

strategic management for sustainable high street recovery

Andres Coca-Stefaniak and Samer Bagaen argue that a new paradigm should be adopted for town centre regeneration, with strategic place management at the heart of the planning, design and overall place-making process

A recent United Nations report predicted that 70% of the world's population will be urban by 2050.¹ Today, a hundred of the world's largest cities are responsible jointly for 30% of global GDP, and some thinkers argue that these mega-cities will continue to drive growth and innovation into the future, often overshadowing the sovereign states to which they belong. But growth often comes at a price, and place identity can be one of the first casualties.

Europe is still emerging from the worst economic downturn since the Second World War. Countries like the UK and Germany are only tentatively beginning to recover after nearly five years of uncertainty, while much of Southern Europe continues to struggle to find firm ground on which to build a sustained recovery.

Regeneration projects are by their very nature complex and challenging, particularly in relation to financial viability. Major urban regeneration projects have been mothballed to await less uncertain times, and a reduction in financial input from major institutions has had an influence on projects in terms of both the type of developers coming forward and the scale and type of development that is deemed viable. Dixon *et al.*² note how the financial crisis and economic downturn of 2008 has placed many urban regeneration policies in jeopardy both in the UK and around the world. In 2008, the UK's urban development sector, like its wider economy, entered an age of austerity.

Urban regeneration – which in the UK has traditionally favoured physical revitalisation as opposed to more integrated strategic approaches adopted elsewhere – has evolved considerably in its outlook and philosophy. Place-making, for instance, has been linked to parallel place-branding processes.³ Bradley *et al.*⁴ argue that much of the supposed transformation of former industrial cities had involved a process of investment marketing and the promotion of rejuvenated urban images. In spite of the evident practice and conceptual parallels that exist between city management (including town centre management) and place-branding,⁵ few studies have explored the links between place management and urban regeneration.⁶ In the current, post-crisis, risk-averse investment environment, the time has come for a serious rethink of the role of place management as a symbiotic element of strategic significance in the long-term impact and sustainability of large-scale urban regeneration projects.

The contribution of town and city centre management

Town and city centre management has been defined by the Association of Town and City Management (the largest membership-based organisation in this field in the world, with 700 members in the UK) as 'a co-ordinated pro-active initiative designed to ensure that our town and city centres are desirable and attractive places. In nearly



Above

Fig. 1 The evolution of town centre management practice in the UK

Source: 'A strategic approach – a must or a maybe?'⁸

all instances the initiative is a partnership between the public and private sectors and brings together a wide range of key interests.⁷

This definition and the partnership-based approach it advocates builds on a legacy of 30 years of practice in the UK, influenced by a wide array of disciplines (see Fig. 1), including strategic planning, economic development, retail planning, stakeholder management, urban regeneration, and sustainability.⁸

Although the longevity of town and city centre management in the UK could arguably be interpreted as a precursor of parallel initiatives in other parts of the world, it is only one of a range of existing strategic approaches used across Europe today.⁹ These often build on tourism (for example, in Austria), the independent retail sector (for example, in Spain, Italy, France and Portugal), place-marketing and branding (for example, in Germany and the Netherlands), and urban revitalisation (for example, in Poland). In fact, the combined number of place management schemes (both formal and informal) across the European Union has recently been estimated to be in excess of 2,150, with a further 3,000 Business Improvement Districts operating in North America.⁵

In Sweden, for instance, public-private town centre management partnerships have usually included the local authority, retailers and commercial property owners/developers, in addition to other key local stakeholders.¹⁰ Paradoxically, it is only recently that

a serious debate has started to emerge in the UK regarding the role of property owners in the management of town centres and, more specifically, in Business Improvement Districts (BIDs). This debate has gained momentum over the last few months in the wake of the London Mayor's ambitious plans to support a major expansion in the private-sector-led BID funding model of place management within the capital.¹¹

Similarly, the argument for more proactive management of the evening and night-time economy, which some estimates have valued at £66 billion in the UK alone, continues to grow,¹² building on pan-European experience (see, for example, Fig. 2) with evening festivals in town centres.¹³ The value of this approach lies in lower crime levels, more responsible alcohol consumption, and a more inclusive and attractive evening and night-time visitor offer, recognised through a transnational (UK and Ireland) accreditation framework – Purple Flag¹⁴ – which continues to attract interest from other parts of the world as the first of its kind. This approach continues to evolve in the UK and elsewhere. In Nottingham, for example, it resulted in the creation of the UK's first evening and night-time BID.

