

Name of meeting: Economy and Neighbourhoods Scrutiny Panel
Date: 7th November 2018
Title of report: The Future of Town Centres in Kirklees

Purpose of report

To provide an overview to the panel about the challenges facing the district's town centres and the programmes in place to address these challenges so that the panel can decide which specific town centre issues they would like to explore in future.

Key Decision - Is it likely to result in spending or saving £250k or more, or to have a significant effect on two or more electoral wards?	N/A
Key Decision - Is it in the Council's Forward Plan (key decisions and private reports?)	N/A
The Decision - Is it eligible for call in by Scrutiny?	N/A
Date signed off by <u>Strategic Director</u> & name	Karl Battersby - 25.10.2018
Is it signed off by Service Director Finance?	N/A
Is it also signed off by the Service Director for Legal Governance and Commissioning?	Julie Muscroft - 26.11.2018
Cabinet member portfolio	Cllr Peter McBride - Economy

Electoral wards affected: All

Ward councillors consulted: None

Public or private: Public

1. Summary

- 1.1 Our town and village centres are the heart of our communities. Traditionally they have been dominated by retail but as can be observed across the country, town centre retail is in decline.
- 1.2 Our town and village centres need to be transformed and re-purposed if they are to contribute to a thriving local economy and meet the expectations and demands of our citizens. Their future lies in a balanced mix of retail, residential, business, leisure and outdoor spaces.

- 1.3 A number of programmes are underway to improve the perception, quality and offer of our town and village centres with a particular focus on Huddersfield and Dewsbury as the two major towns in the district.
- 1.4 The Economy and Neighbourhoods Scrutiny Panel is asked to consider the information in this report and the presentation at the meeting before deciding on which issues it would like to focus in the short term.

2. **Information required to take a decision**

2.1 The National Picture

- 2.1.1 The Grimsey Review of Town Centres, published in July 2018, found that the UK has an oversupply of shops, currently 10%, and the forecast is that this will rise to 20% (c.100K shops). The numbers of units vacant in the long-term is growing with around 14K shops currently empty for more than three years.
- 2.1.2 Retail internet sales are now at 18% of all retail sales and are likely to grow to 30% by 2030. Footfall in town centres has decreased every year since 2013 and in the last 10 years has fallen by 17%. The fundamental structure of Britain's town centres has changed from goods transaction to one of consumption of food and experiential services including health and beauty.
- 2.1.3 Urbanisation, lower car ownership amongst younger people, reduction in retailer portfolios and growth of urban mega malls and smaller town shopping centres is likely to mean 50% of current out of town retail park stock will become redundant by 2035.
- 2.1.4 People might be finding other ways to shop but they are also buying fewer products. Issues such as climate change, which encourages recycling, and products being made more robust and therefore lasting longer, means that people are spending less on "stuff". Over the last two years, there has been an increase in spend on "experiences". The growth on the High Street has been in coffee shops and nail bars.
- 2.1.5 Whilst daytime footfall in town centres has been decreasing, it has been increasing at night time. In June 2018, footfall between 5pm and 8pm increased in 9 out of 10 geographies including Yorkshire.
- 2.1.6 The Night Time Economy is becoming increasingly more important to the future of town centres as bars, restaurants, clubs and other leisure forms take over retail premises. An attractive Night Time Economy makes sense for councils as their funding base moves from Government funding to more reliance on local business rate income to fund vital services. Forward thinking councils are leading a strategic approach to improve their Night Time Economies in collaboration with key partners such as the Police, health services, local businesses and the Voluntary and Community Sector.
- 2.1.7 A robust Night Time Economy strategy helps to minimise problematic behaviour such as violence and intoxication as it diversifies the offer to attract a more diverse demographic. It fosters an inclusive, diverse environment for citizens and visitors to enjoy in a safe and healthy way. It can reduce costs, boost business rate income, improve community wellbeing and create jobs. Through partnership working, many areas have succeeded in drastically reducing emergency hospital admissions and

crime and have encouraged local businesses and community groups to offer new evening and night time activities such as late night shopping and museum entry, street food markets and comedy evenings. In a recently published survey of local authorities, '*Local Partnership Working for a Vibrant Night Time Economy*' commissioned by the LGiU and the Portman Group, 51% of authorities stated that diversifying their night time offer was their number one priority.

