



SUPPORTING HIGH STREETS AND LOCAL PARADES IN WALES:

A GUIDE FOR LOCAL PARTNERSHIPS

The Cross Party Group on Small Shops has developed this guidance for local partnerships to outline a series of policy levers that can be used to enhance economic growth on Welsh high streets. Three key policy areas for action to enhance economic growth for high streets have been identified.

These are:

- Business rates
- Planning and access
- Partnership working

Who is the guidance for?

The guidance is aimed at supporting local partnership groups to regenerate their local high streets and parades. A local partnership may be any group of local stakeholders working to manage or improve the high street, and could range from formal Business Improvement Districts and public-led bodies, to informal community-led groups, traders' associations or town teams.

What does the Guidance Aim to Achieve?

The guidance aims to highlight the policy levers that are available to enhance growth on the high street. This will help local partnerships frame their thinking on what can be done to attract new business, shape where they are best placed to go and how they can collaborate with external organisations. The guidance also provides links to other useful resources and information.

Why do we need guidance?

The Welsh Government has identified that town centres, high streets and local parades are “the heartbeat of our communities”, but also recognised that traditional town centres are changing. We want to ensure that local partnerships and communities are equipped with knowledge about what actions are available and effective to support growth on high streets and local parades.

What is the Cross Party Group on Small Shops?

The Cross Party Group on Small Shops is chaired by Janet Finch Saunders AM and represents the interests of small shops in the National Assembly for Wales.

The Group is supported by trade associations including the Association of Convenience Stores, Federation of Small Businesses, British Independent Retailers Association and National Federation of Retail Newsagents.

BUSINESS RATES

Business rates are a property tax paid by businesses based on a property's market rental value (rateable value). Business rates are one of the biggest fixed costs for high street traders, which can deter trader investments and undermine business viability.

How can business rates be reduced?

There are several Welsh Government and local authority schemes which can reduce the burden of business rates on high streets. The following business rate relief schemes exist to support small businesses and high street traders in 2017/18;

Small Business Rate Relief (SBRR)

Through SBRR, properties with a rateable value (RV) of £6,000 or less are eligible for 100% relief. Properties with a RV between £6,001 and £12,000 receive relief that will be reduced on a tapered basis from 100% to zero. Premises with a RV between £10,501 and £11,000 will be in receipt of 25% retail relief or whatever option is of greater value. Post Offices can receive 100% relief if their RV is below £9,000 or 50% relief if their RV is between £9,001 and £12,000. Business Wales has produced a factsheet on SBRR, available [here](#).

High Street Rate Relief

Shops below £50,000 RV trading on high streets and local parades could be eligible for up to a £1,500 discount in their rates bills. The Relief Scheme is split into two tiers. Tier 1 is for properties between £6,001 and £12,000 RV in receipt of either SBRR or Transitional Relief. These businesses will receive a £500 discount on their rates bill. Tier 2 is for properties between £12,001 and £50,000 RV that do not receive SBRR or Transitional Relief with increased rates bills since the 2017 revaluation. These businesses will receive a £1500 discount on their rates bill. Guidance is available [here](#).

Transitional Relief

The Welsh Government has funded Transitional Relief for businesses with a reduction in the percentage of SBRR they are entitled to due to increases in their RV from revaluation. The Transitional Relief will phase in any increases in rates liability over a three-year period, with liability increasing by 25%, 50% and 75% year-on-year. A Welsh Government statement on the Relief is available [here](#).

Discretionary Rate Relief

Discretionary Rate Relief can be a powerful tool to encourage investment on high streets and local parades by offering relief on certain premises and incentivising certain types of business. Local authorities in Wales have the power under Section 69 of the Localism Act 2011 to reduce business rates for any local ratepayer through discretionary relief. Businesses can apply through their local authority for Discretionary Relief.

Empty Property Rates

Empty business properties are exempt from paying business rates for 3 months after the property becomes vacant. Businesses with a RV under £2,600 are exempt until they become occupied again.

PLANNING AND ACCESS

The planning system manages the development and use of land and can have a significant impact on the structure and make up of a high street. If delivered properly it can drive footfall to prime shopping areas and encourage broad diversity of uses across high streets.

