



Northern Ireland
Assembly

Committee for Social Development

OFFICIAL REPORT (Hansard)

High Street Task Force: DSD Briefing

23 May 2013

NORTHERN IRELAND ASSEMBLY

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Members present for all or part of the proceedings:

Mr Alex Maskey (Chairperson)
Mr Mickey Brady (Deputy Chairperson)
Ms Paula Bradley
Mr Gregory Campbell
Mr Michael Copeland
Mr Sammy Douglas
Mr Mark Durkan
Mr Fra McCann

Witnesses:

Mr Walter Hutchinson	Department for Social Development
Mr Antony McDaid	Department for Social Development
Mr Tony McKibben	Department for Social Development

The Chairperson: Good morning. I welcome Walter Hutchinson, Tony McKibben and Antony McDaid. I remind members that this session is to be recorded by Hansard. Gentlemen, if you are content, please take the Committee through your briefing.

Mr Tony McKibben (Department for Social Development): Thank you, Mr Chairman. I will begin with a few introductions. Antony McDaid is from the Department for Social Development's (DSD) business improvement district (BID) legislation team. Walter Hutchinson is from the Department's regional development office. Walter leads one of our town centre regeneration teams, coincidentally based here in Ballymena, but with a slightly broader remit. After my comments, Walter, with the Chair's permission, will say a few words about what we are doing in Ballymena on town centre regeneration.

The Minister wrote to the Committee on 13 February and provided a copy of the DSD high street task force report. I will briefly set out how the task force went about its work, its findings and recommendations and what the Department is doing in response to the report. The report has its origins in the publication of the Portas review, which focused on the problems that are faced by high streets in England. Minister McCausland was keen to review the situation here, and he initiated a task force of senior departmental officials to review the Northern Ireland position. He gave the task force a remit, which was to review the support that the Department provides to regenerate city and town centres; to consider whether this might be further strengthened in light of the recommendations emanating from the review; to consider the proposals being put forward by representative bodies — for example, the Association of Town and City Management and the Northern Ireland Independent Retail Trade Association among others; and to ascertain the views of local traders and high street businesses across the cities and towns of Northern Ireland about the issues that they were faced with.

The task force consulted with a wide range of stakeholders and the Departments that are most closely involved with city and town centre issues. The task force also held 29 high street meetings across towns and cities in Northern Ireland to hear directly the views of high street traders and other parties about the issues that were affecting them. Approximately 350 individuals attended the high street meetings, representing a wide range of town centre businesses. Representatives from local government also attended a number of the meetings. The main issues that the task force identified fall into two broad categories: those that were articulated by the representative bodies; and those that were voiced at the public meetings. As the Committee can imagine, there was a significant overlap between the two.

A number of recurring themes were raised by stakeholder bodies; namely, issues around town centre management; the importance of business improvement districts; issues relating to planning, particularly out-of-town planning; access to town centres, such as transport, car parking, etc; issues relating to increasing rates and vacancies amongst empty retail shop units; issues relating to town centre living and the desire to bring more people into town centres to live; issues about the burden placed on retailers by commercial rates; a need for better town centre performance indicators; and a request for better joined-up government in how we approach the problems.

Three issues emerged as the top concerns among traders, based on their perceived impact on the profitability of businesses during a recession. Car parking charges and enforcement was the number one issue voiced at most meetings, closely followed by the issues around non-domestic property taxes. The third main issue was the competition created by the expansion of out-of-town-centre retail developments across Northern Ireland.

Having considered the issues, the task force made a number of recommendations to the Minister. Those recommendations related to DSD's regeneration programmes. There was a lot of support at the meetings for a continuation of, and further support for, the programmes that the Department delivers. There was a call for the ReStore programme, which was being piloted at the time of the high street meetings, to be mainstreamed and expanded. There were also calls in some areas for greater regeneration efforts in rural settlements, which fall outside the Department's operational remit. Support was voiced for town teams and a more strategic approach to how you manage and develop town centres. There was a call for the introduction of BIDs legislation and support to allow towns to bring forward BIDs. There was a call for the Department to move forward on its proposals for community asset transfer and "meanwhile use" so that vacant buildings and towns could be utilised instead of being left empty or vacant for a long time. There was also support for a review and expansion of the Living over the Shop (LOTS) initiative, which is administered by the Housing Executive.