2.1.8 In his 2018 report, Bill Grimsey recommends that all towns should develop plans that are business-like and focused on transforming the place into a complete community hub incorporating health, housing, arts, education, entertainment, leisure, business/office space, as well as some shops, whilst developing a unique selling proposition. The key to success is outstanding, talented and committed leadership with the role of local government to bring together all stakeholders, including the community, to develop and implement a plan for the town centre. Strong leadership and vision are therefore essential.

2.1.9 The Grimsey Report also recommends creating a more supportive environment through:

- Establishing an empowered organisation or Town Centre Commission through the local authority for each town centre, with a defined remit to build a 20-year vision/strategy for their unique place, underpinned by a comprehensive business/place plan
- Accepting that there is already too much retail space in the UK and that bricks and mortar retailing can no longer be the anchor for thriving high streets and town centres. They need to be repopulated and re-fashioned as community hubs, including housing, health and leisure, entertainment, education, arts, business/office space and some shops
- Embedding libraries and public spaces at the heart of each community as digital and health hubs that embrace smart technology
- Councils establishing events teams to manage a comprehensive programme of activities that complement the Town Centre Commission Plan by driving footfall to local high streets
- Installing LED lights in street lamps to improve the quality of light on the street, whilst minimising costs. Including CCTV cameras and integration with police systems for fast response
- Providing free public wifi and well-connected workplaces that support flexible working patterns and attract freelancers to high streets and town centres.

2.1.10 In July 2018, Jake Berry MP, the High Streets Minister, appointed an expert panel, chaired by Sir John Timpson, to look at the future of high streets and what consumers and local communities want from their high streets. The panel has been looking at examples of good practice including Holmfirth, chosen because of the involvement of its community in events and festivals to improve town centre vibrancy. The panel's report is due to be published by the end of the year.

2.2 The Local Picture

- 2.2.1 Kirklees' towns and villages mirror the national picture. Holmfirth has been participating in the national Springboard footfall data programme. In the first 6 months of 2018, footfall has declined by 7.6%. Vacancies in our smaller towns and villages are less than our main towns as they rely on independent retailers rather than high street chains who are struggling nationally.
- 2.2.2 The annual survey of shop unit occupancy and pedestrian footfall in Huddersfield undertaken in April 2018, found that there had been a small decrease in the convenience, comparison and financial and business services sectors since 2017 in both units and floorspace, most notably a decrease in the number of financial and business services units by 5 (6.6%). There had been an increase of 5 units (2.8%) operating in the leisure services sector and 4 units (4.7%) in the retail service sector since April 2017.
- 2.2.3 The number of vacant units was down by 1 (-0.8%) with a reduction in vacant floorspace of 1,057 sq m (-5.7%). Whilst there had been an increase of shop units by 1, there had been a loss of retail floorspace of 1,249 sq m (-5.7%) meaning that smaller retail units were being opened.
- 2.2.4 There had been a decline in overall pedestrian numbers of 6% on the previous year. This decline was apparent across all the survey days (market day, non-market day, Saturday) but was most evident on the Market Day assessments.
- 2.2.5 The Town Centre Audit programme monitors the health of town centres on an annual basis. This records shop unit occupancy rates, usage and gross floorspace within a defined study area in October each year. Pedestrian footfall is also monitored annually in October providing a 'snapshot' of the volume and pattern of movement of shoppers and visitors. The last results for Dewsbury in October 2017 demonstrated a decrease in vacant shop units by 12.6% from 2016 and an increase in vacant shop unit floorspace by 3.6% from 2016. Pedestrian footfall had decreased by 7.6% from 2016.
- 2.2.6 As a council, we have recognised the need to transform and re-purpose our town centres but resources mean that we have had to prioritise our two main centres i.e. Huddersfield and Dewsbury. A number of infrastructure/capital programmes are underway or being discussed to improve these town centres. These include:
- Dewsbury Learning Quarter,
 - Townscape Heritage Initiative (THI) - Dewsbury
 - Heritage Action Zone - Dewsbury
 - Better Spaces - Dewsbury
 - Station Gateways in Dewsbury and Huddersfield
 - Dewsbury Market
 - Extension to the Kingsgate Centre, Huddersfield
 - Re-development of the old Kirklees College site in Huddersfield
 - Student accommodation including 103 New Street, Dundas Works and Standard House in Huddersfield
 - A new cultural centre for Huddersfield
 - Transforming Dewsbury and Huddersfield Markets.
 - A series of public improvements for both Huddersfield and Dewsbury

