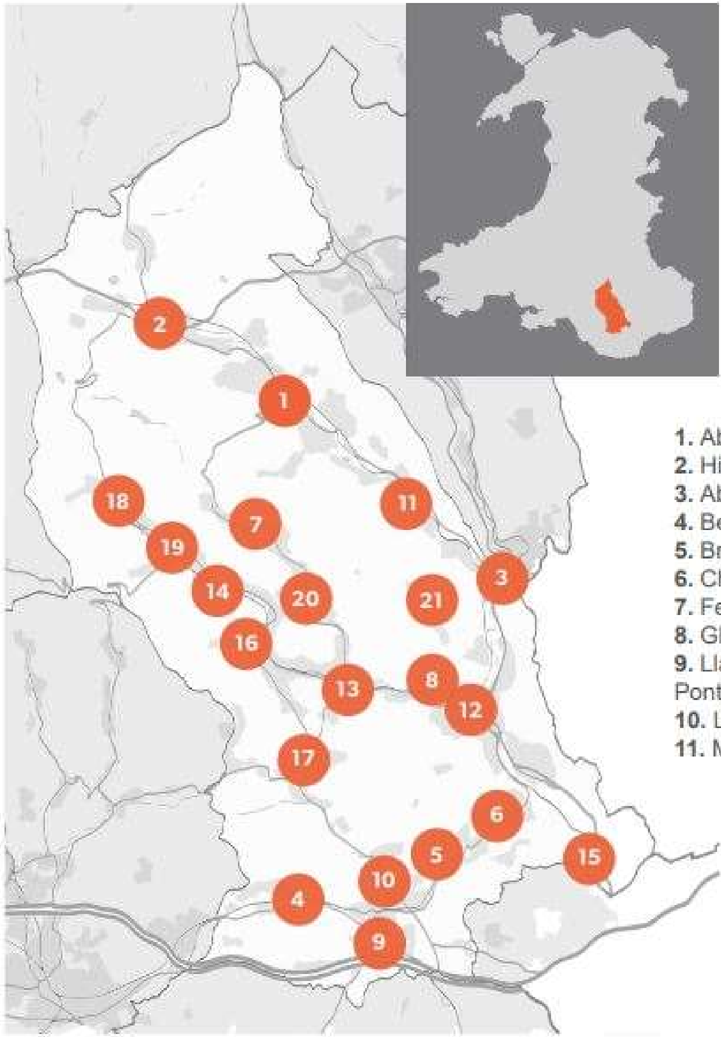
Archwilio Cymru
Audit Wales

Town Centre Regeneration

Wales is a country of small towns ……….

- What a town has and what it provides reflects the resident population's **affluence** and the towns **geography**.
- Towns are not standalone – they are **interdependent** for work, services, shops and leisure.
- However, towns are **not always interconnected** for access and usage.
- Towns reflect **change overtime** but also the **impact of national/local government policy**.

Towns are interdependent and close to each other – Rhondda Cynon Taf



1. Aberdare
2. Hirwaun
3. Abercynon
4. Beddau
5. Brynna
6. Church Village
7. Ferndale
8. Glyncoch
9. Llanharry/ Pontyclun
10. Llantristant
11. Mountain Ash
12. Pontypridd
13. Porth
14. Rhondda
15. Taff's Well
16. Tonypandy
17. Tonyrefail
18. Treherbert
19. Treorchy
20. Tylorstown/ Penrhys
21. Ynysybwl

- Two principal towns in RCT: Pontypridd and Aberdare are **12.6 miles** apart.
- There are 19 other communities with 2,000+ people.
- The furthest geographical distance between these is **23.5 miles** - Hirwaun to Pontyclun.
- No journey within RCT is over **1 hour**.

The Past

The changing landscape of town centres

- Post World War II UK – the growth of retail focussed town centres.
- 1947 Town and Country Planning Act.
- Central area shopping - most lucrative form of redevelopment - huge value compared to other uses.
- Shopping favoured because it **generates income** (Non-Domestic Rates) and **wealth** (attract shoppers).
- **But**……..Retail absorbs finite disposable incomes rather than create new wealth.

Decentralisation of retailing from town centres to the edge of towns - Merthyr Tydfil

1. Town Centre 1900's
2. Tydfil Square Shopping Centre 1980 and Beacon Place 2000
3. Cyfartha Retail 2005
4. Trago Mills 2016

Encouraged by:

- Growing car ownership
- Condition of town centres.
- Developer preferences.
- Non-domestic rates
- Loss of anchor institutions.

