

<b>Subject:</b>	Update on Overview and Scrutiny Panel Report - Support for the Retail Sector		
<b>Date of Meeting:</b>	10 January 2013		
<b>Report of:</b>	Strategic Director, Place		
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<b>Wards Affected:</b>	All		

### FOR GENERAL RELEASE

#### 1. SUMMARY AND POLICY CONTEXT:

- 1.1 This report provides an update on progress against the Overview and Scrutiny Panel Recommendations on support for the retail sector.

#### 2. RECOMMENDATIONS:

- 2.1 That the Committee:
- (i) Notes progress against the Overview & Scrutiny Panel Recommendations on support for the retail sector.
  - (ii) Endorses the work being undertaken by officers to support local retailers.

#### 3. RELEVANT BACKGROUND INFORMATION

##### Overview and Scrutiny Panel – Support for the Retail Sector

- 3.1 The Scrutiny Panel comprised Councillors Gill Mitchell (Chair), Phelim MacCafferty and Carol Theobald. It was established in January 2012 to progress the issues raised from the Streets Ahead event in 2011, which event stakeholders from the sector together in order to look at how to support the city's retail offer.
- 3.2 The Panel held three public sessions from February - March 2012 to gather evidence from independent retailers, large chain stores, council officers and business experts with the aim of determining the current

state of Brighton & Hove's retail sector and how it could be supported in the future.

- 3.3 Common issues which arose from the submitted evidence included the increase in parking charges, business rates and rents, street markets, the need for a town centre strategy, support with running a business, more flexibility with planning regulations governing the introduction of retail quarters. The panel agreed 14 recommendations which are listed alongside updates in section 4. The full panel report is included as Appendix 1 to this report.
- 3.4 The panel report was endorsed at Overview & Scrutiny Committee on 16 July 2012.

#### **4. UPDATE ON PROGRESS AGAINST SCRUTINY PANEL RECOMMENDATIONS**

- 4.1 Recommendation 1: The Council needs to demonstrate that the impact of increased parking charges on the retail sector has been researched and understood prior to changes being introduced. This research and the rationale behind any changes to policy should be published.

##### Response

The performance of the retail sector is dependant upon many factors. These include changes in the economic climate, a shift to online shopping and, in seaside towns, the weather. For example, household expenditure has contracted in 2008, 2009 and 2010; the shift to online shopping is increasing by 14 – 17% nationwide and 2012 was the wettest summer in 100 years. Separating out the specific impact of parking charges from all other impacts is very difficult. An analysis of parking levels and the factors affecting them will be presented as part of a report to Transport Committee in January 2013. It will also present the policy context for parking charges.

- 4.2 Recommendation 2: The Council should increase the flexibility of its approach to parking, utilising special offers and targeted support through parking regulations to promote specific retail areas.

##### Response

The council's ability to offer flexible charging is constrained by the legal process. For example, whereas a private operator can change their parking charges overnight, the council is required to follow the committee approvals process and Traffic Regulation Order process. Together, these can take up to 6 months to make a change. In 2012, promotional rates were introduced in all major city centre car parks to support the retail sector (£1 for the first hour); the hotel sector (£8 - £10 for 19 hours parking overnight); and the leisure sector (£4.50 for 6

hours parking in the evening). Most recently, the council has also put Traffic Regulation Orders in place to reduce the cost of parking in the London Road area. New prices for on-street parking will be £2, £4 and £6 for 1, 2 and 4 hours respectively, compared to the current prices of £3.50 for 1 hour, £6 for 2 hours and £10 for 4 hours. If there are no objections then the revised charges will come into effect early in the New Year. Other promotional changes will be considered as part of the January 2013 Transport Committee Report.

- 4.3 Recommendation 3: There was support evident for a Park and Ride scheme to help tackle traffic congestion. In developing the City Plan evidence presented to the Scrutiny Panel should be taken into consideration when considering a Park and Ride.

#### Response

It is recognised that good access into Brighton & Hove is a key issue for the success of the city. Park and Ride has been part of the transport strategy for the city for over 20 years but finding the appropriate site has been a challenge.

In autumn 2011 the future of Park and Ride was the subject of a review in the form of a transport options paper. Following consultation on options the decision was taken to remove formal Park and Ride from the transport policy for the following reasons:

- Designation of the South Downs National Park has resulted in a number of potential Park and Ride sites are no longer being available. The National Park Authority agreed with this approach
- Limited sites available
- The cost of setting up and maintaining Park and Ride are high

It is proposed that Park and Ride is removed and replaced in the Sustainable Transport policy (CP8 in the City Plan) by two initiatives.

