

BUSINESS IN THE COMMUNITY



# PEOPLE, PLACES AND PRIDE

A comprehensive guide for employers



## **About This Document**

This document was originally published in early 2018, hence it uses our old branding. Despite its age, the document contains relevant and useful information. However, some specific links, case studies and statistics may be out of date.

## Foreword

Since the publication of this guide, national policy on regeneration and BITC's focus on place have moved forward. The creation of the Future High Street Fund and the Town Deal programme has created more opportunities for businesses working partnership to get national funding to support with programmes of local regeneration.

This guide also references the beginnings of the Pride of Place partnership in Blackpool. This has now become a fully fledged programme of regeneration activity, complete with an agenda for action.

The <u>Blackpool Prospectus: Agenda for Action 2030</u> provides a more in-depth overview of the pilot activity on the Fylde Coast and demonstrates best practices for businesses wanting to take a place-based approach.

This toolkit still contains valuable insights about the legacy of the Healthy High Streets programme, the process for businesses collaborating in aid of regeneration, and a useful checklist for businesses in the process of exiting a town or place responsibly.

## **People, Places and Pride**

## Practical solutions to revitalise your high street

April 2018







ExterionMedia









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## Introduction

Business in the Community's Healthy High Streets programme supported 100 high streets across England, Scotland, Wales and Northern Ireland between 2014-2017.

Our aim was to help revitalise them and engage large businesses in their local communities. Aided by our corporate partners, Boots, EE, Exterion Media, Greggs, M&S, Santander, Wilko and the Co-operative Group, we have been working with the individual town partners – both Local Authority and Town Centre – to help transform their high streets.

We wanted to enable and encourage businesses 'to step outside their front door' and work collaboratively with other local stakeholders to support community cohesion and high street regeneration.

The focus was on those high streets where our corporate partners have a presence, potential to grow, established or emerging partnerships to represent them, and areas experiencing high levels of deprivation. We set out to boost footfall, cut vacant units and increase the number of local jobs. We found that, if we created the right local partnerships and strategy, we could act as a catalyst for change. We started to alter negative perceptions and reignite a sense of local pride.

There have been some great individual success stories in our 100 high streets and we're proud that, collectively, the programme has helped:

- Stimulate over 10.8 million extra public visits since Healthy High Streets launched;
- Encourage more than 500 local business people from our corporate partners (high street champions) to actively engage with their high street over the past three years;
- Cut vacant units by 18% in first-year towns and, overall, by 9.4% in empty properties across all three years;



- Contribute to a vibrant town environment in which 12,000 plus jobs were created
- Bring in over £70m investment from corporate partners in Healthy High Streets towns since 2014.

This document sets out some of the learning from this programme. We hope that you find it useful in helping you to continue the partnerships and collaborative approaches developed to deliver change to your local high street.

#### **Jane Pritchard**

Business in the Community Enterprise and Culture Director

## What makes a successful high street?

## A clear vision

The creation of a clear vision, linked to an area's unique qualities, is great for engaging local stakeholders. It helps them identify how they can work together to address the issues and challenges that a town faces, increasing pride in a place.

The starting point for some of our most successful towns has been identifying or creating a common vision for its high street based on the area's unique characteristics. Is it a historical city? A market town? A seaside town? Does it have a clear ambition to create something unique that will attract people and encourage them to keep coming back and staying longer? A town, by understanding and aligning its high street strategically with its individual personality, can better serve its community and visitors.

Once a town vision is established and it has an understanding of its individual strengths, it will be better enabled to prioritise available resources more effectively.

## **Effective local partnerships**

Local businesses (from small independents to large corporates), town centre partnerships and the Local Authority must work together if they are to effect high street regeneration and create sustainable solutions that are locally owned.

Towns that have achieved the greatest change tend to be those where key stakeholders demonstrate a real commitment to collaboration.

Understanding their key priorities and responsibilities is an essential part of creating a strategic road map to prosperity for the town and in re-energising its centre as the hub of cultural and civic life. In Chesterfield, the Healthy High Streets Head of Region facilitated a visioning session for the 27 town centre partners at the first programme meeting. Attendees raised local issues around car parking and signage.

The different partners, however, had not really thought about what would boost visitor numbers. Drilling down into the local USP they agreed that Chesterfield was, at heart, a community town with lots of family shops and a great market heritage. Realising that the market drove footfall into the town, they worked together to identify opportunities to exploit this.

The town is now looking to develop a 5-year strategy and growth plan with the 40 businesses currently actively participating in the town centre partnership. Increasing visitor numbers is a win-win for the town and for local businesses.

#### Key local stakeholders



Business Improvement Districts/Town Centre Partnerships Local Businesses

#### How often do you meet with stakeholders?

Successful towns hold regular meetings with a broad range of local stakeholders. They create working groups with the various town partners, and identify clear responsibilities and leaders to progress initiatives and activities that align with the towns' core purpose and business plan. A town in a Business Improvement District (BID), or where an active Town Centre Partnership (TCP) exists, has tended to be the lead organisation.

It is vital to get large businesses, often the hub of the retail community, involved in the decision making of the town. They are more likely to provide local senior leadership, and have access to additional resources. Businesses that form part of the night-time ecomony (e.g. restaurants, pubs, bars and accomodation) can also play a role.

### Business involvement is key

Businesses are essential to the development of the local economy, which in turn plays a key role in regeneration. The more local organisations who engage in decision making and transforming the town the better.

