


Cabinet 1 DECEMBER 2015	 TOWER HAMLETS
Report of: Director of Law, Probity and Governance	Classification: Unrestricted
Supporting the delivery of successful town centres (high streets and markets) Scrutiny Challenge Report	

Lead Member	Councillor Joshua Peck, Cabinet Member for Work and Economic Growth
Originating Officer(s)	Vicky Allen, Corporate Strategy and Equality, LPG Directorate
Wards affected	ALL
Community Plan Theme	A Great Place to Live
Key Decision?	No

Executive Summary

The report submits the report and action plan in response to the scrutiny challenge session on supporting the delivery of successful town centres (high streets and markets).

Recommendations:

The Mayor in Cabinet is recommended to:

1. Consider this report of the scrutiny working group and agree the action plan in response to the review recommendations.

1. REASONS FOR THE DECISIONS

- 1.1 This paper submits the report and recommendations of the Overview & Scrutiny Committee's (OSC) Challenge Session into supporting the delivery of successful town centres (high streets and markets). It also provides the action plan drafted in response to these recommendations.
- 1.2 The challenge session held on 8 April 2015 ("Challenge Session"), arose because there was a concern amongst some Members that there had been no strategic review of the Council's interventions so far to assess their effectiveness in their aim of supporting the regeneration of

the Borough's town centres. Members felt that interventions so far were focussed too much on physical regeneration, cleaning and security, and cultural activities, and less on active interventions to address the market failures of local retail economies. There was a strong belief amongst Members that supporting a thriving local retail economy was essential to improving economic prosperity in the Borough.

- 1.3 In addition, some Members were concerned that town centres were not responding to the retail needs of the Borough's changing population demographic (a shift towards more young, professional, affluent residents). Members felt that the spending power of this potentially under-served market could help stimulate economic regeneration around the Borough rather than being concentrated in small pockets.
- 1.4 The aim of the Challenge Session was therefore to identify what interventions the Council could make that would be transformative in supporting the economic regeneration of the Borough's town centres. At the session, issues relating to leadership, support and engagement were identified And resulted in a number of recommendations as set out at paragraph 3.6 below.

2. ALTERNATIVE OPTIONS

- 2.1 To take no action. This is not recommended as the proposed recommendations are strategic, measurable and attainable. A timetable for delivering the recommendations has also been agreed by Officers at the most senior levels of the organisation. The action plan is outlined in Appendix Two.
- 2.2 To agree some, but not all recommendations. As outlined above all of the recommendations are achievable at little additional cost to the organisation. Although the Scrutiny Review Group is confident all the recommendations will be addressed, there may be reasons for not accepting all of them.

3. DETAILS OF THE REPORT

- 3.4 The Challenge Session took place on 8th April 2015 and was chaired by Cllr Joshua Peck, then Chair of Overview and Scrutiny.
- 3.5 The objectives of the Challenge Session were to answer the following questions:
 - a) What changes could be transformative for town centres in Tower Hamlets; and
 - b) What actions could the Council (and its partners) take to help achieve this?

3.6 The report with recommendations is attached at Appendix One. Sixteen recommendations have been made. All activities can be supported within existing resources.

- **Recommendation 1:** Develop a vision for each town centre that identifies the unique selling point and retail offer it needs to attract its target market
- **Recommendation 2:** Promote the opportunity for local town teams to be formed by residents and businesses and put in place a toolkit to support this. Encourage these town teams to be engaged in the development of the local vision
- **Recommendation 3:** If feasible, develop a range of economic, environmental and social regeneration initiatives to attract footfall and spend, encourage new businesses and support existing businesses into town centres – examples include:
 - Support in initial establishment of websites and business associations/forums for marketing of the town centres to consumers and other enterprises;
 - Continuation of the use of art, cultural activities and events to establish town centres as destinations, with a presumption on these being resident-led where possible, with support and technical assistance (ie in securing Council licences and approvals) provided by the Council;
 - Strategic, focussed grant programmes for shop front improvements which support the agreed vision and objectives of town centres;
 - Pop up shops, stalls or kiosks which allow both the Council and businesses to ‘test the water’
 - Explore the potential for ring-fencing future business rate growth from schemes like this to forward fund them
- **Recommendation 4:** Develop a high streets and town centres policy which establishes a local vision, strategy and plan for town centres in the Borough, focussed on economic regeneration as the central objective. Ensure that any update of the Town Centre Spatial Strategy (July 2009), as part of the Local Plan review, takes the above into account
- **Recommendation 5:** Adopt suitable town centre KPIs, starting with the Association of Town and City Management (ATCM) model which measure the economic and wider health of our town centres
- **Recommendation 6:** Review role and responsibilities of the Roman Road Town Centre Manager post to ensure it is focussed on delivering the targeted interventions identified in the Roman Road Vision and, subject to funding, roll out for other town centres across the Borough

- **Recommendation 7:** Review the support available to local businesses in the Borough and proactively promote it
- **Recommendation 8:** Provide data analysis that will stimulate potential opportunities in the Borough's town centres, including qualitative and quantitative data, demographic analysis of the resident and working populations, outline existing market analysis, and external drivers for change
- **Recommendation 9:** Explore the potential for Business Improvement Districts (BIDs) within the Borough and, where potential BID areas are identified, work in partnership with the business network to promote the business benefits to local enterprises, including the GLA's programme of support for future BIDs
- **Recommendation 10:** Explore developing a package of inducements that could be offered to targeted businesses identified as essential in town centre visions
- **Recommendation 11:** Explore the viability of an approach whereby the Council will consider, in a small number of cases, taking on a short-term lease and grant-funding the fit-out to create a unit to market to specific retail uses identified as essential to the development of a local town centre vision
- **Recommendation 12:** Roll out the policy for accepting new traders into our markets to ensure that the retail offer within markets can be more actively curated
- **Recommendation 13:** Finalise and formalise the Council's approach to proactively establishing and using tools to encourage owners of vacant high street retail premises to bring them back into use
- **Recommendation 14:** Identify and engage with absentee landlords to identify current premises use and explore options for alternative uses
- **Recommendation 15:** Convene a working group to identify how retail units may be protected through planning measures from unsuitable conversion as part of the Local Plan review.
- **Recommendation 16:** Develop a retail unit viability study

3.7 The report with recommendations is attached as **Appendix One**. The action plan which accompanies the report is attached as **Appendix Two**.

