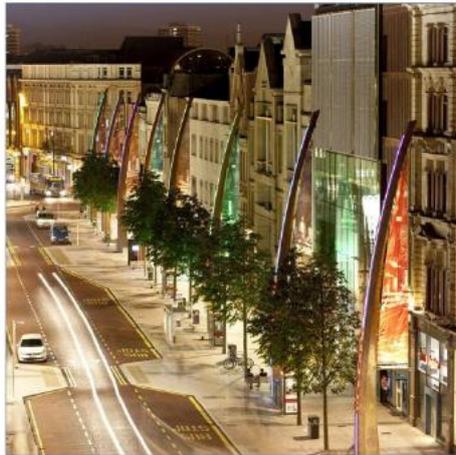




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High Street Taskforce Report

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November 2012

Final

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1. Introduction

The recession, coupled with changes in consumer spending patterns and behaviours, has had a considerable impact on the economic performance of towns and city centres across the UK. In May 2011, Mary Portas was asked by the Prime Minister and the Deputy Prime Minister to conduct an independent review into the state of Britain's high streets and town centres. *The Portas Review: An Independent Review into the Future of our High Streets* (hereafter referred to as 'The Review') was published¹ in December 2011. The Review made a series of recommendations designed to help create the sustainable high streets of the future.

Whilst the Review did not extend to Northern Ireland the experiences of our town and city centres and arterial routes over recent years has been similar; shopper numbers are down and shop unit vacancy rates in Northern Ireland have risen to the highest in the UK. The most recent research (Lisney - September 2012) reports that the percentage of empty shop units has reached 19%, meaning that almost one in five shops is empty. This compares with an average vacancy rate of 11% for the rest of the UK.

To bridge the gap in the review commissioned by the UK Government and to better reflect local circumstances the Minister for Social Development, Nelson McCausland announced on 7 February 2012² that he was setting up a taskforce of senior departmental officials to respond to the difficult trading challenges facing Northern Ireland's High Streets.

The role of the taskforce was; to review the support which the Department for Social Development (DSD) provides to regenerate city and town centres; to consider whether this might be further strengthened in light of the recommended actions identified by the Review; consider the proposals being put forward by representative organisations and to ascertain the views of local traders and high street business across the cities and towns of Northern Ireland.

The taskforce has consulted with a range of groups which represent Northern Ireland's high streets and with Northern Ireland Executive departments most closely involved in delivering the Executive's policies for city and town centres. In addition the taskforce also held 29 'High Street' meetings in cities and towns across Northern Ireland to hear directly the views of high street traders and other interested parties on the issues which they felt were important to them.

The report sets out the main proposals from The Review in Section 2. Section 3 details the issues for Northern Ireland high streets as conveyed by representative bodies and through public meetings. The range of activities currently deployed by the Department for Social Development to support town and city centres is described in Section 4 and Section 5 discusses the key findings and makes recommendations.

¹ <http://www.bis.gov.uk/assets/biscore/business-sectors/docs/p/11-1434-portas-review-future-of-high-streets.pdf>

² <http://www.northernireland.gov.uk/index/media-centre/news-departments/news-dsd/news-dsd-february-2012/news-dsd-070212-focus-on-town-centre-regeneration.htm>

2. The Portas Review

The Review concludes that communities need a 'High Street' in whatever shape it will take in the future. Aside from the economic benefits, there are acknowledged social rewards to be reaped from having access to shared spaces in the heart of towns and cities; the high streets provide a much needed focal point or meeting place for people.

A number of factors have come together which have led to the crisis facing high streets today:

'New expectations have been created in terms of value, service, entertainment and experience against which the average high street has in many cases simply failed to deliver.'

Shopping and consumer demand have changed at a faster pace than the High Street, which has lagged behind somewhat. The high street needs to catch up, not through the expansion of retail, but through diversification and modernisation.

'You'll never be able to beat the sheer efficiency of the web. You'll never be able to compete with the range and diversity of the major multiples and supermarkets..... Where you can compete and need to focus your efforts is in three core areas: Experience, Service and Specialism.'

Moving town centres towards a 'destination shopping' location where the emphasis is equally shared between those three core areas could help address the current imbalance.

The Review makes twenty-eight recommendations which, it suggests, will bring life back into the town and city centre (**Appendix A**). There are six broad themes within which the recommendations can be categorised:-

- Management of the town centre
- Rates
- Car Parking
- Planning
- Property
- Community

Management of the Town Centre.

"The one – perhaps the only – thing everybody I have spoken to is agreed on is that for a high street to survive and grow it must have a very clear vision of where it wants to get to. And it needs co-ordinated planning and management to get there. If the high street was in single ownership, like a department store, it would have a vision, a high level strategy and direction, it would choose what it wanted in a particular space to fit with a vision and proactively target the businesses and services that were missing."

The Review recommends the introduction of Town Teams. These are essentially central bodies working on behalf of the high street for the benefit of all, made up of stakeholders and business owners from the local community. They would aim to bring a coordinated, concentrated approach to the town centre – from high street marketing and branding to administration and event organisation – while also bringing together key town centre structures and businesses that may have never worked together in the past.

The Review also suggests that the larger retailers should take more active interest in the towns in which they have outlets through the mentoring and support of smaller businesses. This support, it is recommended, should be detailed in the large retailers' individual Annual Reports.

Sitting alongside, and complementing, the idea of Town Teams is a recommendation to empower successful Business Investment Districts (BIDs). The Review suggests that these take on more responsibility and become 'Super BIDs'. The 'Super BIDs' would take on extra responsibilities, possibly similar to the remit of the Town Teams, although Portas would like this to be more of a strategic role than a physical one.

Rates

"We need to proactively develop new players and our future entrepreneurs. These are the brands and wealth creators of the future. Government should consider how business rates can better support small businesses and independent retailers."

A 'more realistic' approach to rates is called for. It is argued that start-up businesses, small and independent retailers who are finding it particularly difficult to survive in the current climate, could benefit from non-domestic rates concessions. The Review calls for Local Authorities to be given discretionary powers in order to give concessions to new local businesses. The very clear issue regarding the rate relief Charity Shops can avail of provides an incentive for landlords that would hinder new business. This resonates across the UK.

Car Parking

The Review recommends more innovative approaches to the car parking issue that prevails in many of towns and cities. A balance has to be achieved between availability and cost. There are arguments for and against free parking and parking charges. The Review also suggests that the Local Authorities who gather the revenue from parking (charges or fines) should clearly demonstrate how that revenue is being reinvested.

Planning

Deregulation and a reduction of unnecessary 'Red Tape' is called for if the High Street is to have an attractive, nurturing business environment which would encourage change of use and encourage new business to grow. The Review details the 'Use Class' as being particularly restrictive and inhibitive and calls for this to be significantly relaxed, especially if the future of the High Street is to 'move away' (to a

certain degree) from its primary retail function. Some locations and building types require planning permission before being converted to 'other uses'. This has had the impact of similar businesses frequently appearing on certain streets. The Review does, however, acknowledge the need for restrictions on the number of certain types of business such as Charity Shops, 'Fried Chicken' shops and betting shops.

The issue of Out-of-Town developments would be addressed via 'exceptional sign off' by the secretary of state. However, this was rejected by the Westminster Government. There should be explicit presumption in favour of the town centre in the National Planning Framework.

Property

Recommendations around property focus mainly on the responsibility of landlords / owners to maintain properties to a minimum standard and to prevent, where at all possible, vacancies with Empty Shop Management Orders. In order to implement such a measure, an open public register of landlords and their respective properties should be created. This should be worth considering given the direct links and benefits to the creation of BIDs. The clear objective here is to reduce the number of empty shop fronts on the high street, either by taking them over or forcing landlords to put them to some sort of use.