In a survey at the end of year 3, all our town centre partners indicated the value of Healthy High Streets businesses' attendance at Town partnership meetings, and their involvement in town centre events. Some 92% indicated that the Partnership had been strengthened by the involvement of corporate partners.

The increased involvement of local businesses, particularly national multiples, has proved a key programme benefit. As we come to the end of the programme, the challenge is to maintain those relationships and to continue to grow them.

Over 40 major retailer brands and pubs and inns have signed the **Great British High Streets Pledge**, and committed to demonstrate that they:

- Support high streets as a key part of their business strategy;
- Empower colleagues to get involved locally;
- Support the formation of a local business-led partnership for every high street where they operate;
- Recognise and celebrate local achievements to restore national pride in our high streets.

If you become involved in the planning and delivery of key projects that affect your location you will enhance your reputation locally, build big relationships and get a lot of personal satisfaction.
Andrew Storey, Boots Store manager, Ballymena



## Develop a long-term plan

Once the vision for the town has been articulated, the development of a tailormade strategic road map (5-10 years) helps with the formulation of a business plan that identifies those activities necessary to meeting its long-term objectives.

The key activities in a business plan will depend on a town's vision and its individual needs and challenges. Examples include:

#### Declining visitor numbers

How can the town maximise opportunities to improve footfall? For example, can it do so by:

- Developing a year-round events plan.
- Encouraging involvement of businesses in planning events and activities.
- Coordinating extended trading or opening hours around events.
- Implementing car parking initiatives to encourage people to come into the town during market days or late-night shopping times?

There have been some really tangible results which perhaps would not have occurred without the Healthy High Streets programme - creating additional employment and recruitment relationships between businesses Ashley Lewis, Cathedral Quarter BID, Derby

#### The blight of vacant units

How can empty shops be animated thus reducing vandalism, crime and graffiti? For example, will offering pop-ups, or creating marketing opportunities for startup businesses help? See *Appendix A Responsible Exiting Guide* for further details.

#### Supporting local employment

What role can businesses play in supporting job creation and local economic regeneration? Could supporting start-ups, say, help?

#### Becoming digitally enabled

How can a town become a digital high street and help encourage more people to visit, work, interact, provide feedback, help promote it, and make it easier to track the success of its activities? For example, will the introduction of town-wide Wi-Fi and development of a digital plan help?

#### Improving the town appearance

How can a town improve its appearance, reduce litter, graffiti, and anti-social behavior while boosting visitor numbers and increasing their dwell time? The conditions in and around the town centre have a direct impact on businesses and staff.

Previous collaboration with corporate partners was noticeably lacking. The programme has resolved this by developing a core group of retailers who are passionate about the town and delivering new and creative events
Andy Bond, Chesterfield BID

## Learn from others who've done it before

Each town is different, but many towns face similar challenges and can be inspired and learn from what others have done to address these challenges.

We trialled a number of activities to share learning and experiences between Healthy High Streets towns. Those that met with others of like mind, or facing common issues, have found sharing their experience of working through different challenges promotes success. We encourage you to speak with other towns you encounter through the programme or convene cluster meetings with those in similar locations, for example a Welsh cluster. Or with similar concerns, like coastal towns with issues around seasonal footfall wanting to increase visitor numbers at other times of the year to boost economic growth.

**Appendix B** provides examples of what Healthy High Streets towns are doing to address some of these issues.

## How do you know you've made a difference?

Towns can measure the impact of activities to make informed decisions about effectiveness, highlighting how to invest future funds into planned initiatives. This also helps businesses monitor what local impact they are making.

Have you decided what you're going to monitor? Throughout the Healthy High Streets programme we measured vacant units, footfall and job creation to evaluate its success locally, and understand the value of measuring related activity. The collection of consistent footfall data was sometimes a challenge. Some towns did not have footfall monitors, so we used data provided by our corporate partners' stores. As this only measured footfall during opening hours, towns were unable to measure the footfall contribution of the night-time economy.

Where footfall counters and cameras did exist, there were occasional issues due to equipment faults, changes in access due to public realm works, opening of different entrances to shopping centres and events held in different parts of the town. These all impacted on the data's reliability. And, in some cases, where information was provided by a third-party provider, it was not being used by the town centre partnership/BID to track the success of local activities. Other performance indicators can be used to track progress depending on the town's priorities. These include how many new businesses operate in the BID area; the number of new initiatives launched; analysis of media coverage about the city centre; analysis of crime figures to name a few. Each town needs to identify the best way to track success. Periodic town and business surveys can be useful to gather intelligence on progress. Some Healthy High Streets are embracing digital tools to transform how they operate. Tracking footfall and dwell time in real time is just one of the benefits. The important point is that you measure what is relevant to the vision and strategy.

**1** The access to footfall/ transaction data has given the BID a truer indication of the challenges facing the town **1** Hamilton BID



Swansea City Centre

Swansea is one of the first places in the country with BT Ultrafast broadband (speed up to 3.9Gbps) and it is transforming the town, making it more attractive for businesses to relocate.

Geo-sensors provide public Wi-Fi access across the town/high street. This facilitates online marketing, and segmenting offers to different target groups who sign up to the BID's loyalty card, helping them to collect valuable customer insights. The BID's dashboard also provides instant data on visitors and their dwell time on heat maps, enabling the BID to analyse the success of new initiatives, and if further activities are needed. This might include decreasing car parking charges at certain times of the day or introducing a bus timetable targeting new areas for potential visitors. It helps evaluate why footfall may be falling in an area of the high street so that the town can react promptly.