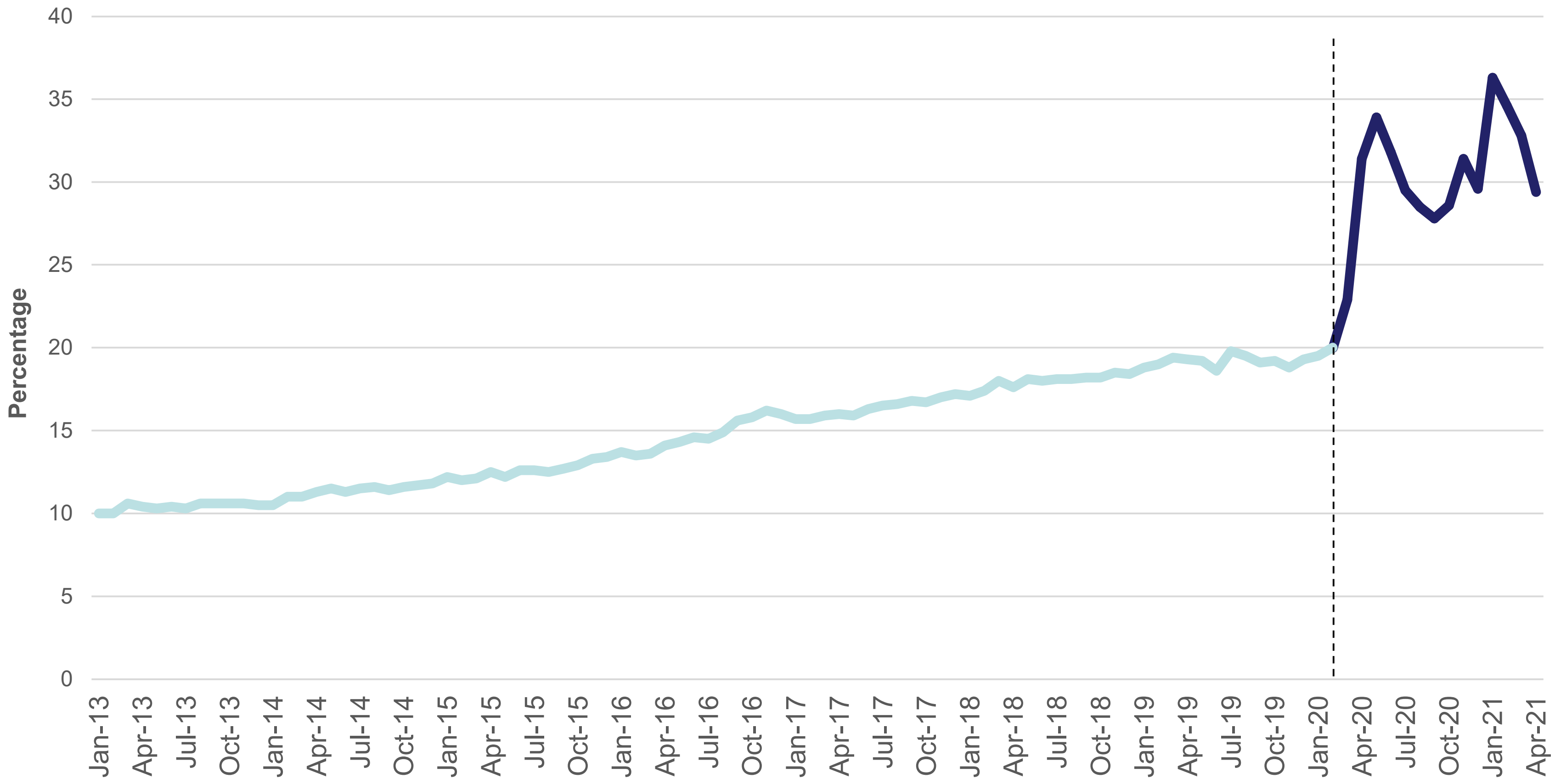
Non-Domestic rates

- Effects **113,100** Welsh businesses.
- Contributes over **£1 billion** annually to the Welsh Government budget.
- Many retailers have achieved rent reductions – some have managed to get zero-rent deals.
- Physical retail – **2.3%** of sales on Business Rates; e-commerce sector – **0.6%**.