The level of rent and the problems of 'upward-only' rent reviews lead to the call for the introduction of a leasing code to encourage rents to track market performance. Key High Street retail space should be assembled for development purposes through more proactive use of Compulsory Purchase Orders.

Community

The case is made for involving *everyone* in the future of the high street, making bodies such as the Town Teams truly representative organisations that take account of all opinions and concerns. The Review calls for high profile campaigns to encourage people to get involved in Neighbourhood Plans and a shift in the role of the community in town centres. Greater input and control through Town Teams, BIDs and these Neighbourhood Plans give some direction to this community ownership alongside the support for addressing vacancy through Community Right to Buy, Meanwhile Use and Community Right to Try. Local Markets and regular Market Days also encourage community participation and interest in the town centre.

3. Town and City Centre Issues

The View of Representative Bodies

In Northern Ireland, retailers in town centres are supported by a number of representative organisations. Within the last year a number of these organisations have brought forward reports or have made submissions highlighting their concerns and outlining proposals to address the issues. These include;

- The British Retail Consortium's recent publication '21st Century High Streets – A new vision for our town centres'³
- The Northern Ireland Independent Retail Trade Association's 'Town Centre First'⁴
- The Committee for Social Development's Inquiry into Town Centre Regeneration⁵
- The Association of Town Centre Management's 'Manifesto for Town Centres'⁶

It is not necessary to reproduce in detail the numerous recommendations from these organisations in the body of this report but it is possible to summarise a number of recurring themes across the literature. These are:

- Town Centre Management
- Business Improvement Districts
- Planning
- Access to the Town Centre
- Vacancy
- Town Centre Living
- Rates
- Town centre performance indicators
- Joined-up Government

Town Centre Management

It is widely argued that a Town Centre Management structure is a good thing for driving town centre initiatives forward and assisting town centres through the economic downturn. The proposals call for varying degrees of 'core funding' to be made available for this purpose and for Government (central and local) to work closely together to develop effective business plans and structures to improve decision making and proactivity to provide clear strategic direction. In effect, there would appear to be a desire for town centres to be managed in a similar manner to shopping centres.

³ <http://www.brc.org.uk/downloads/21st%20Century%20High%20Streets.pdf>

⁴ http://www.niirta.com/policies/town_centre_first.pdf

⁵ http://archive.niassembly.gov.uk/social/2007mandate/reports/report_14_09_10R.htm

⁶ http://www.atcm.org/policy/files/600-ATCM_Manifesto_A4_2.pdf

Business Improvement Districts

There is a consensus in support of the introduction of legislation for Business Improvement Districts and the creation of an industry working group to oversee and monitor their individual implementation. There is substantial evidence presented of the benefits of BIDs in the jurisdictions that have already adopted the model.

Planning

There is an acknowledgement of the need for a balance to be achieved between the increasing number of out-of-town shopping centres, and indeed those existing out-of-town centres planning to expand, and the town centres themselves. Before granting permission to the out-of-town locations, the impact of the development proposals on the surrounding areas, and in particular the town centre, should be considered. Calls have been made for Government to develop a Retail Planning Policy that contains a 'no detriment' clause for our town and city centres.

Access to the Town Centre

Ease of access to the Town Centre was identified as a key challenge that needs to be considered and addressed for the future regeneration of our town centres and the growth of our retail sector. This relates, not only to the issue of effective public transport and parking, but also access for all sections of the community, especially if the terrain or topography of a town centre is challenging itself. The Town Centre is a naturally accessible place and there is a need to capitalise on this to reposition the town centres as thriving, prosperous places that are attractive for people to spend time in. The accessibility contrast that the out-of-town centre presents would mean that the balance, in this respect, should be in the favour of the Town Centre.

Car Parking is an issue of contention for all representative bodies, seeking to suit the needs of the town centre employees, the local community and visitors alike. Many organisations cite the imbalance between the relatively highly priced town centre car parks and those that are free at the out-of-town locations as a primary reason for loss of town centre footfall. Affordable car parking, fair parking enforcement and a 'level playing field' with the out-of-town centres are put forward as proposals to mitigate the disincentive effect of the town centre.

Vacancy

Vacant units are perhaps one of the most visible impacts of the economic downturn on the High Streets. This reinforces falling consumer confidence and has the impact of driving much needed footfall away from the High Street. High Streets need a clear strategy to address increasing rates of vacancy and the accompanying decline in some town centres.

A strategy that would audit vacant shops, look at ways to prepare them for new use and engage with prospective retailers to match them for appropriate town centre sites is needed, perhaps with a marketing element or 'matching service'.

Rent incentives are also seen as encouraging retailers to take empty spaces in town centre locations. Other incentives would include rates holidays for those businesses taking up shops which have been vacant for more than a year or an emergency 100% first year relief should be considered for town centres or those which have a 40% or more shop vacancy rate, to support regeneration efforts.

Shorter term suggestions included the implementation of window dressing in vacant premises, the display of arts and flexibility for the temporary, short-term change of use for vacant units in a way which benefits potential tenants, property owners and the local council.

Town Centre Living

It is widely argued that creating more living space in Town Centres would have a beneficial effect to the footfall and vibrancy of an area. This would have a 'building-in' impact of evening economy as residents encourage more businesses to remain open. A by-product would be that the town centre would not 'shut down' at 6pm, encouraging more visitors to stay and socialise after the shops have closed.

Rates

A key issue for all representative bodies and business alike, the issue of non-domestic rates encourages a considerable debate and provides a wide range of suggestions. Rates holidays, rate relief for new businesses, rate relief for businesses taking vacant properties, rates concessions for pop-up shops and incubation units all appear in varying degrees in the many town centre reports.

Town centre performance indicators

As a baseline for judging the performance of our towns, many calls have been made for a series of indicators to be established. These would be used to provide a baseline against which any Government intervention could be measured and its individual level of success judged.

Joined-up Government

Many calls have been made over the past years for all Government Departments with an interest in the town centre to either join forces as one single department or at least ensure their respective policies act in a complementary manner, or at the least do not conflict.

The View from the Street

In addition to considering the evidence and proposals being put forward by representative organisations the Taskforce held a series of 'High Street' meetings in cities and towns across Northern Ireland to hear directly the views of high street traders and other interested parties on the issues which they regarded as needing addressed. Approximately 350 individuals attended these meetings reflecting an audience of a wide range of town centre businesses and representatives from local government.

Three issues emerged as the top concerns of traders across Northern Ireland in terms of their perceived impact on the profitability of business during this time of recession:

- car parking charges and enforcement;
- non-domestic property rates; and,
- competition created by the expansion of out-of-centre retail development across Northern Ireland.

In addition to the evidence presented to officials during the series of High Street meetings, DSD has received a number of written submissions providing evidence for the High Street Taskforce to consider. This written evidence has also been used to inform the findings as set out below.

Car Parking and Enforcement

The perception of traders is that there is an imbalance between town centre car parking policy (and enforcement) and car parking at out-of-centre shopping centres. In many town and city centres on-street car parking is limited to one hour which in the view of traders discourages shoppers to shop on their local high street for fear of being issued with parking penalty fines. This contrasts with the free all-day car parking available at out-of-town shopping centres. Many believe that this acts as a magnet for shoppers. Traders believe that car parks operated by the Department for Regional Development (DRD) in and around town centres are not sufficiently attractive to shoppers due to time limit restrictions on parking duration being too short. In addition the requirement to pay parking fees on arrival also deters shoppers as they run the risk of receiving a penalty for over-staying their allotted time.

