Economy and Enterprise Overview and Scrutiny Committee

Support provided to the retail sector by Durham County Council Review

November 2018
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Chair’s Foreword

Durham County Council is currently in the process of consulting on the emerging County Durham Plan (CDP), the Local Plan for County Durham which includes the future strategy for town centres in the county. It is therefore timely that the Economy and Enterprise Overview and Scrutiny Committee undertake a review to identify retail trends nationally, regionally and locally, understand the retail offer in County Durham and consider what is proposed in the CDP to both protect our town centres and increase their vibrancy. The review also considers whether the retail support offered by Durham County Council is ‘fit for purpose’.

It is important that our centres remain viable now and in the future. The rise of internet shopping has impacted on the number and range of shops in our high streets with many national retailers withdrawing from town centres, opting for large units on retail parks. In Durham City we have seen East, Marks and Spencer, PRET and Krispy Kreme leave the city centre. The performance of our large town centres continues to vary with vacancy rates for retail units in Bishop Auckland at 21.2% the highest and in Barnard Castle 4.9% the lowest. The County has however, seen the growth of retail park development with sites such as Tindale Crescent, St Helen, Auckland and Hermiston, Consett having no vacant retail units and both the Arnison Centre and the Sherburn Road/Dragonville retail parks continue to perform strongly.

It is recognised nationally, regionally and locally that town centres are having to evolve to provide an experience with new developments in town centres based around a leisure/recreational, cultural or tourism offer which then attracts cafes, bars and restaurants as part of the development. Currently Durham City centre is undergoing significant change with the redevelopment of the Gates Shopping Centre which includes a multiplex cinema (Odeon), restaurants and bars, retail and residential accommodation.

When starting the review, Members felt that it was important for the review group to visit some town centres in the county to see ‘first hand’ the challenges they face. The group visited four large town centres and as part of the visit process Members met with local retailers and developers to get their views on the support currently provided by Durham County Council to the sector. The group also met with commercial letting agents and key partners in the county including Enterprise Agencies and the Federation of Small Businesses (FSB).

I would like to conclude by thanking the Members who participated in the review and colleagues who supported the review including council officers, the Area Action Partnerships (AAPs), commercial letting agents, South Durham Enterprise Agency, retailers and developers in the county, FSB, Durham City BID and the North East Local Enterprise Partnership (NELEP).

Councillor Alison Batey
Chair Economy and Enterprise Overview and Scrutiny Committee
Executive Summary

1 Overall the review found that there are many good projects and initiatives taking place to support the retail offer in the county’s town centres and identified a number of areas where additional work can be done. Key improvement areas identified include improving information on the health of our town centres, IT connectivity, signage, communication of events and support to retail businesses. It is vital that the improvement of our town centres continues to be an area of key focus in the emerging County Durham Plan.

2 In County Durham we carry out the County Durham town centre surveys, providing detail of changes in retail units across the 13 largest centres, 2 district centres and 3 retail parks. The information provided via the surveys is then collated into an annual survey for use by DCC, presenting retail information on a geographical basis. The annual survey is an evolving document with the 2017 survey used as an evidence base for the emerging County Durham Plan, County Durham’s Local Plan. Future annual surveys need to include detail on a geographical basis of DCC owned buildings, hotel/bed and breakfast provision and tourist attractions in our town centres. Following publication of the 2018 survey, a member’s seminar needs to be arranged providing an opportunity for all DCC Members to discuss and consider the information provided in the County Durham Town Centre Survey 2018.

3 The emerging County Durham Plan makes a number of policy proposals for town centres in the county to ensure they remain viable in the future and that they reflect the needs and opportunities of the communities that they serve. The proposals within the plan include:
   - the introduction of a retail hierarchy for the county detailing the role and purpose of each town centre and the appropriate mix of retail provision;
   - the use of the Sequential Test directing applications for main town centre use categories towards town centre locations first;
   - the introduction of local thresholds to protect current retail provision in town centres from the impact of future retail proposals;
   - the introduction of a flexible planning approach in relation to the change of use for empty retail units.
These policy proposals were strongly supported by the review group and are considered essential for the continued viability and vitality of our town centres. DCC needs to monitor the effectiveness/performance of these proposals in the future.