It is also helping to create opportunities to enhance the prosperity of the City Centre. The broadband speed and the changing city centre has resulted in the Local Authority creating a new digital quarter to encourage the private sector to invest in Swansea's regeneration. Development work is already underway.

"The secret is that all the digital systems speak to each other so we can make informed decisions making the BID area a better place to shop, visit, stay and do business, improving the vibrancy of the local economy"

Russell Greenslade, Chief Executive, Swansea BID

## It's not just about the money, although it helps!

Few towns have the opportunity for regeneration that a major infrastructure programme (e.g. Crossrail in Maidenhead) or a national programme (Hull City of Culture) brings to a town.

The Weymouth BID leveraged money from the local Chamber of Commerce, the Police Commissioner and Local Authority to wrap vacant shopping units. This helped improve the attractiveness of the shopping centre to visitors, while simultaneously contributing to crime reduction: a win-win for all the partners. They were also successful in leveraging funds from Arts Council England to invest in local arts and culture events, thus boosting tourism and visitor numbers.

Some local funding, however, will be available to support local initiatives if a clear strategy and plan exist. High streets located within a BID will have some funds available to support local initiatives and may be able to leverage grants from other local sources, for example the Local Authority, the LEP or the local police. Towns may be able to leverage additional funds from those who support community regeneration through the arts, community organisations, community businesses, social enterprise, for example, depending on their particular need and strategy. Potential funders include: <u>The Young Foundation, Arts Council England, Power to Change, Growth Deal, Big Society Capital, Discover England Fund, Coastal Communities Fund and Big Lottery.</u>

Crowdfunding is also a potential funding source for initiatives which enhance the local experience. Maidenhead crowdfunded locally to buy new Christmas street lights. <u>Crowdfunder</u> and <u>Spacehive</u> operate in this area.

Some towns may able to take advantage of discounted rates. Healthy High Streets partner Exterion Media offered discounted rate on bus advertising to Healthy High Street towns. If linked to specific town campaigns – e.g. to market Christmas activities, car parking and late-night opening initiatives, events, festivals, fairs, activities unique to your town, this helps boost visitor numbers and local pride.



Hull City of Culture 2017 © Kim Dent-Brown

## **Re-imagining our high streets**

Our high streets are changing. This evolution is fueled by online retailing growth, combined with the increasing cost of doing business on the high street (business rate rises, incremental costs of a BID, the effect of the apprenticeship levy, increase in national living wage, rising inflation due to Brexit, to name a few).

They are shifting from a mainly retail focus to one of more mixed-use encompassing café society, the night-time economy, plus the creation of more activities and events focused around the uniqueness of individual places and brands. People are coming to our high streets for a more social experience. And digital is playing an increasing role in this transformation.

It has, therefore, never been more important for business, the Local Authority and Town Centre Partnerships/BIDs to collaborate to ensure the continued success of our high streets and our local communities. Continuing these partnerships is crucial as they play a key role in the conversation around the changing face of our high streets.

Are you switched on to digital's potential? It will play an ever-increasing role, and it is vital that towns embrace the opportunities it brings. Embracing the digital revolution, like the example set in Swansea, provides a real opportunity for regeneration, somewhere that people will want to live, work, socialise and create the high street of the future. For businesses we have identified ten key actions you can take to support your local high street and help it adapt to the changing landscape:

- Support high streets as a key part of your business strategy
- Support the formation of a local business-led partnership for every high street where you operate
- Work together with other local stakeholders to develop a unique vision for the high street and the town
- Empower colleagues to get involved locally
- Recognise and celebrate local achievements to restore pride in our high streets
- Help local partners with events which increase footfall
- Engage with local schools and colleges and get them involved in high street initiatives
- Animate empty shops and workplaces and help unite the community through offering pop-ups or promoting something unique for the local area
- Help to improve public space and improve building frontages, making the town more welcoming
- Work with trade associations

## Win-win – how our corporate partners have benefitted

For our corporate partners participating in the Healthy High Streets Programme, it has helped them to understand issues on a very local level, the issues that high streets face and the power of partnership with local authorities, town teams and community organisations. And it also helps them put in place real and practical support to harness and enhance civic pride. This experience is helping them to shape their future approach to their community ambitions.

More than 500 High Street Champions from the eight corporate partner companies have been involved in supporting the Healthy High Street towns. On average the champions contributed around one and half days of their time to their high street work throughout the programme.

We have surveyed these volunteers regularly to assess the benefits to the individuals and to their employers. On average more than 80% of the volunteers have reported improvement in essential skills such as relationship building, ability to interpret town centre data, negotiating and influencing skills, leadership, communications and team building and that more than 95% have increased their understanding of the needs of the local community. 96% would recommend that their colleagues get involved in their local high street.

#### Quote from High Street Champion:

"It's a win-win as you are gaining additional knowledge about the local community and businesses and feel much more motivated to make your town a thriving successful town. In doing so you are naturally increasing footfall and sales and improving your business naturally encourages more businesses to invest in the local area. You have voice that is encouraged to be heard and influence over what to do in the town to improve it."



Marks & Spencer – taking a lead on transforming communities

Our partnership on the Healthy High Streets programme has opened our eyes to the depth of the social and environmental challenges that many communities face, and also showed up the potential for concerted business action to support them. We want all our stores to be a force for good in their local community, playing a key role in helping to transform them for the better. We cannot solve all the world's ills but we believe that by taking a more systematic approach to utilising our resources, skills and networks we can play a much more transformative role in the neighbourhoods we serve.