1. Business-led informal Park and Ride – there are a number of large privately owned car parks on the periphery of the city (Community Stadium, Universities, large retailers). In the interests of reducing the congestion and making the best use of existing car parks it is proposed that the city council help facilitate and promote informal park and ride with landowners, businesses and city centre retailers and bus operators. Initial work is underway to take this initiative forward.
2. Rail – to promote increased travel to the city by rail from the north as well as east and west. This will include encouraging visitors to use station car parks outside the city and to travel into Brighton & Hove by train. It will also involve working with rail providers to improve train services at weekends which are often disrupted by engineering works.

Both initiatives should help address traffic and congestion in the city, particularly at weekends, and support from the retail sector to take this forward is welcomed.

- 4.4 Recommendation 4: Flexibility on the part of landlords with regard to rent levels, short-term leases, allowing pop-up shops and individual rent plans can have considerable benefits. The council as landlord offers flexibility for its leaseholders; it should seek to promote this best practice to other landlords

#### Response

The council successfully led a bid from the Brighton – London Road Town Team to become a Portas Pilot in July 2012, winning £83,485 in funding. 27 Portas Pilots have been funded across England to test out the recommendations give in The Portas Review (Dec 2011). Among the projects being piloted, the Town Team will work with Commercial Agents and build a property ownership database, engage landlords in the London Road retail area and help find short and long term solutions to the issue of empty shops. The Portas Pilot has funding to support the use of empty shops for a wide range of temporary activities, including indoor markets, startup labs and creative uses such as visual arts exhibitions. Successes will be replicated across the city, funding permitting.

The council has also recently secured EU funding for a programme called ReCreate, which will create new work and exhibition space for the creative industries. £30,000 of ReCreate funding will finance a new brokerage scheme designed to link creative entrepreneurs with empty commercial properties, landlords and commercial agents. The new scheme will be operational by March 2013.

- 4.5 Recommendation 5: Ideas for improving the signing, information and flows of pedestrians heard by the panel should be taken forward as part of the station gateway project, most notably:
- Clear direction to North Laine from the station
  - A tourist information kiosk on the station
  - Better sign-posting towards retail areas

#### Response

The Brighton Station Gateway project is currently being progressed, and a revised proposal for the station area was drawn up following consultation with the public. Key features of the revised proposal include: -

- Providing a new pedestrian link to the North Laine (subject to agreement from Network Rail)
- Adding ticket office to a revamped bus area outside Brighton Rail Station, which would also provide tourist information

Improving pedestrian flow into the North Laine and Queens Road has been identified as a priority over signage following consultation.

- 4.6 Recommendation 6: Resources need to be found to provide coordinated support and advice for retailers; this should build upon the work of the current BID and responsibility for developing and implementing a Citywide Retail Strategy; consideration needs to be given as to how best to undertake this in conjunction with contributions from retailers themselves.

#### Response

The council is continuing to support retailers with a series of training events and programmes under the title 'Ride the Wave'. Participants have received advice on marketing, visual merchandising and negotiating a rent review. The session on rent reviews was recorded and is available for retailers to view online. The council has also funded a series of mystery shops combined with feedback sessions that make recommendations to retailers on how to improve service and increase sales. 'Dressed for Success 2011', a scheme which saw 42 independent retailers being given on-to-one coaching on their Christmas window display before being entered into a high profile public competition which drew local and national press coverage and saw approximately 3,500 public votes cast. The council has again funded 'Dressed for Success' for 2012, giving a further 37 independent retailers free training and PR to support them in this year's festive shopping period.

Additional council resources are supporting the work of the Hove Business Partnership, including the 'At Your Service' awards, Christmas lights, retail newsletters and vacancy rate surveys to monitor trends in Hove and Portslade's key retail areas.

The Brighton Business Improvement District (BID) Manager has agreed to work with the council to share best practice with regards to increasing footfall in the London Road Portas Pilot area and across the city subject to funding. There is also budget within the Portas Pilot project to offer skills training to retailers.

- 4.7 Recommendation 7: The role of Traders Associations and the BID in supporting and securing benefits for their members are very evident; the Council should work with and support such groups. The council should be in touch with large stores, reminding them of

opportunities for their increased support to independents across the city.

#### Response

The council works with trader's associations in Brighton & Hove in addition to the BID, attending meeting, offering advice, support and assistance with projects and securing funding where possible.

There is evidence of strong partnership working between multiples and independents in the BID. Utilising contacts from the BID, plus support from the Portas Pilot partners, the council will improve links with large stores with the aim of heightening their involvement in the local business community.