A way forward

The economic recession from which we are tentatively emerging has had an effect on town and city centres across much of the Western world. In a

study of 500 town centres across the UK, PricewaterhouseCoopers research compiled by the Local Data Company shows that, from a figure of more than 20 store closures a day in the first six months of 2012, the rate of closures has fallen slightly to 18 per day in the first half of 2013.¹⁵ The research also shows that charity shops, betting shops, convenience stores, hearing aid shops and coffee shops were among those opening the most branches during the first half of 2013.

In some town centres, this has resulted in, among other things, lower visitor numbers, a reduction in the amount of shopping spend per visitor, and a steady rise in the use of digital technologies in the process of buying a products or services. The growing complexity of such trends and the impact of the economic downturn on Britain's town centres and high streets have rekindled academic and policy-maker interest in the factors that affect the performance of town centres.¹⁶ In spite of the resources devoted by government in England, Scotland, Northern Ireland and Wales to reinvigorate the vitality of failing town centres and better understand the causes of decline, much of the resultant intervention has been carried out without a clear strategic framework to guide efforts on the ground, and without a longer-term strategy to guide key decision-makers at regional and local levels.

A recent study of town centre performance,¹⁷ building on international research and practice in economic development, tourism, consumer behaviour, urban regeneration, town centre management, place-branding and retail planning, proposed a town centre performance framework which is beginning to be adopted by place management partnerships across England. This framework, which advocates the use of place management as a proactive (rather than reactive) strategic mechanism to predict and address socio-economic and environmental trends, building on a place's 'personality', is summarised visually in Fig. 3.

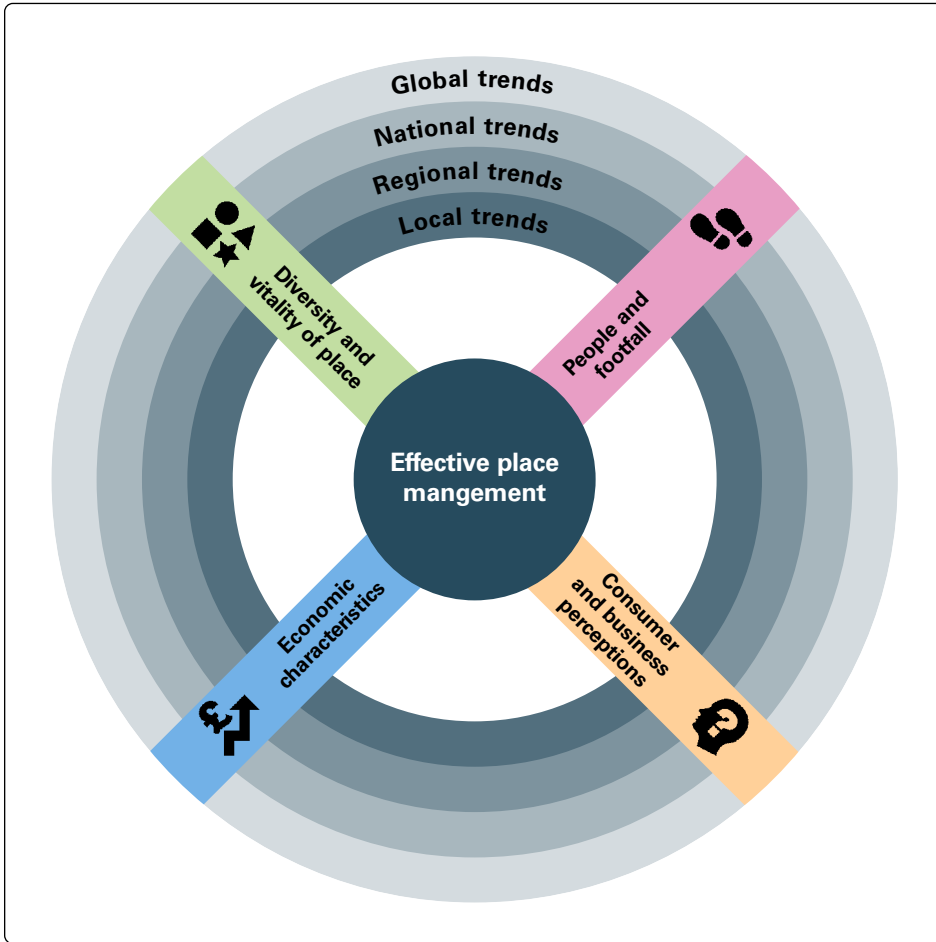
This 'personality'-driven approach to strategy formulation for places and town centres is fundamental to achieving sustainable competitive advantage driven by the place's 'DNA', its community and other key local stakeholders in a way that is difficult to replicate by competitors, rather than through strategic visions which ultimately recreate 'success stories' from elsewhere. At the centre of all this is 'effective place management' that predicts socio-economic trends rather than simply reacting to them locally.