Traders would therefore like to see on-street car parking extended to at least two hours to encourage shoppers to return to high street shopping. Two hours was considered as providing a better balance with out-of-centre car parking. There was also a perception that the DRD car parking enforcement contract was driven by targets, with the contractor incentivised to issue as many penalty notices as possible. This encouraged a draconian rather than common sense approach to enforcement. DRD has refuted this perception giving assurance that the contract is not target-led.

Non-domestic Rates

The perceived high level of non-domestic rates levied on businesses emerged as causing the most concern to traders in terms of stifling the profitability of business during a time of recession, contributing to closures and deterring the start-up of new businesses. It was suggested that the owners of premises were attempting to offset the rates burden by providing potential tenants with substantially reduced or free rents on condition that the tenant pays the rates on the property. It was also alleged that some property owners are removing the roofs from their property to make it uninhabitable in order to cancel the rates due on the property. There is a perception that this activity is increasing the number of 'gap sites' and dereliction in city and town centres and that further incentives for property owners are needed to help deter this practice. A plea was also made for the Department of Finance and Personnel's (DFP) Land and Property Service (LPS) to adopt a more flexible approach to the collection of rates from businesses in financial difficulty.

Measures introduced by DFP to alleviate rates bills were welcomed but the £10,000 NAV limit in the Small Business Rate Relief scheme was viewed as being too low as the majority of businesses could not benefit from it. It was also suggested that relief for new or start-up businesses should be extended beyond the first year. The perceived growth in charity shops on the high street is causing concern particularly as many are perceived as trading in competition with mainstream retailers with the advantage of rates exemption due to their charitable status. Traders recommended that there should be a limit on the number of charity shops permitted to trade on high streets.

Traders believe that the premiums paid in rent and rates for premises located in town and city centres, that were traditionally viewed as prime locations for retail, are no longer worth paying as the healthy footfall once associated with a town centre location has effectively shifted to out-of-centre. The perception is that this shift is due to government's policies on spatial planning and rates which have moved the balance of policy in favour of out-of-centre locations. The impact of this imbalance results in rates increasing year-on-year when businesses are struggling due to the downward trend in footfall, turnover and overall profitability. Suggestions to redress this perceived trend included: introducing a sliding scale rating system for new businesses (free in the first year, 25% of rateable value charged in the second year; 50% charged in the third year, etc.); having 'zero rate' zones in areas of town centres with high numbers of vacant units or dereliction to encourage new business start-ups; and, extending the Small Business Rate Relief to all businesses.

Finally, traders asked for the revaluation exercise to be conducted as a matter of urgency in the hope that this would contribute to rebalancing the current low rent versus high rates experience of traders and premises owners. Fears were expressed that if early action is not taken then high streets might reach a point of no easy return from dereliction resulting in further reduction of Northern Ireland's rates base.

Spatial Planning Policy

The adverse impact on city and town centres by what is perceived as an imbalanced spatial planning policy was the third significant issue emerging from the 'High Street' meetings. The growth in planning approvals for out-of-centre retail and subsequent development over the past 20 years was considered as drawing shoppers away from the city and town centres due to free car parking, substantial marketing budgets and flagship stores giving out-of-centre an unfair advantage. Traders called for a new approach to planning in favour of city and town centres in order to address this perceived imbalance in the current policy.

Other Issues

While the three issues above emerged as the top concerns of traders across Northern Ireland in terms of their perceived impact on the profitability of business during this time of recession, it was also recognised that: strengthening of DSD's existing regeneration policies; improved management of city and town centres; better promotion or marketing of city and town centres; and, encouraging town centre residential living could make an important contribution to sustaining and improving the performance of high streets.

These aspects of policy for the high streets reflect the improvement themes and actions recommended in the Portas Report, which reviewed the performance of town centres in England, and the response to Portas by the Department for Communities and Local Government.

Regeneration

The regeneration policies of the Department for Social Development (DSD) were welcomed at the 'High Street' meetings. City and town centre Masterplanning, urban development grants, acquisition of sites for development opportunities and public realm improvements were all endorsed. However, it was recognised that the current constraints on public and private funding means that the implementation of these policies have slowed down due to a more cautious approach adopted by developers. DSD's 'ReStore' pilot Programme was endorsed as a positive regeneration support mechanism which had contributed to improving the attractiveness and promotion of town centres for traders, investors and shoppers. 'ReStore' has been piloted in seven locations across Northern Ireland and offers financial assistance to implement actions similar to the 'Portas pilots' launched in England.

City and Town Centre Management

During the course of the 'High Street' meetings the need to improve coordination between the statutory and private sectors, in dealing with town centre issues, registered with the taskforce. The sort of issues ranged from having a clear vision for the town centre to achieving common sense solutions to disputes about, for example, signage on buildings and pavements or roads issues. The need to address vacant units by, for example, encouraging arts and craft displays in vacant premises windows was also raised by participants. It was also suggested that landlords should be required to maintain vacant properties to a set standard to discourage dereliction. These issues could perhaps be addressed by improved communication across the sectors. Participants recommended that the Department should explore new structures to facilitate better management of town centres as this might help to reduce the adverse impact of statutory regulation on high street businesses and encourage enterprise. This could take the form of the "Town Team" recommended by The Review.

City and Town Centre Living

Encouraging people to live in town centres was also recommended at the 'High Street' meetings as a potentially valuable regeneration policy to help revitalise and encourage the evening economy. The Living Over the Shops (LOTS) scheme was commended as an example of a policy that should be extended by DSD although difficulties in attracting private funding from the banks was considered to be a potential blockage for LOTS. The relatively high costs associated with Building Control compliance, for example soundproofing, were also considered as a potential deterrent for LOTS.

4. The Department for Social Development – Policies and Programmes

The Policy Context

The **Programme for Government 2011-2015⁷ (PfG)** identifies the actions the Executive will take to deliver its number one priority – a vibrant economy which can transform our society while dealing with the deprivation and poverty which has affected some of our communities for generations. There are a series of commitments in the PfG against which DSD's performance is measured via milestones and outputs.

DSD contributes to the objective in the **Northern Ireland Economic Strategy⁸** to '*Create urban centres which are sustainable, welcoming and accessible to all*'. DSD's actions focus on the economically beneficial outcomes of '*making our towns and cities better places to live work and invest*'. The Economic Strategy was launched at a time of sustained uncertainty in the global economy and it recognised the direct impact this has on businesses and individuals throughout Northern Ireland. The overarching goal of the Economic Strategy is to improve the economic competitiveness of the Northern Ireland economy.

DSD's Urban Regeneration remit is one means of achieving this goal by improving the landscape in public areas to help promote private sector investment in towns and cities across Northern Ireland. In creating and providing an environment which encourages business growth and investment, DSD is a key contributor to the rebalancing of the NI economy. The Economic Strategy, in describing what is required to develop economic infrastructure' states '*...It includes urban and town centre regeneration initiatives which provide the infrastructure to stimulate private sector investment. In particular, it recognises the importance of Belfast and Londonderry as important drivers of regional economic growth.*'

The **Investment Strategy for Northern Ireland 2011 – 2021⁹** also details DSD's key regeneration and Social Housing roles as being priority areas for investment in supporting economic recovery and growth. Through the Investment Strategy the NI Executive seeks to tackle regional disadvantage by addressing the issues that affect our communities: tackling poverty, encouraging diversification, enhancing connectivity and improving the overall quality of service provision.

