the first initiatives:

- The Local Government Management Board distinguishes between development, management and promotion, and refers to three general themes: environmental quality, public safety and marketing.
- Kent County Council in its review of 12 major projects refers to 11 themes including Working For Customers (getting and keeping them), lively places (arts, festivals and evening economy) and encouraging citizenship.
- The Royal Institution of Chartered Surveyors in its guidance note suggests the formation of working groups on access, environmental improvements, promotion and quality of life.
- Oxford Brookes University, in its research into what town centre managers actually do, identifies five main functions which basically comprise enhancing communications, improving the environment, liaising with potential investors, promoting the image, and raising funds.
- Boots The Chemists in their tool kit *How to Get Started* distinguish between the issues of access, security, the environment, retail mix, development, image, promotion and liaison.

3.22 However, when we examined the roles of most town centre managers, and the budget at their disposal, there seemed to be a clash between what they were expected to do and what they could realistically achieve. The ATCM's *Directory of Managed Towns* and discussions with a selection of town centre managers revealed that in practice their roles and status vary enormously. Many are still expected to work miracles on short-term contracts of two years at a time, and on budgets that provide for little more than their salary.

Given the scale of the challenges, this could lead to people writing off town centre management before it has a chance to prove itself.

3.23 The ATCM's Directory suggests that most town centre managers are still playing a relatively narrow role:

- 31% of the town centre managers report that they are only tackling one issue in their town centre.
- The most common issue is improving the environment, including landscaping and redevelopment.
- Security and traffic account for 23% and 22% of issues tackled respectively.
- Only 24% are reported as tackling promotional issues.

3.24 Examining the backgrounds of the town centre managers, it is clear that many people tend to concentrate on what they already know. Someone with a marketing background is much more likely to be involved with promotion, while planners tend to focus on physical issues. Private sponsors prefer people with retailing experience. Few come from an entrepreneurial or voluntary sector background (in contrast to common practice in North America). While this may reflect the priority at the time of appointment, it does raise the issue of whether one man or woman can be expected to do all that is required, particularly as far as overcoming local inertia is concerned. Also, with limited budgets, there are not sufficient funds or time to undertake the training needed to build capacity. Town centre management in Britain still has a long way to go.

3.25 Curiously, although there are real differences between types of town centre, which are illustrated in the DoE report *Vital and Viable Town Centres*, there is no particular pattern in the functions that town centre managers say they are performing or in the structures and budgets revealed in the ATCM's Directory. This suggests that many local authorities are appointing town centre managers without first identifying the specific needs and opportunities, or agreeing a strategy

Exhibit 9

Source: ALPS member

Job description for a Town Centre Manager

Responsible To:

Director of Environment and Planning/
Chief Executive/
Partnership Board

Job Purpose:

To provide a dedicated resource for ... Town Centre which will co-ordinate and integrate the efforts of the local authority, businesses, landowners, transport, police and other public agencies and representative organisations, with the aim of providing a comprehensive response to competitive pressure by achieving the highest quality facilities, environment and maintenance for the users of the Centre.

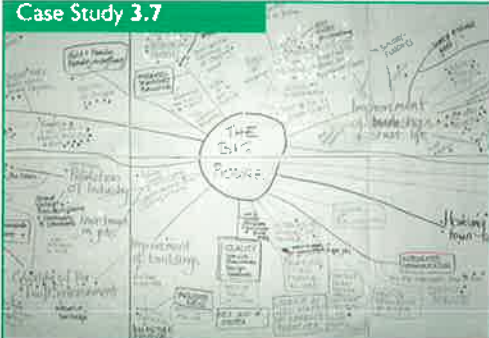
Principal Duties:

To adopt the role of champion and advocate for ... Town Centre (and other Centres) by taking a broad consumer's view and by way of continuing liaison to be sensitive to the needs of the range of users, including residents, visitors, shoppers, commuters, retailers and other business interests.

To contribute to the development of a shared vision for the Town Centre and other Centres and to the development and implementation of a Business Plan for the Town Centre and other programmes of action to make Town/Shopping Centres more economically healthy, operationally efficient, and attractive by day and by night.

To act as co-ordinator, enabler, promoter and catalyst with regard to the local authority departmental responsibilities and private sector and other interests in the Town/Shopping Centre in order to improve the consumer's experience and perception of the Centre. Areas of concern will include future development and redevelopment opportunities, projects which improve or promote the Town Centre and day-to-day management issues such as the local delivery of Council services.

Case Study 3.7



Stroud: Involving the community

Faced with large numbers of vacant shops, and the decision to build a third superstore outside the town, local residents campaigned to draw up a vision for the town, through a series of events leading up to a Community Planning Conference. Funding was provided by the District and Town Councils to enable an administrator to be employed, and an empty shop was taken on as a base, while companies helped by donating materials.

Local people were invited to put their 'wishes' on to 'Post It' notes, and the same technique was used at the conference, which took place over a weekend, to allow everyone to have their say. Groups of eight were used to brainstorm ideas, which were then sorted into different subjects, and at the end people were invited to work on how the ideas might be taken forward. Talks from experts and a subsequent workshop, attended by key people from the local authority, enabled agreement to be reached about priorities through the involvement of several hundred people, plus considerable discussion in the local media. A professionally produced report provided a basis for bidding for resources to implement the plan. However, it is proving difficult to maintain the momentum that had been generated by the process.

and budget. Yet the major differences between towns in, for example, the pattern of ownership or type of attractions call for different structures.

3.26 Most of the town centre managers are on short contracts with very limited budgets, and this presents the problem of going cap in hand to fund their own salaries. Our analysis of 114 towns with management initiatives found that 43% had budgets of between £25,000 and £100,000, while only 17% had more than £100,000 and 40% had nothing. The size of the town made little difference to the

budget, and the level of expenditure contrasted hugely with managed shopping centres. Furthermore two thirds of the budgets are controlled by local authorities. Funding control is only held by the manager in three towns, and by the board in four companies out of the fifteen covered by the survey. Town centre managers are therefore often managers in name rather than reality although many have an influence over how budgets are spent. **Exhibit 10** sets out some guidelines for ensuring town centre management produces initial results.

Exhibit 10

Managing for results

- Form a steering group for the initiative with private sector and community representatives
- Focus on basic concerns, such as 'clean, safe, friendly streets'
- Turn the strategy into action programmes and projects
- Agree a memorandum of objectives or mission statement
- Commit an initial budget to town centre improvements and management
- Build confidence through early action.

EXPANDING THE ROLE

3.27 For those towns that have already launched a town centre initiative, the main concern will tend to be committing more resources and making the initiative more effective. Common steps in expanding the role include:

- **Planning for action:** while the vision and strategy are crucial to getting a group together and raising a budget, there is then the need to turn the strategy into an action plan that helps to co-ordinate the work of the different departments and agencies and a business plan that shows where the funding will come from.
- **Acting on a number of fronts:** most initiatives set up working groups to plan and co-ordinate action under different themes. While titles will differ, it seems generally useful to think in terms of promotion, business development and the environment, with the latter often broken down into transport or access, and amenity issues such as security or maintenance.
- **Celebrating success:** an important part of every initiative is communicating what it is planning to do, and what it has achieved. Finding good news can be hard, but it is vital to try to celebrate a victory every six months or so, however small, to keep the support of those sponsoring the initiative. This also means giving credit to all who have contributed. Awards can help.

3.28 In a number of the cases studied in this report, town centre management has been able to achieve considerable results within existing budgets, through **alliances** with other organisations, by for example:

- co-ordinating and focusing the efforts of different local authority departments
- securing funding and backing from other agencies
- stimulating private contributions
- revising existing policies and making them more effective

3.29 It is noticeable that the initiatives generally judged to be most successful had benefited from substantial capital investment in the public realm early on. The expenditure not only helped 'kick start' the regeneration process, but also enabled the local authority to gain the confidence of the private sector by showing that it meant business. Improvements to the public realm can act as the catalyst that brings everyone together, as the example of

IMPACT's work in Dover illustrates (3.10). Once substantial resources have been attracted, as, for example, through the Single Regeneration Budget, it may help to draw up a contract between the organisations, to turn an alliance into a proper partnership. The Lee Valley Partnership, which includes two town centres in its area, illustrates what can be done without actually constituting a company (3.11).

3.30 Conversely, where local business initiatives have tried to improve the town centre without securing the whole-hearted support of the local authority, the results have been much more limited. Although they may have acted in some cases as a catalyst or irritant (like the grit that produces the pearl!), unless the local authority is fully committed from the beginning, and can share in the credit, little will be achieved. Herne Bay, which was an initiative by local business people, provides an example of the conflict that can arise (3.12).

Exhibit 11 suggests ways of sustaining the role of town centre management after the initial period.

Case Study 3.8



Birmingham: A vision for the heart of Birmingham

As part of the process of finding new roles for the city centre, Birmingham City Council has developed an International Convention Centre and Arena, as concerns had been expressed over how to improve the city's image and attract private investment. A symposium drew together international experts, senior officers, and community leaders. Action planning techniques were used to come up with a vision for the centre as a series of distinctive quarters linked together by a network of pedestrian streets and public open spaces. A report called the Highbury Initiative was published. One result was the commissioning of a series of urban design studies, which the council implemented, including downgrading the inner ring road and creating Centenary and Victoria Squares with their memorable fountains and sculptures. Although the expenditure and the involvement of artists was controversial, especially when there were so many other problems to tackle, the investment has paid off in increased pedestrian activity, leading to further investment by retailers and leisure operators, which in turn has driven up rental values and provided the confidence for major redevelopment of a much higher quality than in the past.

Exhibit 11

Sustaining progress

- Employ a manager with the capacity to mobilise private sector support
- Commission an audit or strategic review
- Review existing council budgets and service levels
- Develop a business plan for the initiative
- Broaden the focus to tackle fresh challenges e.g. promotions or managing a wider area
- Celebrate achievements and maintain enthusiasm
- Monitor results.

Case Study 3.9



Swansea: Regenerating derelict land

Faced with unparalleled levels of dereliction as a result of war-time bombing and industrial decline, Swansea started to fill in its docks, and the city lost much of its quality in post-war development. However, a visionary planning officer persuaded the council to change its policies, and adopt a strategic plan based on a series of parks with distinctive themes. A sports stadium transformed the view from the railway and a maritime quarter, with a range of housing which overlooked a marina and created an urban village next to the city centre. What has distinguished Swansea's strategy is the emphasis on quality of design, reflected in the profusion of public art. Even the finger posts have been specially commissioned to reflect local circumstances. The council has continued to acquire land with development potential, and has taken advantage of every government scheme, as well as planning gains from private developers, to supplement its own limited resources.

also see 6.7

BUILDING CAPACITY

3.31 An important conclusion from the experience of all the demonstration projects, which was confirmed by both the seminars and a study of experience in the USA, is that progress can only be made incrementally, over a period of years. This is because it takes time to build capacity and trust. At present, managers are often dependent on private funding which could easily dry up before tangible results have been achieved. It is clear from the history of the six demonstration projects that there are no easy answers to generating resources. Success generally depends on adopting a balanced incremental development approach rather than relying on any one project to produce the 'big bang'. There appears to be a form of evolution, in which one achievement leads on to another, and builds up confidence among investors, both public and private. The process can take at least five to ten years, to judge from the experience of both Gravesend and Coventry.

3.32 Town centre initiatives have to go along a learning curve, like any business, and their success depends on building their capacity to deliver results, by crossing a series of thresholds. The stages, like the life cycle of a business, can be classified as conception, infancy, growth, and maturity.

Conception: The starting point is often the recognition of a threat, followed by the decision to hold an event or commission some advice from outside experts. Properly organised, both of these can provide the foundations for a successful partnership and a shared vision. Mishandled or under-resourced, they can widen the divides and create the wrong image. A **local initiative** has the best chance of survival if it is the product of consenting parties and there is a sense of local ownership.

Infancy: Having produced some kind of written mission statement, the next stage is to secure the resources to make an impact. Experience suggests that this stage will typically be **local authority led**, as it is crucial to secure the collaboration of different public departments and agencies before the private sector will take the initiative seriously. This can be organised through a town centre or regeneration committee and an officer task force, with a senior officer acting as the driving force until a town centre manager is appointed.

Growth: The next stage varies according to the size and resources of the town, but usually involves some kind of **ad hoc partnership**. In a large town, where there are institutional investors and major retailers like Marks & Spencer, substantial private sponsorship can sometimes be secured, and much of the expertise needed to design and fund projects can be found within the local authority. In medium-sized and smaller towns, competing priorities and limited public funds often call for approaches that make more use of voluntary effort, focused around specific projects.

Maturity: The final stage can involve going from an ad hoc to a **formal partnership**, often constituted as a trust or company, and with a partnership agreement, or mission statement, which enjoys widespread support and commitment. This in turn depends on not only securing the right representation, but also producing a business plan that shows how to fund the additional costs by tapping new sources of finance.



Edinburgh New Town

FROM VISION TO RESULTS

3.33 URBED has developed a **seven-level model** or process of going from initial **vision** to measurable **results**, based on an analysis of successful urban regeneration projects, which also seems to apply to town centre revitalisation, and provides a useful check-list of the key factors for success (**Exhibit 12**):

Exhibit 12

Going from vision to results

1. SHARED VISION
2. IMPETUS FOR COLLABORATION
3. BALANCE OF PROJECTS
4. COMMITTED PARTNERS
5. FUNDING PACKAGES
6. ORGANISATIONAL STRUCTURE
7. MONITORING RESULTS

1.

Starting with a shared vision:

The initiative may come from many sides, from retailers concerned about the levels of vacancy and falling sales to planners concerned about the threat from new stores, or councillors worried about traffic. The starting point in a successful initiative is having a shared vision among all the key players, and this can take many forms:

- In Royal Tunbridge Wells, a seminar organised by the District Council with the support of the County led on to setting up a forum and a series of working groups on the environment, business and promotion.
- In Bristol, a consultant's study commissioned by the City Council with support from the Chamber of Commerce and major property owners explained why concerted action was needed to combat new out-of-town competition, and provided the basis for an agreed action plan.

2.

Creating the impetus for collaboration:

It is crucial to generate some 'early wins', that are tangible achievements, however small, which can be used to recruit sponsors and convince the sceptics. Furthermore, these need to be linked to local priorities or major concerns. They require insight into the pilot projects that will produce signs of change, often literally:

- In Gravesend, the IMPACT programme over three years made the centre look much safer and more attractive, and this made it possible to secure sponsors for the Town Centre Management Initiative among local retailers.
- In Coventry, initial action to ban drinking on the streets helped change the city's image, and led on to a massive investment in upgrading the city centre through public/private partnerships.

Case Study 3.10



source: IMPACT, Dover

Dover:
Impact through urban design

A county-wide programme to improve town centres in Kent brings together expertise in urban design and economic development. One element is a roving town centre team appropriately named IMPACT, for IMProvement and ACTion in towns in Kent. The team has built up a wealth of expertise and can operate more effectively than inexperienced local authorities. This type of partnership has encouraged links between public and private sectors and helped pave the way for future town centre management.

One project involved upgrading Dover's sea front through a £600,000 scheme which joined the front to the town centre with a new pedestrian link. There was also a major landscaping project on the promenade with an attractive lighting scheme. Kent has been able to draw on funding from Europe, for cross-border collaboration with France. The Dover/Calais collaboration has three aims: improving the European gateways; rehabilitating and regenerating urban centres; and improving tourism and the welcome for visitors.

Case Study 3.13



US National Main Street Programme: Mobilising local concern

The Main Street Programme is a national programme which has evolved from simple policies of conservation and enhancement of the built environment to a highly successful comprehensive approach to business/commercial development and developing the capacity of voluntary groups. The programme includes newsletters, training and conventions, award schemes and technical services. There is a standard four-point approach for the selected towns of design, promotion, economic restructuring and organisation. There are also a number of principles such as comprehensive action, incremental progress, changing attitudes and self-help. The essence of the programme is to implement local initiatives with a trained project manager.

Initial funding came from the government, backed up by local government grants. Almost all projects draw heavily on voluntary effort, so that the business community feels it owns the project.

3.38 During the management phase, organisations tend to grow in size by serving as a contractor to the local authority and by taking on a wider range of roles. The threats to organisational development turn out to be lack of strong leadership, the dominance of a clique on the board, an organisation run by committee or dominated by bureaucracy, and an unwillingness to raise funds on the part of board members. These may be bound up with confusion over the organisation's mission. The result is a waste of time of both staff and volunteers.

3.39 Some of the tips that emerge from the experience of the Main Street programme include putting powerful people onto a board of advisors, rather than expecting them to put time into getting a revitalisation effort started. Unrealistic expectations, often associated with too much stress on large-scale physical improvement, may drive up rents and squeeze out existing firms. Instead it is better to go for small-scale, low cost, highly visible improvements that help boost the sales of existing businesses. It is also crucial to ensure two-way communications with the wider community.

3.40 Following the success of the US National Main Street Programme, and having discarded other options, such as the Civic Trust's scheme in Norwich, (which was regarded as 'skin deep'), Heritage Canada decided to adapt the US Main Street model and set up a series of pilot projects in the period from 1981 to 1985. These aimed to make the most of the heritage of small towns, with support for improving retailing skills and promoting their attractions. The introduction to *Reviving Main Street* asserted "*Main Street has one advantage: it belongs to the community in a way that the shopping centre, with its franchised outlets, can never belong. The businesses are local ones; the merchants, often, are the sons of those who came before*". The book concludes that, like the Wizard of Oz, "*The trick is to realise, as Dorothy did, that there is no place like home: all the resources Main Street needs are already there, waiting to be used.*"

The answers to Main Street's problems are on the doorstep".

3.41 Programmes were introduced on a province by province basis with local variations. For example, the Community Renewal Branch of the Ontario Province prepared information kits under the theme of PRIDE (Programmes for Renewal, Improvement and Development). In many areas Business Improvements Districts have been used to channel grants to areas where there is a 'commonly agreed scheme'. Legislation was passed in 1981 to enable the formation of a Business Improvement Commission that can levy special taxes.

3.42 The Canadian approach to small towns, like its US model, is based largely on community involvement and self-help. Working on behalf of local committees, co-ordinators or consultants are used to identify ways of improving the retail mix, and developing retail skills. For example, lessons from experience on how to fill vacant units include starting by identifying businesses operating in neighbouring towns, using personal contacts, surveying existing businesses to find those who want to expand, surveying wholesalers and franchisers, using a team to follow up leads, and identifying gaps.

3.43 However successful the Main Street initiatives have been, the general lesson from both USA and Canada is that voluntary efforts focus on heritage and are insufficient on their own to tackle the problems facing larger towns. In the last decade or so, in most of the large cities, there has been a shift from initiatives based on voluntary contributions to a mechanism that commits property owners to paying a supplementary charge for additional services. Often known as Business Improvement Districts, the experience of these partnerships, and of the International Downtown Association which represent them, may provide the model for the future organisation of town centres, which is the theme of the following chapters.



BRISTOL

BRISTOL
BROADMEAD

PROFILE

Bristol city centre is the historic and commercial capital of the South West. It is relatively large, diverse in character, with many distinctive neighbourhoods. The historic harbour and river snakes its way throughout. The core shopping centre, Broadmead, was built during the 1950s with over 1,000,000 sq.ft. of shopping space (twice as large as Bath). However, permission has been granted for the expansion of an out-of-town shopping centre at Cribbs Causeway, 11 miles north of the City Centre. This will provide over 750,000 sq.ft. of space (1997) on the lines of Meadowhall in a location which has become an 'edge city' to Bristol. The city centre, which is increasingly dependent on localised spending, is vulnerable to further loss of trade which the Oxford Institute of Retail Management estimates could be as much as 15-25%, and bring about the loss of 1,000 jobs. There is little evening activity in Broadmead, the preferred locations being elsewhere in the City Centre.

ORGANISATION

To help strengthen the competitive position of the city, the Bristol Initiative was launched, with support from some 120 leading businesses in the City, following the model promoted by the CBI in Newcastle. This has since combined with the CBI to form the Bristol Chamber of Commerce and Initiative (BCCI). Other public and private sector partnerships have been formed, such as the Broadmead Board of Management, The Bristol Regeneration Partnership, Western Development Partnership and the Cultural Development Partnership. This gave rise to "Bristol 2000", a major successful Millennium bid to provide 'educational and entertainment facilities on the themes of arts, nature and science' in the part of the Docks renamed Harbourside.

The Broadmead Board of Management (made up of the City Council, BCCI, retailers and investors) was formed into a limited company in 1995, to bring together the key interests behind a programme of improvements. The City Council has a major financial interest as the freeholder for Broadmead, and other key players are

Land Securities, Norwich Union and Marks & Spencer. In addition, the City Centre sub-committee was formed by the City Council in 1995. This brings together the chairs of the relevant key committees to ensure a corporate approach and a draft strategy for the whole city centre was published in 1996 for consultation.

In 1994, the City Council and BCCI commissioned an audit, strategy and action programme from a team of consultants. The strategy aimed to restore confidence by boosting Broadmead and adding to its attractions, diversifying and enhancing the leisure facilities, upgrading the markets on a new site, and promoting specialist shopping in its place. The idea is to appeal



to a wider market, by promoting the city centre as a whole: enhancing the environment and upgrading the linkages through better pedestrian routes, improved bus links and a new signing system, so that the different parts of the town reinforce each other.

The completion of the report and action programmes prior to making it public formed a crucial part of establishing a real partnership, but was not without difficulty. It was seen by the major landowners as absolutely crucial in persuading them to invest in improving the overall area, though they saw their role as backing up the Council rather than leading the implementation. Emerging from this, the Board produced a Business Plan setting out project targets, expenditure needs and income opportunities. The first Annual Report has just been published.

The Broadmead manager was appointed in 1995, on secondment from Marks & Spencer for two years, to co-ordinate action and promote the centre. The Joint Chairs of the Board are the Chief Executive of the Bristol Chamber of Commerce and Initiative, and the Chair of the Council's Land and Buildings Committee. The Board is working through sub-committees dealing with markets, the environment, car parks and access. The opportunities for local labour and housing initiatives are also being considered.