We've used the Legatum Prosperity Index to identify communities that we can support and mapped them against our store estate. We have identified ten communities where we are going to undertake an extensive trial on how we can act in this transformative way. We'll use these insights to plan how we'll transform a further 100 communities and share the learning with a wider 1000 communities we serve around the work to help them transform too. By 2019, 200 of our retail managers will have taken a lead role in collaborations which aim to revitalize and secure lasting social benefits in city and town locations.

**Business Volunteer (High Street Champion)** 



## Wilko – shaping our community vision

Wilko has been involved in local communities for many years as our stores and team members live, work and play in the communities where we trade. In the past our community activity has consisted of stores raising money for charities, volunteering or supporting local good causes and working with Business Improvement Districts where we contribute to the levy.

Participation in the Healthy High Streets programme has given us the opportunity to challenge how we manage our community activity. It has helped us link our activity to create value for both our customers and team members and to track progress using hard measures such as sales, footfall, occupancy rates and softer measures around engagement, brand loyalty and empathy. We understood from the beginning that this would need a joined-up approach internally and we developed a plan to bring together key parts of our organisation to focus on the shared objective of delivering and having a positive impact on the high streets and the communities we serve.

Healthy High Streets has been a great catalyst to help shape our community ambition. To have a real sustainable impact on communities you need to understand the fundamental purpose of your organisation and how this can be articulated through initiatives and activities that fulfil that purpose. It is in this strategic approach that businesses can really make a lasting difference. By using learnings from our participation in the Healthy High Streets programme we have been able to step back and look at how we were approaching our community activity and approach it in a more strategic way creating value for us and our team members who love getting involved.



Blackwood High Street, Wales. Photo © M J Roscoe (cc-by-sa/2.0)

## What's next – from Healthy High Streets to Pride of Place

In 2017 Business in the Community launched its BITC @ 40 strategy. Our ambition is to help every business to be as responsible as it can be and to build healthy communities with successful business at their heart.

Whilst we have had success in many of the high streets in which we've worked in most we understand that to effect long term sustainable change we need to address the needs of the whole place albeit with the high street at its heart. If the place succeeds, the high street will succeed.

We have been inspired by the power and enthusiasm of local people from all parts of society to get involved and really work to make a positive change in their communities.

We want to build on that civic pride, understand the deep rooted issues that are holding some places back and encourage business to focus skills, resources and investment in the places that need it most. The learning and experience of the Healthy High Street initiative coupled with the network of business secondees (Business Connectors) has helped to create a strong base from which to launch a new place-led approach to BITC's work.



Blackpool

### Build healthy communities with successful business at their heart.

So, in December 2017 we launched **Pride of Place** – a new approach to the way we ask businesses to engage in communities.

It brings together the skills and resources of business to help some of our communities in greatest need thrive again. It is a strategic and long-term approach based on over 35 years of experience of Business in the Community.

**<u>BITC Pride of Place</u>** will be measured by economic impact as well as by critical qualitative insights tailored locally but using national indices.

Starting in Blackpool, a former Healthy High Streets town, <u>Blackpool Pride of Place</u>, we will mobilise the collective resource and strength of business to provide coordinated support to places around the country.

A programme of work is now underway with the long-term ambition to increase economic activity, tackle some of the key social issues, reduce pressure on public services and help build a flourishing voluntary sector. The ambition is that the Pride of Place partnership will also help attract new investment into Blackpool and provide sustained support and development to help the area achieve its potential.

## **Conclusion and thanks**

We hope that you take inspiration and some practical ideas and actions from this guide whether you are large business with a presence in multiple high streets, an independent business, a town centre or BID Manager looking for solutions on how to engage with business.

We know that many of the towns involved in the programme have continued to run the Healthy High Street partnerships and have attracted many more businesses to support your work. If you want to share your stories or call out for more businesses to join in please feel free to

#### tweet our hashtag #prideofplace

For businesses wanting to engage in any of the 100 towns on the programme please visit our <u>website</u> to find out which organisations were involved.

For Business in the Community members interested in finding out more about Pride of Place please ask your Corporate Advisor or e-mail jane.pritchard@bitc.org.uk.

Finally we want to extend a huge thank you to all the towns that took part in Healthy High Streets and to our corporate partners who supplied the funding, resource and expertise to enable us to deliver the programme; Boots, Co-operative Group, EE, Exterion Media, Greggs, M&S, Santander UK and Wilko

Thanks too to our fabulous secondees, some of whom who worked with us for three years to develop and deliver this fantastic initiative. You have created a real legacy with your work and you should be very proud:

- **Hugh McKendrick** from Boots UK who helped us develop the programme (and came up with the name).
- Peter Donohoe formerly of Marks & Spencer who led the field operations and Sophie Collett who supported him.
- Bali Kaila from Boots UK who was Head of Region for all three years.
- **Pete Vallance** from Co-Op who was a Head of Region for Year one.
- Karen Fitzgerald from Greggs who was Head of Region for Years two and three.

- Sid Raghavan Head of Region for Year 3 and now continuing the good work back at Wilko.
- Louise Robinson, Ben O'Donegan and Salvatore lacono – from Santander who got the branches involved and helped us with the data crunching.

and the BITC team:

- Susan Hinchcliffe whose passion for high streets started it all off and is now Leader of Bradford Council.
- Caroline Cook, Jennifer Exon, Nuno Menezes, Jane Pritchard – who have co-ordinated the work and produced this report.