The **Regional Development Strategy 2035¹⁰** (RDS) sets out the spatial framework to guide the direction of future development. It sets out how future growth is to be focused on Belfast and Londonderry, supported by a series of key centres, or 'hubs', across the province. This is with an emphasis on co-operation rather than competition. These hubs are interlinked by gateways and corridors through the 'rural area'. DSD's work in the creation of urban centres or 'hubs' is guided by its suite of masterplans, each one playing to the individual strengths of a town e.g. as a retail centre or one with a significant heritage product, while acknowledging the spatial requirements of the RDS. One crucial point for consideration made by the RDS, which is particularly relevant in the context of the Review, is that not all towns can be primary retail destinations.

⁷ <http://www.northernireland.gov.uk/pfg-2011-2015-final-report.pdf>

⁸ <http://www.northernireland.gov.uk/ni-economic-strategy-revised-130312.pdf>

⁹ [http://www.isni.gov.uk/Investment%20Strategy%202012%20\(final\).pdf](http://www.isni.gov.uk/Investment%20Strategy%202012%20(final).pdf)

¹⁰ http://www.drdni.gov.uk/rds_2035.pdf

The Department for Social Development Corporate Plan has three strategic themes: Housing, Welfare Reform and Strengthened Communities and Vibrant Urban Areas, which represent our Minister's priorities. These also provide the broad framework for the policies and programmes that the Department deploys in pursuance of our objectives to:

- provide access to decent, affordable, sustainable homes and housing support services;
- meet the needs of the most vulnerable by tackling disadvantage through a transformed social welfare system, the provision of focused support to the most disadvantaged areas and encouraging social responsibility; and
- bring divided communities together by creating urban centres which are sustainable, welcoming and accessible to live, work and relax in peace.

DSD has a long established role in the regeneration of our city and town centres. The Department has at its disposal a range of interventions which it deploys to improve the attractiveness and competitiveness of high streets and arterial routes and to stimulate private sector investment.

Vital and Viable, a Good Practice Guide for Breathing New Life into Cities and Towns¹¹, published in August 2007, sets out the Department's suggested approach to the reinvigoration of cities and towns. DSD has the staff, experience and financial resources to assist in the regeneration of city and town centres. DSD currently has a direct operational role in driving through a range of regeneration projects particularly in relation to comprehensive development schemes and public realm.

DSD can assist city and town centre regeneration in four ways.

(i) Foster better planning and marketing by:

- assisting in the creation of a strategic plan;
- assisting town centres with health checks; and
- assisting marketing initiatives.

(ii) Tackle dereliction and market failure by:

- vesting and developing derelict sites and properties;
- providing grants to overcome market failure inhibiting other worthwhile schemes within context of State Aid rules;
- risk sharing – grant support and clawback; and
- investing in public buildings and support for voluntary and community sector buildings.

(iii) Comprehensive development projects by large sites and key buildings through:

- selecting a private sector partner and creation of development agreement;

¹¹ <http://www.dsdni.gov.uk/urcdg-vital-viable>

-
- updating of area plan context, if required;
 - site assembly – vesting, clear title; incorporating DSD or other Departments' land;
 - suppressing roadways;
 - complementary environmental improvement and public realm work;
 - incentive for good design in developments; and
 - ensuring delivery of other policy requirements.

(iv) Improve Streetscape through:

- public realm works – design and implementation; co-operative basis with other agencies;
- environmental improvement (EI) works – design and implementation;
- enhanced EI to assist in spruce-up and tidy-up of properties; and
- creating safe shared open spaces.

Department for Social Development Programmes

Masterplans

In support of the 'Developing Economic Infrastructure: Key Actions' in the Economic Strategy NI, DSD has been helping to create sustainable, welcoming and accessible urban centres by having up to date Masterplans for each city and town in Northern Ireland. In Belfast, 6 Masterplans have been issued and a further 12 are underway. There is no Masterplan for Londonderry. Instead, all Departments are committed to working to the Regeneration Plan ('One Plan') published in 2011. Excluding Belfast and Londonderry, 21 Masterplans have been completed, 3 are underway/in development and a further 3 are planned.

The Masterplans are intended to set out a shared vision of the physical development potential of each of the targeted areas. The Masterplans will be used by the key statutory bodies involved in regeneration and, it is hoped, by private developers to inform their development priorities and agendas over the next decade. Rather than offering a prescriptive blueprint for development, each masterplan provides a descriptive framework for integrated regeneration, incorporating an overall vision, key objectives and recommendations on the way forward. These have been developed with close reference to existing proposals from the public and private sector, the local context and contemporary theory on good urban design. The outline proposals set out in each of the Masterplans may be expanded and taken forward by individual organisations or agencies, and the Masterplans themselves may be used by statutory bodies in support of bids for funding.

Urban Development Grants

The Urban Development Grant (UDG) scheme is the principal urban regeneration measure in NI. Urban Development Grants are administered by DSD and are targeted at bringing derelict or vacant Town Centre properties back into productive use and at enhancing the commercial viability of existing properties. Owners of eligible properties can apply to the Department for grant aid. It operates in specific priority urban areas as designated by DSD (or its successors). The main aim of the scheme is to encourage economic, physical and social regeneration of disadvantaged urban areas by:

-
- encouraging investment in property to improve the economy;
 - assisting the expansion of local businesses and the creation of jobs; and,
 - improving the appearance of existing buildings and supporting the erection of new buildings on derelict or run down sites.

UDG contributes economy through the creation of construction and other jobs, the development of commercial floor space, improved street frontage and the leverage of private sector investment

Public Realm (inc Streets Ahead)

Public realm is the term given to the physical environment in a town or city to which the public has access. It includes streets, parks and squares as well as the physical elements that are located within that space such as street furniture, signage and lighting and soft and hard landscaping finishes.

Environmental improvement and public realm schemes have been funded by government in Northern Ireland since at least the 1980s. The legislative authority to fund these schemes derives from Articles 3 and 5 of the Social Need (Northern Ireland) Order 1986.

Regeneration or improvement of the public realm is recognised internationally as having the potential to transform cities, bringing significant economic benefits as well as improving the quality of experience for residents and visitors. It also has the potential to act as a catalyst for regeneration in a city or town by making it a more attractive place in which to invest, work and live. Research produced by the Commission for Architecture and the Built Environment in 2004 emphasises the importance of high quality, well designed public realm in underpinning economic growth and social development.

It is because public realm and environmental improvement schemes can make a difference to our town and city centres that the Department has committed substantial resources to this activity of many years. However, this work has not been guided by a central strategy or policy for when, where and how public realm schemes should be delivered, apart from Belfast, where the approach is guided by the Public Realm Strategy of 2005 and Public Realm Masterplan of 2006.

Environmental Improvement Schemes

These schemes are used to improve the appearance of our towns and cities and to regenerate the area by restoring confidence and attracting new investment. Mainly used to improve the appearance of public open spaces in the centres of our cities, towns and villages. In Belfast they are co-ordinated and funded by Belfast Regeneration Office. In Londonderry schemes are the responsibility of the North West Development Office and elsewhere they are co-ordinated by the Regional Development Office. These offices work up schemes in conjunction with Roads, Planning & Construction Services and also with District Councils.

Comprehensive Development Schemes

A process of land acquisition and disposal to secure the better planning and regeneration of selected areas of towns and cities. Comprehensive Development Schemes enable the Department to unlock development opportunities by releasing underused or derelict land and buildings.