Less and less ‘anchor services’ remain in town centres

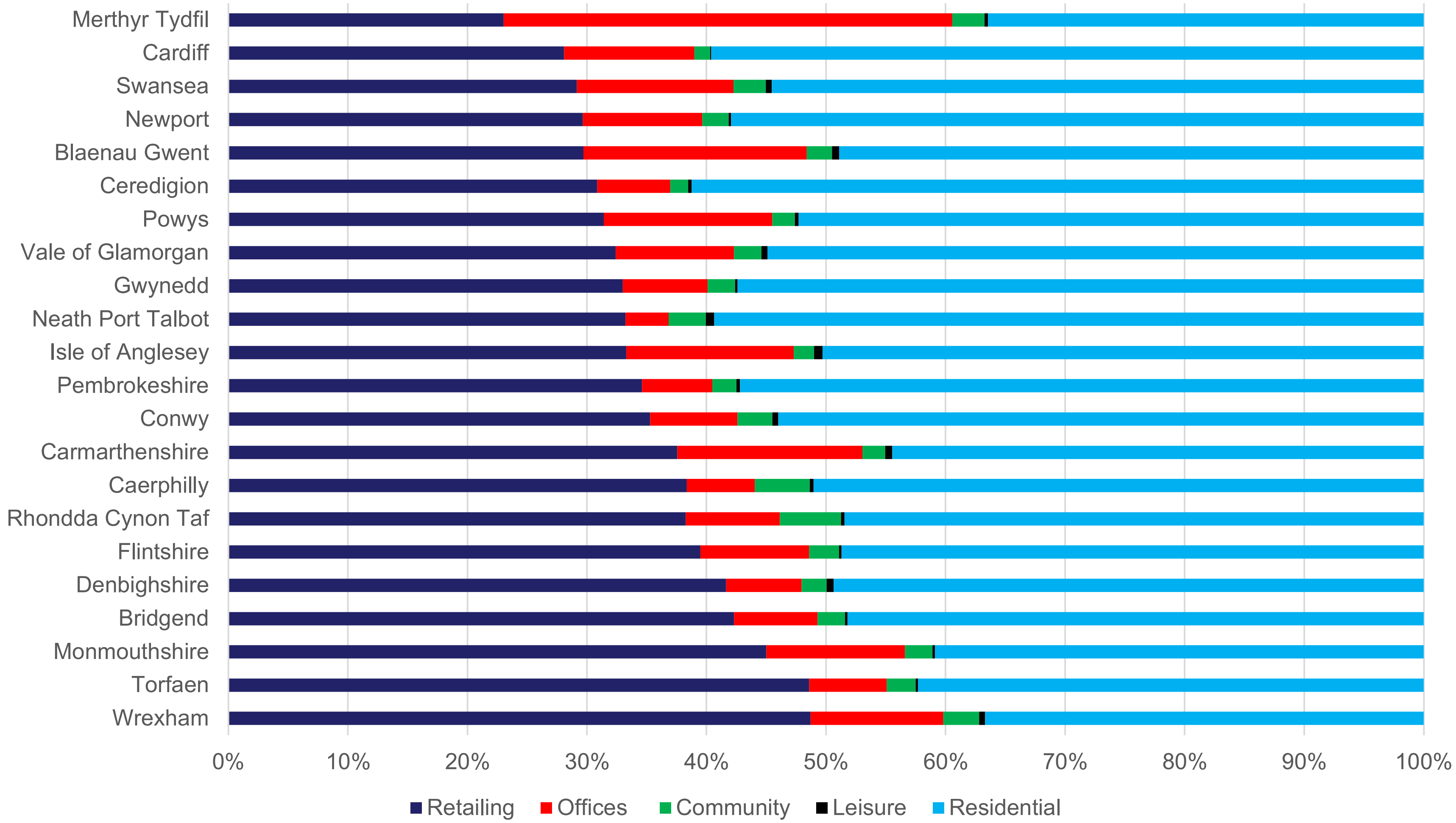
Year - 2020	Banks	Building Societies	Post Offices	ATMs
Number remaining and % change	332 – **43% reduction in last 10 years**	200 – **2.4% reduction in last 10 years**	925 – **3.9% reduction in last 10 years**	2,616 - **18% reduction in last 2 ½ years**

Percentage growth in online Sales for the whole of the UK - January 2013 to April 2021



[ONS online sales Data]

Our High Streets are more than just retail, but this is often overlooked



Source: [ONS]

The Present

National and Local Government responded well supporting town centre businesses during COVID-19

- Responding to the pandemic.
  - **90%** of businesses received Welsh Government £.
  - **76%** of businesses see Welsh Government support as essential to recovery.
- COVID-19 encouraged businesses to diversify:
  - **74%** developed online service;
  - **35%** offered home delivery / take away;
  - **21%** mobile services including pop ups; and
  - **12%** converted premises for alternative use or trade.
- But….. In last 18 months more shop closures and retail job losses:
  - **1** in **7** high streets shops are empty; **6,901** stores closed; and **135,000** people lost their job.

Regeneration funding from Welsh Government

- **£900 million** directly funded and enabled by Welsh Government since 2014.
- **13** different streams, often with different priorities and conditions.
- Councils welcome Welsh Government funding.
- Different grant conditions and annual bidding considered onerous.
- £ heavily focussed on physical regeneration.

