

**The Retail Planning Knowledge Base
Briefing Paper 11**

Retail-Led Urban Regeneration

Anne Findlay and Leigh Sparks

Institute for Retail Studies
University of Stirling
STIRLING FK9 4LA, SCOTLAND
Tel: (01786) 467384
Fax: (01786) 465290
E-mail: Leigh.Sparks@stir.ac.uk
a.m.findlay@stir.ac.uk
Website www.irs.stir.ac.uk

June 2008

Retail-led Urban Regeneration



Introduction

There is tension between retail planning policy and retail-led urban regeneration. PPS6 recognises the potential regeneration benefits of retail-led regeneration in the plan development phase. However it lacks any clear statements about the weight that should be given to potential regeneration impacts for applications which run counter to other aspects of PPS6, and in particular the sequential test.

Retailing in a regeneration context has been useful to both local authorities trying to kick start regeneration and to retailers trying to justify or make acceptable applications that do not comply with PPS6. In the context of the current policy environment with much discussion on a new impact test and or fascia test there is a need to understand what we know about the realities of retail-led regeneration. In particular there is a need to focus on what such developments deliver and whether we know anything about what aspects of the development – nature, size, scale – affect the outcome. This briefing paper is about translating what we know into a meaningful understanding of retail-led urban regeneration.

Key Findings

Research Base

- We do not have enough 'before and after' studies.
- All retail-led regeneration will not deliver the same outcomes or produce the same positive or negative impacts.
- Research has produced ambiguous findings on retail-led urban regeneration. This mix of outcomes is a statement of the inadequacy of understanding of the process of retail-led urban regeneration.
- Much of the research has focused on food retail-led urban regeneration but often the research has been contextualised in other debates such as the health agenda e.g. Seacroft (Leeds).
- There is no one size fits all outcome.

Planning Decision-making

- There can be potential positive outcomes from retail-led regeneration.
- Retail provision is not usually a regeneration priority.
- Regeneration is not a retail priority.
- To attract retail-led urban regeneration, projects have to be large scale.
- The large scale of projects may be out of step with other planning goals for an area or not of an appropriate scale.
- The regeneration aspect of a development may overshadow other impacts in out of centre locations and often these are not adequately considered.
- The use of brown field sites does not always represent the most sustainable option.

Outcomes: Retail Structure

- The outcomes of retail-led regeneration initiatives will reflect the nature of existing retailing, the place specific regeneration needs and the way the development is carried out e.g. West Quay (Southampton).
- Retail churn is an outcome of retail regeneration. The extent of churn, the length of time it lasts and the final impact on existing retail structures will depend on the variety, fabric and 'health' of existing retail structures. The fit of new developments with existing ones will impact on the regeneration outcome e.g. Merry Hill (Brierley Hill), St Rollox (Glasgow), West Quay (Southampton).

Outcomes: Employment

- Employment impacts will depend on the employment needs of an area (but aspects such as job security and skills must be part of the equation). The jobs may also provide a stepping stone back into work e.g. St Rollox (Glasgow), Castle Vale (Birmingham)

Outcomes: Other Regeneration

- Retail-led regeneration has a catalyst effect on getting regeneration started through rapid injection of capital and site reclamation e.g. Cardiff.
- There is no guarantee that retail-led regeneration will attract other uses but there are examples where it has done so very successfully e.g. Merry Hill (Brierley Hill), Metro Centre (Gateshead).

The Regeneration Process

- Partnerships will vary in how much they are developer or local authority led e.g. Bullring (Birmingham), West Quay (Southampton)
- Creating confidence is a key (but hard to measure) output from retail-led regeneration e.g. Cardiff, Norwich.

Rethinking Retail-led Urban Regeneration

Because of the lack of evidence based research, an approach which identifies key questions is advocated rather than trying to achieve a general theory of retail-led regeneration. This permits the findings to be more than the sum of the case studies but does not stretch their importance beyond the evidence collected. The following questions emerge from a study of the research on retail-led urban regeneration. These are not an exhaustive list but aim to enable useful thinking about retail-led regeneration in a positive planning context.

New Beginnings

Wider Planning Context

- Will the development improve confidence in the area?
- Is regeneration of the area a local issue or does it involve a wider image of the area?
- Can retail-led regeneration change the image of a location/area by bringing customers from outside the area?
- Does attraction justify the scale of the retail component?
- What travel will the development create and is this the most sustainable location?

Retail Structure

- What are the failings in existing retail structure?
- How will the development fit with the existing retail structure?

How will the new development integrate with the existing urban fabric and are there ways to maximise this?

Employment

- What type of jobs does this area require in terms of hours and skills?
- Will the retail-led regeneration offer these jobs in the retail stage of the development or in other stages of regeneration?
- How will we ensure that the job opportunities benefit the area?