ACHIEVEMENTS

The Broadmead Board has been successful in stimulating investment in the shopping centre. Thus, it not only introduced Sunday trading with 100 shops, but raised £35,000 for advertising. A £130,000 grant for CCTV was matched by the private sector. Similarly the award of £1.7 million of Capital Challenge funding for environmental improvements, such as canopies and banners, was due to the commitment being shown by the private sector. In turn the improvements are rebuilding confidence in the centre, exemplified by the decision of five of the larger office occupiers, including BT and Bristol and West Building Society, to stay in the centre rather than move out.

FUNDING

The initial estimates for the costs involved were over £5 million in capital investment, and some £0.5 million revenue funding a year. The priorities for the first year are to boost confidence through environmental improvements and new signing for the gateways that will make Broadmead more welcoming, and the developing of the central space, known as the Podium, into a place to meet, with a programme of events.

It was suggested that a fair contribution from owners might be a proportion, say 1% of their income, which would provide a yardstick, but so far this has not been resolved. To date, landowners and

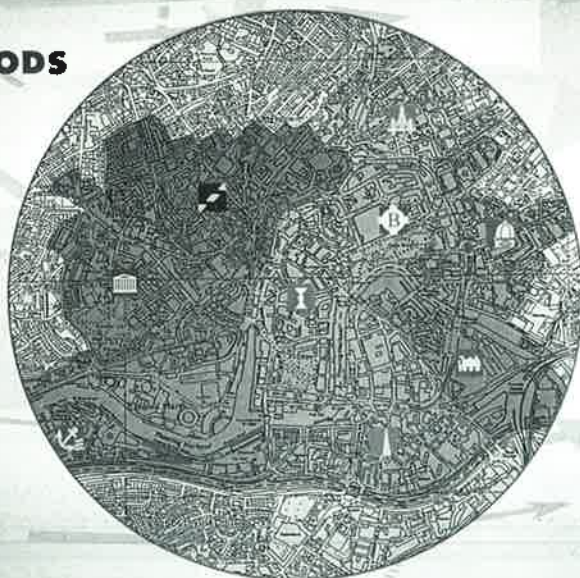
retailers have responded with, 'voluntary and in kind contributions' for specific projects and initiatives. £540,000 has been raised for specific projects, which gives an indication of the significant level of support from the private sector. To this was added funding from the City Council's Environmental Improvements programme.

NEXT STEPS

Bristol is one of the pioneering authorities to try out the idea of a partnership company as a means of mobilising resources. Approval has been given for schemes to be 'franchised' to the Broadmead Board on condition that the Board maintains Bristol City Council's current income levels. Subsequently the Board would have an income stream and hence the opportunity to raise a private capital, allowing the Board to service the interest payments on any loan and to deliver significant sums of money for capital improvement projects.

It is intended that the retail sector in Broadmead should continue to contribute on an annual basis to the Broadmead Board, although it is likely to remain relatively modest (£40,000). However, Land Securities and Norwich Union are now in the process of approaching their other large institutional colleagues to gain financial support. There are 10 key institutions who have been identified as likely to support the Board's projects.

THE NINE NEIGHBOURHOODS



COVENTRY



City of Coventry

CITY DEVELOPMENT DIRECTORATE

"In Partnership for the Future"

COVENTRY

PROFILE

The City Centre is recognised as the principal focus for the community's activities and the prime visitor destination. The strategic aims for the City are to "Develop the City Centre as a major regional centre and the natural choice for residents, visitors and investors in regard to retail, residential, commercial, cultural entertainment and leisure activities". However, in the 1980s Coventry was a declining centre, principally arising from a lack of investment, declining confidence and increased competition from surrounding towns and out-of-town shopping.



ORGANISATION

The importance of protecting the Centre was recognised and a Coventry Regeneration Strategy to arrest the decline was put into place in the late 1980s following analysis of the strengths and weaknesses of the centre and its competitors. The ingredients of a successful city were identified as a good balance of trades, ease and convenience of access, an attractive and secure environment, good management with promotion and entertainment to provide a user-friendly centre meeting the needs of all sectors of the community. The regeneration of the City Centre required a co-ordinated package of initiatives, delivered incrementally, through a multi-agency and partnership approach, to create a City Centre in which people felt comfortable and confident, to encourage greater usage by existing customers and to attract shoppers from outside the City.

ACHIEVEMENTS

Coventry was fortunate in tackling its problems at an early stage and pioneered a number of major initiatives including:

- City Centre Management in 1985 with a manager and on-site Management Team in place by 1987, based on a private sector model with the team being responsible for promotion, co-ordination of management and maintenance, patrolling the Centre, handymen removing graffiti and fly posting and tackling repairs
- the introduction of CCTV in 1987. There are currently 100 cameras in the public areas and car parks with radio links to patrol staff and with retailers through radio retail
- the Coventry Alcohol Related and Crime Project Group, recognised nationally for addressing concerns of drink related crime, pioneered the bye law banning alcohol consumption in public areas in the City Centre
- Coventry Safer Cities Group involved the community in tackling people's safety concerns.



COVENTRY CITY CENTRE MANAGEMENT

OPERATIONAL STRUCTURE



Private sector investment was attracted in the form of new shopping centres at West Orchard and Cathedral Lanes. Significant investment has been made in improving car parks, transforming the quality of the environment and public space, and introducing activities and events. The community are encouraged to organise activities to increase the appeal of the Centre to its users. Park and Ride and Shopmobility have been introduced and proved very successful and City Centre and Car Park Management have been combined to provide a more co-ordinated approach to management and maintenance.

The performance of the Centre is measured by footfall counts, car park usage, retailers' information, crime levels, void premises and demand, levels of private sector investment and users' comments. The benefits of the Regeneration Strategy is now bringing positive returns with major retailers reporting an increase in trade and customers from a wider area; the quality and image of the Centre has increased private sector investment. The Centre is now one of the safest areas in the City and people are beginning to talk positively about the Centre and its future.

FUNDING

The improved standards in the City Centre have involved a programme of capital and revenue expenditure. The phased programme of environmental improvements during the period 1991-1995 cost over £4 million and this capital cost has been met through a package of the private sector, local authority and European resources. City Centre Management costs including CCTV, staffing, maintenance and promotion amount to

over £750,000 per annum and have been funded from council revenue budgets. It is proposed that under the partnership company all budgets for the City Centre, including car park operation, will be vested in the company, giving a total expenditure budget of £4 million per annum.

NEXT STEPS

Despite the achievements, the perception of the City Centre is still not good and Coventry City Council recognises the importance of its centre to the future success of the city and has identified it as one of the five key priorities for the city. It is responding by establishing Coventry City Centre Management Company where the Local Authority and the private sector will work together sharing ownership and responsibility. The City Centre has benefited significantly from partnership initiatives and the company will assume responsibility for many of these including:

- City Centre Focus Group, comprising key business representatives, providing the private sector input;
- Community Safety Forum identifying and tackling communities' concerns and creating public confidence and positive attitudes;
- Entertainment, Economic and Licensing Forum promoting positive initiatives to enhance the City Centre and its night-time economy.

The partnership company will be non-profit making and will manage all budgets for the City Centre. The City Council is a minority shareholder with only two directors on the board. The full board comprises eleven Directors representing a

broad range of local and national interests including retailing, leisure, commercial, property, academic, training and the community.

The City Council, through the Development and Economy Policy Co-ordinating Committee, will enter into a contract with the company, outlining the relationship between the parties, to include the role of the company, the operating framework and financial accountability. Included will be the services that the City Council will be supplying through Coventry Contract Services via existing contracts won under CCT. Coventry Contract Service will be establishing a dedicated City Centre Team for the delivery of its services. A budget of £1.6 million will be transferred to the Company, who will administer this and determine priorities. The functions to be undertaken by the company include car park management and charges; centre management, maintenance and cleansing; business support and training; community safety; promotion and customer care. The 42 staff engaged in city centre management and car park management will be directly controlled by the Company although they will still be employed by the City Council.

The shadow board has commissioned a city centre audit as the basis for developing the strategy and action plan, aimed at maintaining the City Centre's competitive edge. In addition a number of new development initiatives are being pursued with the private sector, including the refurbishment of the Lower Precinct and Retail Market, a conference and entertainment centre in Spon Street and a Heritage Quarter based around the Cathedral area.



NOTTINGHAM

NOTTINGHAM

CITY CENTRE MANAGEMENT

Improving the City Centre experience

NOTTINGHAM



PROFILE

Nottingham City Centre serves as a regional capital for the East Midlands, and is the commercial, cultural, social and administrative centre for a catchment of almost one million people.

As a Metropolitan City, Nottingham plays a major role as a retailing and service centre with some 1.83 million sq. ft of retailing in the City Centre. In 1989 Nottingham was ranked 7th in the UK by Hillier Parker, and by 1995 ranked 4th by Management Horizons. Much of the expansion of Nottingham's retail offer was started in the early 1970s, with the development of two large covered shopping centres immediately adjacent to the traditional core shopping area. Though these did much to expand the centre and improve the choice available to customers, providing extensive car parking and bus stations, by the mid 1980s the city recognised that it would soon face new challenges. Not only did it have to face the decline of traditional industries, such as clothing and coal-mining, but it also faced competition from out-of-town retail centres in Fosse Park, Leicester and Meadowhall, Sheffield, both about forty-five minutes to an hours drive away. By the mid 1990's, and some 10 to 15 years on, the fact that retail vacancy rates have now levelled out at 4% in the centre and footfalls have generally increased post pedestrianisation is attributed largely to the longer-term strategy developed between the public and private sectors at the end of the 1980s.

ORGANISATION

Nottingham is one of the leading City Centres both in terms of retailing and its Town Centre Management Initiative. The story started back in 1972 when the Council, inspired by the idea of giving the city centre back to pedestrians (as Leeds was doing), sat down with the retailers to devise a City Centre plan. There were however divided views, with the visionaries (who included many of the larger retailers) wanting to pedestrianise the centre, while the traditionalists (who were largely made up of the smaller traders) wanted more parking and easier access for cars.

The prospect of Meadowhall led to the commissioning of a series of studies by consultants in the 1980s looking at how leisure and shopping could be linked to provide a day long experience in the town. They recommended how Nottingham could respond, and these studies resulted in a major programme of improvements which has cost over £50 million.

ACHIEVEMENTS

A city centre business and action plan was prepared, targeting problems such as crime, litter, street repairs, avoidance of

clutter, car park improvements and promotion. The group acted as a lobby, as its own budget was relatively limited, but gave 'legitimacy to pressures to improve public services'. A number of innovative cleaning and maintenance initiatives were set up which involved the City Council and local businesses, and Nottingham was the first to employ a ranger to do immediate repairs and tackle graffiti and fly posting. Upgrading the appearance of many retail units has been achieved through a city centre shop front and security/signage guide which has won recognition from the RTPi in 1996, and the change from an item based to a performance related cleansing contract has meant the fine tuning/tailoring of services within the City Centre has been achieved.

While the traditional retailers were concerned there was insufficient car parking, the results of a user survey showed that the real problem was quality and capacity, and that most spaces were used by commuters and not shoppers. This led to a number of improvements, including priority for shoppers and those visiting the town, with rates targeted appropriately. Improvements were made to security,

appearance and information, as well as a much better park and ride system and the removal of all on street car parking in the City Centre, with the exception of Orange Badge holders. At weekends a radio information system provides up-to-the-minute parking and accessibility information, thus giving topical information and choice.

One of the greatest successes has been the pedestrianisation and upgrading of Bridlesmith Gate, a narrow street linking through to the very centre, which is now occupied by up-market fashion and gift shops.

Other innovations include the retail inward investment group and Nottingham Ambassadors, a group who have combined a marketing role as well as innovative training programmes for retailers in customer care, championed by Dusco (Victoria Centre) via the TRAC Centre. These developments highlight the growing emphasis being placed on 'people in the place', which complements the physical improvements undertaken in the earlier stages.

FUNDING

In 1989 the local plan proposed treating the City Centre as if it were a covered shopping centre and an engineering study was commissioned for dealing with repairs, signs and cleaning. £6-7 million has been invested in creating probably the longest pedestrianised street network in

Britain. EC funding, as the city has Objective 2 status, provided an important incentive. Equally important was the political commitment to the centre's role as an engine for job creation; a study showed that the City Centre accounted for 50,000 jobs (now estimated to have grown to 55,000).

The next stage of the overall management of Nottingham City Centre was to appoint a Town Centre Manager in 1991. The initial funding of some £54,000 for the City Centre Management initiative was pledged by Marks & Spencer, Boots The Chemists and the City and County Councils, with some £14,000 coming from private sector sponsors. Since 1991 the City Centre Steering Group has expanded to include the various service providers such as the police, the car park operators and the bus companies, and the number of sponsors has grown to thirteen in 1996 with a total commitment of approximately £70,000, with some £30,000 coming from the private sector.

NEXT STEPS

As Nottingham moves towards the Millennium, the City Centre is faced with putting into effect the longer-term and more complex initiatives, which will maintain the vibrancy, accessibility and economic development that have taken place in the last 5 to 10 years. As well as maintaining revenue funding for the City Centre Management Initiative, Nottingham City Centre is faced with securing future resources for major infrastructure developments.

It is fortunate that the history of partnership is well established in Nottingham. Until recently the idea that something as major as a light rapid transit system (LRT) could be funded in any other way would have been unheard of. Now Nottingham's LRT has been declared viable and Government will give consideration to a full funding deal in 1997, leading to a start date for the LRT planned in 1998. This project will increase the capacity for commuter/visitor transport while conforming to sustainable city policies for public transport.



In addition to developments that have taken place in retailing and the service sector, the City Centre is now looking at the night-time economy and the various benefits of developing the 24 hour city culture in Nottingham. With some 30,000 young people per night enjoying the after dark scene, the contribution that this particular element of the leisure industry makes to the local economy is significant. Developments will help to ensure the City Centre is a vibrant and therefore safer place to be.

By British standards, Nottingham is a success story and the City Centre has some of the qualities to be found in Continental cities. Although a lot has been achieved, there is still more to do. The City Centre's vision and plans for the short and medium term futures have been encapsulated in City Centre Management's revised Business Plan and City 2000 Plan mid term review. Major developments will be dependent upon sizeable capital investment which are likely to be public/private ventures. The smaller scale 'added value' projects delivered through City Centre Management will, it is hoped, continue to be innovative and therefore sustain the private sector income that has been forthcoming up until now.



AYR

AYR
TOWN
CENTRE

MANAGEMENT INITIATIVE

PROFILE

Ayr is a historic port and 19th century coastal resort. It is the largest shopping centre in the West of Scotland outside Glasgow and functions as a sub-regional shopping centre for a large and predominantly rural area to the South of Glasgow. The population of the town is 48,000, with over 150,000 sq.ft. of retail floor space. It draws many visitors from home and abroad (over a million bed nights per annum). Ayr is a vibrant town centre, which offers a very wide range of attractions including a cinema, two bingo halls, three theatres and three night clubs, reflecting its role as a resort and a densely populated town.



ORGANISATION

Ayr was one of the first towns in Scotland to appoint a town centre manager in 1990 (now director of the management company) who was employed on a 2-days-a-week basis. The original steering group drew together public and private representatives and a Town Centre Officer Group involved the District, the County and the Enterprise Agency. The impetus was provided by competition from out-of-town retail, nearby towns and a desire to promote civic pride.

The decision to move from a local authority run scheme to a formal public/private sector partnership in the form of a Company limited by Guarantee was taken in 1993, in advance of the main improvements that have since been carried out. The company, Ayr Town Centre Management Initiative (ATCMI), has a top level board of 13 directors, 8 are senior managers and owners of businesses. Enterprise Ayrshire and South Ayrshire Council are also represented, the latter at senior management level as well as by 2 Councillors. The retired Chief Executive of the former Kyle and Carrick District Council has been retained on the Board.



The ATCMI is run from its own shop front office (provided rent free by one of the sponsors), and operates through the board and four sub-groups covering finance and funding, retail and security, marketing and tourism and car parking and environment. The town centre manager has an assistant plus the four CCTV operators.

ACHIEVEMENTS

A collective effort has been made to achieve quality environmental improvements including pedestrian priority streets, refurbishment of historic buildings and introduction of integrated signage at key locations within the Town Centre.

A business plan has been drawn up for the period 1995-2000 which sets out five areas for action including promoting and marketing Ayr, improving business performance, better communication liaison and co-ordination, encouraging environmental improvements and promoting better local services.

FUNDING

Core funding of £100,000 is divided between the public sector (45%) and the private sector (55%), the latter also providing 'in kind' donations which include a rent free office and advertising as well as private sector board members' expertise and contacts. The Local Enterprise Company has provided start-up funding for a limited period. In addition private sector funding has been generated through a Membership Scheme offered to all businesses in the town centre at a minimum of £80 per annum. The benefits are provided in a brochure sent to all

businesses and include contributing to promotional campaigns, improving the attractiveness of Ayr, developing a corporate spirit, discounted advertising and publicity offers and free high profile publicity in the *Essential Guide to Ayr*. An attempt to generate funding through running out-of-town centre car parks did not succeed as parking is generally free in Ayr.

Closer links with the private sector have also enabled the ATCMI to raise funds for projects such as the CCTV System; of the £200,000 raised, £40,000 was from the private sector as well through events such as a 'Corporate Lunch' and a 'Grand Concert'. The main tasks now are seen as further improving the quality of the town, including raising standards of customer service and promotion, and diversifying the sources of funding.

NEXT STEPS

The challenge lying ahead is to achieve, with South Ayrshire Council and Enterprise Ayrshire, the strategic development of Ayr as a shopping and visitor destination and to broaden the membership of the Company from the private sector. The publication of a quarterly Newsletter "Talk of the Town" keeps the business community abreast of events in Ayr, while a number of fund-raising events are to be organised to further capture the imagination of local businesses as well as the public. Substantial progress has also been made to formulate a joint promotional campaign to market Ayr Town Centre under the banner of "A Breath of Fresh Ayr".



GRAVESEND



Gravesend
TOWN CENTRE INITIATIVE

GRAVESEND



PROFILE

Gravesend's raison d'être lies in its position on the Thames. Although the Borough now functions in many ways as a suburb of London (which is only 23 miles away), it has many characteristics of an industrial town. There is a catchment of 130,000 people, and a retail floor area of about 1.25 million square feet. The town centre is fairly concentrated with 75% of the Borough's shops, a working market, education and entertainment within it, as well as residential areas close to the core.

Gravesend's economy has had to meet major challenges in recent years. In the old High Street which leads to the Thames, over half the property is empty. Gravesend's 15% retail vacancy rate has been compounded by Thurrock Lakeside, about twenty minutes' drive away, which presently attracts 350,000 visitors a week. Lakeside led all parties to collaborate, in order to combat the loss of trade. Environmental improvements to areas in local authority control helped attract investment to the town. Gravesend now faces the threat of Bluewater Park in Dartford, four miles away, which it is anticipated could result in a decline of more than 15% on the overall turnover of Gravesend town centre.

ORGANISATION

In the late 1980s and early 1990s, with greater personal mobility, shoppers had a wider choice of destinations. Gravesend needed to respond to the changing requirements of not only the shopper but also the need to restructure the local economy which had been heavily based upon declining traditional industries, mainly paper and cement. Town centre management was introduced to the town in September 1991. The Borough Council committed itself to a five-year experiment, publicly launched by the partnership in September 1992 through the M&S 'Going to Town' exhibition. Their overriding aim was to create a quality environment similar to that of a purpose-built shopping centre, that is to be attractive, clean and safe.

The Gravesend Town Centre Initiative (GTCI) is a working partnership between Gravesend Borough Council, the Kent County Council (but no council elected members), local businesses and property owners, with support from the local Chamber of Trade and retail groups. Overall policy is directed by a Sponsors' Group serviced by an executive of a chairman and both public and private sector co-ordinators. More recently a Town Centre Warden and Policeman has been appointed with beneficial results.

The Sponsors' Group is supported by four working groups, Access and Parking, Environment, Promotion and Events, and Quality of Life with the private sector co-ordinator involved in all the groups. There is a published Vision Statement which highlights eight main themes including safety, access, car parking, public transport, the Thames riverside, employment, environmental improvement and promotional events.



ACHIEVEMENTS

Over the past few years a large number of projects have changed the face of central Gravesend. The Borough Council has implemented a number of major capital projects involving refurbishment of the pedestrianised areas and environmental improvement of key sites at a cost of over £1,250,000. In turn the private sector has spent several millions pounds on their stores in the areas most directly affected. Confidence in the town's future has been generated by the ready sale of the two shopping centres in the town to new investors.

On a smaller scale a constant flow of new shop openings has taken place in the first part of 1996, indicating the confidence of the independent retail sector which is so important in smaller towns. Other projects by the initiative have involved broader aspects such as a 'Future Town' project to raise awareness of town centre issues with schoolchildren, while the needs of the disabled have been addressed through an access guide and shopmobility scheme. A Customer Care training scheme has also been introduced. New retail groups have been formed as a result of the improvement of the town and the retailers' new sense of community.

Gravesend is playing a leading role in producing **management information**. The Gravesend Initiative published information on household expenditure in 1993 to help retailers make more informed decisions on where to expand or even whether to locate in the area. The Town Centre Initiative now has a series of key indicators to monitor the health of the town and to check its performance. The GTCI is working with retailers to monitor turnover indices and transaction indices, footfall, car parking, vacancies and crime. A computer based system enables statistical and visual data to be brought together to show how different parts of the centre are performing over time.

An important and pioneering initiative is the regeneration of the run-down end of the old High Street as a partnership between the council, English Partnerships

and a housing association to create a mix of uses. Another initiative has been the incremental installation of a CCTV system in the core town centre and its car parks.

FUNDING

An essential first step in building confidence was to make the town look better. Kent County Council decided to focus their Environmental Improvement Fund on Gravesend between 1986 and 1989 (a forerunner to IMPACT). From 1989 onwards Gravesham Borough Council funded the project, which led to the Town Centre Management scheme.