## **APPENDICES: Additional Learnings & Tools**

## **Appendix A: Responsible Exiting Guide**

#### 1. Introduction

Today, many high streets are under pressure from changing retail habits, particularly the rise of online shopping and the move to edge of town locations. This is leading to dwindling footfall, shop closures, and drops in employment: the perfect environment for further closures and vacant units, which deter others from investing in a town. Major retail Tenants can, however, by working with Landlords and Town Teams, develop short and long-term solutions to address this blight. These create more vibrant, healthier high streets where people want to shop, work and socialise. For example:

- When **Tenants** exit a unit, they can leave the property in good order.
- Landlords can identify opportunities to provide short-term or temporary lets.
- The **Town Team** can introduce incentives to attract new Tenants for vacant properties.

This guide provides practical guidance on the role that national multiple Tenants, Landlords and Local Authorities can play when a property is vacated and help encourage future occupancy.

#### 2. The Tenant role

Retailers churn their portfolio for many reasons. This might be due to a shift in prime pitch, a need to move to cheaper premises either before or when the lease expires, the location is unprofitable, or sometimes if the business wishes to upsize. If, for whatever reason, the unit is left untidy, this can have an adverse impact on the look, feel and vitality of the high street.

### Your customers won't remember the unit address. They will remember the brand that was in there:

"That was the old XXX, look at it now!"

If a Tenant leaves the premises in a poor condition, it can impact on the company's reputation. The Tenant should work with the Town Team to ensure they are aware just who is responsible for the vacant unit.

Some national multiples put vinyls on the windows of those stores they have vacated (cost between £2,000 - £4,000) to make them and the high street attractive. Alternatively, the Tenant could display products or services of nearby retailers. The brand should work with the local Town Team to identify the most effective way to ensure a high street's attractiveness.

If the property is vacated early, with lease term still to run, the business rates remain the occupier's responsibility. It's in the retailer's financial interest to pursue a temporary let to a charity or a social business. In this case, business rates will be the responsibility of the charity, but they will be able to apply for 80% Rates Relief. And, if rates are less than £12,000, further relief may be applicable on a sliding scale. More information is available https://www.gov.uk/apply-for-business-raterelief/overview. The occupier will need to work with the Landlord to review the lease conditions to address any challenges around:

- Permissions regarding subletting the property.
- · Issues around dilapidations requirements.
- Practicalities around stripping back the unit to its shell, which may limit its attractiveness for a short-term let.
- The use of exclusivity clauses to maintain the tone of Tenant mix on the high street or within managed scheme.
- The use of meanwhile standard leases.

If a store's closure entails job losses, the business must provide suitable alternative employment in-house if it can. Alternatively, it could support staff with skills development and retraining opportunities, and link them with other local employers, local employment agencies and Job Centre Plus.

Local media may be interested in local shop closures, particularly if multiple nationals are involved. It also makes sense to work with Town Teams to combat any negative messaging. If the occupier is completely withdrawing from the town, it may be unable to take any steps pre-closure due to business sensitivities.

To guide the occupier through a responsible exiting process when they relocate within a town at the end of lease/mid-lease, or completely withdraw from a town, we have developed an Occupier's checklist, see **Annex 1**.

#### 3. The Landlord's Role

Landlords can play a pivotal role in stimulating and facilitating a high street's vibrancy. One of their prime concerns is maintaining the investment value of their properties. For as long as the head Tenant's covenant remains constant, the key driver of investment value will be the residual lease term and how much longer the Landlord can rely on the income stream.

The Landlord's role will vary depending on whether the Occupier has come to the end of the lease and the Landlord is taking back the property, or whether the Occupier is leaving the premises early.

#### Tenant vacating premises early

When Tenants exit a property early but are still under lease, the Tenant is still responsible for business rates even if the property remains empty. It is, therefore, not in the interest of the Landlord to exit the lease agreement unless they have another Tenant.

Depending on the remaining lease period, a flexible approach by the Landlord would allow

the Occupier to sublet the property. As empty premises on the high street can impact directly on the vitality of the town and lead to a spiral of decline, this could otherwise affect property values and the Landlord's investment over the longer term.

Standard leases typically prohibit subletting or third-party occupation of vacant units without the Landlord's consent. Where the proposed sublease is excluded from the security of tenure provisions of the Landlord and Tenant Act 1954, however, it would be difficult for the Landlord to refuse consent unreasonably. In practice, consent is rarely withheld.

Costs associated with temporary lettings include obtaining Landlord consent, plus agent and legal fees. Working through these formalities takes time and, depending on the remaining lease period, could limit the financial viability of the sublet. The Landlord will also have a vested interest in the short-term Tenant, as a sublet to poor value Tenants may put off desirable prospective Tenants longer term. The Landlord would also want to consider the sublet in terms of the local Tenant mix, as this could impact upon longer-term property values. The use of standard <u>meanwhile use leases</u> can shorten the process. Lease provisions giving the Landlord the right to terminate the arrangement at short notice could be included within a meanwhile use lease to ensure that temporary occupiers do not get security of tenure under existing tenancy laws. Alternatively, Landlords can waive barrier clauses or produce a standard waiver document to provide permission quickly without cost. To facilitate this, the following could be adopted within standard leases:

- a) alienation provisions to permit short-term or temporary lets to a maximum term of six months without the need for Landlord's consent.
- b) reference to lettings being contracted out of the security of tenure and compensation provisions of the Landlord & Tenant Act 1954.
- c) any rental evidence or other inference derived from such lettings must be disregarded for rent reviews.