4 Unreliable IT connectivity and in some cases no connectivity was highlighted as an issue by retailers in Barnard Castle. The retailers commented that poor IT connectivity has constrained the economy deterring people from locating to the area, reducing future footfall and preventing businesses from capturing online sales. The Utilities, Telecommunications and Other Broadcast Infrastructure Policy contained in the emerging County Durham Plan proposes that all new builds or renovations (both residential and commercial) are served by high speed and reliable broadband connection. In addition, DCC needs to continue to work with broadband providers to ensure that residents and businesses throughout the county have the opportunity to capitalise on the rollout of superfast broadband
and where appropriate, DCC should roll out to other town centres in the county, IT schemes currently being piloted in Bishop Auckland and Stanley providing free public Wi-Fi.

5 Signage in our large town centres needs to be clear and current directing visitors to car parking provision, the retail offer, historical sites and visitor attractions. Whilst visiting the four large town centres in the county (Barnard Castle, Chester-le-Street, Seaham and Stanley) the review group identified that there was a mix of signage issues in all four town centres which needed to be addressed. It was highlighted that as part of the ‘second round’ of masterplan development, Chester-le-Street masterplan includes a review of signage. The review group recommends that as part of the masterplan programme a signage audit should be undertaken across all 12 large town centres in the county with a view to improving town centre signage.

6 Events taking place in our town centres generate significantly increased footfall for retailers. During the review retailers commented that they often receive short notice that events are being held in their town centre giving them very little opportunity to prepare and benefit fully from the increase in footfall. To ensure that local retailers benefit fully from such events, DCC (Communications and Marketing Team) need to work in conjunction with Parish and Town Councils and AAPs to better promote events subject to appropriate regulations regarding the promotion of third party events being satisfied. The current process to arrange an event in a town centre is complex however the ‘Managing Our Town Centres’ project involving one point of contact for arranging a town centre event has been trialled in Durham City and been very successful. It is recommended that the ‘Managing Our Town Centres’ project is rolled out across the county and that the Community Economic Development Team promote with DCC colleagues and key partners the one point of contact to be used for arranging future events.

7 Durham Employment and Skills (a training provider which sits within the ReaL Service Grouping) delivers training courses for employers and employees in the county covering areas such as digital marketing, health and safety, customer services, window displays and marketing. During the visits undertaken by the review group and in discussions with the Federation of Small Businesses (FSB) it was highlighted how important the availability of training is for both the sustainability and growth of retail business. DCC needs to continue to work with partners to develop future training opportunities informed by local retailers to meet their requirements and promoted by DCC and key partners to SMEs and micro-businesses in the county.

8 The review group met with commercial letting agents in the county to discuss the retail offer, support currently provided and any current challenges. During the discussion Members highlighted that funding was available to small retailers to improve their premises via DCC’s Targeted Business Support scheme. Unfortunately, the letting agents engaged with as part of the review process commented that they were unaware of the availability of this funding. Members of the review group then tried to access information in relation to the support scheme via the DCC website and found it complex and felt that some knowledge of how the website is structured was required. It is recommended that all
commercial letting agents operating in the county are provided with a direct link to the relevant DCC web page detailing DCC’s various business support provision and that DCC’s web pages are improved to provide clearer and more accessible information.

9 In 2017 a national revaluation of business rate liability was undertaken of all properties with a new rating list coming into effect on 1 April 2017. Government also made changes to the Small Business Rate Relief (SBRR) thresholds and introduced new relief schemes namely the Supporting Small Businesses Relief (SSB) and the Discretionary Fund. DCC needs to continue to promote to SMEs in the county the availability of SBRR. The Business Rates Team and the Enforcement Team should re-target all those businesses which are eligible who have not applied to date. In addition, the Business Rates Team needs to continue to work closely with DCC colleagues to promote all the various forms of rate relief currently available to the business sector.