The GTCI's annual revenue budget is between £80,000 and £100,000. Half of the funding comes from the Gravesham Borough County Council and Kent County Council. The balance is funded by three core multiples and the two shopping centre owners, with smaller sums from a variety of sources for individual projects; for example, Boots the Chemists have carried out a study to help North Kent towns assess their performance.

NEXT STEPS

In early 1996, the GTCI was at a turning point as the initiative is presently an ad hoc partnership with no dedicated arrangements for funding. Having structurally reshaped the majority of the town centre, the next step is to rethink the mechanism and to formalise the Initiative in order to gain the essential longer-term finance essential and preparation of a Business Plan. This has now been achieved. Although the

management information system was costly to set up, it has helped to convince sponsors that progress is being made and to persuade other companies to take up sponsorship. Gravesend also believes it may be possible to generate more income from the streets and this is currently being investigated. Local businesses are interested in parking revenue being directly used to support the town and also the possibility of a supplementary business rate similar to Business Improvement Districts in the USA.

Further projects include upgrading the surface of the car parks, regenerating the old High Street, creating a public transport interchange, greatly enhanced monitoring of CCTV, preparation and implementation of a promotional strategy and the introduction of a Business Partnership.

The town now has a great opportunity to move forward due to its central position in the government's Thames Gateway, and its proximity to the proposed Ebbsfleet international and domestic station on the Channel Tunnel Rail Link - just two miles away from Gravesend.

The overall message gained from Gravesend's experience is that, irrespective of a town's location relative to regional shopping centres, there is a need to put in place proper funding arrangements for the management of town centres, and that it is essential to obtain a continuing commitment to funding so that a meaningful Business Plan can be prepared together with a forward plan of action.



ROYAL TUNBRIDGE WELLS

ROYAL TUNBRIDGE WELLS

TCM

 TOWN CENTRE MANAGEMENT

ROYAL TUNBRIDGE WELLS

PROFILE

Royal Tunbridge Wells started life as a spa in the 17th century, and grew as a resort in the 18th century, until it became a suburb of London, with the railway link in 1846, leading to the population quadrupling over the next 50 years. The town's population is approximately 48,000 and the centre is visibly under threat from the effects of the recession, increasing traffic and congestion, perceived parking problems and a deterioration of the environment in certain areas. In 1992 an urban design study was commissioned by the two councils and highlighted the potential for the town centre to offer quality and diversity in terms of shopping, recreation and entertainment through a programme of enhancement of the various areas including the Common and the parks.

The town has strong attractions as a shopping centre with 120,000 sq. ft. of retail space in the town centre, particularly as a result of the Royal Victoria Place covered shopping centre (1992). However, retailing in the town centre suffers from the long, hilly and linear nature of the town, which, together with a number of routes crossing the main spine, act as a strong disincentive to pedestrian movement. The vitality of the older and more peripheral shopping streets are under threat from new floor space, out-of-town competition and the effects of national economic trends on consumer spending.

ORGANISATION

The Town Centre Management Initiative (TCMI) in Royal Tunbridge Wells was one of the earliest schemes supported by Kent County Council as part of its pump-priming work in 1991, and it was one of three towns in the County that were identified as being a priority. TCM in Royal Tunbridge Wells was a partnership between the County Council, the Borough Council and private sector with a shared vision and strategy. The published vision statement produced by the partnership highlighted the priorities of research and development, the enhancement of the town centre, promotion, management and capital projects.

From 1991-1994 TCM operated under the wing of the Borough Council Planning Department. The decision was then taken in 1994 to form a company limited by guarantee with a full-time administrator taken on in June 1995 when the TCM Company was officially formed. The board was made up of 17 directors, with five local authority elected members (3 from the Borough Council and 2 from the County Council) and 12 private sector appointments. In late 1995 the Company reviewed its chairmanship, executive board and working group arrangements and became more action orientated.

ACHIEVEMENTS

Little real progress was made during the first nine months of 1995 due to a change of political party, a review of public sector funding criteria, difficulty in filling the post of 'permanent' town centre manager (which was overcome through a secondment from the county), and legal technicalities in determining the proportion of public sector company directorships.



With the initiative fully cut off from local authority 'guidance' and a significant level of tangible 'hidden benefits on tap' it had to prove to all sponsors that it could grow, and deliver its action plan components.

Resourcing is the key and a wide range of funding opportunities needed to be sought, including Single Regeneration Budget bids and Lottery funding, which could act as a promotional agency, organising events, working towards 'mandatory' subscriptions for TCM activities, perhaps along the lines of the US Business Improvement Districts and selling services.

FUNDING

Although there had been strong private sector commitment since inception, the first call on pledged funds from three core business sponsors was delayed. In order to secure the highest level of public sector funding the initiative launched a campaign entitled 'Royal Tunbridge Wells Success' to raise awareness of town centre issues among a whole range of stakeholder groups. As with most other TCM projects a good level of private sector involvement was seen as critical in view of the financial constraints placed on local authorities.

The public sector financial commitment 1995-96 was a total of £70,000 (£30,000 from the County and £40,000 from the Borough). In addition the Borough maintained a capital projects fund of around £75,000. The private sector funding in addition to contributions 'in kind' was £25,000. As the local authorities' contributions depend on matching funding to release the whole of their grants, the intention was to secure a further £20,000 additional private sector funding during 1996-97. However, restrictions in capital funding availability for 1996/97 and a disappointing level of contributions towards the festive lighting programme in late 1995 eventually led to the collapse of the initiative.

NEXT STEPS

However, despite all attempts to keep the Company afloat, after the town centre manager was appointed in February 1996, the Town Centre Management Company was put into abeyance nine months later. Various reasons can be given for the demise of Town Centre Management:

Firstly, the initiative operated without a Manager for too long and gained the reputation of being a 'talking shop'.

Secondly the private sector property owners and retailers of the town did not believe that external factors would affect the viability and vitality of the centre (despite Lakeside just across the Thames and Bluewater scheduled to open in 1999).

Thirdly, the Company provided lighting for Christmas 1995/6 of a very high standard, which crippled their finances for the following year.



Fourthly, the Borough Council had a change of leadership, from Conservative to Liberal Democrats. The Lib Dems were not on board when the Company was set up and therefore were sceptical of its ability to work. It was decided to bring the Company back into the Council without considering the implications, both for funding from the County Council (who can only provide funding to a partnership), and from the private sector (who tend to avoid funding what is essentially a council initiative). The local authority needed to recognise the worth of sponsorship 'in kind' which the Company heavily depended upon, not least for the Company Chairman's time but also other legal assistance.

Finally there needs to be a greater understanding of what a 'Partnership' actually is. This means, for example, that the board of the Town Centre Management Company has to take an active role in fund raising, so that the Town Centre Manager's energy can be centred on devising and delivering the actual projects. Also, while the board needs to have a small fixed but rotating membership, filled by appropriate professionals, including a Treasurer, the company should draw on wider constituencies. Extra sponsors can then be drawn on to the board, while others may be elected from a forum.



4

organising for action



Cirencester

- Formal partnerships involve agreeing how to share responsibilities.
- The benefits of a formal partnership include greater continuity, confidence, communications, commitment and capacity.
- Partnerships may start as a loose alliance to attract funds, but then go on to forge agreement on how to collaborate to achieve identified objectives. There are a number of different models.
- Success depends on achieving through collaboration what no partner could achieve on their own. Successful partnerships are characterised by their membership, mission, money, management and measurable results.
- To share responsibility, we recommend Town Trusts involving a fund-holding body with a corporate status, serving a designated area, through an agreed business plan and full-time staff, and with arrangements for monitoring progress.
- Accountability should be secured through a number of measures, including not only a broadly-based, high-level board, but also the use of a business plan and published reports that show progress against targets.
- Even when it is not appropriate for a trust to take responsibility for managing an area, it will still help to attract funding if there is a formal partnership for specific tasks.

4.1 Despite support for the general idea of 'partnership', there is often considerable disagreement or confusion over how new initiatives are to be managed in practice. Problems can arise over how power is to be shared, where resources are to come from, and who should be responsible for what. This chapter examines the meaning and benefits of partnership, identifies the key factors for success, reviews current practice and proposes the next stage for town centre management which includes the formation of Town Trusts and sets out two basic options.

THE MEANING OF PARTNERSHIP

4.2 Ever since the 1977 Inner Cities White Paper, which stressed the idea of a partnership between central and local government, we have seen what a study of *Partnership Agencies in British Urban Policy* called "the transformation of the public sector by the incorporation of many of the tenets, practices and procedures of the enterprise culture". Everyone seems to think partnerships are a good thing. Professor Brian Robson, in his review of British urban policy, concludes: "There are clear indications of the importance of creating effective coalitions of 'actors' within localities." The Labour Party in the report of its City 2020 inquiry *Reinventing the City* recommends that Civic Forums should be set up as partnerships between the public, private and community sectors. Similarly, the European Commission, in its programmes for urban development, asks for applications from partnerships, as do the Lottery Funds. Is partnership in danger of becoming an empty phrase?

4.3 The concept of partnership in urban regeneration is very different from that used in business which is defined in the Compact Oxford Dictionary as: "an association of two or more persons for the carrying on of a business, of which they share the expenses, profit or loss."

4.4 In practice, the term is used to cover any form of co-operation between different organisations, and most tend to be 'partnerships in spirit' or 'ad hoc partnerships'. Formally constituted or true partnerships involve a specific written agreement on how to divide responsibilities and funding. Many so-called partnerships arise to bid for funds, or to respond to a common threat. As in war, such associations may better be described as an **alliance** or a coalition. However, many initiatives are now starting to formalise the relationship, and need advice on how to proceed.

BENEFITS FROM FORMAL PARTNERSHIPS

4.5 Almost all of our demonstration projects were in the process of making the transition to a formal partnership, and company status has been established in three cases and approved in the fourth. Five main benefits for having a formal partnership structure were identified, all conveniently starting with 'C':

Continuity: sponsors want to be sure that the interest in town centres is not a temporary whim, and that the people they deal with will be around long enough to deliver results.

Confidence: because of the inevitable distrust that the private and public sectors have of each other, a not-for-profit company or trust can be a vehicle through which all can collaborate, while still pursuing their different objectives in general.

Communications: having a formal partnership makes it easier to know who to turn to, and the process of making periodic reports itself will ensure that all concerned are properly informed about what is proposed and what has been achieved.

Commitment: the existence of a distinct budget for managing the town centre is seen as increasing the prospects for widening support, as it removes the idea that someone else is responsible.

Capacity: once a track record has been built up, and there are ongoing sources of income, it becomes much easier to bid for other resources, and both private and government sources of funding are likely to favour agencies that have clear objectives and dedicated resources.

Case Study 4.1



Halifax: Promoting partnerships with business

Halifax was one of the first towns to use partnerships to promote urban regeneration. Partnerships were very important because the district did not qualify for any grants to attract new investment. A team was set up in a shop front to promote the Calderdale Inheritance Project, with secondees from the private sector and the local authority. Dean Clough Mill was bought by a property developer who succeeded in converting it into managed workspace and arts facilities, which convinced others of the town's potential. The Calderdale Partnership was established, with support from Business in the Community. It helped to secure publicity for the district through royal visits, conferences and exhibitions and the promotion of tourism. Successes include a children's museum, 'Eureka', developed on a derelict site, and an award-winning bus station.

However, there was some concern from local people that the town centre was being neglected. Following a consultant's report in 1995, Halifax Council adopted a strategy for the town centre based on town centre management. The task of the manager is to put the focus back on the town centre by improving facilities, reducing traffic and pollution, and creating an attractive and safe environment.

Case Study 4.2



Cardiff: A Continental café quarter

Cardiff City Centre serves a relatively small population, and like many British towns has found it difficult to keep the centre alive at night. The Council was therefore pleased to receive a proposal from a group of café owners to develop Mill Lane, which had once been an area of warehouses, close to the railway station, into a Continental style area, with a choice of places to eat and drink instead of 'sex shops'. A scheme was drawn up by landscape consultants, which subsequently won a Pedestrian Enhancement Award, which narrowed the carriageway, replacing it with an area for tables and planters. The improvements were funded by a partnership between the local businesses and the Council, who used funds from the sale of the freehold of one of the shopping centres. Despite scepticism from some councillors that the Welsh weather would never allow it, the scheme became an instant success. However, it is taking longer than expected to make people appreciate that the centre is relatively safe, and to encourage other restaurateurs to follow.

4.6 Other reasons given by the demonstration projects for setting up partnerships included:

- Mobilising expertise from both the public and private sectors; a value is placed on the time devoted to board meetings, which undoubtedly leads to better decisions irrespective of the funding committed.
- Building up a track record for delivering results; the plans and published reports undoubtedly affect investment decisions, both public and private.
- Avoiding bureaucracy and securing good value; small, task-oriented organisations are under great pressure to produce results, whereas larger organisations can easily get lost in a sea of paper.

PARTNERSHIP IN PRACTICE

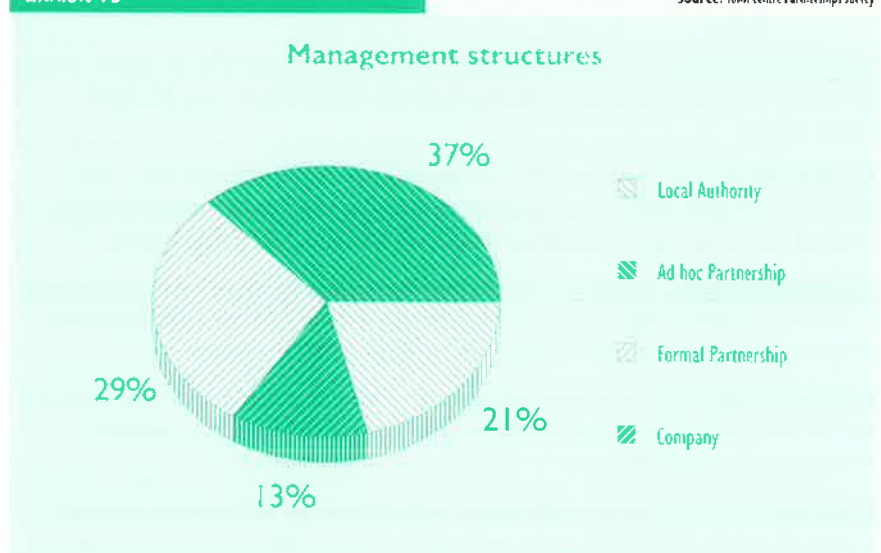
4.7 URBED's survey of district authorities in England, Wales and Scotland drew on 235 responses, representing a reasonable cross-section of local authorities and types of town. Thus 17 of the responses came from authorities that described themselves as metropolitan cities, and 100 classified themselves as market towns with the majority having less than 250,000 sq. ft. (25,000 sq. m.) of retail floor space. 184 were undertaking a town centre management initiative (of which about half were members of the ATCM, generally those who had appointed town centre managers). Only 12% of the towns had over one million sq. ft. of retail floor space and of these, 53% were metropolitan cities. Many of the partnerships described were still 'ad hoc' (Exhibit 13). However, there seems to be a trend towards formalising agreements. There has been considerable interest in the examples set by Bristol and Coventry of setting up joint companies to manage town centre improvements.

4.8 One of the aims of the survey was to find out about the benefits and difficulties of establishing partnerships between the public and private sectors. 53% said that better communications had been achieved between the partners in their towns, which will help to forge better and more productive partnerships in the future. The metropolitan cities appear to be achieving the most successes, with 29% experiencing a rise in funding, while only 4% of industrial towns have seen a rise.

4.9 Other kinds of successes, such as improved security, cleaning, promotion and individual projects, scored under 25% in all the different types of towns. In many cases the most basic changes (e.g. cleaning and security) that are needed to alter people's opinions of town centres have not yet been achieved. The difficulties have been in obtaining extra funding and getting people involved, especially in suburban centres, and towns with between 250,000 and 500,000 sq. ft retail

Exhibit 13

source: Town Centre Partnerships survey



floorspace. Interestingly the loss of jobs in the town centre was not found to be a significant issue, with metropolitan and suburban centres having no problems, and only 2% of historic/resort towns, 3% of market towns and 4% of industrial towns registering it as a problem. This may be because of lack of data. Setting up of a town centre management initiative has proved to be most difficult in metropolitan and suburban centres and least difficult in market and historic/resort towns.

4.10 Comments from the survey reveal three useful lessons. First, in launching an initiative, it is important to involve all the community in the strategy. For example, Chatham found it difficult to secure the participation of the smaller traders who were not involved in the original initiative; Sudbury emphasized the need to start small to avoid disappointment; in Halifax a town centre initiative followed on from a district-wide partnership (4.1), but it was hard to persuade those funding the town centre initiative to widen the membership to include voluntary organisa-

tions. In contrast, Oxford had a large steering group from the start, which included the bus companies and voluntary groups (3.3). Second, in building a partnership, there needs to be a clear focus on specific projects. Cardiff's café quarter initiative provides a good example of a partnership to improve a specific part of the city centre (4.2). Also Chester, which is 60% funded by the private sector, has found there is a better response from asking for funds for specific projects. However in Beverley, town centre management groups were set up, but then disbanded by the local authority because they became side-tracked. Finally, in expanding the role, there is a need to formalise the relationship before it is too late. Thus in Dundee, though £151 million has been spent on capital improvements, businesses were unwilling to contribute funds unless all or most of the others also contribute, and so there is only a £10,000 budget for TCM over and above the manager's salary (4.3). This is an extreme case, but in general town centre initiatives are suffering from the difficulties of raising ongoing funding.

KEY FACTORS FOR SUCCESS

4.11 Partnerships, like marriage, can easily go wrong. Often the most difficult task is to survive the 'honeymoon' period as the following examples illustrate:

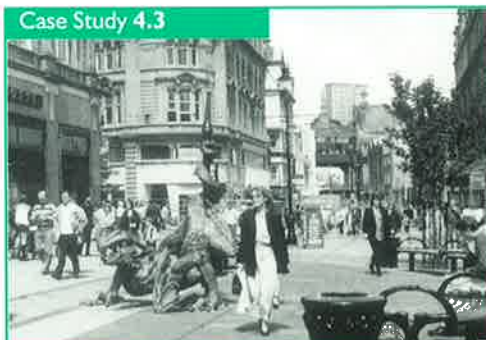
In **Reigate and Banstead**, after a borough-wide meeting, attempts were made to rely on local traders to run town centre initiatives, with support from a central budget and a town centre management co-ordinator covering four towns. While these worked reasonably well in the towns that were already doing best, they floundered in the town which had the greatest problems because of the difficulties of getting small businesses and community representatives to work together in a positive way.

In **Maidstone**, despite an apparently successful and well-funded initiative, changes in the Council led to a reassessment of the appointment of the town centre manager and a restructuring of the organisation. Problems seem to arise if the initiative becomes identified with a political party.

In **Royal Tunbridge Wells**, despite agreement on both the strategy and its delivery through a company, changes in party control of the Council, funding difficulties and finding both the right manager and board members led to a lull. This was filled by a secondment from the county, who was able to refocus the initiative into taking the actions needed to move the town centre forwards rather than basking in complacency. However, even these efforts came too late and the company is now in abeyance. The advice is: *"Do not rush into forming a Company without getting the basics right first"*.

In **Bristol**, an early attempt to set up a company with a board from the private sector and a town centre manager did not succeed in winning the support of either the City Council or the main local businesses, and the initiative collapsed. This eventually led the Council and the Chamber of Commerce to come together with some of the main property owners to commission a strategy, which has provided the basis for relaunching the company.

Case Study 4.3



Dundee: Co-ordinating the public and private sectors

Like a number of Scottish cities, the city centre has benefited from a considerable investment programme over the period of 1991-96 of nearly £151 million, with £61 million from the public sector, and £80 million from the private sector. This is due to a partnership created between Scottish Enterprise, through the Local Enterprise Company; and other major players, including Scottish Enterprise Homes. A major part of the public investment went into completing the ring road in a tunnel and developing a fine new block of flats above, to sell at affordable prices.

It has proved easier to attract private investment into housing than commercial development. A Housing Association led community initiative has replaced a large amount of system built housing with houses and small gardens. The involvement of Dundee's business community has ensured that economic opportunities are opened up, integrating peripheral estates with the rest of the city.

The upgrading of the public realm has encouraged private investment. The main shopping centre has been imaginatively upgraded, and the redevelopment of another centre is due to follow. Marks & Spencer, who had been sceptical of the prospects, has since invested £6 million into upgrading and expanding their store. As a result of the centre's improvements, new stores are expected to open up, as well as an expansion in the number and range of restaurants.

A comprehensive City Centre regeneration initiative covers all aspects of Dundee including housing, tourism, marketing and environment. Delivery of regeneration projects has been co-ordinated through the Dundee Partnership comprising the main public sector agencies and the Dundee City Centre Action Group which brings the private sector together.

Dundee was one of the pioneers of town centre management. However, despite the success of the initiatives in attracting capital funding, there is a continuing problem of maintaining funding, and items such as all-year-round planting of hanging baskets and flower beds has been axed as an economy measure. It has also proved difficult to get businesses to contribute much to the ongoing costs of town centre management.

Case Study 4.4



Glasgow City Centre: Making a great European city

In the 1960s Glasgow faced concentrations of the greatest deprivation to be found in Britain and a pioneering area renewal scheme was set up by the city and the Scottish Development Agency, providing small-scale environmental improvements and reversing the long-term population decline in the centre. However, it was only in the early 1980s that co-ordinated efforts really began to transform the centre. The 'Glasgow (\$\$miles Better' campaign and its designation as a European City of Culture boosted the city's image, as did the Garden Festival.

Physical improvement programmes and economic development goals have been brought together through the City securing the backing of the Glasgow Development Agency (GDA), which is seeking to make Glasgow one of the great cities of Europe. The GDA is a company limited by guarantee with a board of 12 members appointed by Scottish Enterprise. There is a management team of eight, covering corporate services, corporate development, finance and information technology, business development, property and environment, tourism and training. Each programme involves a series of partnerships and funding from a range of sources. The total revenue in 1995 was £61 million, largely from public funds. It was invested in over 50 projects.