- 4.8 Recommendation 8: Ways for improving communication with retailers need to be developed; this could include a single council contact point for retailers that allows retailers to access all the information and support they require such as rent reviews, trading standards, etc

#### Response

The council's Economic Development Team promotes the Business Enquiry Line as the first point of contact for local businesses who wish to seek support from the council: -

*Tel: (01273) 290011*

*Email: [economc.development@brighton-hove.gov.uk](mailto:economc.development@brighton-hove.gov.uk)*

The council will investigate the option of introducing a new email address for retailers to use which will be accessed by all the relevant council departments. Retailers would be consulted on any proposed change. A dedicated retail page is already available on the council website, and improvements are being made to ensure all local support schemes and organisations are included.

In terms of engaging retailers, numerous forms of marketing are used by the council to ensure information is communicated as widely as possible.

- 4.9 Recommendation 9: Larger multiples should be invited to join local traders' associations and support other local retailers with training, for example marketing, age restricted sales, etc.

#### Response

The council supports this recommendation. The Portas Review (Dec 2011) does make a recommendation that large business should support and mentor local businesses and independents. The Retail

Scrutiny panel saw evidence given by a number of smaller retailers who stated that they would welcome training and support from larger stores, for example in marketing or displays; representatives from Tesco also stated that they were keen for their stores to support local retailers in much the same way. The council will look to support the progression of this initiative in Hove and across the city.

- 4.10 Recommendation 10: The Council should explore planning options to exploit new 'localism' powers to support retailers through increased flexibility and responsiveness.

#### Response

In terms of the speed of deciding planning applications, the city council continues to exceed its target on determining planning applications within the 8 week period.

The Draft City Plan Part 1 is a strategic planning policy document which sets out a vision and objectives for the development and growth of the city up to 2030. The overarching policy on shopping, CP4 'Retail Provision', seeks to maintain and enhance the existing shopping centres by encouraging a range of facilities and uses whilst preserving the predominance of shops (A1 Use Classes) within the centres. The council will start work on the City Plan Part 2 late 2013. This part of the plan will present opportunities to look at the mix of retail units in defined shopping areas and the boundaries of currently defined shopping areas.

The Localism Act introduces additional powers for local communities to have direct involvement in planning for their area including local shopping areas. These powers include the introduction of Neighbourhood Plans, Community Right to Build and Neighbourhood Development Orders (NDOs). NDOs can be used by communities to permit the development they want to see without the need for planning applications. The city council is committed to working with Neighbourhood Forums and Parish Councils to take these initiatives forward.

- 4.11 Recommendation 11: Street markets should be developed only where they are supported by a majority of local retailers. Street trading controls cannot regulate the goods for sale so great care must be given to decisions permitting new street markets. Existing retailers need to be protected from stalls obstructing shop entrances. The Council should lobby government for increased powers to regulate street markets.

#### Response

There are currently two street markets licensed by the council: -

- Upper Gardner Street – a historic 19<sup>th</sup> century Saturday market, originally and still largely antiques and bric a brac.
- George Street Hove – set up as a farmers’ market by council sustainability officers in 2000. An example of where support by local retailers has been variable leading to tensions; the 2011 Christmas shopping period led to demands to discontinue from the George Street shopkeepers complaining of frequency, quality of goods and obstruction. Council officers liaised with both the market traders and retailers to find an amicable compromise.

The Overview & Scrutiny Panel criteria of “street markets only being developed only where they are supported by a majority of local retailers” will be considered with regards to any formal enquires to set up markets in new locations.

The council will draw upon the Retail Scrutiny panel recommendations when responding to Government consultation and new legislation in the area of street trading, such as the current consultation on ensuring domestic regulation of street trading complies with the requirements of the EU Services Directive.

- 4.12 Recommendation 12: The marketing of Brighton and Hove needs to ensure that it makes the most of its retail offer. Retailers felt that they were often the poor relation on many marketing campaigns.

#### Response

The council believes that it does make the most of the retail offer in the city within current resources. The city’s retail offer is a key attribute of virtually all of VisitBrighton’s marketing campaigns, both on and offline.

In 2012 VisitBrighton has hosted over 100 travel journalists in the city from the UK and overseas and all have included opportunities for the media to experience the retail offer in the city. This includes areas outside the ‘core’ city centre such as Kemp Town Village, Hove and the Seafront. In November and December 2012 VisitBrighton hosted press trips for a range of high profile UK travel press (including The Daily Telegraph, Daily Star and Daily Express and London regional press) that specifically focused on Brighton & Hove as a unique shopping destination.