The challenge for councils

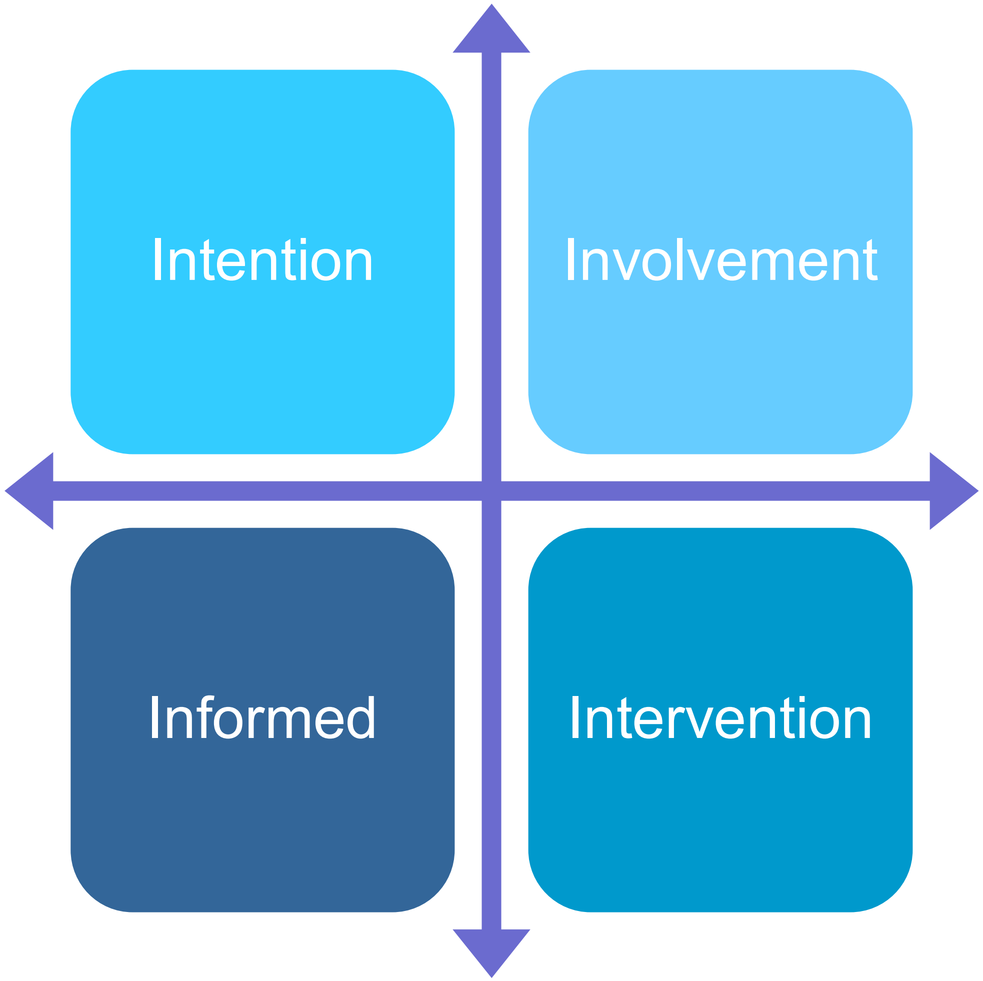
- Ambition.
- People, with the right attitude, skills and drive.
- Need to make difficult choices.
- Mostly have the tools to deliver regeneration – need to use them.
- Effective involvement with communities/businesses.
- The lack of revenue funding is a problem.

The Future

Looking forward

- October 2020 **COVID-19 Reconstruction: Challenges and Priorities**
- 8 short-term priorities – includes town centre regeneration – '*Town Centre First*':
  - New 'Strategic Sites Acquisition Fund'.
  - Prioritising integrated health and social care hubs in town centres.
  - Dedicated fund to create additional facilities on high street.
  - Better access to open spaces.
  - Remote working hubs and making sure public services are more accessible.

The four 'I's………



The four 'I's – what works across the UK

1. **INTENTION** - Be clear on the purpose of your town centre and provide honest, strong and dynamic leadership to address the challenges. E.g. **Stockton on Tees**

2. **INVOLVEMENT** - Prioritise and lead on working and involving communities and businesses - BIDs, Place Plans and forums. E.g. **Love Treorchy and Newtown and Llanllwchaiarn**

3. **INFORMED** - Value and use data to understand what works and what needs to change. E.g. **Carmarthenshire**

4. **INTERVENTION** – Accept the need to be more interventionist and meet challenges head on. E.g. **Altrincham and Dumfries**

Auditor General for Wales recommendations

1. Review non-domestic rates to create a more level playing field.
2. Transportation and car parking.
3. Funding – simplify conditions but also focus on revenue not just capital funding.
4. Build capacity and expertise within councils and partners.
5. Welsh Government defining and placing Town Centre First at heart of all policy.
6. Self Evaluation tool to take stock.