Achieving Regeneration

- How will any partnership ensure that the local authority goals are not sacrificed to developer goals?
- Whose retail needs is the regeneration initiative designed for and will it meet these needs?

This type of framework is required for a more finely tuned approach to retail-led regeneration to be adopted. Not all areas require regeneration on the same scale or seek to achieve the same goals. The difficulty of drawing comparative tables of research findings suggests that is essential to conceive of regeneration effects rather than an all encompassing view of regeneration. Perhaps the word 'regeneration' has been overused, lost some meaning and become commodified.

General positive benefits include the creation of confidence and kick starting regeneration. Beyond this impacts are more varied and place and project specific. Any new retail impact test should take a more pragmatic view in asking what a scheme will, could or should deliver and whether this meets particular regeneration needs, however these are defined.

Emerging Issues

- Worsening economic climate may reduce interest in retail-led regeneration with a particular impact on locations which involve greater risk.
- Changes to planning policy could impact on retail led regeneration, if for example the need test was abandoned or if qualitative impacts were given greater importance.
- If Competition Commission proposals with regard to exclusivity agreements between retailers in regeneration partnerships are no longer allowed this could reduce retailer interest in retail-led regeneration.

Researchers to contact

Michelle Lowe m.lowe@surrey.ac.uk

Cliff Guy Guy@cardiff.ac.uk

J. Roberston london@nlpplanning.com

Bill Bowler information@bitc.org.uk

Websites

www.planning.haynet.com Regeneration and Renewal is available on this site

www.henrystewart.com Journal of Urban and Regeneration and Renewal is available on this web site

www.bitc.org.uk Business in the Community web site

www.colliercre.com Colliers CRE website includes property industry based reports

References

Brierley Hill Partnership

Can retail development prime wider regeneration?

Birmingham: University of Birmingham, Centre for Urban and Regional Studies, 2007, 65p. Available online:

www.brierleyhill.org/UserFiles/File/downloads/Can%20Retail%20Development%20Prime%20Wider%20Regeneration%2009-07.doc.pdf

A study undertaken for the Brierley Hill Partnership. Although Merry Hill initially came in for criticism over impact on Dudley town centre, this report affirms that the area has benefited in terms of employment, improved image and other investment as a result of the Merry Hill shopping centre investment.

Business in the Community

Under-served markets: retail and regeneration,

London: Business in the Community, 2007, 30p. Available online: www.bitc.org.uk

This paper is a guide to what can be achieved in attempting to instigate food retail-led regeneration in the context of current planning guidance. It raises questions which should be asked to maximise returns to an area from retail-led regeneration projects in the context of under-served areas. Sections in the report consider the potential of retail-led regeneration, the challenges of retail-led regeneration, encouragement of investment and working within the planning regime. Boxed case studies give cameos of specific examples of good practice. It is intentionally presented in a highly accessible format. From a planning perspective section 5 gives a detailed understanding of how retail-led regeneration can be understood in the context of PPS6.

Carley, M., Kirk, K. and McIntosh, S.

Retailing, sustainability and neighbourhood regeneration.

York: Joseph Rowntree Foundation, 2000, 79p.

The report begins from the premise that the revitalisation of local areas in deprived parts of cities is worsened by the lack of adequate retail facilities. Retailing is a regenerative force in areas of social exclusion. 14 initiatives involving refurbishing of retail parades, precincts and market halls, rebuilding shopping centres on estates and the creation of new high streets are reviewed. These provide examples of good practice and are instructive in highlighting the factors which need to be addressed from a policy perspective. In each case study key questions were investigated. Retail questions included the impact on vitality and viability, relationships between existing retailers and the new development and the retail offer. Social, environmental and managerial issues included relationship to the community, community involvement, design, travel issues and training and employment.

Cummins, S., Findlay, A., Petticrew, M. and Sparks, L.

Healthy cities: The impact of food-retail led regeneration on food access, choice and retail structure,

Built Environment, 31(4), 2005, 288-301. (Email: a.m.findlay@stir.ac.uk)

The paper arises from a study of diet and health related effects of a superstore in a deprived area of Glasgow, Springburn. The paper specifically presents the results of the impacts on retail structure showing that the superstore has not led to the closure of existing retail outlets, even in the fresh food sector, but has stimulated retailing in the area with lowered vacancy rates and greater retail employment in the area.

Dixon, T.
The role of UK retailing in urban regeneration,
Local Economy, 20(2) 2005, 168-182.