As requested in the Retail Scrutiny Report, VisitBrighton has now made its mobile apps free of charge for visitors to download, and the team has also developed an Android version to complement the Apple version. Between September 2012 and November 2012 over 4,000 downloads of the apps have been made.



VisitBrighton also offers a 'low cost' marketing solution for retailers in the city by becoming an official VisitBrighton Partner. Annual Partnership for 2013/14 is £160 starting on 1 April 2013, and if retailers join as Partners for 2013/14 prior to this date VisitBrighton are offering the period to 31 March 2013 free of charge. VisitBrighton also offers discounts on the annual fee for businesses who are already members of a trader's association or the Brighton BID.

- 4.13 Recommendation 13: The benefits of retail quarters should be investigated further as a means for promoting different areas of the city and providing them with additional support.

#### Response

VisitBrighton does promote the various different retail areas within Brighton & Hove, but refer to them as 'city villages' rather than 'retail quarters'. The different retail areas all have dedicated sections on the VisitBrighton website, and in the past year an interactive video map has also been added online to enable visitors to explore the city and watch short videos of the different city villages: -

[www.visitbrighton.com](http://www.visitbrighton.com)

Towards the end of 2012 VisitBrighton also launched a 'Green Guide' to the city, championing the eco-tourism offer we have in the city. A core element of this guide is the retail offer available. 20,000 copies of the Guide have been printed. Within the Guide, the 'City Villages' are once again promoted.

Fundamentally, VisitBrighton recognises the importance of our retail offer in attracting visitors to the City and as such always strives to include the retail offer in its activities. Resources and funding limitations remain the biggest barrier to increasing promotional activities in this respect.

- 4.14 Recommendation 14: The need for an on-line presence for independent retailers is clear; support is needed to ensure that the capacity to develop this exists.

#### Response

The council supports this recommendation for independent retailers to develop an online presence, both to raise their profile and also take a share of the online retail market. The council's Economic Development Team can assist retailers who wish to build their online presence by signposting to various local and national support services, with one example being *Getting British Business Online*, a service providing

businesses with a free website, free web address and free hosting for one year.

The council will consult retailers prior to introducing future support schemes and workshops in order to assess whether skills training in managing a website, social media and online sales are priority areas for development.

## **5. CONSULTATION**

- 5.1 Wide consultation with retailers and stakeholders took place throughout the Overview & Scrutiny Panel. The council is also consulting with regards to progress alongside the individual panel recommendations where appropriate.

## **6. FINANCIAL & OTHER IMPLICATIONS:**

### Financial Implications:

- 6.1 The costs associated with the recommendations on support to retailers, and the skills training delivered, have been met from within existing Economic Development revenue budgets. There are no other direct financial implications at this stage.

*Finance Officer Consulted: Karen Brookshaw      Date: 20/12/12*

### Legal Implications:

- 6.2 Legal issues are generally addressed within the report. For example paragraph 4.2 summarises the legal requirements for traffic orders and paragraph 4.10 refers to the Localism Act. There are no adverse legal or Human Rights Act implications arising from the report.

*Lawyer Consulted: Bob Bruce      Date: 18.12.12*

### Equalities Implications:

- 6.3 Retail is a key employment sector in Brighton & Hove, amounting to over 13,000 jobs. Flexible working conditions and a high proportion of part-time jobs in retail also offers a route into employment for various demographic groups including young adults, parents and carers. Support for retailers will help prevent business failures and job losses in a sector that has been disproportionately affected by the recession.

Sustainability Implications:

- 6.4 Approximately 70% of Brighton & Hove's retail businesses are independents, many of which have local supply chains. Supporting local shops will in itself benefit businesses further up the supply chain and help sustain the city economy.

Crime & Disorder Implications:

- 6.5 Greater support for the retail sector will help prevent an increase in the number of empty shops in Brighton & Hove (currently retail vacancy rates in the city are significantly below the national average). A rise in the number of empty properties on the high street can result in increases in both actual crime and perceived crime.

Risk and Opportunity Management Implications:

- 6.6 There are no risk and opportunity management implications arising from this report.

Corporate / Citywide Implications:

- 6.7 Interventions that support the local retail sector will have numerous citywide benefits, including generating economic growth, job creation and improving Brighton & Hove's tourism offer.

## **7. SUPPORTING DOCUMENTATION**

### **Appendices:**

#### **1. Report of the Overview and Scrutiny Panel – Support for the Retail Sector (July 2012)**

#### **Documents in Members' Rooms:**

None

#### **Background Documents:**

None