One of the most innovative projects is City Watch, aimed at improving the quality of the environment and security in the city centre, based on US Business Improvement Districts. The first phase installed 32 CCTV cameras in 1993, and 300 local businesses contributed over half the initial cost, on a voluntary basis but linked to rateable value. The introduction of CCTV was combined with an assessment of lighting levels and crime prevention seminars run by the police. The GDA employs 28 City Centre Representatives drawn from the long-term unemployed, who provide supplementary help to city centre users, note unusable services and facilities and provide a rapid response clean-up service not currently covered by the statutory services. The GDA hopes to persuade the new unitary authority to continue the scheme and extend it to other parts of the city centre.

4.12 Studies show that urban regeneration is a difficult process that takes time and great amounts of effort to achieve relatively small gains. The Scottish Office's report, *Progress in Partnership*, published in 1993, refers to three key principles for partnerships:

- an integrated approach to economic, social and physical regeneration
- the inclusion of the private sector in partnerships both to secure the benefit of advice, expertise and resources and to help break down the economic isolation of the [housing] areas
- the full involvement of the local community in the decision-making process.

4.13 Glasgow provides a good example of how to change a city's image, but also illustrates some of the tensions in transferring responsibilities (4.4). Huddersfield Pride shows how funding from the Single Regeneration Budget for a strategy covering a wider area can also be used to establish a partnership for the town centre (4.5).

4.14 Some excellent insights into how to set up successful partnerships were provided in an OECD (Organisation for Economic Co-operation and Development) conference which drew together over 40 high level participants from a wide range of countries. Published in 1994 as *Cities for the 21st Century*, the report concluded that: *"Successful partnerships ... are characterised by mutual dependence, each participant needing the skills and resources of the other. The rationale behind them is simple: to provide benefits through collaboration that partners could not produce alone ... Successful partnerships require negotiating skills, flexibility, and open-mindedness. Their style of operation is mutual agreement around joint action for practical purposes, which require joint investment of resources, and shared accountability"*

Five elements characterise successful partnerships:

Membership:

Partnerships must have top-level representation, chief executive officers and government officials with the authority to take decisions and the influence to carry out institutional change.

Mission:

Partnerships must have a broad charter to address issues that go to the core of the economic and social environment.

Money:

Partnerships require sufficient investment at each stage of the project, and a diversified financial base.

Management:

Given their sophisticated organisational structures and the complex problems they are confronted with, partnerships require highly competent staff enjoying the confidence of all participants.

Measurable results:

The application of entrepreneurial values obliges partnerships to produce tangible results and to be evaluated on their merits. Clear objectives, performance standards, and annual reports are prerequisites for evaluating and monitoring a partnership's progress.

4.15 Only a proportion of town centre management initiatives meet the above requirements, and indeed this is only to be expected. It takes time to build the necessary trust, and someone has to have the guts to start the process off. The experience of all the demonstration projects confirmed that organisations have to evolve, typically through a series of stages, in which both the tasks and sources of funding can change quite radically (Exhibit 14).

4.16 Because the partners will start out being unfamiliar to each other, and the resources will appear quite inadequate, the chances of failure can be quite high. Research by URBED using case studies of US public-private partnerships for the development of complex projects, such as sports stadiums, found that success depended on producing results through:

- incremental development
- imaginative financial packaging
- intensive operation
- a catalytic approach to involving the community
- sustained efforts to build trust.

4.17 These principles were confirmed by the demonstration projects. Several went through tricky periods when they could easily have dissolved because they tried to jump a stage or failed to find adequate funding, as in Royal Tunbridge Wells.

4.18 One of the difficulties in Britain is the tendency for rivalry and criticism rather than collaboration and positive thinking, and incentives and training may be needed if initiatives are not to flounder. The idea of public-private partnerships may be more accepted in the USA,

because their cities have been under greater threat for longer. In Europe, too, strong competitive pressures have encouraged cities to reinvest in their centres, as, for example, in Rotterdam which was destroyed in the last war (4.6).

4.19 Disillusionment with partnerships can also stem from unrealistic expectations. In Britain until recently public-private partnerships were only used for shopping centre developments, and local authorities provided the land while the developer raised the finance. With the use of competitive bidding for public funds, and the attempt to introduce private funding into what were previously seen as public projects, a number of partnerships are trying to tackle projects where there is little common interest or shared values. In France, what are called Sociétés d'Economie Mixte have been used for most major capital projects, such as building an airport or rail interchange. Local authorities are expected to look after the health of their town centres. The concept of public/private partnerships is scarcely understood in Germany, where it has been customary to rely on the public sector.

Case Study 4.5



Huddersfield Pride: A partnership success story

Huddersfield Pride Ltd., is a partnership company with representatives from the community, voluntary sector, businesses, local authority sectors and the TEC. It has a £53 million budget over 7 years (£12.7 million from Single Regeneration Budget (SRB)) to spend on regenerating the Huddersfield area. The SRB area is home to 25,000 people and provides 37,500 jobs. A Town Centre Management Steering Group has been set up to oversee the introduction of initiatives to revive Huddersfield town centre. Initial projects include making pedestrian areas 'people friendly', brightening up key buildings and organising promotional events. Huddersfield Pride has also prepared a strategy for reusing redundant mills. It funds feasibility studies and then provides a grant or rental guarantee of up to £100,000 to make a renovation project viable.

Exhibit 14

Partnerships evolve in stages . . .

STAGE FACTOR	LOCAL INITIATIVE (e.g. FORUM)	TOWN CENTRE MANAGEMENT	TOWN CENTRE PARTNERSHIP
MISSION Why has it been formed?	Concerns (e.g. empty shops)	Report/ feasibility study	Specified objectives
MEMBERSHIP Who is involved?	Individuals	Collaboration between local authority and some retailers	Company/trust with formal representation of key interests
MANAGEMENT What does it do?	Ad hoc contributions	Full-time manager with steering group to co-ordinate action and working groups	Director plus staff to deliver programmes/projects
MONEY Where do the resources come from?	Begging	Short-term grants/sponsorship	Ongoing agreements
MEASURABLE RESULTS How is performance assessed?	Meetings and reports	Physical improvements	Activity, investment and trading performance

Case Study 4.6



Rotterdam, Holland: Becoming a major European city

Rotterdam is one of a cluster of Dutch cities that compete for investment and influence, as part of one of Europe's most dynamic metropolitan areas, the Randstadt. However, its 1960s architecture, high unemployment and working-class image put it at a disadvantage in quality of life terms with Amsterdam, only 70km away. Rotterdam has promoted its distinctive strengths, such as its port and technological universities, to make it a significant European location for international businesses. Through a modern public transport system and advanced parking policies, it has been possible to control parking spaces to favour development in areas with good public transport. Distinctive designs have been used to create a new image in the old docks. There is an emphasis on fun and quality of life in the city with restaurants, cafés, a major concert hall and 24 museums to choose from.

THE NEXT STAGE

4.20 All the demonstration projects agreed on the need to formalise the structure, once town centre management had proved itself. However there were differences on what the structure should be. The results of all our discussions led to the conclusion that the best prospect of raising more funds for the town centre was to establish a 'not-for-profit' company to implement an agreed plan. We have called this idea a Town Trust, which forms a third stage in the evolution of a town centre partnership (Exhibit 15).

4.21 There has been a long tradition in Britain of using trusts for specific public purposes, and there are a variety of possible models to choose from, which are illustrated in case studies such as the Edinburgh Old Town Renewal Trust (4.7). *Partnership Agencies in British Policy* refers to the choice between development partnerships or joint ventures, development trusts, joint agreements or coalitions, promotional partnerships, agency partnerships and strategic partnerships. As all of these have slightly different aims, it is quite possible for a local authority or a town centre to be involved in a number simultaneously.

4.22 What makes British towns different from most of Europe is their dependence on voluntary or ad hoc co-operation. British businesses are generally not so involved in local affairs as they are on the Continent or in North America. In most of Europe, the much stronger position of Chambers of Commerce, to which businesses have to belong, means that local

authorities treat them as natural partners. In Britain special agencies tend to be set up to tap resources from both the public and private sector, often on a project-by-project basis. Examples are provided by some of the 100 development trusts, and the several hundred Local Enterprise Agencies, which encourage small businesses to start up and grow, and which are recognised by the Department of Trade and Industry. The challenges facing most British town centres demand a concerted response, as local authorities can achieve little on their own, while the profitability of many individual businesses is increasingly determined by the success of the town as a whole in attracting customers.

4.23 The existing private sector sponsors of town centre management are keen to see funding put on a more permanent basis so that it is less of a lottery. They encourage their local managers to be involved in properly run town centre management initiatives (for example, through the publication of *About*

Exhibit 15

Stages in evolution

STAGE

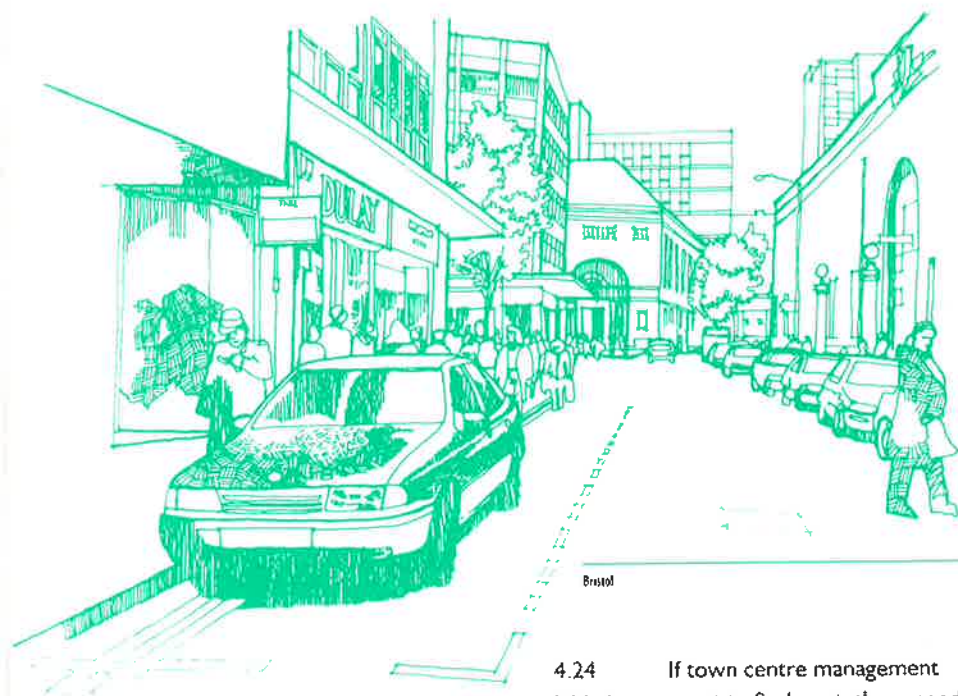
LOCAL INITIATIVE
(INFANCY)TOWN CENTRE MANAGEMENT
(GROWING UP)TOWN CENTRE PARTNERSHIP
(MATURITY)

TASKS

- undertake local surveys
- commission consultant reports, audits or strategies
- launch 'action group'/forum
- organise meetings and debates
- agree priorities

- identify gaps
- cost improvements
- establish a multi-sectoral board/steering group
- draw up a vision, development strategy and business plan
- appoint the manager
- agree the action plan
- monitor impact
- set up appropriate structures(s)/funding base

- agree development projects
- raise ongoing finance for development projects/programmes
- appoint staff/ service contracts
- constitute the Town Trust



4.24 If town centre management initiatives are not to fizzle out, there needs to be a way of going from growth to maturity. The model provided by some Development Trusts such as in Derry, Ystalyfera or Edinburgh (4.7) could offer a way forward for smaller areas provided that sufficient capital is made available to generate some ongoing revenue. Development Trusts have been defined as independent, community based organisations that are actively involved in area regeneration, and are 'value driven'. There is now a national association for them. (4.8)

Town) and others may well follow. The sponsors already apply a number of tests before providing funding, including the existence of an agreed strategy, and they want to be sure that initiatives can be sustained beyond the initial period. As one sponsor commented: *"For too many initiatives fail due to weakness through inadequate thought or political insensitivities to the structure of the partnership"*.

4.25 Two of our demonstration projects, Bristol and Coventry, provide important precedents for larger towns in setting up companies to provide higher standards of service in their town centres. We propose that the term **'Town Trust'** should be used to refer to managed town centres where the initiative or alliance has reached the third stage, where a corporate organisation with its own identity can add value. The essence is sharing power and responsibility - a real partnership, not a privatisation of the town centre. The basic standards should be set by the public sector, with the trust taking responsibility for delivering a higher standard of service than could otherwise be afforded. We suggest, based on the experience of the demonstration projects and the results of the seminars, that there should be five criteria for a Town Trust to be recognised:

- **The area of benefit** needs to be designated by the local authority. While this eventually may take in the whole town or city centre, it may be wise to focus initially on the area where there is most interest. This may be the part most at risk or where it is easiest to show results. The area may coincide with the local plan. It needs to be defined in terms of what are called Census Enumeration Districts or postcodes or by map co-ordinates, so that information from different sources can be assembled and monitored (perhaps through a computer based Geographic Information System). Often the designated area will be quite small, such as an entertainment area or the prime shopping area, where it may be possible to add particular value through additional expenditure or services.
- **A fund-holding body** with corporate status should be established. Typically this means setting up a company limited by guarantee, to protect the directors from claims against them, although initially this may not be required. The objectives should be not-for-profit,

Case Study 4.7



Edinburgh Old Town Renewal Trust: Achieving a creative balance through a Development Trust

Edinburgh is a good example of using a development trust to promote the conservation and adaptive reuse of a historic city centre. The Trust's main objectives are environmental and economic improvements, sustaining residential growth (the population doubled in the 1980s) and pursuing a creative balance. The Old Town Renewal Trust was set up in 1991, evolving from an earlier committee. It is run by a team of eight staff and guided by a board of nine directors representing the sponsors, local residents and businesses. It is funded on the basis of a three-year business plan by the City Council and Lothian and Edinburgh Enterprises Limited. The Trust produces an annual action plan to promote development and administers a conservation grant programme. Economic development has been promoted through tourism and events such as the Old Town Festival and Summer Evenings. The Trust also promotes funding bids and is involved with historic towns in Eastern Europe.

Case Study 4.8



Development Trusts: Involving the community in regeneration projects

The **Derry Inner City Trust**, in Northern Ireland, is a company limited by guarantee, set up by a builder in 1981. By 1994 it had completed over 30 buildings. The trust has special expertise in the development of tourism schemes, the provision of training, and the refurbishment of historic sites. It employs 132 people and has an annual income of £2.8 million of which £450,000 is self-generated and the rest comes from grants. There is a management committee of 9 with only one from local government.

Most development trusts operate on a much smaller scale, like **Ystalyfera**, a town with 3,000 residents in a declining area of South Wales. When the initiative started, two-thirds of the town's 60 shops were closed. To restore confidence, a partnership of the local authorities and the Welsh Development Agency (WDA) undertook a series of environmental improvements. The planning regime was relaxed, and grant aid encouraged owners of commercial properties to convert them to residential use. The trust packaged funds from a number of different sources including £0.5 million from TEC Challenge. The rental income from five refurbished mixed use properties will fund the office, and capital can be ploughed back into other projects.

The **Newry Regeneration Trust** aims to address the problems of physical decay and economic decline by the sustained and co-ordinated efforts of the public, private and voluntary sectors. Its board has representatives of Business in The Community, the Chambers of Commerce and Trade, the Confederation of Community Groups, as well as the public authorities. The trust employs four staff and there are thirteen directors. It manages grant schemes to refurbish vacant buildings and sites, has introduced public art, runs promotional events in the town and has also undertaken feasibility studies for a new hotel, the development of the riverside, and a 'health village'.

and a number of model articles of association are available. There are also other possibilities, such as some form of partnership agreement, which, for example, have been used in Wakefield and the Lee Valley (3.4, 3.11). A board of some 7-15 directors, sometimes called the management council, will need to be drawn from the different interests and sponsors, and ways found of achieving adequate representation and accountability. For example, business representation may be drawn from the Chamber of Commerce as well as the multiple retailers, and where there is a Business Forum it, too, could elect representatives. It may be easier from the point of view of continuity to have local authority representation from senior officers, with the annual report being used to keep councillors informed. If there are more than 10 directors, some form of policy sub-committee will be required. Development trust status will be particularly appropriate when the initiative has come from the community, as tends to happen in smaller towns or where some specific project, such as the conversion of a building to a public use, is proposed that can generate ongoing revenue.

- **The business plan** for the agency needs to be agreed with the sponsors or partners, and should be based on consultation with those affected. It turns the vision and strategy into a budget and costed programme, and identifies where the resources are to come from. The process of reaching agreement is often as important as the product, and is crucial to convincing sponsors to back the trust.
- There will need to be **more than one full-time member of staff**. Although it is essential to keep revenue costs down, the experience of the demonstration projects shows that the jobs of co-ordinating the public and private sectors are sufficiently demanding to require different people (as in Gravesend). Also, having an assistant and someone who can be visible on the streets greatly increases what can be achieved in practice. The main services will still be provided by the local authorities, with their staff or consultants being used to provide specialist expertise.
- **Contractual agreements** with the local authority and other agencies should govern the level of services that are provided. Performance can then be monitored against planned objectives instead of relying on fire fighting, informal agreements and persuasion. A formal partnership should specify the standards to be achieved by all the services that affect the health of the town centre. The introduction of compulsory competitive tendering should in fact make this easier. This applies equally to the trust itself, which needs to monitor key results, such as changes in vacancy, or rental growth, and car park usage.

4.26 The formal town centre partnership or Town Trust could be the ultimate stage in managing a town or city centre, because it shares the responsibilities among all the main actors. Each gives up a little power and resources in return for the synergy achieved through collaboration. The business plan will typically be the means through which a full partnership is forged.

Exhibit 16

Setting up a Town Trust

- Designate the area of benefit after a feasibility study of roles and boundaries
- Review alternative forms of structure and representation
- Draw up business plan and negotiate sources of revenue
- Appoint appropriate staff
- Define accountability and agree service levels.

OPTIONS FOR TOWN TRUSTS

4.27 There are two principal options for the scope and responsibilities of a Town Trust.

Broad Option: The Town Trust takes full responsibility for managing a defined area (which may be designated as a Town Improvement Zone, with additional funding - see Chapter 6):

- the local authority agrees to transfer responsibility for determining levels and standards of service;
- businesses agree to contribute top-up funds through a levy;
- a proportion of the income stream is used for day-to-day management and promotion; and
- part may also be used to finance loans for capital improvements.

Limited Option: The Town Trust takes responsibility for specific tasks, working alongside the local authority:

- the local authority and the Trust agree on projects where powers and resources will be delegated;
- the local authority makes financial support available, which will include relevant management fees;
- a structured basis for voluntary contributions to revenue funding will be tapped; and
- separate funding sources are used for capital projects, including voluntary funding.

4.28 In both cases, **criteria** for fund holding and accountability are required. These will include:

- utilising funds only for the agreed action plan;
- setting up an appropriate fund-holding vehicle to protect funds;
- establishing accountability by way of elections to the board; and
- achieving quality thresholds for services.

Exhibit 16 sets out the steps in establishing a Town Trust.

4.29 While these options should apply to many of the larger towns and cities, in smaller towns, where it may not be necessary to have a town centre manager, but where there is often a town or parish council, a different approach may be appropriate. These may include:

- starting with an alliance between the public sector agencies, for example, the county, district and parish or town councils;
- focusing on a specific project to diversify uses and promote activity, for example, the reuse of empty shops or a festival;
- mobilising voluntary effort and community involvement, for example, to undertake an audit of the condition of empty buildings;
- working with independent businesses and local property owners, for example, to negotiate reductions in rate assessment;
- using charitable or development trust status to encourage support from sponsors, for example, to bring a historic building back into use; and
- setting up a project that will generate ongoing revenue for improving and promoting the town, such as a market or business centre.

4.30 Not every town centre will need to set up a Trust, but for those that are concerned to extend the initiative beyond an initial period, more permanent sources of funding are required, and these will usually be linked to setting up a formal partnership. There are inevitably arguments for and against setting up new structures. For example, they may be resented by established agencies and hard to staff because of uncertainties over future funding. There are also some excellent examples of what can be achieved through informal alliances, like the Greenwich Waterfront Partnership (3.1). Nevertheless, if the tasks are long-term and funds have to be combined or packaged, then a separate structure can be worth establishing. Partnerships are the key to long-term success and in the words of Benjamin Franklin on the founding of the United States:

"We must indeed all hang together, or, most assuredly, we shall all hang separately."



5

monitoring results



Manchester

- Information is vital to assessing the health of the town centre, monitoring the impact of policies and initiatives, and bidding for resources.
- An initial audit should profile the town centre. It can also provide 'benchmarks' for key indicators, such as footfall and vacancy. Managers should analyse and circulate existing data, e.g. car park usage and crime, with relevant comparisons.
- Services levels (and expenditure) should be monitored against agreed standards.
- Town centre managers should record outputs in terms of promotion, environmental improvements, and economic development, if possible on a standard basis.
- Partnerships need to budget for developing Town Information Systems, including monitoring changes in investment and property values, sales and transactions, business formation and attitudes and footfall.

5.1 A key issue in attracting the funds to improve and manage town centres is how to prove the benefits or added value. Private sponsors want to know that their contributions are having the desired effect and are used to the idea of budgets and performance measurement. Local authority elected members want to know why they should devote resources away from where voters live to what is often seen as a responsibility of the private sector. Government funding is increasingly allocated on the basis of competitive bids and predicted outputs which have to be quantified. Hence all the main stakeholders want to know how well their town centre is doing, and what impact measures to improve it are having. This chapter considers what should be measured initially and later, and how town centre management should be assessed.