#### Premises handed back to Landlord

At the end of the lease, responsibilities for the property upkeep and appearance become the responsibility of the Landlord. Opportunities to let the Landlord's property on a short-term lease are like those outlined in the occupier section. In the short term, the Landlord may have tactical

## The Town Centre manager and Local Authority role

The Local Authority can play a pivotal role in providing local incentives to help let vacant properties. This might include providing property improvement grants, capital grants, business rates rebate/holidays, disused space grants or by adopting a flexible approach to planning and change of use. One of the many challenges is knowing who owns the vacant premises. The Town Centre manager/Local Authority can undertake a property audit, and work with Landlords and agents to develop a long-term plan for bringing vacant properties back into use, and support Landlords and agents The adoption of these provisions protects the interests of both the Landlord and Tenant and helps remove any barriers which currently inhibit the process of securing temporary lets on the high street.

A more accessible and streamlined process for achieving short-term lets is beneficial to both Landlords and Tenants but, in the long-term, the Landlord has the most to lose as it may contribute to a lower asset value. There are also other risks as temporary Tenants can leave premises in a poor condition, leaving Landlords to pick up repair costs.

Legal advice should be sought in relation to all leases.

reasons for not letting the unit: they may need unfettered access to the property, or it may form part of a future master plan. Notwithstanding this, items the Landlord should consider are set out in the Landlord's checklist in **Annex 1**.

to re-let empty premises. This approach has been successfully implemented by the Love Loughborough BID.

In some cases the property audit may highlight that the Local Authority itself owns some of the vacant properties. It may, therefore, be in a great position to directly identify short- and long-term solutions for its property portfolio. To support town centre managers in looking at the ways it can address the issue of vacant premises on the high street we have produced a checklist in **Annex 1**.

## Annex 1: Checklists for Occupiers, Landlords and Town Teams

A1: Checklist for Major Tenants relocating within the Town

Activity	
Pre-	-Closure
	Inform the Town Team of the decision to close (see example letter template – Annex 2, where occupier still has lease liabilities).
	Provide contact information on responsible parties for the property post-closure, care of property, agent details, emergency contacts and lease expiry details (where relevant) (see example Notice of Exit – <b>Annex 3</b> ).
Clos	ure
	Remove all stock, fixtures and fittings, and leave the unit tidy.
	De-badge the facia and provide blanking piece to maintain appearance, if necessary.
	Inform the Local Authority of closure (see example <b>letter template</b> where occupier still has lease liabilities).
	Vinyl out windows to agreed company specification guidelines, including a viewing panel (for marketing and security purposes). If vinyls are to be included, work with the Town Teams to identify opportunities to adapt them to support positive marketing messages supporting the town branding.
	Where vinyls are not an option, consider displaying products and services of nearby retailers.
	Install poster informing customers of the location of the relocated business (e.g. for three months).
	Inform the Town Team of the company appointed to dispose of the lease/market the property and the Landlord/managing agent if the lease has expired (see example <b>Notice of Exit</b> ).
	Give permission for the Local Authority/Town Team to inform interested parties of the availability of the property, e.g. through Local Authority/BID/meanwhile space
	Ensure water and gas utilities and services are dis-connected and meters read.
	Put in place pest control to continue as appropriate.
	Ensure electrical supply maintained so fire alarm continues to work.

Ongo	ing
	Responsible party to inspect the property monthly following closure, internally and externally, to ensure appearance is maintained.
	Keep the Town Team informed of any changes in the contact details.
	Work with the Landlord to permit appropriate temporary lettings of the unit to start- ups, pop-ups, charities, voluntary groups, etc., if it looks as though it will remain empty for some time while it remains under lease.
	Work with the Local Authority and meanwhile space organisations to assist in temporary letting.
	Consider using a standard short-term <u>meanwhile use lease</u> to enable short-term temporary let. Seek legal advice as appropriate regarding all leases.
	Respond to requests from Town Teams to maintain the appearance of window displays and vinyls.

## A2: Checklist for complete withdrawal of Occupier from the Town

## Activity

Pre-closure	
	Declare how many people are losing their jobs.
	Identify any suitable alternative employment opportunities for those losing their jobs. Identify opportunities to support staff with skills development and retraining.
	Provide support to those losing their jobs by indicating where other job opportunities in the town can be found through, for example, Job Centre Plus, other employment agencies, or employees.
	Retailers to work with Town Teams to provide response if shop closure prompts adverse media reaction.

## A3: Checklist for Landlords

Activity	
Ongoi	ng
	Work with Occupier/Tenant to allow them to sublet the property for short-term and temporary lets when the property will be vacant for some time.
	Consider the use of standard <u>meanwhile use leases</u> to speed up the subletting process. Obtain legal advice.
	Maintain relationships with the Town Teams to promote store availability and log property on meanwhile space organisation/Local Authority/BID property websites.
	Engage with the Local Authority to identify any local incentives to encourage property lets.
End o	f lease
	Responsible party to inspect the property monthly internally and externally.
	Keep the Town Team informed of any changes in the contact details.
	Consider offering the unit to start-up businesses, voluntary groups or charities if it looks as though it will remain empty for some time, to help improve the appearance of the local area and deter any further business relocations to other parts of the town.
	Allow agents to work with Town Teams on a building's appearance and consider the use of vinyls to improve it, particularly if the units are likely to be empty for a long time. Consider whether vinyls could complement the local town branding approach or display products of nearby retailers.