The Department is empowered to acquire land and arrange for its disposal and development, after public consultation, in a comprehensive manner in accordance with a plan for the area adopted. Schemes are identified and taken into programme through a variety of sources, for example, identification by the Department of areas requiring treatment, requests from politicians, Councils, developers and planners.

Comprehensive Development Schemes, depending on location, are the responsibility of Belfast Regeneration Office, North West Development Office or Regional Development Office, working closely with the Planning Service. Their role is to take such schemes forward through a detailed process which involves the vesting of land through to the disposal of sites in accordance with the Development Scheme either directly to the public sector, agencies or to the private sector by way of a Developer's Brief.

ReStore Project

The pilot ReStore programme aims to direct government funding at distinct commercial districts and small independent retailers and traders. The initiative seeks to provide technical and funding assistance to design and improve streetscapes and building frontages and promote the areas as shopping destinations. Several pilot schemes have recently been rolled out in Northern Ireland with the possibility of further funding for similar projects, subject to a positive evaluation of the pilot programme.

Living Over the Shops (LOTS)

The Northern Ireland Housing Executive assist the Department to encourage town and city centre regeneration by promoting town centre living and the Living Over the Shop (LOTS) initiative. The LOTS scheme was introduced to encourage people to live in properties over shops in certain areas of town centre regeneration. LOTS schemes have been rolled out across Northern Ireland in recent years and have benefitted many Town Centres and individual property owners by turning unused upper floors of business premises into modern viable residential units.

Business Improvement Districts (BIDs)

The Department is currently bringing forward legislation to allow for the establishment of statutory Business Improvement Districts (BIDs) in Northern Ireland. A BID allows businesses within a defined area to vote for collective investment in specific additional services in order to improve the commercial environment within that area. These services or projects are funded by a local business levy. All businesses within a potential BID area have the opportunity to vote on proposals, developed by local traders in partnership with the local council, before the levy is imposed. BIDs are a way for local traders to help themselves and develop local solutions to local problems.

Community Asset Transfer

Work has commenced to develop a policy framework for community asset transfer. To support implementation of the policy the Department has appointed a delivery partner, Development Trusts NI, to build capacity in the voluntary and community sector to ensure that the sector is in a position to take advantage of future opportunities. The Department will be investing £247,000 in the organisation over the next two-and-a-half years to enable it to develop capacity in the voluntary and community sector and to ensure that organisations are ready to take advantage of opportunities that will arise.

The Department is also exploring the potential of 'Meanwhile Use' which is the temporary use of vacant buildings or land for a socially beneficial purpose until such a time as they can be brought back into commercial use. It makes practical use of the 'pauses' in property processes, giving the space over to uses that can contribute to quality of life and better places, providing a flexible response to short-term opportunities.

Meanwhile use offers benefits to property owners and leaseholders (through lower costs and the security of active occupation), occupiers (through access to low cost, high profile premises) and the wider public (through maintaining the vibrancy and attractiveness of commercial areas and strengthening the third sector). The modest costs involved can sometimes help to prevent more serious urban problems developing, which may cost significantly more to manage in the long term.

Street Trading

The Department for Social Development is responsible for The Street Trading Act (Northern Ireland) 2001, which regulates the activities of street traders in Northern Ireland. The Department is seeking the views of the public on proposed changes to the Act to bring the law in Northern Ireland in England, Wales and Scotland as part of a UK-wide consultation which is due to issue shortly.

Reform of Liquor Licensing

The Department for Social Development recently published a consultation document seeking views on a wide range of proposed changes to the law regulating the sale and supply of alcohol in Northern Ireland. The issues being consulted upon include:

- Further restrictions on mixed trading in Supermarkets
- Late opening hours and opening hours at Easter for public houses
- Alignment of alcohol and entertainment licences
- Formal approval of Codes of Practice on responsible retailing

The Department is aware of the important role played by the hospitality trade particularly in the tourism industry and the significant contribution it makes to the local economy. The proposals on which it is consulting represent a balanced package of reforms which include, on the one hand, measures aimed at tackling practices within the licensed trade which could contribute to alcohol misuse and on the other, supporting the hospitality sector during these difficult times. The proposals for public houses aim to improve the night time economy of our towns and

cities and improve our tourism offer. Following analysis of the consultation responses detailed consideration will be given to the proposals prior to any legislation being brought before the Executive.

Statutory Licensing Scheme for Pavement Cafes

Many of our town and city centres are beginning to develop a cafe culture. Well managed pavement cafes can add vibrancy to the street scene, increase footfall, boost tourism and contribute to urban regeneration. However, arrangements need to be put in place to promote the controlled expansion of the sector.

Accordingly, it is intended to bring before the Assembly in the current session a Bill incorporating a statutory licensing scheme for pavement cafes. The licensing scheme will be administered by district councils.

It is recognised that the efforts of business owners will be critical to the successful development of a cafe culture. The licensing requirements in the Bill will provide the right balance in terms of promoting a cafe culture, while ensuring that applications are sensitive to the needs of street users and the surrounding area

Vacant Unit Animation

In the short term, the appearance of vacant or boarded up buildings can be improved by introducing a vacant unit animation scheme. This can include cosmetic improvement to frontages and pictorial enhancement of boarded up doors/windows and hoardings. The techniques employed to considerable success in England are low cost temporary solutions, but encourage greater footfall and eventual redevelopment/reoccupation of the premises.

Urban Regeneration and Community Development Policy Framework

Looking to the future, the Department is currently consulting on a new Policy Framework which will set out, for DSD and its partners, clear priorities for urban regeneration and community development programmes, both before and after the operational responsibility for these is transferred to councils under the reform of local government. A key component of these proposals is our stated objective 'To Strengthen the Competitiveness of our Towns and Cities'

We will aim to drive economic growth by ensuring that we have competitive town and city centres. To flourish, they require quality infrastructure and a sustainable transport system, as well as the ability to attract and retain new and existing businesses and provide people with access to jobs and accommodation. Facilitating and incentivising investment in these urban centres is a vital part of our economic modernisation. Key actions in the delivery of this objective will include:

- Ensuring effective planning of town/city centres, such as Masterplanning that integrates planning policies, investment, regeneration and public realm improvements in our Central Business Districts (including clear links to the reformed planning system);

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- Supporting the development of shared and safely accessible commercial centres and development sites;
 - Supporting the diversification of town/city centre uses (such as town centre living and non-retail uses), including strengthening the night-time economy;
 - Undertaking site assembly and purchase of land and buildings for development in the public interest;
 - Undertaking initiatives that will bring together key stakeholders to benefit town/city centres (for example, through marketing and promotion or through the use of BIDS);
 - Undertaking initiatives that improve the quality of urban design, distinctiveness and townscape quality; and
 - Working with others to increase physical access to services, facilities and opportunities for employment.

5. Discussion and Recommendations

In Northern Ireland there is a concerted effort to highlight the issues facing town and city centres and a consistency in the diagnosis from organisations representing high street interests. The recommendations proffered are significant in number and range from simple measures reflecting good practice being upscaled to those which have significant resource or legal requirements.

The Taskforce acknowledges the considerable work that is being undertaken by the representative bodies and recommends that Departments engage in a dialogue to consider fully the resource, legal and practical implications associated with implementing their proposals. The Taskforce acknowledges however that the evidence clearly indicates that high streets will not be revitalised through retail alone and that diversification and modernisation is in the long-term the only sustainable approach.

In many of the 'High Street' meetings the Taskforce experienced a sense of deep frustration felt by participants that no-one in government is listening to their concerns and fears about what will be left of Northern Ireland's high street retail sector when the recession ends if further action is not taken to bolster the high streets.