SCOPE FOR MEASUREMENT

5.2 Major sponsors, such as Boots The Chemists, are convinced that, if retailers and property owners are to be asked to contribute to the costs of town centre management, it is essential that towns provide better information on a regular basis, rather like a business operating in a competitive market. Similarly the British Property Federation in its policy paper on *Town Centre Management* stated that *"There are no widely recognised success criteria for TCM schemes, and those that do exist are not clearly understood. Further research needs to be done on this"*. The *Vital and Viable Town Centres* put forward the idea of undertaking health checks, so that performance could be compared systematically with other similar towns. The indicators need to be relevant, reliable and readily collected. They also need to be based on a consistent definition of what a town centre is.

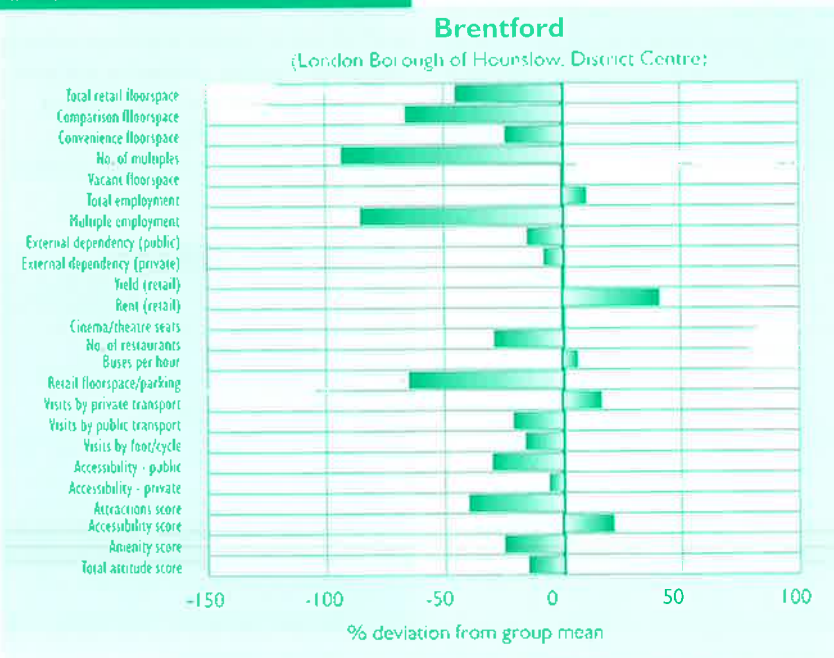
5.3 Towns that are members of the Association of Town Centre Management could lead the way in producing town centre performance data. A number of towns have shown what can be achieved with a little effort. In Worcester, an annual Retail Monitor has been published for some years, bringing together information on the Council's planning policy framework, the city itself and what is happening to the central shopping area (5.1). This service may help to explain why Worcester won the British Council for Shopping Centres award for best town centre in 1994.

5.4 Romford, in the London Borough of Havering, has done something similar, but has extended the scope of the information it provides to include indices of comparison and convenience sales based on a sample of ten and five retailers respectively (5.2). Southend sought to introduce comparative information for seaside resorts, but could not find other interested towns willing to share information.

5.5 A number of studies have sought to evaluate town centres using comparative data. One interesting study by John Lockwood, who formerly worked for Calderdale Inheritance, compared 46 towns, of which 17 had had town centre management for a number of years. By persuading retailers with some 22 different fascias to pool information on retail trends for some 300 stores, it was possible to judge the difference that town centre management had made. The figures suggest that stores in towns with town centre management did better than those in comparable towns without it, an example being Gravesend compared to Gillingham. However it took some 5 years for the effects to show.

5.6 Many of the attempts made so far to monitor town centres have taken a fairly restricted view of their role, focusing only on retail. On a larger and more comprehensive scale, in London, the London Planning Advisory Committee commissioned URBED, with inputs from Donaldsons and Halcrow Fox, to develop a method for assessing London's network of town centres. This was published in 1995 as *High Accessibility and Town Centres in London*. Donaldsons and URBED went on to prepare quantitative and qualitative health checks on the 50 largest centres, and this has since been extended to cover 200 centres with the help of borough planning departments. The health checks bring together data on the attractions, accessibility and amenity of centres in a way that makes it easier to see which are at risk and to make meaningful comparisons. (Exhibit 17).

Exhibit 17



Case Study 5.1

Annual Retail Monitor 1996

TABLE 7
CENTRAL SHOPPING AREA - CONVENIENCE STORES (BY DISTRICT)

TYPE OF GOODS	DEC 95	DEC 94	DEC 93	APR 94	APR 95	APR 96
Convenience	12	12	12	12	12	12
Convenience and Food	12	12	12	12	12	12
Other Daily and Daily Special	12	12	12	12	12	12
Convenience, Tobacco, Newspapers	12	12	12	12	12	12
Supermarkets	12	12	12	12	12	12
TOTAL CONVENIENCE	12	12	12	12	12	12
TO TALKS	12	12	12	12	12	12
Convenience	12	12	12	12	12	12
Convenience, Food, Drink, Tobacco, Newspapers	12	12	12	12	12	12
Other Daily and Daily Special	12	12	12	12	12	12
Convenience, Tobacco, Newspapers	12	12	12	12	12	12
Supermarkets	12	12	12	12	12	12

Worcester: Monitoring space in use

An annual Retail Monitor has been produced by the Council's Technical Service Department to assist potential investors, researchers and retailers interested in the town. It details local planning policies, historic heritage, recent development, public transport facilities and car parking availability. It provides regular information on the usage of retail floor space, vacancy rate and pedestrian flows. It also gives the population profile and contact names.

Case Study 5.2
Romford:
Monitoring performance

Romford has had to face up to much greater competition from out-of-town centres like Thurrock Lakeside and expanding centres like Ilford. A Town Centre Manager was appointed in 1994 and a steering group was set up with a broad representation to implement a shared vision. A strategy for improvement was agreed and funding was made available through the sale of the freehold of the shopping centre. To help monitor progress, an annual report is produced which provides a range of information, including footfall and the results of a business survey. Romford has taken a lead in encouraging collaboration among the main multiple retailers to share information on retail trends thus enabling the centre's trading performance to be monitored. The next step will be to develop the steering group from a consultative forum to a body which has its own formal identity and access to income or borrowing potential.

5.7 Boots The Chemists have supported a similar project, *The North Kent Town Centre Initiative*, in collaboration with Bexley, Dartford, Gravesend and Kent County Council. It aims to assess each town's health in order to prepare for the impact of the development of the Bluewater shopping centre. Gravesend has also developed a sophisticated information system that combines geographical and economic data (5.3).

5.8 Retail consultants also produce analytical studies for their clients, and a number of 'league table' reports are published for promotional purposes. These often suffer from focusing on a single aspect, and disregarding the context in which the towns are operating. Some, like the University of Strathclyde's *Quality of Life* studies or the *Guinness Book of Top Towns*, deal with the district as a whole rather than the town centre, and only cover the larger centres. However, they can provide valuable inputs to local exercises.

5.9 Even where like is compared with like, there can be teething problems in terms of faulty data or different definitions that lead to comparisons being invalid; for example, as to what constitutes a department store, or how to apply some of the indicators recommended in PPG6 or even how to measure floor space. These concerns, while real, can be overcome given the will, and it is in the interest of town centre managers to produce annual reports that show what is happening, however unpleasant the facts may be. The fact that a National Retail Planning Forum has been set up, with support from some of the major retailers, shows there is a collective interest in

improving statistics, if only to avoid wasting investment. Yet at present the confidential information available to individual major retailers is light years ahead of what most local authorities use. The Retail Statistics Working Party, which is chaired by the Department of the Environment, is seeking to improve information at a national level by securing a standard definition of what constitutes a town centre, and then making more use of existing information which is collected nationally. Data has now been published in the *Property Market Report* of the Valuation Office Agency which is helping to provide information on property yields and floor space.

5.10 The various attempts so far have thrown up a number of obstacles to producing the kind of information that is needed. Part of the problem is one of attitude, and this is something that organisations like the ATCM should be able to overcome. Many in local government no longer feel that they have the time or the resources to collect data, and retail specialists in county councils have often been lost in manpower cuts. Those who survive are often removed from the policy and decision-making processes, and up until recently town centre improvement has not been a priority. There is a natural reluctance to offer hostages to fortune, particularly when a town is declining and even holding its present position is a major challenge. There is also a criticism that information may be used to create false league tables, and that these may act as a further deterrent to credibility and investment. Town centre managers have an important role to play in bringing information together and publishing useful reports.

Exhibit 18**Monitoring performance**

- Undertake health checks to assess key indicators e.g. footfall, vacancy, business attitudes, property values
- Report on current levels of service against standards
- Monitor output in terms of strategic goals e.g. promotion, environment, economic development
- Develop town information and management systems e.g. retail trends, turnover indices, transaction indices.

SHOWING ADDED VALUE

5.11 The benefits of improving town centres were outlined in Chapter 2 and scope for demonstrating added value can be seen from research undertaken in the USA. These have evaluated the success of both the programmes undertaken in the larger cities, typically represented by the International Downtown Association, and those in smaller towns, which are often undertaken in conjunction with the National Main Street Center (3.10). In both cases independent evaluations have been prepared which show how cost-effective intervention has been, for example in terms of jobs created or saved, and also how much progress has been made along a number of dimensions.

5.12 The approach used by members of the International Downtown Association stresses the documented benefits, such as an enhanced sense of place, improved sales, increased leasing interest, emergence of new activities and the strengthening of the office and tourism markets. The important point is not to focus too much on what has been lost, but to accept that towns and town centres are dynamic places and that what matters is that new life replaces what has died.

5.13 Useful lessons can be drawn from Business Improvement Districts (which are covered in depth in paragraphs 6.20 - 6.32). The essential principles behind a BID are summarised in a useful research study by the Urban Land Institute:

- *the initiative comes from business leaders who seek common services beyond those that the city can provide;*
- *the city determines the boundary, approves the annual budget and the financing strategy and decides what services may be provided; and*
- *business leaders draw up the annual budget, hire staff, let contracts and oversee operations.*

5.14 The Business Improvement Districts (BIDs) stress the added value that they provide particularly in terms of the three main priorities: *Clean, Friendly, Safe*. A similar approach can also be seen in European towns, which not only focus far more attention on their centres, but also regularly review data on factors such as the length of pedestrianised streets, the residential population and so on, to ensure that their centre is up to scratch.

5.15 One of the longest established BIDs is the 14th Street Union Square

Management Association in New York. Its board of directors also includes representatives of the City Council, and in 1996 the BID celebrated its 12th year. It recently invested in the creation of a sophisticated information base and performance-monitoring system based on three main indicators:

sanitation, which accounts for the largest share of the budget, is now monitored through a programme which rates the cleanliness of all the streets and pavements on a quarterly basis;

security is monitored in terms of keeping the district clear of illegal street traders (as the security patrols can hardly influence the overall crime rate); and

marketing/business development is measured through changes in the levels of vacancy.

5.16 There are a number of problems to be tackled in Britain before a comprehensive picture can be presented both of what is happening to the town centre and what is being achieved through town centre management, especially as information costs money. Town centre partnerships initially need to assemble data on a few key aspects of town centre health, plus measures of output and impact. Our seminar on information for town centre management came up with a check-list of possible ways of measuring performance (Exhibit 18). The demonstration projects of Coventry and Gravesend illustrate what can be achieved over time (see separate studies). Usefully much of the information required is already available but held by different departments and the first step is to bring what exists together.

Case Study 5.3



Gravesend: Better information for planning and management

Gravesend will shortly be affected by two regional shopping centres located within 5 miles of each other. Consequently Kent County Council, with support from Boots The Chemists, has been collaborating with Gravesend, Dartford and Bexley Councils to produce better information on what is happening to each of the existing centres. After five years of Town Centre Management, sufficient trust had been generated among the main retailers to enable a Town Information System, which includes an index of turnover, to be set up. Economic and physical data is collected monthly and biannually. A base map shows land uses and vacancy for all the properties in the town centre, and since the system is on computer, the town centre can be analysed in a number of ways and at a number of levels.

An initial 'health check' of Gravesend assessed the current situation and historic trends. Monitoring reports are now produced monthly, quarterly and annually. They cover footfall (recorded by the 'Town Warden'), car park and public transport usage, crime figures as well as turnover and transaction indices. The index of turnover, based on the collaboration of eight multiple retailers, has been the most difficult, but also the most important part to implement. The information system is supplemented by the Borough Council's regular biannual survey of employment for the district as a whole.

KEY INDICATORS

5.17 One of the most objective measures of the vitality of a town is the number of people using it. By collecting information on **footfall** on a standard basis, just as shopping centres do, an assessment can be made of how the town is changing. Information on footfall can also give an impression of what is happening within the town as a whole, but it needs to be collected regularly and in a consistent way to provide meaningful information. There is a problem in dealing with a multiplicity of figures, and the mass of data needs to be turned into graphical form. Public transport usage also needs to be brought together, along with information on how people get into town, drawn from periodic surveys. Gravesend uses its town warden to monitor footfall weekly as part of his duties.

5.18 Analysis of different areas (e.g. prime, secondary and tertiary) can be derived from footfall data to show how the town is performing as a whole. CCN Goad Ltd already has information available on footfall for some 250 towns and has ten year trend data for some 80 of the largest towns. Goad is able to undertake surveys economically, enabling a useful database to be built up. In the absence of information on footfall trends, some use can be made of short-stay parking records, which show the number of car-borne visitors in towns where charges are made, and these can indicate shifts in activity. Coventry, for example, has used both types of data to monitor the impact of initiatives.

5.19 In addition to footfall, it is important to obtain data on **sales trends**. While some national multiples, such as Boots The Chemists, are using their records to help town centre initiatives, a single company's results do not give the overall picture required. Although it is impossible to tell what is happening overall because of the lack of a retail census, it is possible to devise an index of turnover for specific towns based on information supplied by some of the national multiples.

5.20 What matters is the trend over time, and some kind of moving average may be needed to allow for ups and downs, with an explanation being provided of any major event, such as a store move, which might affect the statistics. An allowance also needs to be made for broader trends, and many town centres will have achieved a great deal if they can even stay in the same relative place. A meaningful yardstick would use **regional trends** for the type of centre concerned. The number of sales **transactions** made is also a useful indicator of retail activity and may be easier to obtain.

5.21 Sales data needs careful interpretation as well as the protection of confidentiality. It will often show what is happening in the prime areas or heart of the town, but will not necessarily reflect the experience of the smaller and independent traders in the secondary areas, who are usually the most vulnerable. It probably therefore needs to be supplemented with periodic **business surveys**, rather like those carried out by the CBI or the Small Business Research Trust and which have been used in Nottingham and Romford for example. These have the added benefit of improving communications between businesses and the town centre management initiative. They can enable aspects of the town other than retail to be monitored, such as the leisure and arts functions. They can also record and analyse business investment and expansion/contraction decisions, which are useful indicators of confidence. Thus, the Nottingham survey asks stores every six months about trends, whether they are *up, down or static*, in terms of revenue, profitability, footfall, staff and stock levels and expectations for future performance.

5.22 Information is also needed on the state of the property market. **Vacancy** levels on their own can be misleading, particularly in the absence of yardsticks for the type of town concerned. The figures need to make allowance for temporary or charity shops and for newly developed space that has not yet been let, as well as for shops that are for sale (even if they do not have 'For Sale' boards up). It is not sufficient either to look just at the overall figure (available from profiles published by Goad) or at the figure in the prime or central area as a great deal depends on the pattern of leases. Shops may be occupied even when they are trading unprofitably and charity shops often conceal the true level of vacancy.

5.23 Vacancy figures also need to be broken down into the different areas that make up the town. Everyone agrees that the level of vacancy is important, but this needs to include the secondary as well as the prime areas. The prime areas are frequently insulated by long leases from the effects of loss of trade.

5.24 Just as important as the overall level of vacancy is what is happening to empty property, whether it is being occupied, by whom and for how long. Towns therefore need to record **business formation** and what is sometimes called 'turbulence' or 'churn' - openings and closures or business starts and failures by category - to supplement data available on levels of vacancy nationally. Again, this data needs to be analysed by type of town, and ideally should be shown on a graph or on a map. Some care is also needed to take account of national changes, such as bankruptcy or fascia changes. It is also possible to obtain information on **employment** from surveys or from existing data sources (for example, Yellow Pages), which can be used to monitor the economic health of the town centre.

5.25 A related factor is **property value**, which shows how investors see an area. Hillier Parker in the *Vital and Viable Town Centres* report suggested using the relationship between property yields (which are published for the larger centres) and rentals to draw up a league table, so that towns could see themselves as investors might view them. While this method can be easily criticised for the number of assumptions involved, it could form a useful part of an analysis of how well a larger centre is doing. If the yield were to increase, particularly compared with other similar centres, it would indicate a downgrading of investment values. If a town centre management initiative can affect the way the town is viewed, then it will help to raise both rental values and investor expectations, which are crucial in attracting new investment. Such an indicator is, however, only appropriate for the 300 or so largest towns that are of interest to institutional investors. Data is published regularly by the Valuation Office Agency in a report

available from the Stationery Office. Reports on the larger towns can also be obtained from the Investment Property Databank (IPD).

5.26 An important indicator of the health of a town is **investment** from national companies, as this shows confidence, and may also be a leading indicator of performance. National published information on trends is available from Hillier Parker's periodic surveys of multiples, and other sources, such as Management Horizons, can be useful. It should be possible for town centre management initiatives to monitor and publicise the investment their members are making, perhaps on the same basis as the kind of surveys undertaken by the CBI which record investment intentions, so that a picture emerges over time. Information can be collected on buildings that are refurbished, or when new stock is brought in.

5.27 Another relevant indicator is the level of interest in the town shown by national multiples, and changes in the number of multiples that are present (its **multiple ranking**). While this is an important indicator for larger towns, it has little meaning for smaller towns and does not reflect either the quality of the retailing or what is happening in the town centre as a whole. However, there is a survey published by FOCUS which measures the overall appeal or size of the main shops. Whether interest from retailers can in fact be turned into investment depends on the availability of suitable space, and this too needs to be taken into account as part of the process of profiling the town centre.

5.28 An estimate can then be made of the relationship between public expenditure and private investment, or 'leverage' as it sometimes called. A town centre is of course more than just its shops, and once a basic information system is set up, other factors need to be monitored such as **diversity** and **quality**. Thus, in some town centres the number of visitors and hotel occupancy will be important, while in others it might be numbers of residents, university students, or even the health of the population.



Barnesley



THE IMPACT OF TOWN CENTRE MANAGEMENT

5.28 While the most interesting indicators are those that reflect how actively the town is trading, and whether it is going up or down, there are other indicators which can be used to assess different aspects of a town's health. Some of these relate to particular aspects of the three 'A's - attractions, accessibility and amenity - on which a town is typically judged. Others relate to the town's wider success, for example, in terms of the levels of employment or population within its catchment area. Consequently we recommend that the first step in undertaking a health check is to prepare a profile on the town's functions, and what they depend on, as well as basic data such as its size and location.

5.29 Because the life of a town is made up of so many elements, what is potentially measurable and significant can easily outstrip the capacity of people to collect and use the data. Indeed, with the requirement to produce performance measures, many people are drowning in figures of dubious value. A method is therefore needed for managing this complexity, as first outlined in *Vital and Viable Town Centres*. The basic idea is to look at the town centre as a set of dynamic systems in a holistic way. A series of concepts, such as diversity, critical mass, security and so on, help to explain why some centres are more successful than others (see page 13).

5.30 Because of the complexity of town centres, and the time it takes for the impact of any action to work its way through, data needs to be collected on both **outputs**, that is the action taken by a town centre management initiative, and on **impact**, that is the resulting change in the health of the town centre. Outputs can be measured in a number of ways, such as expenditure, changes in practices or even in numbers of meetings. It is probably best measured in relation to the implementation of an agreed action plan, under headings which relate to the way the town centre partnership is structured. These can be grouped under themes such as:

Promotion:

e.g. number of events, publicity coverage, press mentions, customer service initiatives, etc.

Environment or design:

e.g. new shop fronts, trees, plants, patrols, etc.

Business or economic development:

e.g. store openings, new jobs, etc.

5.31 For each of these, quantitative and qualitative indicators are available, which can be assessed and rated in the form of a health check. Deviations from a norm can highlight problems. For example, information on car park usage (from the car park operators) and public transport usage (from the bus companies) can be monitored over time to show trends in the number of people coming into the town. Where a factor is particularly controversial, perhaps because there are different opinions or different options, a further analysis or **audit** can be undertaken. For example, the streetscape or environmental audit that URBED undertook for Bristol city centre involved assessing 15 variables for over 30 different streets. These were then compared with footfall figures to help indicate where the priorities should lie (**Exhibit 19**).

5.32 As shoppers are attracted to places that feel secure and welcoming, it is also important to measure **amenity** or the 'feel good' factor. Some indicators, like levels of recorded crime, can help and data is available from the police. Probably the best measure comes from periodic audits of all the streets, to check their condition, along with household surveys of attitudes to the town. What matters is not just the absolute level, but how it is perceived to be changing for better or for worse. These factors need to be monitored in terms of what town centre management can actually influence. For example, in one of the largest US Business Improvement Districts they only measure street cleanliness, vacancy and certain aspects of street crime.

5.33 Audits can also be done on the economic structure of the town and its social and cultural facilities, in each case

comparing what exists with what might be expected for the type of town concerned. Such audits can help in identifying the kinds of businesses that would actually strengthen the centre's attractions as well as occupy empty premises. They can be used to supplement data on retailer location intentions and recent openings and closings, to develop a retailer recruitment and retention programme.

5.34 Instead of simply collecting vast bundles of data, as tends to happen, the analysis should be organised around the vision and objectives for the town centre which in turn should relate to the way action programmes and budgets are structured. Again these can be organised in terms of attractions, accessibility and amenity, as in Romford, for example, or in whatever categories are adopted for the strategy and organisation of town centre management. A good approach, which draws on the US Main Street 'four step' model, measures promotion, economic development, design and organisation, and this has basically been used in Royal Tunbridge Wells. By grouping indicators

together under a few main headings, the process of measuring and evaluating performance becomes much more manageable, and the dangers can be avoided of giving too much weight to an isolated factor or something which is beyond control.