The Minister considered the recommendations, and he has given his support to them. It is the Minister's intention that DSD will continue to deliver its regeneration programmes, with some upscaling of the ReStore programme. A positive evaluation has been received on the pilots that were conducted on ReStore. The Department is working up proposals towards establishing the ReStore programme as one of our mainstream regeneration tools.

We will be taking forward a review of the LOTS programme. That was subject, at the time of the publication of the report, to the public consultation on the housing strategy, and there has been support in that consultation for a review of that particular programme. The Minister is also considering providing the support that is required to add momentum to the BIDs process. I will ask Antony to say a few words about where we are with BIDs and support for them.

Mr Antony McDaid (Department for Social Development): Thank you, Tony. As the Committee is aware, the primary legislation for BIDs received Royal Assent on 21 March of this year. I begin by thanking the Committee for its help in developing that legislation.

We are working on drafting the regulations that will provide the supporting detail to the main primary legislation. Those are expected to be complete by the autumn of this year. Those regulations, as we explained during our evidence to the Committee on the BIDs Bill, will be subject to public consultation. We will write to the Committee in advance of that and give you a copy of the consultation paper. Next week, we hope to have some pre-consultation meetings with representatives from selected councils to tease out operational issues that councils will have in operating BIDs.

The Minister is fully aware of the various resource issues involved in the starting of a BID and is considering the various support mechanisms that could be made available. He will make an

announcement on that in due course. At the minute, we are on track to have the full regulations in place, as we had intended, by the autumn of this year. Hopefully, we will have the first bid the year after that.

Mr McKibben: The Minister also asked us to explore a more collaborative working approach with the Department of Agriculture and Rural Development (DARD), with a view to offering regeneration interventions in those smaller towns that fall outside DSD's urban remit, which are towns with fewer than 4,500 people. By that, we mean developing a more integrated approach with DARD, possibly using DARD funds but using DSD experience and expertise to try to bring forward, for example, the public-realm upgrade in some of the smaller settlements, and we have commitments in the rural White Paper action plan to that effect for the Department to take forward.

The final recommendation is to develop a framework for a community asset transfer, and we are looking at how we might use that to contribute to mitigating the problems of vacant or derelict properties, as well as encouraging diversification with town centres. The consultation on those proposals is due to commence in June.

In addition to the recommendations that were directly for the Department, I mentioned a number of issues around car parking, rates and out-of-town planning. Those fall outside DSD's remit, so, in December, the Minister presented the report to the Executive subcommittee on the economy as part of a broader discussion on the issues facing high streets and brought those messages to the attention of other Departments.

In conclusion, there is a clear message in the report that the increase in internet shopping and out-of-town shopping centres has fundamentally changed the face of retailing in town and city centres, not just in Northern Ireland but much wider afield. We need to be more radical in our approach to regenerating our town and city centres. The long-term challenge for us is not only to maintain retail as a significant element of town centres, but how we move towards much more multifunctional uses in our town centres. With your permission, Chair, Walter will say a few words about how we have been taking forward that approach in Ballymena.

Mr Walter Hutchinson (Department for Social Development): Thank you very much. I want to pick up on some of the issues that have been mentioned in the report and put them into context for Ballymena town centre. Ballymena was one of the first regional towns to be assisted by the Department in completing a master plan for its town centre. It was published in 2009, and it forms the platform on which regeneration actions are planned and woven together to maximise its potential development. It sets out details of the key development sites, it identifies the need for a public realm upgrade, and it talks about the promotion and marketing measures for town centres. Although it was commissioned by the Department, it requires input and assistance from a range of stakeholders, including Departments, statutory agencies, Ballymena Borough Council and the private sector.

The implementation of the master plan is managed through a partnership involving the Department and the council, which is facilitated through a town-centre partnership arrangement with Ballymena Town Centre Development Ltd. I understand that the workings of the partnership will be discussed at length later, so I will not go into any details.