Issues of Concern

Three issues emerged as the top concerns of high street traders across Northern Ireland in terms of their perceived impact on the profitability of business during this time of recession. These are: perceived high car parking charges, limits on parking times and draconian enforcement; perceived high non-domestic property rates relative to low rental values; and, unfair competition created by the expansion of out-of-centre retail development across Northern Ireland under spatial planning policy. While all of these issues are outside of DSD's functional responsibilities the issues presented to us and the current position of the responsible departments on these issues, are detailed below.

Car Parking and Enforcement

The perception of traders is that there is an imbalance between town centre car parking policy (and enforcement) and car parking at out-of-centre shopping centres. In town and city centres on-street car parking is limited to one hour which in the view of traders discourages shoppers to shop on their local high street for fear of being issued with parking penalty fines. This contrasted with free all-day car parking at out-of-centre stores which many believe is a magnet for shoppers. Traders believe that car parks operated by the Department for Regional Development (DRD) in and around town centres are not sufficiently attractive to shoppers due to time limit restrictions on parking duration being too short. In addition the requirement to pay parking fees on arrival also deters shoppers as they run the risk of receiving a penalty for over-staying their allotted time.

Traders would therefore like to see on-street car parking extended to at least two hours to encourage shoppers to return to high street shopping. Two hours was considered as providing a better balance with

out-of-centre car parking. There was also a perception that the DRD car parking enforcement contract was driven by targets, with the contractor incentivised to issue as many penalty notices as possible. This encouraged a draconian rather than common sense approach to enforcement. DRD has refuted this perception giving assurance that the contract is not target-led.

The DRD's strategy for delivering parking services is in line with the Belfast Metropolitan Transport Plan and the Sub-Regional Transport Plan based upon the guidance provided by the Regional Development Strategy and Regional Transportation Strategy. The Department carries out annual reviews of parking charges and Roads Service considers the individual parking needs of all towns during this annual review.

Free short term parking is available in the vast majority of Northern Ireland's towns and cities with the exception of Belfast, Lisburn and Newry where on-street charging was implemented with the agreement of key stakeholders. The arrangement for free on-street parking in other towns and cities was agreed with stakeholders as the most appropriate for those locations. For that reason, on-street time restrictions vary from half an hour up to four hours

For those wanting to park beyond the length of any on-street parking restriction, DRD's competitively priced, charged off-street car parks are located close to town centres with free car parks further out of town. On 7th November 2012, DRD announced that it was freezing parking charged to the end of the current budget period i.e. March 2015.

DRD carries out annual reviews to ensure that some free long term parking spaces are available around our town centres. This provides affordable and accessible parking in all our towns and cities.

Electronic payment for Pay and Display parking is shortly to be introduced across the whole of Northern Ireland. This service will mean that drivers do not need to have the correct change and they can start and stop their parking using a mobile phone and only pay for the time used. This means that they do not need to anticipate how long they will park for before they leave their vehicle. This facility currently exists in Belfast, Londonderry, Lisburn, Newry and Omagh.

The provision of an effective parking enforcement service ensures that city and town centres are welcome places for investors and for people who want to visit shop and socialise. Measures such as yellow lines and car park charges are needed for safety, to keep traffic moving and to promote turnover of spaces which would otherwise be blocked by all day parkers, creating problems for shoppers, and visitors alike. Otherwise they would be ignored and this would lead to increased congestion, driver frustration and a decrease in trade in town centres.

Neither NSL (the contractor) nor the Traffic Attendants who they employ have target numbers of Penalty Charge Notices (PCN). PCNs will only be issued by a Traffic Attendant when a vehicle is parked in contravention. However they will first give the driver the opportunity to drive away before the ticket is issued.

Non-domestic Rates

The perceived high level of non-domestic rates levied on businesses emerged as causing the most concern to traders in terms of stifling the profitability of business during a time of recession, contributing to closures and deterring the start-up of new businesses. It was suggested that the owners of premises were attempting to offset the rates burden by providing potential tenants with substantially reduced or free rents on condition that the tenant pays the rates on the property. It was also alleged that some property owners are removing the roofs from their property to make it uninhabitable in order to cancel the rates due on the property. There is a perception that this activity is increasing the number of 'gap sites' and dereliction in city and town centres and that further incentives for property owners is needed to help deter this practice. A plea was also made for the Department of Finance and Personnel's (DFP) Land and Property Service (LPS) to adopt a more flexible approach to the collection of rates from businesses in financial difficulty.

Measures introduced by DFP to alleviate the rates burden were welcomed but the £10,000 NAV limit in the Small Business Rate Relief scheme was viewed as being too low as the majority of businesses could not benefit from it. It was also suggested that relief for new or start-up businesses should be extended beyond the first year. The perceived growth in charity shops on the high street is causing concern particularly as many are perceived as trading in competition with mainstream retailers with the advantage of rates exemption due to their charitable status. Traders recommended that there should be a limit on the number of charity shops permitted to trade on high streets.

Traders believe that the premiums paid in rent and rates for premises located in town and city centres, that were traditionally viewed as prime locations for retail, are no longer worth paying as the healthy footfall once associated with a town centre location has shifted to out-of-centre. The perception is that this shift is due to government's policies on spatial planning and rates which have moved the balance of policy in favour of out-of-centre locations. The impact of this imbalance results in rates increasing year-on-year when businesses are struggling due to the downward trend in footfall, turnover and overall profitability. Suggestions to redress this perceived trend included: introducing a sliding scale rating system for new businesses (free in the first year, 25% of rateable value charged in the second year; 50% charged in the third year, etc.); having 'zero rate' zones in areas of town centres with high numbers of vacant units or dereliction to encourage new business start-ups; and, extending the Small Business Rate Relief to all businesses.

Finally, traders asked for the revaluation exercise to be conducted as a matter of urgency in the hope that this would contribute to rebalancing the current low rent versus high rates experience of traders and premises owners. Fears were expressed that if early action is not taken then high streets might reach a point of no easy return from dereliction resulting in further reduction of Northern Ireland's rates base.

The current position relating to non-domestic rates is as follows.

The rates system has a number of concessions (most unique to NI) that ease the burden on the business community and it is getting to the stage where little more can be done if the system is to raise the necessary revenues to help pay for public services and investment. Furthermore, DFP is also limited by

State Aid rules, and the need to ensure that we do not inadvertently distort economic activity by creating an unfair competitive advantage for one business or business location over another.

The Northern Ireland Executive has already provided the following concessions:

- **Industrial derating:** Manufacturing rates continue to be held at 30% through to 2015, saving those businesses around £56m per year compared to full rates liability. It also provides certainty to the manufacturing sector, crucial during the current economic climate.
- **Non-domestic vacant rating:** Locally full rates on unoccupied properties remains at 50%, compared to 100% in England and Wales, while rates are not applied to vacant factories. In Scotland the level of relief is to be reduced, possibly to 10%.
- **Small Business Rate Relief:** Over £12m of assistance is provided to up to 24,000 small businesses in 2012/13. Around 70% of business premises have a net annual value below the schemes upper £10,000 net annual value threshold. From 1 April 2012 the help provided through the scheme was roughly doubled. A further 8,200 small businesses now receive help, with their average rates reduction around £735. The scheme is also subject to an ongoing in-year review process which closed on 5 October this year.
- **Regional rate increase:** The continuing freeze in the regional rate means rates are lower than otherwise would have been the case. The business rates increase also compares very favourably as we use lowest inflation index, 2.2% (GDP deflator) compared to 5.6% (RPI) in England.
- **Commercial rates package:** As well as expanding the SBRR scheme a 50% empty shops rates concession has been introduced for this year as well as a concession where the window display is used for non commercial purposes.
- **Charity Shops:** There are no ongoing plans to review rating of the charitable sector. The current exemption is provided to charity shops in proportion to the amount of donated goods that are being sold on the premises. In the rest of the UK the law is more relaxed and charity shops get 80% relief even if they sell less than 80% of donated goods. LPS has advised that it is recognised that many sell “bought-in” items such as greeting cards and gift wrap. Such products form a minor portion of sales and are classed as de minimus as they usually account for less than 5% of trade. If surrounding retailers have a real concern they are however free to submit an application for review of any shop at any time.
- **Out of Town Developments:** There are distinct issues with defining “out of town”. While DOE area plans broadly categorise properties as in or out of town, some of these date back to the 1980s. DOE town centre boundaries would also not necessarily conform to what people consider to be town centres. The DOE plans would not form an appropriate basis on which to increase or reduce rates.