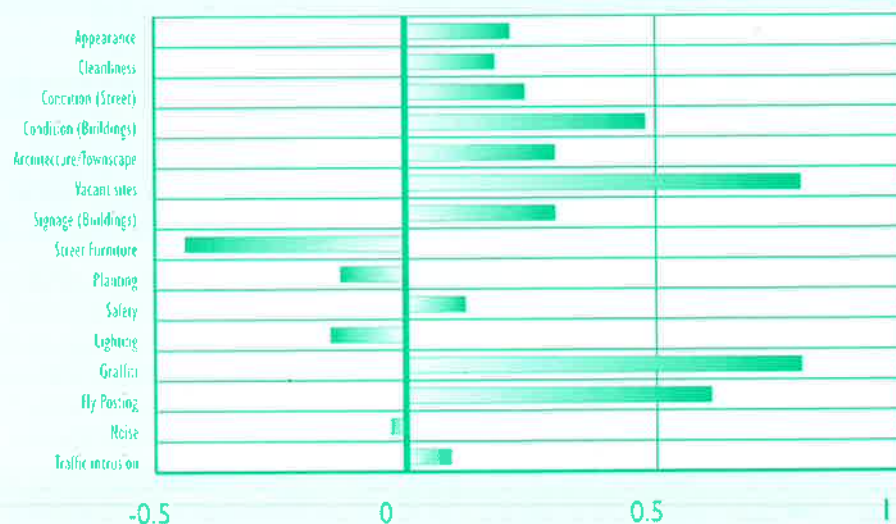
5.35 Information is not needed just for planning and bidding for resources, but also to demonstrate what has been achieved. Progress needs to be monitored regularly against the action plan in order to show that the partnership is producing extra value.



Exhibit 19

source: Broadmead and the future of Bristol City Centre. Donaldsons and URBED.

Bristol environmental audit ISSUE SCORES



6

resourcing higher standards



Sison

- Less than half of town centres have their own budgets, and the majority of these depend on raising contributions from the private sector.
- The increasing reliance of capital projects on bidding for funds is creating a 'lottery' which could make it even harder to attract private investment.
- The main private sponsors want a more robust system that avoids the 'begging bowl'.
- One possible model is provided by Business Improvement Districts in North America where a company levies a charge on local businesses to provide higher standards of service than the local authority could do on its own.
- Investment Priority Areas, as in the Republic of Ireland, provide private businesses and residents with the incentive to invest in areas of high vacancy.
- Proposals for Town Improvement Zones could provide an answer for places where there are already formal partnerships with agreed strategies and business plans.
- The system of business rates and local authority finance is not providing town centres with a 'level playing field' on which to compete with out-of-town centres, and needs to be reviewed.

6.1 The main reason for establishing town centre management is to achieve more successful places (**Exhibit 20**). Higher standards often require more resources, and funding is needed for both capital and revenue projects, as well as for management and promotion. Hence answers must be found to where the funds should come from and how they should be controlled. To answer these questions we have drawn on our nationwide survey of local authorities, as well as reviewing the operation of the non-domestic rating system and models from both the USA and the Republic of Ireland before suggesting what is needed in Britain. This chapter considers in turn current practice, private sponsorship, capital budgets and revenue expenditure, before considering different forms of funding for the town centre and how added value could be achieved.

CURRENT PRACTICE

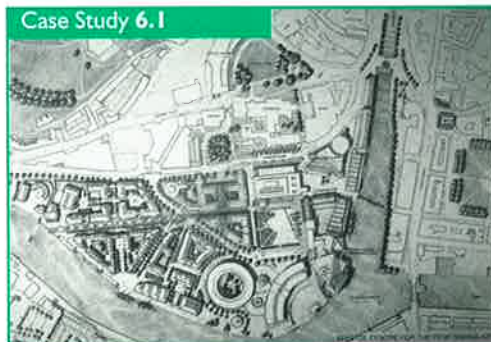
6.2 While there is no obvious pattern, the towns that have undertaken most improvements have generally used funding cocktails, which draw money from a number of sources. This tends to favour larger towns and cities, which are also more likely to be able to negotiate partnerships or planning gain with private developers. Our survey identified eight main sources of funding, all of which are more suitable for capital than for revenue projects:

Owners' contributions:

Major property owners, including large property companies and financial institutions, can sometimes be persuaded to fund improvements to the public realm if they also benefit directly. For example, much of the landscaping of a major square in Coventry was funded by Land Securities as part of upgrading the adjoining property which they owned. Contributions may also be secured through Section 106 agreements (or planning gain), although this source is less plentiful following the collapse of the property market. It is important that contributions from developers are not used as a 'bribe' to allow development that would otherwise be unacceptable. Declining margins as a

result of increased competition will make it harder to tap new development for contributions in the future. Property owners can also be encouraged to collaborate if there is a chance of securing a grant, as the Bristol 2000 example illustrates (6.1). The case study of Jönköping in Sweden suggests that with persistence it may be possible to secure an agreement on a voluntary basis (6.2). However, further examples are hard to find and London's Oxford Street exemplified the difficulties, such as the 'problem of the free rider' (expecting others to pay); it is also the need to relate business contributions to direct benefits (6.3).

Case Study 6.1



Bristol 2000: Promoting an educational/leisure quarter

Bristol has used partnerships to secure resources through a successful Lottery bid. Bristol is not an Assisted Area and must make use of other sources of funding. The Bristol Chamber of Commerce and Industry and the local authority backed The Bristol Initiative, an organisation bringing together senior people interested in the city, which in turn set up agencies to pursue particular projects. One major opportunity is the waterfront and harbourside. In 1992 the five key landowners collaborated on a realistic development framework after a consultant's study. One objective is to provide a new leisure hub with a Centre For The Performing Arts and a mix of residential and commercial development. Plans have also been put forward for new squares and pedestrian links to the rest of the city centre.

Bristol 2000 grew out of this initiative, as a separate company to manage Bristol's Millennium bid and the consequential projects. Support was won from Wessex Water which provided a chairman of the necessary stature. Millennium funding was secured for an imaginative scheme including Science World and Wildscreen World. Future projects will have their own partners and sponsors with the local authority acting as the principal landlord. The main landowners have agreed on sharing development profits. Income from car parking will provide a source of ongoing revenue for Bristol 2000.

Exhibit 20

Boosting Town Centre Management

- Set a budget that includes promotion and some maintenance or warden activities
- Devise innovative projects that tap grant sources, for example through participating in European networks
- Utilise programmes of events to generate positive publicity and sponsorship
- Reinvest the proceeds from the disposal of local authority assets, such as the freehold of shopping centres
- Utilise capital projects to generate ongoing sources of income for the town centre, for example by upgrading an under-used car park
- Tap ongoing sources of income through the provision of services under contract to the local authority, which can then generate a management fee or a surplus for town centre management
- Draw on private sponsorship from property owners for specific tangible capital improvements
- Look to retailers for support for revenue expenditure in the form of a service charge
- Invest in devising better quality schemes and proposals (assisted by feasibility study grants from regional agencies)
- Allocate a proportion of local authority income to the town centre, possibly from sources such as parking or markets that are funded by town centre customers.

Case Study 6.2



Jönköping, Sweden: A voluntary partnership with a contractual agreement

Town centre management in Jönköping (population 120,000) began in 1987. The town is split by a canal and park and was also threatened by the opening of a 45,000 sq.m. out-of-town shopping centre close to the motorway. Retailers, property owners and the municipality worked together on physical improvements such as pedestrianisation, street refurbishment and investment in the town's trade, education and travel facilities. A private partnership was set up in 1992 to organise marketing, events, general security and maintenance, initially focusing on just one side of the town. The organisation is owned by the property owners and the retailers, with the municipality having a minority share. 95% of local businesses agreed to sign an agreement and contribute financially. The amount is calculated in proportion to their property's location and frontage.

Government grants:

In the past the Urban Programme was used by authorities in inner city areas to undertake improvements to property. Since this source disappeared City Challenge and the Single Regeneration Budget have supported initiatives in over 50 town centres, illustrated in the case studies of Woolwich or Huddersfield (3.2 and 4.5), and many more in other areas that include shops. The Brixton Challenge case study shows how public funding can be used to stimulate private investment (6.4). Bidding is up to local authorities and there has been no earmarking of funds for any type of project. There are now over 400 partnerships in existence and many are run by boards that could lead to town centre strategies and initiatives being launched. London's South Bank Initiative, which was promoted by major local employers, provides an interesting precedent for an approach led by the private sector, but orchestrated by a community based development trust (6.5). Although the total budget seems large, in fact the bulk of government urban spending has gone to the development corporations, and the discretionary funds available are small in relation to mainstream funding. However, it is sometimes possible to build up the funding required by packaging together funds from several sources. Thus the **Transport Package Bid** scheme can be used to find ways to encourage greater use of public transport, as for example in Wood Green in the London Borough of Haringey (6.6).

Private Finance Initiative (PFI):

The PFI is beginning to encourage the investment of private capital in the provision of public services, such as the Midland Metro which will link Wolverhampton and Birmingham. The same principle could apply to services such as car parks and markets, though the PFI has been criticised for being too complex for relatively small schemes. It depends on finding private companies prepared to run what were previously public services, and it could provide an opportunity for Town Trusts. However, serious reservations have been expressed over combining the roles of builder/developer and long-term manager, and the problem still arises of

raising sufficient revenue when the benefits are dispersed. There is also insufficient knowledge of how successful projects have been put together.

Local authority funds:

Relaxation of the controls on capital spending are enabling local authorities to enter into partnerships and to reinvest funds from the disposal of assets such as shopping centres or industrial estates. Lewisham was selected as one of the pioneers, and a mixed-use cinema complex is being developed on land owned by the council. Significantly, the earlier transformation of the adjoining covered shopping centre owed its funding to the sale of the freehold by the council. Many local authorities are still wary about losing a source of ongoing income. The new Capital Challenge funding regime offers the prospect of funding for specific town centre partnerships; for example, Havering's bid for Romford town centre includes the possible relocation of the information centre and a housing development for young people.

European funding:

EC grants have been used extensively for town centres in those parts of the country that are eligible. It has been used for some key projects, ranging from the extensive pedestrianisation of Nottingham's city centre to the enhancement of the much smaller centre of Atherstone in Warwickshire. An interesting innovation is the allocation of several million pounds towards improving ten town centres as part of the Objective 5b Programme for the Marches in rural Shropshire and Herefordshire. Authorities that lie outside the priority areas have to be more imaginative in tapping the smaller grants, such as URBAN, by joining European networks, as in the cases of Dover (3.10), Maidstone and Oxford. One effect of EC funding may be to reinforce inequalities and distort competition; thus Nottingham's gain may have been at the expense of smaller towns that are ineligible.

Regional agencies:

The Welsh Development Agency, Scottish Enterprise and potentially English Partnerships are important sources of funding for town centre improvement. They can contribute to the cost of site assembly and preparation as in the example of Swansea (6.7). They may also pay towards drawing up strategies, as for example in Barnsley town centre, where consultants advised on the reuse of empty buildings as part of a town centre strategy. The Rural Development Commission is also taking an interest in the smallest towns (under 15,000 population) through its Rural Priority Areas and a forum called **Action for Market Towns**. Mechanisms such as Rural Challenge have encouraged town centre initiatives, as in the case of Bakewell in Derbyshire, for example. English Partnerships expects a return on its investment, and lacks the funds to offset disinvestment by the private sector. It has stepped in to support some important town centre projects, as in Gravesend for example. However, its focus on creating jobs and encouraging private investment has so far made it difficult for it to support development trusts with wider objectives.

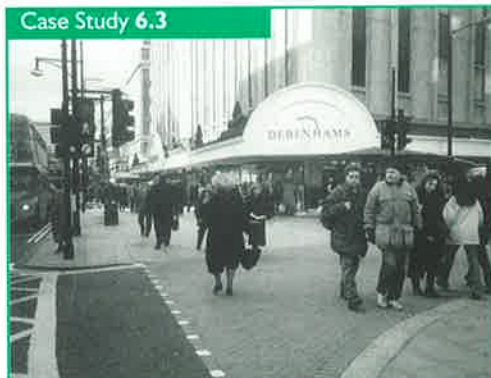
Other grants:

Other possibilities include English Heritage's Conservation Area Partnership grants which provide small but useful sums to upgrade historic areas, generally in smaller towns, but also importantly in some fringe areas, like Newcastle's Grainger Town (6.8). The various Lottery Funds should be an important source but initially little Lottery money seems to be

going directly to town centre initiatives. However, the National Heritage Lottery Fund is backing street improvements in the centre of Pontefract, and consideration is being given to a wider scheme for public spaces with townscape value. In Scotland, Scottish Homes plays a major role in most town centre schemes, and the Housing Corporation is becoming more interested, with its policy that half the new houses should be on recycled land. Schemes such as Living Over the Shop (LOTS) have generated considerable interest with 1,500 units being assisted by the Department of the Environment over the last 3 years, but have not been applied on a sufficient scale to affect the viability or vitality of town centres that are at risk.

Businesses and developers:

Support from businesses can also be very useful in a number of ways, for example through help provided in kind, such as the printing of newsletters. In an increasing number of areas, advertising contractors are providing and maintaining bus shelters, benches, toilets, signage and other street furniture in town centres in exchange for advertising space in the town. National companies can sometimes be persuaded to support community based projects, such as programmes set up by the Groundwork Foundation (6.9) or the Civic Trust.

Case Study 6.3
**Westminster, London:
Brightening up Oxford Street**

Oxford Street, despite the presence of top stores, has fragmented ownership which makes raising finance and implementing plans difficult. Even Christmas lights proved a problem. In the past it has struggled to compete with the standards of out-of-town centres and fell behind other European capital cities in the quality of its public realm. Neighbouring Regent Street, where there is a single freeholder, found it far easier to fund improvements. However, a scheme has been initiated by the local authority, Westminster City Council, which takes contributions from retailers and has improved lighting, benches, bus shelters and pavements a stretch at a time. Marks & Spencer and Selfridges contributed £150,000 towards the costs of their sections, (although this is a fraction of what needs to be spent or what is often spent on store refits). Attempts to introduce an Act of Parliament to require contributions floundered on the difficulty of identifying property owners.



Corn Street, Bristol

Case Study 6.4



Brixton City Challenge: Mixed uses and mixed communities

Brixton City Challenge was set up to manage the regeneration of the area around the town centre. The Company is run by a board of 18 retail and community representatives, and is headed up by a former local authority officer. Initial schemes promoted and extended the area's cosmopolitan atmosphere, by making the most of its restaurants, entertainment venues and covered market. One of the flagship projects created a six screen cinema, 20 flats and a landscaped square with a fountain. But Brixton's problems could not be overcome by individual initiatives, however innovative. An ambitious private retail development scheme collapsed. Therefore a more comprehensive approach was implemented by the City Challenge Company. A Town Centre Manager was appointed. A £20 million strategy for upgrading the town centre was approved with 50% funding from the Department of the Environment. Private investment was then attracted to improve the range of shopping in the area and to upgrade the transport interchange.

SURVEY RESULTS

6.3 The results of our survey suggest that the system for packaging funds is wasteful; too much time is taken up in abortive bids, and there are problems in combining different sources of funds. Also, despite all the apparent activity, there is a real danger that strategies and bids are finalised without adequate research or consultation. The enthusiasm for partnerships could lead to disillusion if funding is not forthcoming for strategies that have widespread support.

6.4 An important part of the survey was to find out how the town centres are currently financed as this is one of the biggest challenges towns face. Only 45% of the towns have a distinct revenue budget for their town centre and the budgets that do exist are small, with 34% being under £100,000 p.a. and 15% under £25,000 p.a. Only 5% receive between £100,000 and £1 million. Surprisingly the towns with the largest sums of money to spend are often smaller towns (with under 500,000 sq.ft. of retail floor space), perhaps because they have to try harder.

6.5 The funds are generally spread very thinly across a great variety of activities. The top two items of expenditure are the town centre manager's salary and promotion and marketing events.

Funding for a town centre manager was most significant in metropolitan cities, with 71% of them putting money towards it, which suggests that the bigger towns are realising that some kind of co-ordinator is necessary. This is the case in all the other types of towns except market towns, where more money is ploughed into promotion and marketing, followed closely by maintenance, cleaning, administration and individual projects.

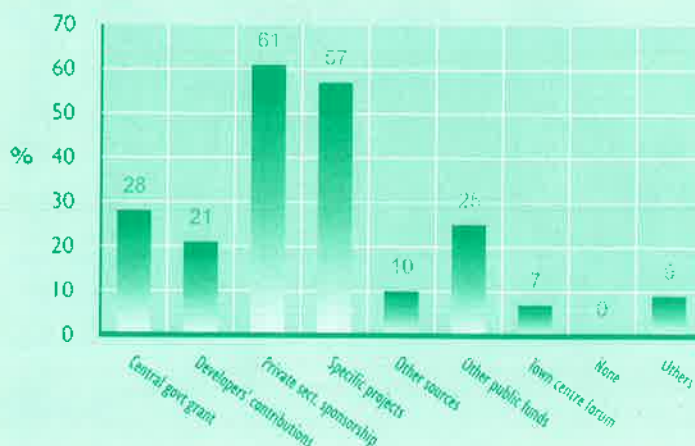
6.6 Funding is typically provided from a number of sources, often on an ad hoc, year-to-year basis. The private sector is the most important source and sponsors tend to back initiatives where there is real commitment (Exhibit 21). Central government grants, e.g. Single Regeneration Budget, other public funds, and contributions from developers (planning gain/section 106 agreements) play a much smaller role, providing only between 21% and 28% of the budgets. Private sector sponsors support 80% of the metropolitan cities' other revenue funding, implying that the need for further funds is being recognised especially as 60% of the towns also get contributions for specific projects. Central government grants are most important in industrial and market towns while contributions from developers play their biggest part in suburban centres.

6.7 Currently town centre management initiatives only obtain 18% of their revenue funding from other public sources and of this 12% comes from events. Street trading provides only 7% and parking even less at 4%, showing that some important possible sources of income are still to be tapped.

Exhibit 21

source: Town Centre Partnerships Survey

Tapping other revenue sources



PRIVATE SPONSORSHIP

6.8 Faced with pressures on public funds, the natural tendency is to turn to the private sector. There has been a growth in private sponsorship of town centre management initiatives, which has been very beneficial both in terms of raising its profile and making it more professional. However the current group of sponsors of town centre management are not satisfied with dependence on voluntary donations. As one commented: *"Over the past few years despite the pressing and pushing of a few retailers, such as Boots and Marks & Spencer, and one or two landlords, it is impossible voluntarily to persuade more national companies, landlords and retailers, to get involved. It is very easy to say that they should make a commitment to town centre management but this does not happen and in my view will only happen when they are either forced to pay a levy to the fund and, therefore, have more incentive to get involved or alternatively realise that part of the rates they are paying is going back into the town centre and they have something to contribute."*

6.9 The initial supporters of town centre management were leading retailers with property interests but, as the movement has grown, other organisations, such as major property owners, have begun to provide help. One of the first financial institutions to become involved was National Westminster Bank, who have supported conferences and several initiatives. They have been particularly active in Living Over the Shop schemes and are lead financiers to the housing association movement in general. As evidence of their commitment they have appointed a town centres co-ordinator. However, the message coming from National Westminster Bank is that national incentives are required if other financial institutions are to become involved and our town centres are to receive the attention and resources they merit.

6.10 National Westminster Bank is not only represented in almost every town centre, but also owns substantial amounts of property and is providing capital for large numbers of businesses through loans that are often secured on property. Like all high street banks, it has more at stake than most retailers. Despite its historic interest, and involvement in supporting small businesses through a special unit, and its support for local enterprise agencies, it has proved difficult for the bank to focus its resources on town centres for a number of reasons:

- As an employer, less and less of its staff are based in town centres, as back offices are becoming centralised (although with a strict policy of reusing existing premises whenever possible).

- The role of branch managers has changed, with a focus on customer service and therefore perhaps with less rationale and opportunity for weighty engagement in regeneration issues. This is not dissimilar to the situation with retail chains, where some see town centre management as requiring property expertise that they lack.

- There has been a reduction in the proportion of profit that banks generate from their high street retailing operations, compared with other activities like the financial markets.

6.11 It is recognised that the involvement of financial institutions will bring new and welcome benefits, such as business planning skills and the ability to support major schemes with secondees - and of course the finance for regeneration if they are convinced about the soundness of investing in the town centre. The banks may also benefit in terms of public relations and management development. However, it must be recognised that they are commercial organisations who respond best to professionally presented commercial propositions. There is little prospect of relying on their charitable concern for the public interest to provide the help town centres now need.

6.12 Thus while there is widespread concern over how to fund both improvements to town centres and their ongoing management, there are also huge variations in the current practice and levels of resourcing even within similar types of centre. The funding needs can be broken down into capital and revenue expenditure.

Case Study 6.5



South Bank Employers Group: Business taking the lead

In London's South Bank a local initiative secured a major grant from the Single Regeneration Budget for comprehensive environmental improvements. The South Bank Employers Group was led by large companies such as Shell, IBM and Sainsbury's and it included cultural organisations such as the National Theatre. All were concerned to improve the quality of public space and pedestrian links so as to retain staff and attract visitors. The 'Champion' for the initiative was the director of a successful local development trust, which had created new housing, open space and specialised shops in the area. An urban design strategy was commissioned to encourage street level activity and local identity. Other potential projects include setting up an integrated public transport system and an electric bus loop. The partnership succeeded in getting different interests to work together and attracted funding to an area which had not previously been a priority for public expenditure.

Case Study 6.6



Wood Green: Packaging funds successfully

Wood Green is one of London's ten largest town centres, but started to decline in the 1980s, leading to a town centre study and an action planning event in 1990. While these identified a range of projects, other areas were seen as more important at the time, and an SRB bid failed to win funding. Isolated projects failed to turn the tide. A breakthrough was made when the local authority decided to use some funds secured to improve a transport interchange to undertake a more comprehensive review. A successful Transport Package Bid to promote the use of public transport was turned into a Capital Challenge bid which attracted £3.4 million over three years. This is being used to introduce traffic calming and improvements to the bus and underground stations.