- 2.2.7 It is proposed to bring a report to Cabinet seeking approval of the Masterplan for Dewsbury Town Centre. This would formalise the work previously undertaken as part of the Strategic Development Framework in 2010 and the refresh in 2015. This would be a precursor to the formal Dewsbury Town Centre Action Plan proposed as a follow on from the adoption of the Local Plan.
- 2.2.8 AECOM supported by Cushman and Wakefield have been commissioned to produce a masterplan for Huddersfield town centre. This is expected to be completed by the end of the year. Issues being considered are transport and connectivity; culture and special places; leisure and retail including the markets; growth of a modern collegiate town; commerce; sustainability; well-being and social interaction; and living in the town centre.
- 2.2.9 A Huddersfield Town Centre Design Framework has been produced and agreed by Cabinet to drive up standards relating to the public realm. Further work for Dewsbury will follow on from this.
- 2.2.10 A group of businesses have come together to explore the potential of creating a Business Improvement District (BID) in Huddersfield. A BID is a defined area in which a levy is charged on all business rate payers in addition to the business rates bill. This levy is used to develop projects which will benefit businesses in the local area. In 2019, businesses will be balloted as to whether they are willing to pay the levy. If the ballot results in a yes vote, the funding raised through the levy will be used on initiatives to improve the attractiveness of the town centre; reduce crime and increase safety; improve access; and promote Huddersfield. BIDs have been successful in other parts of the country. They are about businesses leading within their town centres and enhancing council projects.
- 2.2.11 A partnership group has been formed comprising various council services, local ward members, West Yorkshire Police and town centre businesses to work together to improve safety in Huddersfield as a response to the rise in crime and increasing perceptions that the town centre is unsafe. The Safer Huddersfield Town Centre Group has raised the need to develop a Night Time Economy Strategy which can diversify the night time offer, attract a more diverse demographic and hopefully lead to the reduction in crime and disorder especially at weekends. Once the strategy is implemented, Huddersfield would seek the Purple Flag award to demonstrate that it is safe, attractive and accessible and has a vibrant and diverse offer.

2.3 Issues for Discussion

- 2.3.1 As can be seen from the information presented above, there are many issues impacting on town centres. They are inter-related but each is worth an inquiry in their own right in order to do them justice. The Scrutiny Panel is asked to consider the information and decide its inquiry focus.
- 2.3.2 In 2012, the Overview and Scrutiny Panel for Development and Environment commissioned a report in to the town centre strategies for Dewsbury and Huddersfield which was presented to Cabinet in October 2015. The panel wanted to understand how the Council could retain and increase regeneration within the Town Centres whilst managing the pressures and difficulties faced in the current economic climate. Much of the information contained within the report is applicable to 2018.
- 2.3.3 The report makes six recommendations:

- Establish a co-ordinated vision for the Town Centres of Huddersfield and Dewsbury. Understand what our Unique Selling Points are and market these approaches
- Re-affirm the Governance structures of the Towns Interventionist approach through helpful approach to partnerships
- Work towards building capacity within business partnerships
- Encourage development by simplifying and unifying the processes involved, thus moving towards an “Enabling Approach”
- Develop a Working Group across the Regulatory Services, meeting as and when required, to develop streamlined processes for the benefit of future developers
- Develop an Action Plan that identifies the Visions for the Town Centres and share this with potential partners

2.3.4 Some of these recommendations are in progress. The Economy and Neighbourhoods Scrutiny Panel may want to review these recommendations and whether they are still relevant. If they are, the Panel may want to investigate progress in relation to the recommendations and explore any barriers to achieving the recommendations.