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- Location analysis is an intrinsic part of setting rateable values location and will be factored into new values. Also, it is worth noting that a revaluation cannot address the issue of out-of-town stores, and their impact on town centres, but it can redistribute the rating burden so that locations and sectors that have fared the best since all properties were last valued will pay more and those sectors that have not fared as well will pay less. Therefore the planned revaluation will address the issue in due course.
 - **Rates Increasing/Rent Falling:** LPS have a balance to strike between treating people fairly and establishing equity in recovery treatment / reducing arrears.
 - The Northern Ireland Executive's Budget plans are dependent upon regional rates revenue. The level of rates required to meet Executive spending commitments are collected accordingly by LPS. The regional rate is set in line with budget commitments. There is no flexibility or discretion available to LPS in terms of amounts to be collected.

Spatial Planning Policy

The adverse impact on city and town centres by what is perceived as an imbalanced spatial planning policy was the third significant issue emerging from the 'High Street' meetings. The growth in planning approvals for out-of-centre retail and subsequent development over the past 20 years was considered as drawing shoppers away from the city and town centres due to free car parking, substantial marketing budgets and flagship stores giving out-of-centre an unfair advantage. Traders called for a new approach to planning in favour of city and town centres in order address this perceived imbalance in the current policy.

The Department of the Environment is aware of concerns relating to out of town shopping and has commenced work to bring forward an updated town centres and retail planning policy. As part of this process DOE will take account of the views of key stakeholders, policy and practice in other jurisdictions and the current evidential context. It is important that the Department puts in place a fit for purpose town centre and retail planning policy that will enable the planning system to play its part in strengthening city and town centres.

Other Issues

Regeneration and the High Street

The Taskforce was advised in its evidence gathering sessions of a general level of satisfaction with the Department's provision for the high street combined with a request to do more. Public Realm improvement schemes, acquiring and bringing vacant sites to market and the promotion of comprehensive development in city and town centres were all viewed as positive policies which DSD should continue to deliver. The benefits of the Department's regeneration Masterplanning for cities and towns across Northern Ireland was also seen as giving a positive direction to the future development of urban centres.

ReStore Project

The Department has piloted a ReStore support programme (based on a model used in Washington DC) in seven retail centres across Northern Ireland over the past three years. £150k was provided for each of the seven pilots, three of which were based in Belfast, two in Londonderry and one each in Larne and Lurgan. The aim was to direct government funding at distinct commercial districts and small independent retailers and traders. The initiative sought to provide technical and funding assistance to design and improve streetscapes and building frontages and promote the areas as shopping destinations. All seven pilots have now been completed with the individual evaluations completed to date indicating that the targeted areas have been significantly enhanced through the ReStore funding. Traders in each of the areas have welcomed the Department's investment, during a particularly difficult time for the independent retail sector. A global evaluation of the initiative will be completed by the end of 2012, with the possibility of further funding for similar projects. The positive feedback provided to the Taskforce about the ReStore pilots (at High Street meetings in the targeted areas) has led the Taskforce to conclude that the ReStore initiative can be mainstreamed within the Department's range of funding interventions, subject to a positive overall evaluation of the pilots and Minister's approval of the extension of the initiative.

Community Asset Transfer

As part of the scope of the policy framework on Community Asset Transfer, the project Steering Group will be exploring the potential for 'community rights' legislation in Northern Ireland, such as has been introduced in Scotland and England. The community 'right to buy' or 'right to bid' for assets is used to enable communities to acquire and safeguard assets (both public and privately owned) which have been judged to be of community importance. These rights support community ownership and management of locally important assets such as libraries, pubs, shops, community centres etc and can help prevent the loss of important services and tackle dereliction and vacant properties.

Town Teams

While there are good practice examples of cooperative working in city and town centres in Northern Ireland the Taskforce was struck by the wide range of local issues, identified in the 29 High Street meetings, which appear to be hindering the development of urban centres across the Province. The Taskforce believes that these local issues must be tackled if Northern Ireland's high streets are to survive the recession. Every high street needs a vision and a business plan if they are to survive, thrive and provide a commercial and civic heart for their local community. The Taskforce believes that the presence of "Town Teams" for all major city and town centres and high streets across throughout Northern Ireland could: develop the local vision; help to improve the coordination of city and town centre management; develop and implement marketing campaigns; and, drive forward regeneration initiatives. Importantly the "Town Teams" could also address the local issues and problems identified in this report by helping to ease some of the frustration felt by business about "red tape" getting in the way of progress in the current difficult trading climate.

Getting Ready For Business Improvement Districts

The Taskforce also proposes that the anticipated setting-up of Business Improvement Districts (BIDs) in Northern Ireland could be enhanced with appropriate support arrangements to help high streets to be ready to establish a BID once the legislation is passed by the Northern Ireland Assembly. If local areas decide to establish a BID this will provide an additional source of revenue for the local high street to fund initiatives which contribute to the management and business development of their locality.

Living Over the Shop (LOTS)

DSD has indicated in the consultation on the Housing Strategy that it is planning to revitalise the current LOTS scheme. The Taskforce believe that this has the potential to create more effective integration of housing with town centre regeneration. The development of a regeneration-led approach to future LOTS provision could bring an added-value dimension by bringing vitality to Northern Ireland's high streets after normal trading hours to help promote the evening economy.

High Streets: A New Paradigm

There is a clear message emerging that the future of the High Street will not be a return to the past. Commentators argue convincingly that the economic downturn that began in 2008 has exacerbated and accelerated problems besetting the High Street, but it certainly has not been the cause. The rise of internet shopping and out-of-town shopping centres has changed the face of UK retail forever. The combined impact of technology and the economy on consumer needs and wants has created an urgent need to radically re-think how we regenerate and revitalise our High Streets.

The Portas Review clearly recognises the inevitability of change and has set out a vision **“to put the heart back into the centre of our high streets, re-imagined as destinations for socialising, culture, health, wellbeing, creativity and learning. Places that will develop and sustain new and existing markets and businesses. The new high streets won't just be about selling goods. The mix will include shops, but will also include housing, offices, sport, schools or other social, commercial and cultural enterprises or meeting places. They should become places where we go to engage with other people in our communities, where shopping is just one small part of the rich mix of activities..... they need to be spaces and places that people want to be in. High streets of the future must be the hub of the community that people are proud of and want to protect.”**

In this report we have detailed the role that DSD plays in the regeneration of town and city centres and also the issues raised for other government departments in relation to car parking, rates and planning. Beyond these issues there is a more strategic challenge for central and local government and that is to be more innovative in assisting the diversification of the high street from predominately retail centric locations to multifunctional social centres, not simply competitors for consumers.