A second SRB bid was successful because it was targeted at tackling unemployment in the surrounding area. It included a major leisure development and the creation of a cultural quarter linked to a local university, as well as improvements to the town centre. An innovative element is to employ 'ambassadors' for Wood Green. A total of £13 million of government funds forms part of a £56 million investment programme for the wider area. A private company is being set up to co-ordinate the project, with a town centre sub-committee to which the Town Centre Manager will report.

CAPITAL FUNDING

6.13 Estimates of capital expenditure from our local authority survey suggest that town centre improvements have become increasingly important. However, there is clearly a huge disparity between the funding available for capital projects, and for ongoing revenue expenditure. A great deal more has been spent on capital projects and even more is planned, as the following figures indicate:

	Last 3 years (%)	Next 3 years (%)
Under £250,000	25	17
£250,000 - £1 million	25	27
Over £1 million	28	31
Don't know	22	25

6.14 Although the packaging of finance for capital projects is increasingly important most of the national funding schemes are only used by a minority of places. The most common type of project is street improvements, such as pedestrianisation. Most of these projects are still publicly funded, and the EC is making an important contribution, particularly in the metropolitan cities and historic towns. SRB and City Challenge funds are particularly used for improvements to assist in security. Other kinds of improvements such as new street furniture, landscaping works, car parks, traffic management and lighting all receive less funding (Exhibit 22).

Exhibit 22

source: Town Centre Partnerships Survey

Capital schemes funded by different sources

SOURCE OF FUNDING	IMPROVEMENTS								
	District Council	County Council	Single Regeneration Budget - City Challenge	Transport Supplementary Grant	European Grant	Lottery Funding	Contribution from Developers	Town Centre Management Initiative	Other sources
Street improvements (e.g. pedestrianisations)	63%	30%	14%	6%	15%	6%	14%	11%	17%
Substantial new street furniture	46%	11%	10%	2%	11%	5%	8%	10%	13%
Landscaping works	49%	11%	11%	1%	11%	8%	9%	9%	16%
Creation of new features (e.g. piazzas, fountains, public art)	40%	8%	11%	2%	10%	15%	14%	7%	12%
Traffic management (e.g. bus lane)	34%	32%	7%	13%	6%	1%	5%	1%	9%
Lighting	39%	15%	8%	2%	6%	3%	5%	6%	8%
Security (e.g. CCTV)	53%	4%	14%		3%	1%	11%	14%	24%
Car parks	45%	4%	6%	1%	3%	1%	16%	16%	6%

6.15 There are some variations between different types of town, but overall, the bigger the town the more funds it can procure (Exhibit 23).

6.16 Because town centres have been neglected for so long, and now face greatly increased competition, there has been a recent upsurge in capital expenditure, with much more planned, as the following examples illustrate:

- Most of the largest centres have undertaken major schemes of pedestrianisation, and integrated public transport systems are being introduced or extended in many cases. Thus, Coventry has spent £2.3 million in the last three years on capital improvements and is planning to spend a further £1.5 to £2 million if its bids to the Lottery and European Commission are successful. Bristol now estimates that it needs to invest £11 million to carry out the work required to combat the threat of Cribbs Causeway. Cities find it easiest to secure private contributions for specific projects, such as financing a rapid transit system. However, even though 50 companies have contributed to the Croydon Tram Initiative this still represents less than 1% of the number of private businesses. Croydon also secured funding from the Millennium Fund for a lighting scheme, and Bristol had its application

for new visitor attractions in the Harbourside area approved. The potential for securing matching funding from the EC has been an important factor in supporting major flagship schemes such as Nottingham's pedestrian network and Birmingham's Convention Centre and new squares.

- Historic towns like Oxford have spent nearly £1.5 million in the last three years and are set to spend a further £5 million over the next three, having realised that, even though they may be ahead of many British towns, they are still far behind their Continental equivalents in the provision for pedestrians and cyclists, and the use of public transport. However, significant achievements have been made in encouraging more people to live in historic areas, such as Edinburgh Old Town or Glasgow's Merchant City, through investment in refurbishing or converting historic buildings as housing. (4.7)
- A number of industrial towns and inner city areas are investing, assisted by the Single Regeneration Budget or City Challenge, or partnerships between public agencies in Scotland. Typical examples include new lighting paid for by Dalston City Challenge, and shop front improvements in Harlesden. It is noticeable, however, that some have

Case Study 6.7



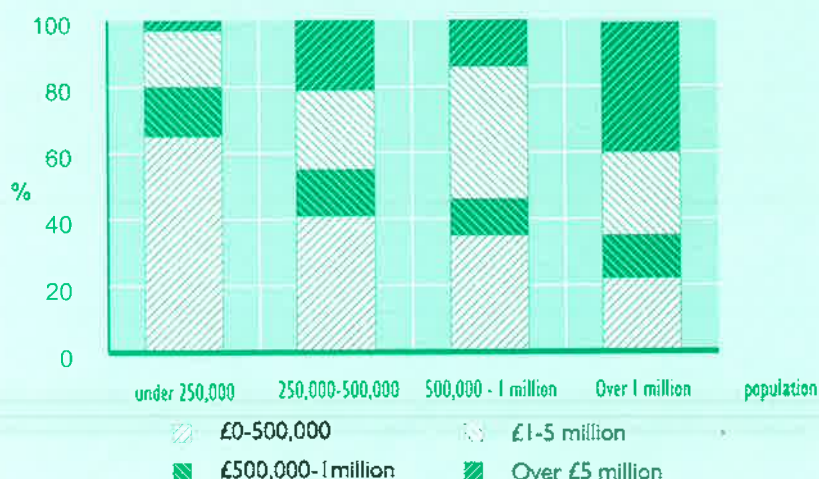
Swansea: Establishing public joint ventures

The Welsh Development Agency (WDA) identified Swansea as a 'town in need' due to its redundant land and buildings. Following the development of the Maritime Quarter, a joint venture was set up between the WDA and the local authority to implement projects in the centre itself. The WDA funded the acquisition of land where there was multiple ownership. It facilitated derelict building clearance infrastructure and environmental improvements. It has contributed to the costs of undertaking an audit of the city centre. Its intervention enabled land to be sold for its real value (even if less than acquisition costs), thus encouraging regeneration. Once the land is sold WDA receives funds back in proportion to its investment. The WDA effectively acts as a development bank, while the initiative for bringing projects together rests with the local authority.

Exhibit 23

source: Town Centre Partnerships Survey

Capital funding for improvements



Case Study 6.8



Newcastle Upon Tyne: A conservation area partnership

Newcastle, suffering from the decline of traditional industries and competition from the out-of-town Metrocentre, set up the Newcastle Initiative to fight back. The Initiative is run by a Partnership of local businesses, the Local Authority and the University, and followed a model promoted by the CBI. Its aims include making the most of the waterside area, promoting a 'European City of Energy' and implementing action plans for physical, business and human development. One particularly successful physical initiative has been Grainger Town, on the fringes of the city centre. Run-down and under used, the Department of the Environment and English Heritage funded £500,000 of repair, reuse and facelift costs through one of the largest Conservation Area Partnerships. Advice was provided by the Living Over The Shop Project, leading to the restoration and reuse of a number of early 19th century buildings. English Partnerships is providing gap funding for a number of projects.

transformed their appearance without increasing their levels of trade. Agencies like the Welsh Development Agency, and now English Partnerships can exert a catalytic influence by co-funding the preparation of strategies and action programmes.

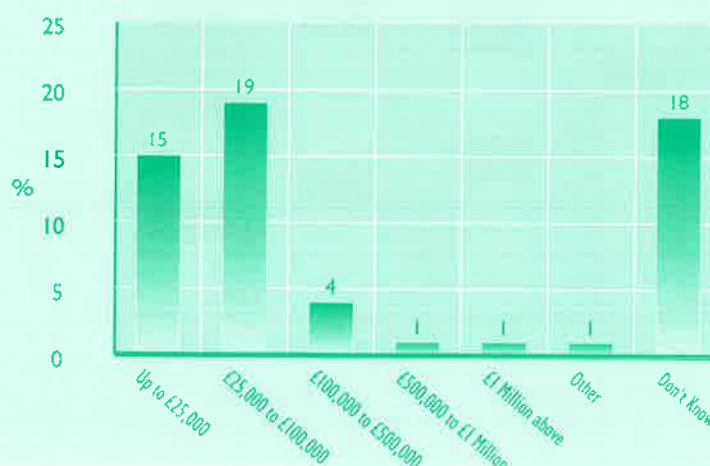
- Suburban towns vary enormously, with a metropolitan centre like Romford expecting to spend over £5 million in the next three years, using a combination of SRB funding and a deal with the owner of a shopping centre. In contrast, Walthamstow has spent only £300,000 over the last three years, and finds it hard to secure private contributions because of the fragmentation of property owners. An important source of funding has been the sale of freeholds, which is now encouraged by the Private Finance Initiative, and for example the transformation of Lewisham has been greatly helped in this way, along with funding from the Department of Transport. Private capital is beginning to be invested in the provision of transport services, such as the Midland Metro between Wolverhampton and Birmingham and the Croydon tramlink.
- Smaller or market towns are often haemorrhaging, due to competition from superstores and business parks with free parking on their outskirts and from larger or historic towns that offer

much more. Nevertheless, there is an upsurge of activity in many counties. In Kent, for example, Maidstone secured a £370,000 EC grant and £1.5 million SRB funding, towards town centre improvements as part of a larger scheme. Many of the smaller towns depend greatly on encouragement from bodies like English Heritage, through its Conservation Area Partnerships, which is for example contributing to improvements in Sudbury. There is hope of funding from the Heritage Lottery for a programme of high-quality improvements to the public realm in Pontefract. Where money has been raised, as in Bathgate for example, the leverage can be considerable, where the Rotary Club funded an environmental art project which the Council matched. Added to this, £500,000 invested through the town centre management initiative produced more than three times that amount in improvements to shop fronts, plus new housing and retail developments. For most small towns, quite small initiatives can produce noticeable results, and the Rural Development Commission has begun to encourage community-based initiatives through Rural Challenge and a series of conferences. BT's Better Towns Initiative, which has helped a few small towns, is being taken up by Business in The Community (6.10).

Exhibit 24

source: Town Centre Partnerships survey

Available revenue budgets vary greatly



REVENUE FUNDING

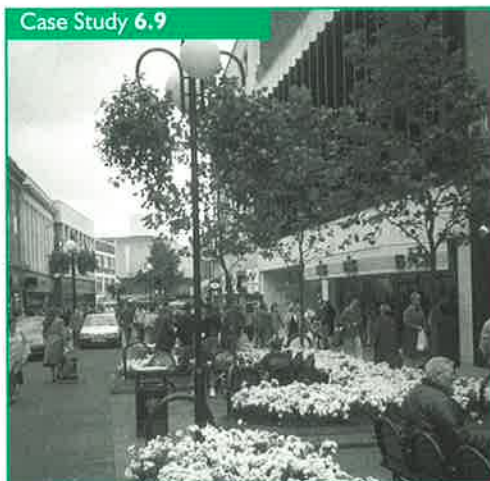
6.17 Although it is often more important to tackle basic problems, like keeping the streets clean and safe, it can be much harder to find the ongoing revenue expenditure needed for extra staffing:

- In the major cities, partnerships are more likely to have been formalised, and it is easier to secure support from both public agencies and private property owners or major retailers. A good example is provided by Coventry, which spends nearly £700,000 a year on maintenance and management and £250,000 on street cleaning, and where a company with a predominance of non-local authority members will be taking responsibility.
- Some major improvement schemes have not been backed up with revenue funding, and Warrington, for example, has only been able to raise £10,000 towards the £35,000 needed annually to monitor the CCTV system it has installed, illustrating the risk of undertaking capital projects with ongoing revenue implications.
- Even where successes have been scored, as in Stafford with 26 new shops in the town, it is hard to fund the positive promotion needed to overcome negative press reports. Continual problems are reported with schemes that depend on raising funding from businesses every year, such as Christmas lights or hanging baskets, even though they may be widely appreciated. The survey confirmed there is a lack of willingness to contribute funds; as one respondent put it *"unless all or most also contribute, they do not see why they should contribute more than they already do through rates"*.
- One important source of income for street improvements is car parking charges. Parking fines can also be tapped, now that control over traffic wardens is being transferred to local authorities, and Westminster, London provides an example.

6.18 To estimate the funding required, we have tried to scale up the expenditure that is planned. We broke down the responses of our survey into the categories that had come out of the *Vital and Viable Town Centres* report. There was a wide range of expenditure levels, but most funding fell between £0-100,000 with only 6% being above this. The places that appear to be worst off are towns between 500,000 - 1 million sq. ft. of retailing with an average spend of £30,000, which is £20,000 less than towns of 250,000 sq. ft. or less. 1 million sq. ft. of retail space have the most with an average spend of £60,000, (**Exhibit 24**). By working out the total expenditure of all the towns surveyed, against the amount of floor space they covered, a crude yardstick can be derived for what needs to be spent over the next few years of around £50,000, which is far higher than most budgets.

6.19 Now that most towns have recognised the importance of upgrading their centres, and many have some kind of plan or strategy, the crucial issue is where is the money going to come from. The ongoing capital costs of improved standards of maintenance, security and promotion could be at least £250,000 a year for a medium-sized industrial town. There are many market towns that need to raise several million pounds if their plans for giving pedestrians priority are to be implemented. The question therefore arises of whether the existing financing mechanisms are adequate to deal with the scale of what is required nationally.

Case Study 6.9



Groundwork Trusts: Putting wasteland to good use

The network of Groundwork Trusts grew out of an experiment to deal with the problems of neglected land in the urban fringe, sponsored by the Countryside Commission. Following the success of one in St Helens, five trusts were launched in the North West, with funding also coming from the Department of the Environment, which has since taken over responsibility. Each of the trusts is constituted as a local partnership with a small team, including a projects officer and a designer. The trusts deliver a series of environmental projects, which often form part of national programmes with their own sponsors.

Groundwork is becoming more involved with town centres, particularly in areas which are being supported by other government grants. Thus it is involved in six environmental improvement trusts in London, including Romford. It is also beginning to help new initiatives get started, for example by funding the preparation of a strategy for Kilburn High Road, drawing on funding from a charitable trust.

Groundwork has overcome initial suspicion from local authorities, by contributing additional resources in the form of private sponsorship, involving the local community in projects, and by presenting the results professionally. The Groundwork Foundation provides the movement with a national voice, as well as standard systems for establishing new trusts and project management, backed up by training. The Groundwork Foundation is able to show an impressive record of achievement in terms of outputs and value for money. It has secured the support of some major companies for many local community projects.

Case Study 6.10



Alnwick: A better town through community spirit

The market town of Alnwick in Northumberland has benefited from a £25,000 Better Towns Programme supported by BT and Post Office Counters. A town team comprising the council, the TEC and community representatives was formed, and Business in The Community's regional office helped the team develop proposals for the town. Three possible projects were identified: a tourist trail, security cameras and a drop-in centre for teenagers. These were publicised through a local paper and the drop-in centre was favoured by the readers. A further £100,000 was levered from public authorities and others. The initiative acted as a catalyst to enhance community spirit and pride of the citizens of Alnwick.

BUSINESS IMPROVEMENT DISTRICTS

6.20 The limitations of current funding regimes have led to a search for alternative mechanisms. *Vital and Viable Town Centres* drew attention to the interesting model of Business Improvement Districts, which seemed to work so well in Philadelphia, USA, for example. Growing interest in the idea needs to be set in context.

6.21 An URBED report in 1980 makes it clear that the USA has gone through a learning curve. When American cities first began to burn in the 1960s, leading businessmen rallied behind neighbourhood improvement schemes through the National Urban Coalition. Major private companies invested in development schemes in cities where they had plants. A leading example was Henry Ford's involvement in the renewal of downtown Detroit. The property world also backed these schemes; for example, the insurance industry committed over \$2 billion in investment in run-down urban areas. They also set up a clearing house to keep member firms informed about what was being done. However voluntary action or charity was not enough to turn the tide. By 1980 it was noticeable that instead of a particular activity being seen as a public or a private responsibility, there was a tendency to join forces in partnerships to combine private and public benefits. The impetus for this was a realisation that the American dream was not working any longer in the inner cities, and that security and other basic values were threatened.

6.22 A comprehensive study, *Co-ordinated Urban Economic Development*, published by the National Council for Urban and Economic Development in 1978, analysed the variety of different organisations that had been set up to combine the resources of the public and private sectors with 22 detailed case studies. The approach was generally to create institutions on which a wide range of interests were represented. Initially these played only a policy or planning role, but they often developed a capacity for implementation. These task-oriented or special purpose organisations aimed to attract private finance into run-down areas and to help them attain self-sufficiency through indigenous growth. They worked with local commercial banks linked to a

specific city or region (which is very different from the UK situation). A report at the time for the Greater London Council concluded that "*they were able to achieve by their ability to demonstrate that whatever they undertook to do they would deliver on time and as promised*" and that they were skilled in "*putting together financing packages that would both appeal and be forthcoming*". Some additional information is provided in the case study on United States towns (6.11).

6.23 However, despite all the fine words, town centres continued to decline. Some of the partnerships led by municipal authorities, while they created splendid flagship projects, failed to tackle basic needs. Many of the grand projects (including some of the pedestrian malls and festival market places) became discredited. Faced with a long-term decline in the level of activity and confidence in the city centres the private sector was forced to act. Over 1,000 Business Improvement Districts (BIDs) or Zones have been created in the USA and Canada as a means of mobilising private funding for improving the environment of city centres. The concept is to charge a supplementary levy on the tax paid by property owners (typically an extra 5%), which is then spent by a body run by the private sector. It is usually collected in proportion to rateable value, although it may be tiered so that more is raised from those who benefit most. An example is Saskatchewan, Canada where funds are collected from 1,200 businesses with small retailers paying a maximum of \$300.

6.24 The typical arrangement is to commission a feasibility study, and then the proposal to set up a BID goes to a ballot of the property owners; provided it receives two-thirds support it becomes mandatory for a period of five years (though the exact requirements differ from state to state). The time restriction means there is a great

stress on showing results over a specific period and on tackling the problems that are of greatest concern to businesses (although the period is almost always subsequently extended by ballot in the light of the positive achievements).

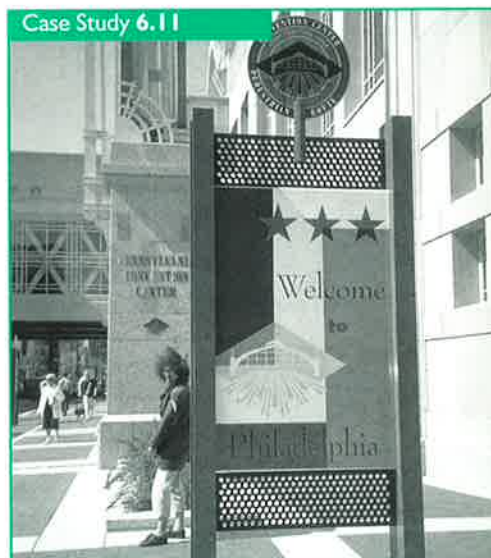
6.25 The paper *International Perspective* produced for this project by Rich Bradley, the Director of the International Downtown Association, revealed that BIDs are used for a range of purposes. They start with feasibility studies which are used to help persuade leading property owners and the local authority of the need to act. Their most fundamental purpose is to supplement local authority services, and the theme of 'clean, safe and friendly streets' is often used, accounting typically for 80% of expenditure. But BIDS go on to undertake promotional programmes, often including festivals and events. They run retail and business development programmes, particularly targeted at filling empty space. They tackle parking and traffic management, physical improvements and maintenance. In some cases they even deal with social issues, such as homelessness and begging. Thus the BID for Wall Street has a budget of \$7 million a year, 60% of which will be for local economic development and only 40% for clean and safe programmes.

6.26 BIDS vary widely in their resources and programmes. Two of the largest are Grand Central, New York (\$9.3 million) and Philadelphia (\$6.4 million).

These are followed by Baltimore (\$1.7 million), Buffalo and Seattle (\$1.4 million each) which cover smaller areas or have a narrower range of functions. Research by Tony Travers and Jeroen Weimar (*Business Improvement Districts: New York and London*) for the City of London into the situation in New York, which has 31 BIDS, shows that there can be a huge diversity even within the same city, depending on the strength and attitudes of the local businesses (**Exhibit 25**). The report concludes: "But BIDs do offer a solution to find additional funding for city or town centre revival. On a voluntary basis, such partnerships already exist in town and city centres. BIDs offer the possibility of putting these partnerships onto a more secure footing. The time has come to test BIDs in Britain".

6.27 BIDs do not have to work on their own. It is quite common for a BID to be a subsidiary of a wider partnership organisation that may also have a development subsidiary. The development and management functions are kept distinct as they involve different kinds of skills and people. Some BIDS take on the provision of revenue generating services, such as car parking, and many increase their value through offering extra services, such as car cleaning. There are differences between BIDS, with larger cities spending most of their funds on annual revenue costs, whereas the smaller communities focus on capital projects. In all cases agreement is first reached on basic standards, so that

Case Study 6.11



US Towns:

Some sources of public funds

- Community Development Block Grants are awarded through a competitive process and are focused on 'bricks and mortar' projects. Projects are graded in terms of community need and economic impact. Key objectives are eliminating slums and benefiting low to moderate earners. Often the funds are used to provide small businesses with cheap loans or to restore historic buildings.
- Special Assessment Districts or Business Improvement Districts involve property owners agreeing to levy a tax which is collected by the local authority but handed over to a board run by the business community.
- Tax Increment Financing is available to towns experiencing substantial development and enables local authorities to borrow against the future tax income.
- Preservation Grants are important in smaller towns and are available to owners of historic buildings, provided certain criteria are met. Tax incentives are also particularly effective at encouraging regeneration. The Historic Homeownership Assistance Act means that 20% of the cost of rehabilitation can be set against tax.
- The Neighbourhood Development Demonstration Programme provides grants to neighbourhood development agencies that empower or assist low income groups.