2.3.5 Other issues which the Panel may wish to investigate are:

- Perception of Kirklees town centres and how these can be improved
- How to make the town centres safer
- How to work better with partners and developers to improve the quality of the built environment including public realm
- How to ensure there is collaboration between the council, business, the voluntary and community sector and other partners to improve the perception, quality and offer in our town centres including governance issues
- How to achieve a vibrant Night Time Economy
- Should we re-purpose our town centres as community hubs with a balanced mix of retail, residential, health, education, business, culture and leisure provision, therefore diversifying the offer and if we should, how will we do this?
- How to improve town centre vibrancy and increase footfall
- What needs to be considered when planning for the town centres of the future including technological advancements and whether present plans have considered future needs sufficiently
- How to strengthen the relationship between Huddersfield town centre and the University of Huddersfield to achieve a unified collegiate town
- Whilst the council concentrates its resources on Huddersfield and Dewsbury town centres, what needs to happen in the other Kirklees town and village centres to improve their perception, quality and offer?

3.0 Implications for the Council

3.1 Early Intervention and Prevention

By creating vibrant town centres with a balanced mix of provision and high quality public realm which encourages social interaction, support networks and activity, the issues which many of our citizens are facing (e.g. loneliness, low levels of activity affecting their health and crime and disorder) can be reduced and prevented from developing in to more serious issues.

3.2 Economic Resilience

Successful, vibrant town centres contribute to achieving a successful local economy. Whilst jobs in retail are declining, jobs in other sectors such as the creative industries, culture, leisure and experiential services are growing. A more balanced mix of retail, leisure and business in our town centres should lead to more employment opportunities as well as opportunities in construction whilst facilities are developed and the public realm improved.

3.3 Improving Outcomes for Children

By diversifying the offer in our town centres, they will become more attractive to families and provide opportunities for them to spend quality time together.

3.4 Reducing the Demand for Services

There will be no impact.

3.5 Financial

The development of our town centres requires substantial investment from a variety of sources including national funders, Combined Authority and private investors. It is essential that the council kickstarts the regeneration of the town centres through its own funds secured through capital borrowing and is prepared to offer financial incentives to developers so that schemes can start. The council agreed to invest £45 million in Huddersfield and Dewsbury town centres in the February 2018 budget.

3.6 Communications and Stakeholder engagement

Once the Scrutiny Panel has decided its area of focus, a communications plan and stakeholder engagement can be planned.

4. Consultees and their opinions

No consultees have been involved at this stage.

5. Next steps

The Economy and Neighbourhood Scrutiny Panel to decide on which town and village centre issues it would to focus. A programme of discussions to be planned involving appropriate people from the council, key partners, local business and communities. At the end of the programme, a report with recommendations to be produced.

6. Officer recommendations and reasons

The Economy and Neighbourhoods Scrutiny Panel to note the information in this report and the presentation at the meeting and to use it to decide on which particular issues it would like to focus. There are many issues affecting our town and village centres and to try to cover them all will lead to an extremely complex and resource intensive inquiry which is unlikely to be able to make any achievable recommendations. Therefore officers advise that there is a more narrow focus in order to ensure impact on future plans.

7. **Cabinet portfolio holder's recommendation**

7.1 Cllr Peter McBride has been briefed about the report and is happy with its content.

8. **Contact officer**

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9. **Background Papers and History of Decisions**

The Grimsey Report 2 - <http://www.vanishinghighstreet.com/wp-content/uploads/2018/07/GrimseyReview2.pdf>

Local Partnership Working for a Vibrant Night Time Economy -
<https://www.lgiu.org.uk/report/local-partnership-working-for-a-vibrant-night-time-economy/>

Town Centre Strategy – Overview and Scrutiny Panel for Development and Environment

10. **Strategic/Service Director responsible**

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