In taking forward the master plan, the Department carried out some enabling research work to test how those actions can be accommodated in the current structure and layout of the town centre itself. A retail capacity study was jointly commissioned with Planning Service, and it identified particular gaps in the usage of the town centre around office space. Ballymena has a very strong and vibrant retail mix of national and independent shops and two town-centre shopping centres, Fairhill Shopping Centre and the Tower Centre. However, the traditional shopping streets to the south, which is where we are at the minute in the Braid, appear to be under severe stress with vacancies increasing and a deteriorating appearance in properties, which adds to trading problems.

In 2011, the Department was working on the ReStore scheme in a number of pilot areas, as mentioned in the report. It was clear that parts of that scheme could benefit other towns throughout the Province. Ballymena became one of the first schemes to take up funding from the revitalisation programme. That area targeted Church Street and Bridge Street, which had probably suffered most from the economic downturn. Work on the scheme commenced in June 2012 and is now almost complete. It was delivered by Ballymena Town Centre Development Ltd through a project steering group with strong representation from local traders in the area. The scheme has rejuvenated the area and encouraged traders to work together to make it a better place for their businesses to grow. It has

also stimulated new investment in capital improvements to some properties, which might not have happened at all.

Ballymena Borough Council has also agreed to work on a major public-realm scheme for the town centre. A design team was appointed and a proposed scheme involving core streets in the town centre was put forward for funding assistance to the Department. Funding for that £4 million was approved in December last year; it is now going forward to public consultation and planning, with construction due to commence early next year. That will create a public space and focal point around Broadway. It will use high-quality natural stone products for surfacing and provide bespoke lighting, street furniture and signage. A key feature of the scheme will be the promotion of shared space to give priority to people over traffic.

The Department is also working with the council on other regeneration schemes that will impact on the town centre. A development brief is to be prepared for a site at Bridge Street, across from the Braid centre. That site includes a non-surfaced car park owned by the Department for Regional Development's (DRD) Roads Service. The Department is also working with stakeholders to bring together a concept plan to develop a very large former military site at St Patrick's Barracks, which is on the edge of the town centre. That site was transferred to OFMDFM as part of the Hillsborough agreement. The Department continues to work in partnership with interested stakeholders in the town centre, and is firmly committed to investing in schemes that will help to promote a more energetic and viable town centre.

The Chairperson: Thank you, gentlemen. Before bringing members in, I want to make a couple of points. Are you satisfied that the task force report deals with the discussions around use class regulations and their relaxation? I think that they affect towns such as Ballymena. It raises the question of joined-up government and connectivity, and where we are today may be a case in point. Are you satisfied that the report also deals adequately with possible conflicts of interest between rural town centres and out-of-town developments? There would be discussions with the Department of the Environment (DOE), the Department of Agriculture and Rural Development and DSD. Is there any elaboration on those key points?

Mr McKibben: Change in the use class regulations came up at town-centre meetings, and the issue was how long it took to get a change in class. The report is clear that there should be flexibility and that we should use every opportunity to make sure that space in town centres is used and that there are opportunities for diversification, because you get into a spiral of decline when you start to get vacant units; it leads to a resultant loss in footfall and you see areas deteriorate. In the report, we put forward a strong argument that there should be flexibility to encourage diversification and a quick response when we see problems emerging.

As for conflict between town centre development and out-of-town retail development —

The Chairperson: And the rural dimension as well.

Mr McKibben: On the rural dimension, the regional development strategy in the Department views urban settlements across Northern Ireland as being interconnected. If you like, the health of all of our towns and cities is connected in how they feed through to each other, with Belfast as the main economic driver for the region and Derry/Londonderry in the north-west as the main economic driver for that region. The health of all our towns, villages and smaller settlements is connected, although they provide different services and people will move between those to get different services. However, we do not see a conflict in those terms. We are keen to work with our colleagues in DARD to ensure that smaller settlements also benefit from the development and regeneration programmes that the Department has been implementing in the larger towns for quite a long period now. I know from conversations with our DARD colleagues that there is a lot of demand in smaller settlements to see the sort of public-realm revitalisation work of which, up until now, they have been unable to avail themselves.