One of the key innovative elements of this framework is that it effectively empowers communities and local stakeholders to carry out their own analysis of places and town centres without prior research expertise, while remaining



Above

Fig. 2 Management of the night-time economy in Cesena (Italy) is supported by the Giro della Notte minibus route, which features stops at all the major night-time attractions



Left

Fig. 3 A strategic framework for place and town centre performance management
*Source: Successful Town Centres – Developing Effective Strategies*¹⁷

fully compatible with existing commercial packages of key performance indicators. Effectively, the strategic framework and the supporting do-it-yourself analysis toolkit build on a growing trend of community action in place-making and place management encouraged by the UK Government through the Localism Act, which provides for a new generation of community-led neighbourhood plans.¹⁸

The strategic framework can similarly be used to formulate place-specific strategies that cover the full life-cycle from planning and design (including place-making) to development, commissioning and operation (including town centre and place management). As communities engage more actively with the way that places are managed and with plans for further development – and as evidence gathers that urban regeneration projects will continue to be scaled down in the short to medium term, given the difficult fiscal environment that continues to affect local government – there is a growing opportunity for urban development projects to engage town and city centre managers in the strategic planning and design process. Syrett¹⁹ points out that the spatial challenges raised

by any phase of economic change will always be constituted in a 'unique way within any place given its particular location in time and space', with the nature and type of response depending on the variable and evolving capacities of an area.

Today, one of the best emerging examples of a successfully integrated place design-management-sustainability approach is that of the SmartCity movement – particularly in its more recent inception in which people have become the focal centre, with technology playing a more sophisticated facilitation role in change processes that supersedes initial techno-centric approaches.

Conclusions

In the short term, the approach to town centre regeneration planning and design under the framework outlined here would yield project cost savings as a result of early input from the teams most likely to manage the areas concerned. More importantly, the effectiveness and sustainability of any place-branding campaign linked to developments undertaken within the framework would be greatly enhanced through the engagement of management

teams that already operate in close contact with existing local communities, including residents, local businesses and visitors.

In putting forward this framework, we are calling for a 'holistic' approach to place-making, urban regeneration, place-branding, and place management – which should be intimately linked within a single process, with place management starting much earlier, at the design stage, and sustainability provided through mechanisms that are self-funding (such as, but not exclusively, BIDs). This would greatly enhance the acceptance by local stakeholders of particular regeneration projects, and so increase the chances of their success, with greater potential for the creation of sustainable mechanisms of social innovation and entrepreneurship locally.

It has been argued in a recent report, *21st Century Retail Policy*,²⁰ that in order to 'help the high street thrive, [the] Government should significantly expand the scope of Business Improvement Districts', with increased powers given to the area's retailers, subject to safeguards for local residents. They add that 'where the local authority is consistently failing, retailers should be allowed to vote to be run by BIDs, using management companies to take on the role of local authorities'; and that these new and stronger BIDs should 'control planning issues such as the uses a building can have, car parking and transport policies'. The report also says that failing high streets should be converted into offices and homes to contribute towards housebuilding targets.

We argue for something different and more comprehensive. New structures are certainly needed, but these should be, as Syrett has previously noted,¹⁹ 'rooted within an understanding of local conditions/opportunities/constraints and aimed at strengthening indigenous capacity to respond, adapt and create new roles'. Syrett points out that in order to achieve this, 'local/city/regional governance structures that possess genuine power and autonomy to decide priorities, allocate resources and demonstrate leadership' are needed. This is akin to the 'positive planning' to emulate European successes in places such as Vauban in Freiburg and Ypenburg in The Hague, recently called for by Peter Hall.²¹ This is why local government and local planning authorities should step in, to formulate their vision as leaders, investing in making our communities better places in which to live and work.

The Grimsey Review, *An Alternative Future for the High Street*,²² published in September 2013, called on local authorities to act confidently and proactively to make high streets the centrepiece of their local economic vision and to use their cash reserves to make a difference. However, it fell short of arguing for town centre managers (or officers responsible for the socio-economic performance of high streets

and town centres) to be given a statutory position in local authorities.

Given the crucial role that town centre partnerships, BIDs, town teams, town centre management teams and other similar place management models play in working towards the socio-economic sustainability of town and city centres in the UK and in thousands of localities across the Europe, the words of J.F. Kennedy appear to be particularly poignant: 'We will neglect our cities to our peril, for in neglecting them we neglect the nation.'

● **Andres Coca-Stefaniak** is Programme Manager for Research and Strategic International Partnerships at the Association of Town and City Management, and Senior Lecturer at the Centre for Innovation Management and Enterprise, University of East London. **Samer Bagaeen** leads the University of Brighton Planning School, and is a member of the TCPA's Policy Council and the RTPA's General Assembly. The views expressed are personal.

Notes

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