Exhibit 25

source: *Business Improvement Districts: New York and London*, Tony Travers and J Weimar

Annual Budgets for the 31 New York BIDs in 1996



Case Study 6.14



Temple Bar, Dublin: Providing incentives to create a cultural quarter

In the Republic of Ireland, the Government has designated selected parts of towns, where there are high levels of dereliction and vacancy, as priority areas to benefit from tax incentives to stimulate demand. Perhaps the greatest success has been the development of the Temple Bar quarter in Dublin, a 26 acre site close to the city centre, where £141 million has been spent.

In 1985 local traders and conservationists put pressure on the government to conserve the whole area while a local body, the Temple Bar Development Council, promoted an alternative vision which involved cobbling streets and an architectural framework. Two new agencies were set up in 1991, Temple Bar Properties, a government owned company with compulsory purchase powers, and Temple Bar Renewal which administered tax incentives. Temple Bar Properties has not only encouraged a variety of creative businesses and specialist shops to set up, but has also attracted a new residential community. There are now 45 cafés and restaurants in the area as well as the Irish Film Centre, a Gallery of Photography, a School of Photography and the Ark, a children's cultural centre. There are also a number of other galleries and a new Viking Museum, making it a new cultural quarter for Dublin.

The most significant measure has been the use of tax incentives. In what is effectively an Enterprise Zone, tax incentives are available to businesses that move in and to people who invest in housing, making it much cheaper than other areas. The scale of development that has taken place in a number of other Irish towns, such as Galway, which have used the same incentives, suggests that the policy has been very effective.

- The area is designated by the Irish Government as eligible for special tax reliefs. This policy attracts young people, in particular, to take up residence to obtain personal tax allowances. It encourages small developers of the kind likely to make a success of complex projects to take on the considerable risks involved. It marshals funds from those wanting to minimise tax, such as lawyers. It also appeals to businesses, who can grow much more rapidly as a result.

- The tax incentives are administered through a separate company, Temple Bar Renewal, which has to approve the eligibility of any scheme. (Offices for example do not qualify). A trust is being formed to take on the long-term task of running the cultural facilities, and flourishing arts activity is seen as the main goal.

- The area also benefits from low property taxes, which are fixed for a

period. It is therefore a good place to start a business. Double rent allowances against tax save 60% of a tenant's tax bill, while owner occupiers pay no tax in the first year.

6.36 The idea of focusing tax benefits on small run-down areas encourages the reuse of buildings for creative mixed uses, and boosts small businesses and job creation. It is therefore a good way of securing a renaissance for town and city centres with excessive vacancies and significant levels of unemployment. Many of the Treasury's concerns about incentive schemes for town centres might be overcome through the system that has been applied in Temple Bar, as it achieves regeneration without increasing government expenditure. It can apply to areas which are of no interest to the conventional property industry, and which would otherwise degenerate into liabilities, from which everyone loses.

TOWN IMPROVEMENT ZONES

6.37 A major issue for our report was how to attract funding from the private sector, without 'passing the begging bowl'. One important conclusion was a recognition of the value of formalising the partnership between the local authority and private business. Our seminar in Bristol on resourcing town centres concluded that a statutory mechanism was needed, which we have called a **Town Improvement Zone (TIZ)** (Exhibit 26). This could be used in towns where trust had been built up between the public and private sector, and where there is an area where higher standards are needed than could be funded by the local authority alone.

6.38 In our view, the key ingredient in promoting revitalisation in town centres is to have a corporate body or Town Trust responsible for it, but this still needs ongoing sources of funding. Both Bristol and Coventry, during the course of the project, took steps to implement these ideas and secured the support of both councillors and business leaders. The corporate body is seen as essential to ensure there is a clear structure in which investors can have confidence, and which local businesses will support. There needs to be a board of directors with local businesses and property owners represented on it, and with local authority representatives in the minority. It would typically be constituted as a company

limited by guarantee. In some cases it may be possible to benefit from charitable status, as development trusts do, which should encourage corporate donations (in the same way as has happened with Local Enterprise Agencies). The sources of ongoing funding can vary, and may include revenue generated from the town centre, such as parking charges (which may make them easier to collect), and on-street trading which might be run by the trust. If private businesses see that money is being put into the town centre, they will be more willing to contribute. They will expect to see a business plan, which they have been involved in producing, as well as information on what has been achieved already.

6.39 While the TIZ's income would be used primarily to cover the costs of town centre management and promotion and to provide a higher level of services, it may also be used to raise capital contributions toward projects. This could be achieved by issuing a bond on the model of some of the BIDs in the USA or some of the larger housing associations in the UK. The essence of a bond is a commitment to pay a rate of interest above the level of inflation, secured against an income stream, with provision for repayment, sometimes by selling off the asset. There will be scope for linking bonds to the proposals to set up Regional Development Agencies.

6.40 The process of establishing a Town Improvement Zone depends on agreeing a clearly defined area where there is a common interest in securing improvement. Progress will be greatly helped if major retailers and property owners pledge their support before the decision is taken. Comparisons can be made with the system of service charges that many are used to in managed shopping centres. The levy or charge would be limited to about 2% of rent or 5% of rates, (this compares with a service charge of 20% of the rent which may be charged in a covered shopping centre). What might be called a Town Service Charge would be collected by the local authority and passed over to the TIZ. It is likely that, as in the USA, a feasibility study would be undertaken first, drawing on experience from elsewhere, to show what the funds would buy.

6.41 The TIZ, like a BID, would be set up after a ballot of occupiers and owners in the area selected (which might be as small as a single street or could cover a distinctive quarter), with voting linked to rateable value. Typically it should be one where major improvements are needed to respond to challenges which will often include diversifying functions and land uses. It would be established initially for a period of 5 years, at which point it could be reviewed and renewed if there were no substantial objections.

6.42 Where there is a Town Trust, it would take on the responsibility for

promoting the Town Improvement Zone. This would be subject to approval by the local authority which would vet proposals, thus helping to achieve accountability to the wider community. The process of setting up the TIZ will help to bring the partners together. It will draw not only on local authority services and expertise, but also on the technical and managerial expertise of the private sector. As it takes time to build the necessary confidence, we have recommended two alternative schemes, one of which would be a natural extension of the 'ad hoc' partnerships already operating in many towns. (See paragraph 4.27).

6.43 The idea of the Town Improvement Zone found general support from our panel of expert advisors. It is gaining ground among local authorities in larger cities. If it is properly piloted, and linked to other changes, it is also likely to win acceptance among the leading retailers, and possibly some of the major property owners, a number of whom are aware of experience in North American cities. However, important as it is, it needs to form part of a wider programme of measures if the basic resourcing needs are to be met. In the short term, the setting up of partnerships will be helped by allowing local authorities to plough back capital receipts into town centre improvements for a period of years. Contributions by private companies could be offset against tax, like those to Enterprise Agencies. In the longer term a TIZ might be combined in some towns with an Investment Priority Area, to reduce business rates in parts of towns

Exhibit 26

Features of a Town improvement Zone

- Designated area (typically part of a town centre in need of investment)
- Promoted by the Town Trust and approved by the local authority
- Based on an agreed business plan/feasibility study
- Funded through a public/private partnership
- Delivering measurable results on a 5-7 year period
- Part funded by business/property owners and/or tax incentives

with excessive vacancy (perhaps compensated for, by raising more in other areas or out of town). Something different is needed for smaller towns, which might tap into the system of town or parish councils. These already have the power to precept or charge the district council for services provided, and usually have some income from property as well. The precedent of reducing rates to preserve shops in villages may need to be extended more widely too. The millennium provides an obvious rallying point for civic pride, and an incentive for different interests to work together to improve their town.

6.44 In summary, while the sources of funding for a proper partnership depend on the nature of the expenditure, at

present the system of funding town centres is both ineffective and unfair. There is a strong case for a mechanism that enables all those who benefit from or with a stake in the town to contribute. However, all have to contribute to avoid the problem of what economists call the 'free rider'. This contribution needs to be seen as a charge not a tax (like the service charge in a shopping centre). Businesses need to recognise this as an investment to secure the future viability of the centre and the business therein. It should be seen as a three-way split between government (which needs to take the lead), businesses, and property owners. To qualify, a TIZ should meet a series of criteria which should be tested out in pilot studies before legislation is enacted, and **Exhibit 26** summarises the basic features.

RESTRUCTURING THE BUSINESS RATE

6.45 Over many years the amounts invested by local government in general have fallen. A study by Hale and Travers found that capital expenditure by local government as a proportion of domestic expenditure fell from around 3.5% in the period between 1973 and 1976 to around 1% in the period 1989 to 1992. One result of successive cut-backs is that many authorities have little left over from running basic services to spend on lasting improvements, and there are understandable political pressures to invest in improving run-down schools or housing estates, in areas where the voters live.

6.46 Despite support for the idea of a Uniform Business Rate (which has the merit of being predictable), businesses complain about paying high levels of business rates without having any control over how the money is spent. The proportion of expenditure funded by local government has fallen far below that of other countries. Central government now receives the business rate; local authorities only act as tax collectors. General funds are redistributed by central government according to a formula, the Standard Spending Assessment, which is supposed to iron out inequalities in the 'rate base' but is in fact based on many other factors. Business has ended up funding 25% of local authority expenditure compared with the 19% that comes from Council Tax and the burden has been shifted onto the commercial ratepayer as a result of the decline of industry.

6.47 Retailers and property owners have pressed for town centre initiatives to

be directly funded by 'top slicing' the business rate. While this has much to commend it, what is called 'hypothecation' grates against the traditions of British public finance. It also raises issues over how the level should be set, and what it would depend on. However the current challenges call for a radical reassessment. If town centre management initiatives are to achieve the goals being set for them, adequate funding is required to cover not only management and promotion, but also higher standards of services. There also needs to be more capital investment in the public realm, such as giving more space over to pedestrians, which in turn creates higher maintenance costs. Our research found seven reasons why a fundamental review of the business rating system is needed:

- *The current system is misleading and businesses see local authorities as tax collectors and resent the poor value they receive in return; while in reality councils*

have little control over their resources, and the two should be working in harmony for the good of the town.

- There is no real incentive for local authorities to prioritise their resources towards town centres. They only collect the Non-Domestic Rate on behalf of Government.
- Although the process of competitive bidding and incentive funding has encouraged the formation of partnerships and strategies, it is too much of a lottery to be relied on for long. Only a fraction of the town centres that are declining can expect to secure funding under the Single Regeneration Budget for example.
- Even if the number of private sector sponsors continues to grow, they will be unable both to back new initiatives and to keep existing town centre management going. Already there are signs of perfectly capable managers moving on simply because the funding has run out. This is extremely wasteful and will deter other private sector organisations from becoming involved.
- The Non-Domestic Rate appears to bear most heavily on small businesses operating in marginal areas, particularly those that are not making much of a profit (but provide local jobs). In contrast, larger organisations are better able either to negotiate reductions or to move out-of-town to where it may be cheaper and parking is easier.
- Currently rate equalisation seems to work against the larger towns which generally have the greatest public costs to bear, such as crime prevention and the maintenance of pedestrianised streets and historic buildings.
- Finally, property owners (who many would argue have most at stake in the longer term) generally have little direct incentive to contribute. Ownership of most town centres is very fragmented. In Britain rates are charged on the occupier not the owner (except where the property has become vacant). As the rentals are often fixed through inescapable upward-only leases for long periods, owners are often too removed to take

much interest. Hence a mechanism is needed that can involve property owners in what happens to the wider area.

6.48 Achieving change will be difficult as the Non-Domestic or Business Rate has become such an important source of revenue for the Government. It is expected to raise £13 billion in 1996-97. This compares with £23 billion for Corporation Tax and £48 billion for VAT. In most town centres, retailers foot most of the bill, on the basis of the estimated value of their property, (although over £1 billion is now collected from landlords in empty rates).

6.49 While no one likes paying taxes, there is a greater willingness to contribute when the expenditure is seen to bring direct benefits (like the service charge in a managed shopping centre). However, the property market suffers from built-in inertia which makes it slow to respond to changes in demand. It also dislikes compulsion, but complains about voluntary appeals. Research by the Institute of Fiscal Policy suggests that while rates affect the tenant in the short term, in the longer term they are borne by landlords. At the moment local authorities have little or no discretion to vary the level of rates. There are strong arguments for allowing local authorities some leeway in the amount they can levy, while reviewing their incidence. Thus rate relief is needed in areas with excessive vacancies. Similarly the requirement for landlords to pay a 50% empty property rate seems unfair once an area has lost its basic appeal, and perhaps should only apply for a two year period at most.

6.50 The urgency for a reassessment of how business rates are collected and distributed comes from the growing concern about sustainability and urban dispersal and the impact of out-of-town centres (Exhibit 27). There is now a need to rethink the system of public finance so that resources are not wasted. International policies to which Britain is committed, expressed for example in PPG 13, have led to calls for the use of local taxes that encourage the use and

Exhibit 27

source: Verdict and NWS Estimates

Impact of out-of-town superstores





Exhibit 28

Changing the climate

- ① Campaign for changes in national policies
- ① Publish success stories
- ① Provide training to build management capacity
- ① Facilitate events to generate shared visions
- ① Disseminate information on performance
- ① Provide assistance on the development of business plans
- ① Promote a code of practice for partnership boards
- ① Support pilot projects to test out new approaches
- ① Carry out ongoing research to spread good practice.

improvement of public transport and travelling by foot or bicycle. It is only fair that the marginal costs of road use are imposed on all who use cars, and not just on those going into town who pay through parking charges. One of the reasons why countries like Ireland and Denmark have been able to encourage people to live in towns again, and to give up the use of their cars is that they make car ownership much more expensive than it is in Britain. There is consequently a case for trying to reduce overall property costs in centres that are accessible by public transport, and that can

generate local jobs; while increasing them in peripheral locations. This could be most easily achieved through changes to the business rating system.

6.51 In conclusion there is a strong case for a radical review of the business rating system. Any changes would need to maintain the overall level of funds raised, without producing unacceptable distortions. The precise charges would need to be the subject of further research and perhaps even a Royal Commission on business rates and local government finance.

POSSIBLE REFORMS

- ① Reducing the level of rates paid by small businesses through a lower rate per pound on smaller properties (as suggested in the RICS Bayliss Committee report) or through changes in the valuation process to ensure that rateable values reflect changing trading conditions and property values (a task where town centre managers should be able to help).
- ① Enabling local authorities to vary the rate per pound within limits of say, plus or minus 10%, possibly reflecting the capacity to pay. (as with the 'hardship' provision), this could perhaps be compensated for through a charge on car parking in out-of-town locations, as well as in town.
- ① Distinguishing between the property tax element, which goes to the Government for redistribution, and the local service element, which should be related to the amount spent by the local authority on the town centre.
- ① Setting up arrangements whereby funds raised from the rates are available to match business contributions to a Town Improvement Zone.
- ① Implementing other proposals of the Bayliss report, such as more frequent revaluations and a review of Empty Property Rates, and the need for local authorities to account for expenditures funded through rates.
- ① Reviewing the way the Standard Spending Assessment redistributes funds, for example by taking account of commercial floor space in town centres, and the costs of maintenance and security.
- ① Considering ways of reducing the overall level of commercial rates, particularly in areas that are economically disadvantaged, perhaps by bringing the level more into line with Continental practice and raising business taxes in other ways, such as local taxes on payroll or VAT.
- ① Enabling supplementary levies on businesses to be used to fund higher standards of service, and to underpin the raising of capital through bonds.

Town Centre Management has an important role to play in the long-term process of upgrading the standard of our town and city centre. As well as changes in policy that can only be achieved at national level, this report has shown the wealth of good initiatives being undertaken at local level. The Association of Town Centre Management has a key role to play in developing and demonstrating good practice, and bringing the main parties together. **Exhibit 28** provides the checklist for the agenda.



Developing Town Centre Partnerships:

MANAGEMENT AND RESOURCING

Local Authority Survey (results)

As part of a research project for the Association of Town Centre Management funded by the Department of the Environment and a number of other sponsors, URBED (Urban and Economic Development Group) is gathering information on how district councils are establishing partnerships with the private sector. The project and this survey has the support of the local authority associations for England and Wales. A newsletter explains the aims of the project.

Please spend a few minutes completing the attached questions, as your response will be used in drawing conclusions on the level of funding required and the best ways of organising town centre management. Those returning questionnaires will be invited to a conference to discuss proposals for action in 1996, and will receive a copy of the results.

1. Name of respondent

Position

Name of authority

Address

Telephone

2. What is the name of the town centre used in this survey?

3. How would you best describe your chosen town centre?

a) metropolitan city	7%
b) industrial town	22%
c) suburban centre	12%
d) market town	43%
e) historic/resort town	24%

4. Please estimate the square footage of the retail floor space in the chosen town centre to the nearest 10,000 sqftm (1,000 sqm) - (use figures from Charles Goad where available)

under 250,000sq.ft.	39%
250,000 - 500,000 sq.ft.	17%
500,000 - 1m sq.ft.	15%
Over 1m sq.ft.	12%

ORGANISATION

5. Is there some kind of town centre management initiative?

Yes	78%
No	21%
Don't know	1%

6. If yes, how is it organised?

	established	under consideration
a) local authority run	28%	3%
b) adhoc partnership	19%	2%
c) formalised partnership (eg terms of reference)	36%	12%
d) company/trust	13%	3%
e) consultative forum	18%	4%
f) local authority town centre committee	10%	
g) any other please specify	5%	5%
h) don't know	6%	

7. If you have a formalised town centre management initiative, who is on the committee?

a) local authority officers	70%
b) local councillors	65%
c) chamber of commerce	60%
d) retailers	71%
e) property owners	42%
f) community groups	45%
g) police	21%
h) transport	8%
i) tourism/leisure/hoteliers/restaurateurs	5%
j) education/college/university	7%
k) financial institutions/solicitors/banks	6%
l) newspapers/radio	3%

8. If there is a published strategy for the town centre other than the local plan/UDP who produced it and

when was/will it be adopted?

a) town centre partnership	31%
b) local authority	26%
c) private sector led	2%
d) consultants	4%
e) under preparation	11%

adopted when?

1980-89	1%	1990	3%
1991	2%	1992	4%
1993	5%	1994	5%
1995	15%	1996	9%
on going			1%
not formally adopted			4%

9. Who is/was responsible for drafting the town centre strategy?

a) consultant	16%
b) local authority	38%
c) steering group	19%
d) town centre manager	19%
e) other	6%

10. What do you cover in your town centre strategy?

a) retail	61%
b) offices	44%
c) leisure	52%
d) housing	36%
e) education	13%
f) transport/infrastructure/pedestriansation	33%
g) lighting/security	9%
h) environmental improvements	32%
i) image/information/promotion	10%
j) economic development/business plan	6%
k) management/maintenance	8%

TOWN CENTRE REVENUE FUNDING

11. Is there a distinct council revenue budget for the town centre, if so, how much?

no	36%
up to 25,000	18%
25,000 - 100,000	19%
100,000 - 500,000	4%
500,000 - 1 million	1%
1 million +	1%

12. What does the council budget cover?

a) maintenance	21%
b) cleaning	20%
c) security	14%
d) administration	26%
e) town centre manager	39%
f) other staff	16%

g) promotion/marketing events	39%
h) infrastructure/roads	1%
i) individual projects	20%

d) problems setting up TCM/ establishing the group	16%
e) others	10%

f) none	1%
g) no answer	39%

13. From which council committee(s) does the budget comes from?

a) policy/resources	20%
b) development/planning/ economic development	31%
c) other	17%
d) dont know	40%

14. Is there any other revenue funding available to the town centre?

yes	63%
No	8%
dont know	19%

If yes, where does this funding come from

a) central government grant or City Challenge, SRB	28%
b) contributions from developers	21%
c) private sector sponsorship	61%
d) contributions to specific projects	57%
e) other sources	10%
f) public sector	25%
g) town centre forum	7%

15. Does the town centre management initiative tap revenue from different sources?

a) parking	4%
b) street trading	7%
c) events	12%

16. Please comment on any experience, both positive or negative in establishing some form of partnership with local businesses or property owners.

Successes

a) better communication between partners/forming partnerships	52%
b) more funding/sponsorship contributions	14%
c) security improvements/CCTV	9%
d) cleaning roads/buildings/environment	5%
f) PR and promotion	10%
g) individual projects	18%
h) other	47%
i) no answer	32%

Difficulties

a) loss of trade/jobs	2%
b) difficulties obtaining money/funding	36%
c) getting people involved/ convincing sceptics/support	31%

TOWN CENTRE CAPITAL FUNDING

17. What capital projects are planned over the next 3 years and where is funding expected to come from?

SOURCE OF FUNDING	IMPROVEMENTS								
	District Council	County Council	Single Regeneration Budget/City Challenge	Transport Supplementary Grant	EC Grant	Lottery Funding	Contribution from Developers	Town Centre Management Initiative	Other sources (please specify)
Street improvements (eg. pedestrianisations)	63%	30%	14%	6%	15%	6%	14%	11%	17%
Substantial new street furniture	46%	11%	10%	2%	11%	5%	8%	10%	13%
Landscaping works	49%	11%	11%	1%	11%	8%	9%	9%	16%
Creation of new features (eg. piazzas, fountains, public art)	40%	8%	11%	2%	10%	15%	14%	7%	12%
Traffic management (eg. bus lane)	34%	32%	7%	13%	6%	1%	5%	1%	9%
Lighting	39%	15%	8%	2%	6%	3%	5%	6%	8%
Security (eg. CCTV)	53%	4%	14%	-	3%	1%	11%	14%	24%
Car parks	45%	4%	6%	1%	3%	1%	16%	16%	6%

18. How much capital is being spent on improvements?

	last 3 years	next 3 years
£0 - 250,000	25%	17%
£250 - 500,000	15%	17%
£500,00 - 1 million	10%	10%
£1 - 1.5 m	5%	6%
£1.5 - 2 m	4%	4%
£2 - 3 m	5%	6%
£3 - 5 m	4%	5%
over £5 m	10%	10%

19. Are there any lessons for good practice you would like to pass on to other local authorities. We would welcome your views. Please include any further information you think may be relevant.

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