## A3: Checklist for Town Teams

## Activity

## **Pre-Closure**

If Town Teams hear that a unit is due to close, obtain contact details from the occupier and request completion of a **Notice of Exit**.

Liaise with exiting occupiers/Landlords to ensure shop appearance, including vinyl design for shop wraps, is enhanced for the vacant unit, or where possible creates a positive, consistent message promoting the town.

Maintain good relationships with local letting agents so that the Local Authority is aware of any upcoming unit vacancies as soon as possible.

Work with Landlords to encourage meanwhile space and longer-term lets, or change of use for properties in locations proving difficult to re-let.

Ensure property management agents are aware of any local incentives to help let shops on a short- or long-term basis.

## Ongoing

Include vacant retail properties on Local Authority/BID website/portal, enabling potential Tenants to identify both long-term and meanwhile space letting opportunities.
Market and promote pop-ups/temporary lets and direct enquiries to Local Authority/BID website property search.
Ensure local banks are aware of vacancies so that they can pass on details to those looking for start-up business loans.
Where Landlords cannot be contacted after one year, consider applying vinyls to store frontages to improve their appearance.
Hold regular meetings with letting agents to understand the local marketplace and ongoing property challenges.

### Ongoing

Work with Business Rates and Planning Department so that they understand the broader benefits of meanwhile space, and can assist in identifying opportunities to help re-let retail units, e.g. business rates rebate, capital grants, disused space grants, capital grants and by adopting a flexible approach to planning and change of use.
Undertake a retail survey to identify empty shop units, and develop a long-term plan to address this.
Work with Local Authority Asset Management and Estates Management teams to identify any Local Authority vacant units and opportunities to market the properties.
Liaise with non-domestic rates teams to identify Landlords.
Identify problem areas to help develop short-, mid- and long-term plans for vacant properties within the broader context of the town regeneration plan.

## Annex 2: Example of a cover letter to a Town Team where the Tenant still has lease liability

#### Dear Sir

We wish to inform you, in line with our policy and commitment to exiting properties responsibly, that we will be exiting the above property on 22/05/2018. To limit any negative impact on the shopping area and our customers, please find attached a form highlighting some key details for your records as we still have an ongoing interest in the lease.

The existing staff of the closing store have all been transferred to the retained store within the town or redeployed to other stores within our estate.

The closing store will have directional navigation on its front to redirect customers to our remaining outlet. The signage of the closing store will be removed after three months.

We will be carrying out monthly checks on the property until we surrender the property back to the Landlord. This will be to check that the general standard of repair is maintained and that the store is not defaced in any way.

We would be grateful if you could inform us of any potential future Tenants/ pop-up shops by contacting our agent as we are keen to have this property filled ASAP.

Regards

## **Annex 3: Example Notice of Exit**

#### NOTICE OF EXIT STORE ADDRESS

[Company name] [Retail address that is being exited]

#### DATE OF EXIT

[enter date when leaving premises vacant]

#### **REASON FOR EXIT**

We currently have 3 stores within the town which is a duplication of our offer to our customers. We have therefore decided to reduce this overlap by closing one store and redirecting customers to our remaining stores in the town

#### LEASE EXPIRY DATE

[enter date]

#### LANDLORD CONTACT DETAILS

Landlord managing agents: [enter details]

#### CARE OF PROPERTY

One monthly inspection to be carried out by Store Manager and reported back to Facilities Manager

#### FACLITIES MANAGER and EMERGENCY CONTACT DETAILS

[Name, phone number and email address]

#### **PROPERTY AGENT DETAILS**

[Name, phone number, email address]

#### **OPPORTUNITIES TO LET UNIT? POP UP ETC**

If you receive details of parties with an interest in the unit please contact [name] at [email address] with the details

## Appendix B – Examples of successful initiatives on Healthy High Streets

Activity	Examples of successful initiatives
Increasing visitor numbers	
<ol> <li>Implement an all year-round events calendar to encourage more frequent visits</li> <li>Why not think about:</li> <li>Entertainment events - choirs, street entertainers.</li> <li>Calendar events - Christmas lights / tree, bonfire night.</li> <li>Charity events - Charity groups put on a performance or activity, e.g. Santa dash, in aid of charity.</li> <li>Trails around town - A map of destinations highlighting areas of interest, in order to win a prize.</li> <li>Giveaways/tastings</li> <li>Market days</li> <li>Student events</li> </ol>	<ul> <li>Liverpool's city-wide approach to events throughout November and December, such as charity runs to firework displays, increased town footfall by 11%</li> <li>Lincoln developed a trail of red valentine hearts for Valentine's Day around the city. Photo opportunities reached out to over 50,000 people via social media.</li> <li>Boots, Greggs, M&amp;S, Santander and Wilko worked together in Sunderland to fundraise and sponsor a snow dog as part of a city centre trail in aid of a local children's hospice. This increased footfall around the city during the event, and sales went up in the stores, too.</li> <li>In Bristol members of the Healthy High Streets team helped shape a series of successful campaigns including family events and Christmas markets. Promoted on Heart FM and in the local press they animated the city centre, increasing footfall and confidence in the area.</li> </ul>
<ol> <li>Coordinate late night trading hours</li> <li>Why not think about:</li> <li>Increasing footfall - via late night trading.</li> <li>Standardising trading hours - doing so with late night openings, particularly in the run up to Christmas, can drive footfall and sales, especially when a large number of retailers get involved.</li> <li>Aligning late night trading car parking deals - this can also boost impact, particularly if marketed with increased trading hours.</li> </ol>	<ul> <li>In Sheffield the BID and local businesses collaborated to create a late-night trading initiative in the town centre, plus an events calendar. 40 retailers aligned late night opening hours on Thursday evenings for 'Alive After 5', and promoted events through their stores and a social media campaign. This boosted in-store sales: a win-win.</li> <li>Southport's Healthy High Streets partners and the BID spotted the chance to implement a late-night trading initiative. Nearly all independent and main chain traders traded until 8pm on the four Thursdays in December.</li> <li>In Nottingham the 'More After Four' campaign initiated by Boots, M&amp;S, Wilko and Santander in conjunction with the BID resulted in a discounted car parking rate. This supported the Thursday and Friday late night trading of 30 retailers throughout December 2016.</li> </ul>