Recent 'best practice' research and guidance has emphasised the important role that can be played by retail-led urban regeneration projects, particularly in 'under-served markets' in the UK. This builds on ideas first formulated in the USA by Michael Porter through his close relationship with the Initiative for the Competitive Inner City (ICIC). This paper critically examines the role of retailing in urban regeneration nationally and locally in the UK, focusing on in-town shopping centres located in inner city areas of the UK. The paper is based on case study research in these centres, and was completed during 2003 for The Office of Science and Technology. The paper examines how employment impact in retail-led regeneration is commonly measured, and calls for more research to determine the real impact of retail in deprived communities using other, relevant measures.

Dixon, T. and Marston, A.
The role of UK retailing in urban regeneration,
Reading: College of Estate Management, 2003, 142p. Available online:
www.cem.ac.uk/research/free_research.asp

A significant review of the role of retailing in regeneration and as an economic driver in the context of urban regeneration. It includes useful review material on retail industry performance and the policy environment. The focus of the report is the section on property end employment multipliers from retail-led regeneration. Attempts to quantify impacts are included. It includes case studies of Aberdeen, Norwich and Bristol.

Emery, J.
Bullring: a case study of retail-led urban renewal and its contribution to city centre regeneration,
Journal of Retail and Leisure Property, 5(2), 2006, 121-133. (Email:
jemery@hammerson.co.uk)

The Bullring in Birmingham offered through the partnership project a unified direction which has facilitated the implementation of the project. Engagement with the local community has been important in the project with ideas about design and also tenant mix emerging from this process. Permeability of the centre has been a key aspect of the design as has the inclusion of mini pitches.

Greater London Authority

Retail in London,

London: Greater London Authority, 2006, 54p. ISBN 101852619155 Available online: www.london.gov.uk

Four sections provide a study of retailing in London: the importance of retail to London, London's retail offer, changing trends in retail, the future of retail in London. It provides a summary of the project to understand retailing in London highlighting the key findings from the individual working papers. Particular topics such as the role of retail-led regeneration are an important part of the document. The section on the future of retailing contextualises the issues in London within the planning framework.

Guy, C.

Planning for retail development: A critical view of the British experience,

London: Routledge, 2007, 292p. 0415354536 (Email: Guy@cardiff.ac.uk)

This volume updates Cliff Guy's 1994 volume on the same subject. As such it covers the last decade of retail planning policy in the UK which has been a substantial departure from the previous decade. Chapter 5 focuses on urban regeneration and retail policy giving details of how policy has evolved in relation to regeneration.

Guy, C.

Retail-led regeneration: assessing the property outcomes,

Journal of Urban Regeneration and Renewal, 1(4), 2007, 378-388. (Email:

Guy@cardiff.ac.uk)

This article includes case studies from Cardiff of retail-led regeneration. These are used to show how retail led regeneration has kick-started regeneration and created increased confidence. In the case studies other regeneration in the area did not always follow as anticipated.

Guy, C.

Regeneration game,

Town and Country Planning, 70(2), 2001, 45-46. (Email: Guy@cardiff.ac.uk)

The participation of retailers in regeneration is questioned in terms of how it fits into PPG6 policies. It is suggested that the regeneration argument may be being used as a means of countering the sequential test. If the regeneration argument is going to be sustained significant social and employment gains need to be demonstrated.

Guy, C. and Bennison, D.

Planning guidance and large store development in the United Kingdom: the search for 'flexibility',

Environment and Planning A, 39, 2007, 945-964. (Email: Guy@cardiff.ac.uk)

An explanation of the opposing views of planners and developers in respect of their attitudes to making new developments fit town centre sites. A useful resume of changes to guidance between 1996 and 2005 is included. Attitudes of developers to flexibility over formats and disaggregation are reported.

King Sturge

The contribution of the retail sector to the economy, employment and regeneration,

London: King Sturge, 2006, 28p. (Available online: www.kingsturge.co.uk).

A study which seeks to emphasise the contribution retail employment makes in regeneration areas. It uses data from a survey of employees as well as published data to chart the impact of retail employment. Four case studies are included : Seacroft, Leeds; The Source, Meadowhall, Sheffield; Castle Vale, Birmingham; B&Q, Bolton.

Lowe, M.

Rethinking Southampton town centre futures,

International Journal of Retail and Distribution Management, 35(8), 2007, 639-646. (Email: m.lowe@surrey.ac.uk)

This paper is an update on the West Quay development in Southampton, a key case in the study of retail-led urban regeneration. Specifically it looks at whether the development has acted as a catalyst for wider regeneration. The regeneration role of West Quay is broadly regarded as highly successful and has a very positive effect on Southampton in a number of tangible ways. Follow up interviews with the city's MP and development manager revealed some issues which have planning implications in assessing this type of development. These include the way that stakeholders are involved and land assembly secured, the views of consumers about the location of retailing, what happens in the more marginal retail areas and the very important attention to local circumstances as one size does not fit all.