10 During visits to the large town centres in the county retailers raised a range of car parking issues including car parking signage (see recommendation 4) together with the provision of additional car parking spaces, initiatives to regulate the availability/turnover of parking spaces, alternative car parking payment options and various car parking initiatives to increase footfall in our town centres such as ‘Free after 3pm’ which takes place in December. The review group recognised that each town centre in the county has a mix of car parking issues and therefore car parking provision in our 12 large town centres needs to be an area of focus in the development of the ‘second round’ programme of masterplans. In addition, DCC working with stakeholders including Councillors should reconsider when car parking initiatives such as ‘Free after 3’ are offered, possibly January/February when retail sales are slower to ensure optimum benefit for retailers. In relation to free car parking offers such as free car parking from 10.00am onwards in town centres to support Small Business Saturday, these offers should have a limit on the period of free parking to maintain the availability/turnover of spaces.

11 County Durham has 14 AAPs (AAPs) that deliver high quality services and give local people a say on how DCC services are provided. Since 2009 the AAPs have supported 104 projects linked to retail in our town centres. The AAPs work closely with DCC colleagues in the Community Economic Development Team in relation to the delivery of specific local projects including IT projects such as Online Teesdale and the Bishop Auckland and Stanley free public Wi-Fi scheme. In addition the AAPs have identified a number of opportunities for our town centres in the future including various parking initiatives/projects, the development of residential properties in town centres and the eligibility of five town centres in the county for Community Led Local Development funding to be used for business development. It is recommended that AAP projects are shared across the AAP network and that the Economy and Enterprise Overview and Scrutiny Committee is kept updated on the progress of ongoing AAP projects to support town centres and the retail offer.
Recommendations

**Recommendation 1**

(a) That DCC continues to further develop the County Durham town centre surveys to include detail of DCC owned buildings, hotel and bed and breakfast provision and tourist attractions in relation to the 13 largest centres, 2 district centres and 3 retail parks in the county.

(b) That a member’s seminar is arranged to discuss and consider the information provided in the County Durham Town Centre Survey 2018.

**Recommendation 2**

That the ReaL Service Grouping continue to monitor robustly the number of vacant retail units in our town centres and consider introducing an appropriate indicator to monitor performance on a quarterly basis.

**Recommendation 3**

(a) DCC ensures that as a result of the Utilities, Telecommunications and Other Broadcast Infrastructure Policy within the emerging County Durham Plan, all new build developments or renovations (both residential and commercial) are served by high speed and reliable broadband connection.

(b) That DCC continues to work with broadband providers to ensure that residents and businesses throughout County Durham have the opportunity to access superfast broadband provision currently available.

(c) That pending a successful evaluation of the Bishop Auckland and Stanley pilot schemes to provide free public Wi-Fi, the scheme is rolled out where appropriate to other town centres in the county.

**Recommendation 4**

That as part of the ‘second round’ programme of masterplans, a signage audit is undertaken across all 12 large town centres in the county with a view to making improvements to town centre signage.

**Recommendation 5**

(a) In order to encourage future events in town centres DCC rolls out the ‘Managing Our Town Centres’ project across the county, and promotes the project with relevant DCC colleagues and partners including the AAPs.

(b) That DCC’s Communications and Marketing Team in conjunction with partners including Parish and Town Councils and AAPs, actively promote community events to be held in town centres ensuring awareness amongst local businesses and subject to appropriate regulations regarding the promotion of third party events being satisfied.
Recommendation 6

(a) That a link to DCC’s web pages providing detail of DCC’s business support service and the Targeted Business Support scheme is sent to all commercial letting agents operating in County Durham.

(b) That DCC’s web pages providing detail of the business support service and the Targeted Business Support scheme are in a clear format and easily accessible when using search engines to access information on potential grant funding currently available.

Recommendation 7

That DCC continues to develop training opportunities for the retail sector which are informed by local retailers, with a focus on digital marketing, window display/dressing and good customer service and that the training offer is promoted by various key partners in the county to SMEs and micro-businesses.