The issue of out-of-town developments came up time and time again at the public meetings. Although it is, primarily, a planning issue, the Department has made the revitalisation, strengthening and economic vitality of town centres one of its primary strategic objectives in the development of its new urban regeneration community planning framework. Many of the representative bodies also called for a "town centre first" policy in many ways. A lot of the out-of-town retail centre development that is already there is there: you cannot turn the clock back on that.

Mr Copeland: My question is along a similar line. As usual, the Chair pre-empted me. Town centres are a bit like people: they look different at different times of the day or night. What we have to aim for is something that provides a welcoming environment and a degree of commercial activity. That is difficult in some respects because the businesses that appear to be growing on high streets, such as multiple bookmaking chains and fast-food operations, trade at certain times of the day. You do not get those businesses in out-of-town shopping centres. That is part of the problem because spend is being concentrated, basically, away from town centres. Are you content that the Department of the Environment is aware of the role that it has played, in my view, in the creation of that problem and is prepared to buy into the future solution? The Castlereagh Road, the Beersbridge Road, the Albertbridge Road and Castlereagh Street in my constituency — Sammy will bear me out — are retail wastelands. The problem is that because property owners are faced with the actual or real prospect of paying rates on those properties, they put charity shops into them, people stop going and the whole area declines. I am not running those operations down; I am simply saying that they are not commensurate with the sort of retail and café spend that you are trying to encourage. I wonder what discussion there has been with the Department of the Environment. You can create the garden, but the seeds have got to come from somewhere else. If something in planning policy continues to make the problem worse — for want of a better word —

Mr McKibben: That is a very important issue. There are plans for joint ministerial meetings on those issues between DOE, DRD and DSD. In the public meetings, it was clear that people were looking for an approach to managing town centres and their offering in the same way that you would manage a shopping centre: by having a strategic plan and a mix, as opposed to leaving town centres to develop without an overall vision or direction. We are seeking to take that forward in the town-team approach, so that it is done strategically.

Moreover, when community planning functions are transferred to local government, planning and regeneration will be among the functions to be transferred. Therefore, in future, in the community planning partnership, all those issues will be decided by local government.

Mr Copeland: That said, it will be decided on within the framework of the law. That is why it is important that planning law gives local councils or the relevant authority the ability to take the thing in a certain direction. There is no point in making prisoners of legislation if it does not allow them to exercise discretion free from the fear of judicial review or appeals.

Mr Douglas: Thanks very much for your presentation. Tony, is there any evidence to suggest that out-of-town shopping centres are becoming a thing of the past, that they are not as popular or that we have too many of them? I live on the Castlereagh Road, where the huge new Tesco is not getting the numbers that I would have anticipated. If you look at the smaller stores in town centres, such as Spar, some of the food is cheaper and of better quality. Is there any evidence to suggest that we have too many out-of-town shopping centres and that people are starting to buy local?

Mr McKibben: I have not seen any direct evidence of that, but out-of-town shopping centres will be affected in the same way as town centres have been, as people do not have as much money to spend because of the recession. We have to remember that the driving force behind all this has been the broader economic environment. You have reflected on the fact that retail on high streets and in town centres has also been adapting to the challenge. There is a different offer. It is often something different from what you find in shopping centres. That is part of the proposals and the long-term strategy that plays out through the report. There is a need for a change in the traditional offer. High streets need to think about how to attract people back in. It may be through retail, but it is also through opportunities to socialise, such as cafés, and so on. The Department is taking forward legislation, for example, for pavement cafés, and so on, to allow high streets to diversify their offer.

We can check whether there is any evidence of that trend.

Mr Durkan: Thank you very much for the presentation, gentlemen. There is a need for a cross-departmental approach. You said that a lot of your work is done with DOE on planning and out-of-town shopping. In my experience, perhaps the biggest issue facing our town- and city-centre businesses is the cost of staying in business, largely through rates. A review of rates is due for 2015, but what discussion has there been with the Department of Finance and Personnel (DFP) on that? Rather than looking merely for a reduction in rates in city centres, might there be an opportunity to overhaul the complete rating system and the weight that is attached to values based on their location? Will locations be re-evaluated as well?