Lowe, M.

The regional shopping centre in the inner city: a study of retail-led urban regeneration, **Urban Studies**, 42(3), 2005, 449-470. (Email: m.lowe@surrey.ac.uk)

This article traces the way in which the development of West Quay shopping centre in Southampton came about. The development was viewed as essential to the future vitality of Southampton and the impetus for the scheme came from the council. The article evaluates the role of the scheme in promoting urban regeneration concluding that it has been successful adding to the city centre's vitality rather than transferring shopping from one part of the city centre to another. The retail range has increased and the new development has been well integrated into the existing city centre structure. Retailing should it is concluded be seen as a critical part of 'the urban' and is a prerequisite to the agenda of delivering 'successful places'.

Lowe, M.

Revitalizing inner city retail? The impact of the West Quay development on Southampton,

International Journal of Retail and Distribution Management, 33(9), 2005, 658-668. (Email: m.lowe@surrey.ac.uk)

This paper extends the work of the Urban Studies paper on the West quay shopping centre in Southampton. It explores the synergistic relationships between West Quay and the rest of the city centre, vacancy rates in the town centre and improved perceptions of the city centre as a retail/leisure destination. Shopper surveys are used to assess whether the centre attracts shoppers who visit the rest of the city centre as well. Footfall figures suggested that it did succeed in this. There was some diversity of opinion on the impact of the centre on vacancy rates but looking at the overall trends it was confirmed that the perturbations observed should not obscure the overall favourable trend which suggests that the new centre has not created retail blight in other parts of the town centre. Additional developments have taken place further enhancing the city centre. These would not have occurred had there not been an improvement in the city's status as a result of West Quay. The conclusions assess the importance of this type of development in the context of planning policy redirection towards town centre developments.

Mitchell, A. and Kirkup, M.

Retail development and urban regeneration: a case study of Castle Vale,

International Journal of Retail and Distribution Management, 31(9), 2003, 451-458.

Castle Vale is a deprived and neglected estate in Birmingham. A regeneration programme has been in place in the area since 1993. The retail development which included a major Sainsbury's store is evaluated. The contribution to employment and the associated skills training were important. The cooperation between the regeneration agency and other stakeholders is critical in delivering appropriate policies and ensuring that the potential benefits of a major retail development to regeneration can be achieved.

Otsuka, N. and Reeve, A.

Town centre management and regeneration: the experience in four English cities,

Journal of Urban Design, 12, 2007, 435-460. (Email: arreeve@brookes.ac.uk)

By looking at the experience of four towns – Reading, Birmingham, Doncaster and Wigan the authors explore the different ways that town centre management can contribute to regeneration. They make a distinction between town centre management that is business led from that which is community led. Town centre management can be used to narrow the gap between advantaged and disadvantaged parts of a town particularly in community-led initiatives.

Potts, G.

From chains to supermarkets: supermarkets and regeneration,
Journal of Urban Regeneration and Renewal, 1(1), 2007, 22-34 (Email:
gareth@bura.org.uk)

This paper considers whether supermarket led regeneration results in regeneration or degeneration. It suggests different ways that the involvement of supermarket led regeneration might work suggesting a hybrid form of supermarket with an increased local participation in the running of the supermarket.

Robertson, J. and Fennell, J.

The economic effects of regional shopping centres,
Journal of Retail and Leisure Property, 6 (2), 2007, 149-170. (Email:
london@nlplanning.com)

Written from a developer perspective the article champions the positive outcomes of regional shopping centres in terms of employment and regeneration. Negative impacts such as job displacement and impacts on other centres in the network are shown to be relatively unimportant compared with the positive impacts in terms of new jobs for locals, establishing areas as proven locations for investment and the associated benefits to an area from a major investment of this sort. Studies commissioned by Capital Shopping Centres to monitor impacts are the main basis of the article. Centres included are Metro Centre, Braehead, Meadowhall, Bluewater, Cribbs Causeway, Merry Hill and Lakeside.

Wrigley, N. , Guy, C. and Lowe, M.

Urban regeneration, social inclusion and large store development; the Seacroft development in context,
Urban Studies, 39(11), 2002, 2101-2114. (Email: N.Wrigley@soton.ac.uk)

The main focus of this article is a discussion of the planning context of large store development in deprived areas or food deserts. The social inclusion agenda and particularly PAT 13 focused attention on these areas. The way in which planning policy developed at the same time and the opportunity for superstore operators to develop large stores in these areas is outlined, with particular reference to Seacroft in Leeds. The question of whether these stores are the most appropriate solution or merely a matter of expediency is tackled.