#### Increasing visitor numbers

## 3. Implement car parking or other transport incentives to increase dwell time

Why not think about:

- Car parking initiative free or subsidised parking can positively impact footfall in the town centre and local stores, particularly when combined with late night trading initiatives or major events.
- Footfall increased by 6% in **Stockton** after the 'free after 3' Christmas parking trail, funded by the Local Authority, was introduced. Its success has prompted the launch of a year-round 'one hour free' parking offer in all council car parks. Both shopping centres have joined forces to offer more affordable all year-round parking.
- Loughborough retailers and the BID influenced the Local Authority to provide free parking on the four Sundays leading up to Christmas. This resulted in a 12% increase in footfall compared to the previous year.
- Maidenhead Heathy High Streets Corporate Partners and other local businesses collaborated with the town partnership to launch a comprehensive events calendar supported by free weekend parking for five weekends leading up to Christmas. Subsidised by the Local Authority, car parking went up 9%, contributing to an overall 9% footfall increase.
- **Prestatyn** Town Council launched free parking throughout the town centre. In collaboration with local businesses, it also secured the rerouting of coaches to drop tourists off at a new bus stop on the high street, instead of an edge of town coach park. This boosted footfall throughout 2015 and vacant units more than halved, from 15% to 7%.

## Vacant units

<ol> <li>Ensure vacant premises remain attractive</li> <li>Why not think about:</li> <li>Transforming empty units - If they appear unattractive, this can have a negative impact on customers' perception of the local shopping environment. They may also encourage graffiti and vandalism, while reducing their appeal to potential investors.</li> </ol>	<ul> <li>In Stockton, businesses encouraged the town partnership to purchase vinyls to dress empty units and keep them presentable. They also included advertising on how to rent these spaces to prospective investors.</li> <li>In Loughborough the BID, local Landlords, the Council, retailers and financial and legal providers developed a training support package for start-up businesses. This included finance, visual merchandising and customer care, social media training and access to shop front improvement grants and business rates relief. It contributed to reducing empty units from 77 to 50.</li> <li>In Liverpool the Healthy High Streets team helped revitalise a rundown street. It put in place a sustainability plan, organised a street clean, introduced a support initiative for homeless people to improve customers' high street experience customers and helped to establish a database of vacant units. This connected small businesses looking for premises with local Landlords. Overall, this resulted in the reduction of vacant units.</li> </ul>
<ul> <li>2. Invest in relevant pop-up shops</li> <li>Why not think about:</li> <li>Introducing pop-ups - These provide a useful way to enliven the high street if the offer is attractive.</li> </ul>	• Maidenhead – A craft co-operative, formed by many small local traders, uses empty units in the shopping centre. The shop is fully portable and moves location every few months. A fixed-term lease has been secured.

3. Support start-ups Why not think about: • Support local economic regeneration	<ul> <li>Trafford Council developed a town centre loan scheme offering new businesses interest-free loans of up to £10,000 (£20,000 on specific streets) when opening in previously vacant units. Half of the loan can be used against running costs, including business rates. This helped 14 new independent businesses open in Altrincham town centre.</li> <li>Bradford Council offered businesses on the North Parade a business rates discount. This allowed them more flexibility in paying rent and a reduction in properties becoming vacant. Latest figures show that vacancy rates in North Parade have fallen to 7%.</li> <li>The Loughborough BID has facilitated the development of a database of new businesses and a business support package for start-ups. This includes: <ul> <li>Assessment by an expert panel;</li> <li>1-to-1 consultations with a business banking manager and a solicitor;</li> <li>Business workshops;</li> <li>Customer service, social media and retail training.</li> </ul> </li> <li>This helped reduce empty units from 77 to fewer than 50 and the creation of over 300 new jobs.</li> <li>In Stockton the Council provides low-cost, low-risk retail space for start-up businesses.</li> <li>In Dunfermeline high street partners provided digital training workshops for small businesses as part of the BID's business support plan. The Local Authority also invested in digitising the high street by placing outdoor digital screens in the highest footfall areas for business promotions and events.</li> </ul>
Further case studies	
The Great British High Streets Awards	Case studies of the winners of the Great British High Street Awards in 2016 and their stories can be found <u>here</u> . The overall winner in 2016 was Blackburn, one of our Healthy High Streets towns.

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