Local Development Plans

Local authorities have a statutory duty to prepare, consult on and keep up to date a Local Development Plan (LDP). LDPs inform decisions about where new developments will be built within each local authority and should incorporate policies to support existing retail centres. Applications for planning permission should be determined in accordance with the LDP. Planning Policy Wales (PPW) outlines the need for local authorities to develop through 'community strategies and development plans a clear strategy and policies for retail development which seek to achieve vital, attractive and viable centres'.

Planning Policy Wales

Chapter 10 of PPW provides guidance on the development of viable and vibrant high streets by promoting town centres as the most appropriate places for retail development. Some important elements of Chapter 10 of PPW are highlighted below.

Sequential test

The 'sequential test' means that when planning new retail development first preference should be given to town centre locations, then edge of centre locations, district and local centres, and, as a last resort, out-of-centre sites in accessible locations. The purpose of the test is to give high streets primacy over out-of-town developments. Developers should be able to demonstrate that all sequentially preferable locations have been systematically assessed before out-of-centre locations can be considered for development.

Diversity of Uses

PPW states 'combining retailing with entertainment, restaurants and housing should be encouraged so as to promote lively centres'. Mixed-use developments can contribute to a successful daytime and evening economy. Local authorities should consult with local people and trading businesses about encouraging a diversity of uses in centres.

Parking

Different high streets require different parking provision and careful consideration needs to be given to this in the LDP and in consultation with local businesses. PPW recognises the central role that parking provision has for the success of high streets. It states, 'private parking is also an important component of parking provision in town centres. Authorities should, where appropriate, seek to encourage appropriate redevelopment or re-use of existing private parking sites'. A report commissioned by the Welsh Government on the impact of car parking charges on town centre footfall is available [here](#). Guidance on parking provision is available [here](#).

PARTNERSHIP WORKING

The Welsh Government's regeneration network report states that; 'everybody in Wales should live in well-connected vibrant, viable and sustainable communities with a strong local economy and good quality of life' and that, 'successful regeneration delivery is characterised by genuine partnership'.

Partnership working is critical to delivering this ambition as prosperous high streets can only be promoted through genuine engagement with community groups, business interests, and the public, private and charitable sectors. Local Partnerships can also link in with existing Voluntary Council networks and Local Action Groups, as well as Town Centre Managers. They should be active participants in the formulation of high street strategies and strengthen LDPs.

Vibrant and Viable Places – Regeneration Initiatives

The Welsh Government's regeneration framework, Vibrant and Viable Places (VVP) encompasses the five regeneration initiatives below. These can be used by local authorities and partnerships to support high streets. The Welsh Government has also announced a further £3.7 million to fund 25 regeneration projects across Wales, see [here](#).

Through Targeted Regeneration Investment (TRI), local authorities are sharing over £100 million of capital funding for regeneration schemes, with funding available from 2014 to 2017. The eleven areas that were successful in bidding for the investment for this funding were: Holyhead, Merthyr Tydfil, Newport, Colwyn Bay, Port Talbot, Wrexham, Swansea, Torfaen, Bridgend, Deeside and Pontypridd.

The Tackling Poverty Fund is for areas that were unsuccessful in applying for TRI, but demonstrated positive projects in tackling poverty and were within the top 10% of areas as determined by the Welsh Index of Multiple Deprivation. The areas of Tredegar, Rhymney, Grangetown, Llanelli, Rhyl, Caernarfon and Barry, will share £7 million over a three-year period.

Through the Town Centre Partnerships Fund the Welsh Government is supporting 20 towns with a fund of over £845,000 from 2014 to 2017. Each town centre will receive up to £50,000 as a catalyst for local partnerships to form and implement projects to; increase footfall and investment; reduce the impact of empty properties; support existing business; and support a diversity of uses in the town centre.

The Town Centre Loan scheme has allocated £10 million to 11 local authorities with the aim of bringing empty premises back into viable use and supporting employment in town centres and growth.

A Business Improvement District (BID) is a mechanism for a business community to generate finance to assist in supporting the local economy and trading environment. The Welsh Government has provided up to £25,000 for ten areas to support feasibility studies and the full process leading up to a ballot of businesses.