4. COMMENTS OF THE CHIEF FINANCIAL OFFICER

- 4.1 Following consideration at an Overview and Scrutiny Committee of the Challenge Session that was held on 8 April 2015, Members are asked to approve the resulting draft report in order that it can be referred to a future Cabinet meeting.
- 4.2 There are limited financial consequences arising from the recommendations in the report at this stage, with most of the proposals relating to initial activities that will be undertaken within existing staffing and financial resources.
- 4.3 It is however likely that when completed, the initial actions proposed in the report will result in a range of further activities and priorities for the Council and key partners that will provide a focus for ensuring that available resources are targeted to and in line with these needs. Delivery of these activities will be extremely challenging in the current economic climate, and will require a co-ordinated approach and the alignment of funding from all major partners.
- 4.4 As set out in the report, the Council has previously secured funding for high streets and town centres from the Portas Review and the High Street Innovation Fund, and has recently been successful in securing £2.3 million of funding from 'top-sliced' New Homes Bonus resources to support the delivery of Healthy High Streets pilot initiatives within the Borough. Having approved formal policies in place, informed by supporting data, this should mean that the Council is in a good position to bid for further external resources if they become available.

5. LEGAL COMMENTS

- 5.1 The Council is required by section 9F of the Local Government Act 2000 to have an Overview and Scrutiny Committee and to have executive arrangements that ensure the Committee has specified powers. Consistent with this obligation, Article 6 of the Council's Constitution provides that the Overview and Scrutiny Committee may consider any matter affecting the area or its inhabitants and may make reports and recommendations to the Full Council or the Executive in connection with the discharge of any functions.
- 5.2 The recommendations in the report appear capable of being carried out within the Council's statutory functions. It will be for officers to ensure this is the case and to take legal advice as necessary.
- 5.3 The Council's Local Plan (Core Strategy 2010), includes a number of strategic objectives in relation to town centres and provides the planning context for the Report. The Council's Local Plan is in turn set in the context of the London policy framework, and the Report refers to the report of the London Councils issued in 2013, entitled 'London Councils Streets Ahead'. The Council's Managing Development

Document (2013) forms part of the Local Plan and provides more detailed policies to guide development in town centres. A review of the Local Plan has begun in 2015 and offers an opportunity to consider how the Council's planning policies can protect and support high streets and town centres.

- 5.4 The Council is a best value authority within the meaning of section 1 of the Local Government Act 1999. As such the Council is required under section 3 of the Local Government Act 1999 to make arrangements to secure continuous improvement in the way in which its functions are exercised, having regard to a combination of economy, efficiency and effectiveness (the best value duty). In accordance with the Council's best value arrangements, consideration will need to be given to whether the Committee's recommendations can be delivered within budget and whether they represent value for money.
- 5.5 In its consideration of the report and its recommendations, the Council must have due regard to the need to eliminate unlawful conduct under the Equality Act 2010, the need to advance equality of opportunity and the need to foster good relations between persons who share a protected characteristic and those who do not (the public sector equality duty). A proportionate level of equality analysis will be required if the Council pursues the Committee's recommendations.
- 5.6 There are no immediate legal implications arising from this report.

6. ONE TOWER HAMLETS CONSIDERATIONS

- 6.1 It is widely recognised that town centres, high streets and markets are vital in supporting opportunities in employment, social capital and economic growth in the area. However, there are many challenges facing town centres including changes in the way people shop, changes in the population demographic, strategic competition and national legislation to name but a few.
- 6.2 The population demographic of people who live and work in the Borough has changed over recent years, becoming more ethnically diverse with more households with an income of above £60,000. Therefore evolving the offer and encouraging new businesses which can capitalise on the needs of new consumers is an essential part of ensuring town centres can thrive.

7. BEST VALUE (BV) IMPLICATIONS

- 7.1 The recommendations in this report are made as part of the Overview & Scrutiny Committee's role in helping to secure continuous improvement for the council, as required under its Best Value duty.

8. SUSTAINABLE ACTION FOR A GREENER ENVIRONMENT

7.1 There are no direct environmental implications arising from the report or recommendations.

9. RISK MANAGEMENT IMPLICATIONS

8.1 There are no direct risk management implications arising from the report or recommendations.

10. CRIME AND DISORDER REDUCTION IMPLICATIONS

9.1 There are no direct implications of crime and disorder as a result of the recommendations of this review.

11. SAFEGUARDING IMPLICATIONS

11.1 There are no direct implications of safeguarding as a result of the recommendations in this review.

Linked Reports, Appendices and Background Documents

Linked Report

- None

Appendices

Appendix 1 – Scrutiny Review Report: Supporting the delivery of successful town centres (high streets and markets)

Appendix 2 – Action Plan

Background Documents – Local Authorities (Executive Arrangements)(Access to Information)(England) Regulations 2012

- None

Officer contact details for documents:

N/A