Mr McKibben: You are quite right: rates are an increasing cost to business on the high street, and the issue came up time and again in the public meetings. There is a section in the report in which we gave DFP the opportunity to outline the rates initiatives that it was taking. A lot of store was put on the planned revaluation of rates, but I am not sure about the extent to which that will make a big difference. There was a call for that to be brought forward, but I think that the date has been set. There was also a call for some more innovative thinking about how you set the rateable value and whether that should be related to profit. That could be tied to the way in which businesses perform at a particular time. Without evading the question, I think that there are some interesting issues that DFP will look at. We brought those to DFP's attention, and we gave it an opportunity in the report to outline initiatives that it is implementing to try to alleviate the rates burden on businesses.

Mr Durkan: There is small business rates relief, which is welcome but insufficient, in the opinion of many businesses, which are small but their premises are not necessarily small enough to qualify for it.

Mr F McCann: This is a difficult issue, especially in the present economic climate. When Gregory was Chairperson of the Social Development Committee, we held an inquiry into town-centre regeneration and travelled around a number of towns. Master plans had been drawn up, and they offered a lot to people, as they brought together most of the people in town centres to participate and say how they saw their town developing. However, those plans just seemed to disappear; they do not seem to have been moved on.

I have concerns about out-of-town shopping centres. Sammy mentioned a centre that may be classed as out-of-town but which is in the middle of his constituency. There are several big centres in the heart of Andersonstown. Are they classed as out-of-town centres? They provide for thousands of people. It is how you match the attitude to what we are talking about.

I am happy that a focus — perhaps taking something from DRD — will be put on trying to assist villages. However, where you lose some of us is that although DSD has charge of all that, many other Departments have bits and pieces of the answer. I know that you have said that there are meetings with DRD, but there might not be meetings with, say, DFP. Do all Departments ever sit under the one roof and say: "We have an opportunity of moving things on. Will other Departments buy into this?" Rather than run off to DRD every time you need something done as a part of the strategy, would it not be better to sit down and develop one strategy with senior people from various Departments and work out a strategy in that way?

Mr Hutchinson: Just on the master plans, you are right with regard to regional towns. There are more than 20 master plans for regional towns. I can talk about the Ballymena situation with regard to how we have been taking that forward. I have already explained that it forms the platform for us going forward. A number of the actions that have been put into that particular master plan have taken place: enabling studies such as the retail capacity study and the transport assessment. We have done some work on revitalisation as well, in Church Street. We are now looking forward to a public-realm project coming on board, and also at developing it. So the Ballymena master plan is active. What you will find is that that structure is reflected in other towns as well. The problem is getting the word out that things are happening in those towns. For example, 20 revitalisation schemes are probably either already completed, on their way, or in the pipeline — Ballymena was one of the first. They will make a big difference to the traders in those towns, because we are trying to shore up things that may be going wrong. We have pointed out all the difficulties. We are dealing with short-term measures, but, at the same time, we are looking at longer-term plans. The master plans are 15 to 20 years long. There are things that we can do in the short, medium and long term, but we must make sure that it all stitches together.

The master plans are made at a particular point in time to give us an indication of the way in which we should go, but they need to be reviewed. In 2008 or 2009, we were on the way down. Those master plans are still relevant, but we may have to tweak them here and there to see how we go forward. They are not statutory documents. As far as Planning Service is concerned, if an application comes in, they will treat the master plan as a material consideration in looking at the application for the development of particular sites. However, as I have said, it is important to realise that we cannot frustrate someone who comes in with a particular plan that was not included in the master plan. We cannot say: you cannot do that because that is not what we were thinking of at the time. Every five years, the Department needs to review the master plans. The regeneration function will transfer to councils anyway, so it is something that councils will be taking forward.

Mr F McCann: I do not disagree with you, but you may be looking at a major master plan for rejuvenating towns, cities and villages right across the North.

Planning Service needs to be part of any discussion in trying to determine where a master plan is going. We are trying to pull together all those threads. Where someone puts a major planning application into the middle of a master plan, it will have an impact. So you have a say. However, you can only determine and direct it if you have the planners and all the other agencies and apparatus of government sitting with you to allow you to move it forward.

The Chairperson: I thank Tony, Walter and Antony for the presentation and your earlier presentation and report. We thank you for the work that you have been involved in and, no doubt, we will keep in communication with you as we continue to monitor this.