Recommendations

Following from the conclusions reached by the Taskforce it recommends the following actions to respond to the economic pressures currently being experienced by Northern Ireland's city and town centres and high streets.

Recommendation 1: DSD Regeneration Programmes

The Taskforce recommends that DSD should continue to deliver its regeneration policies and programmes for city and town centres and consider giving priority to delivering future public realm improvement schemes and site acquisitions for those high streets experiencing the highest levels of dereliction.

Recommendation 2: Reshape and Expand the 'ReStore' programme

The Taskforce recommends that DSD should quickly move its 'ReStore' programme from pilot status to a substantive programme (subject to a positive evaluation of its impact) which should be rolled-out to all major city and town centres in Northern Ireland including arterial routes in Belfast.

Recommendation 3: Regeneration in Rural Settlements

DSD and DARD should investigate the potential of extending the town centre regeneration programmes into rural settlements.

Recommendation 4: Town Teams

The 'Town Teams' infrastructure should be asked to prepare a vision and implementation plan to promote and market the uniqueness and attractiveness of their respective areas. They should also bring together statutory and private sectors to cooperate in improving the management of their area and cut through any unnecessary red tape hindering the development of the high street by resolving the sort of local issues identified by the high street meetings. The 'Town Teams' should focus on making high streets accessible, attractive and safe.

Recommendation 5: Empower High Streets to set-up BIDs

The taskforce recommends that support arrangement be provided to empower Northern Ireland's high streets to be ready to establish a BID once the legislation is passed by the Northern Ireland Assembly.

Recommendation 6: Community Asset Transfer and Meanwhile Use

DSD should ensure that the formulation of policy proposals for Community Asset Transfer considers the potential of community use to address vacancies and dereliction.

Recommendation 7: Revise LOTS to focus on revitalising the High Street

DSD should consider introducing a revitalised LOTS scheme with a focus on regeneration-led town centre living to bring after-hours vitality to the high street. This means bringing residents into the town centre who can embrace the lifestyle provided by vibrant urban streets including the evening economy.

The Taskforce believes that the recommendations provide the basis for a DSD action plan for Northern Ireland's high streets to develop local regeneration strategies and initiatives to help weather the current recession and plan for the future. The successful implementation of this action plan will require the cooperation of private and statutory sectors focused on delivering business development and growth.

Appendix 1 – Portas Review Recommendations

The following list is a summary of the 28 recommendations contained in *The Portas Review: An Independent Review into the Future of our High Streets*:

1. Put in place a “Town Team”: a visionary, strategic and strong operational management team for high streets
2. Empower successful Business Improvement Districts to take on more responsibilities and powers and become “Super-BIDs”
3. Legislate to allow landlords to become high street investors by contributing to their Business Improvement District
4. Establish a new “National Market Day” where budding shopkeepers can try their hand at operating a low-cost retail business
5. Make it easier for people to become market traders by removing unnecessary regulations so that anyone can trade on the high street unless there is a valid reason why not
6. Government should consider whether business rates can better support small businesses and independent retailers
7. Local authorities should use their new discretionary powers to give business rate concessions to new local businesses
8. Make business rates work for business by reviewing the use of the RPI with a view to changing the calculation to CPI
9. Local areas should implement free controlled parking schemes that work for their town centres and we should have a new parking league table
10. Town Teams should focus on making high streets accessible, attractive and safe
11. Government should include high street deregulation as part of their ongoing work on freeing up red tape
12. Address the restrictive aspects of the ‘Use Class’ system to make it easier to change the uses of key properties on the high street
13. Put betting shops into a separate ‘Use Class’ of their own
14. Make explicit a presumption in favour of town centre development in the wording of the National Planning Policy Framework

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15. Introduce Secretary of State “exceptional sign off ” for all new out-of-town developments and require all large new developments to have an “affordable shops” quota
 16. Large retailers should support and mentor local businesses and independent retailers
 17. Retailers should report on their support of local high streets in their annual report
 18. Encourage a contract of care between landlords and their commercial tenants by promoting the leasing code and supporting the use of lease structures other than upward only rent reviews, especially for small businesses
 19. Explore further disincentives to prevent landlords from leaving units vacant
 20. Banks who own empty property on the high street should either administer these assets well or be required to sell them
 21. Local authorities should make more proactive use of Compulsory Purchase Order powers to encourage the redevelopment of key high street retail space
 22. Empower local authorities to step in when landlords are negligent with new “Empty Shop Management Orders”
 23. Introduce a public register of high street landlords
 24. Run a high profile campaign to get people involved in Neighbourhood Plans
 25. Promote the inclusion of the High Street in Neighbourhood Plans
 26. Developers should make a financial contribution to ensure that the local community has a strong voice in the planning system
 27. Support imaginative community use of empty properties through Community Right to Buy, Meanwhile Use and a new “Community Right to Try”
 28. Run a number of High Street Pilots to test proof of concept

Appendix 2 – Schedule of DSD High Street Taskforce Public Meetings

	Location	Date	Time	Venue
1	Bangor	14/5/12	8.30 am	Town Hall, Bangor Castle
2	Londonderry Arterial Route 1	15/5/12	12.30 pm	Waterfoot Hotel. Londonderry
3	Armagh	16/5/12	12.30 pm	Market Place Theatre, Armagh
4	Belfast City Centre	17/5/12	8.30 am	Reform Club, Royal Avenue
5	Banbridge	18/5/12	12.30pm	Civic Building, Downshire Place
6	Enniskillen	18/5/12	12.30 pm	Town Hall, Enniskillen
7	Londonderry Arterial Route 2	21/5/12	12.30 pm	Rafters Restaurant- Northland Road
8	Strabane	22/5/12	12.30 pm	Strabane Community Library, Civic Room
9	Ballymena	23/5/12	8.30 am	The Braid
10	South Belfast	24/5/12	8.30 am	Riddel Hall, Stranmillis Road. Belfast
11	Omagh	24/5/12	8.30 am	The Strule Arts Centre, Omagh
12	Londonderry City Centre	24/5/12	8.30 am	City Hotel, Alexander Room
13	Cookstown	24/5/12	12.00 pm	Burnavon theatre
14	Carrickfergus	25/5/12	8.30 am	Dobbin Room – Carrickfergus Council Office
15	Portadown	25/5/12	12.30 pm	Portadown Town Hall
16	Coleraine	28/5/12	8.30 am	Coleraine Town Hall
17	Lurgan	28/5/12	12.30 pm	Lurgan Town Hall
18	Antrim	29/5/12	8.30 am	Old Courthouse
19	Limavady	29/5/12	12.30 pm	Roe Valley Arts and Cultural centre
20	Larne	30/5/12	8.30 am	LEDCOM
21	East Belfast	30/5/12	8.30 am	Belmont Tower
22	West Belfast	31/5/12	8.30 am	Argyle
23	Newry	31/5/12	12.30 pm	Boardroom – Newry Town Hall

	Location	Date	Time	Venue
24	Downpatrick	31/5/12	8.30 am	Art Gallery - St Patricks Centre
25	North Belfast	1/6/12	8.30 am	Belfast Castle
26	Lisburn	8/6/12	12.30 pm	Lisburn Library
27	Dungannon	12/6/12	10.00 am	Dungannon Library
28	Ballymoney	13/6/12	10.00 am	McKinley Room, Riada House
29	Newtownards	14/6/12	8.30 am	Strangford Arms Hotel



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