Recommendation 8

That the Business Rates Team and the Enforcement Team re-target all businesses eligible for Small Business Rate Relief who have not applied to date, publicise all forms of business rate relief available and the associated eligibility criteria via the DCC website, Business Durham and the Area Action Partnerships

Recommendation 9

(a) That DCC considers introducing to some DCC town centre car parks alternative payment options such as contactless payments.

(b) That DCC reconsiders when car parking initiatives such as ‘Free after 3’ are offered to ensure that any initiative is of optimum benefit to retailers and limits the length of free car parking in town centres to allow availability/turnover of spaces working with local stakeholders including DCC Councillors.

(c) That car parking provision in the 12 large town centres is an area of focus in the development of the ‘second round’ programme of masterplans.

Recommendation 10

(a) That information in respect of AAP town centre projects are shared across the AAP network.

(b) That the review group receives detail of progress made in relation to ongoing AAP projects focusing on supporting town centres and business.

Recommendation 11

That a review of this report and progress made against the recommendations will be undertaken six months after the report is considered by Cabinet.
Background

Town centres - context

12 Over the last decade the retail sector has undergone some significant changes which has changed how, where and when we shop. Since 2013 the cost of running shops has increased with inflation, exchange rates, wages, utilities, transport and factors such as the apprenticeship levy, all combining to create a significant operating cost for retailers. In 2017 retail costs rose by 2.9% (ONS) compared to the previous year however retail sales only increased by 1.9%, the lowest annual growth rate since 2013 (ONS). Additionally, the rise in Business Rates at 42% is more than three times greater than that of corporation tax at 12% and is a further burden for the retail sector. The increasing costs for retailers rising faster than sales growth has caused national retailers to move out of town centres.

13 The growth in internet retailing has also been a major contribution to our changing town centres. Internet sales as a proportion of retail sales increased from 10.4% in 2013 to 17.9% in 2017 and it is forecast that such sales will be at 30% by 2030. In 2017, 42% of John Lewis sales were reportedly online and in 2018 results from Next reported store sales were down 7.9% while online sales were up 9.2%. The growth of the internet has meant that retailers with an online presence are able to gain national coverage whilst reducing the number of stores in town centres. As a result retailers have turned their focus to strategic locations for larger flagship stores on out of town retail park developments.

14 Town centres are having to evolve. The number and type of shops being occupied in our towns has continued to change. The traditional anchors of many towns such as banks, clothing shops and pubs have been closing hundreds of outlets. Where these units have been filled they have been taken over by health and beauty businesses such as nail salons, hairdressers, barbers and cafes and restaurants offering an experience rather than just products. New developments currently taking place in town centres have a leisure or cultural offer or a tourist attraction as an anchor together with restaurants, cafes, pubs and bars attracting consumers to the town centres.

Regional – context

15 Newcastle is the regional centre for the North East and its retail and leisure offer reflects this. Recent developments have focused around Eldon Square and the city centre has a number of mainstream fashion multiples anchored by retailers such as Marks and Spencer and John Lewis. Gateshead town centre has a much more limited retail offer and this is due to its proximity to Newcastle City centre and the Metro Centre.

16 The Metro Centre is the main out of town shopping in the North East and has a large higher order retail offer with key department anchors such as Debenhams, House of Fraser and Marks and Spencer, complemented by high order niche retailers. The Metro Centre is also a major leisure destination with a cinema and numerous national chain restaurants.
Sunderland performs a regional centre function in the North East although its retail offer is more limited than Newcastle. The main shopping area in the city centre is focused around the Bridges centre which houses mainstream high street comparison retailers.

Within the Tees Valley, Middlesbrough is the largest centre. It has three large shopping centres within the town centre with major comparison retailers such as Debenhams, House of Fraser and Marks and Spencer. Teesside Retail Park in Stockton-on-Tees provides the largest out of centre retail provision in the Tees Valley. The retail park has a particularly strong high street retail offer with Next, Marks and Spencer and TK Maxx. This offer is complemented by a large scale leisure offer including a cinema, ten pin bowling and numerous branded restaurants.

Darlington town centre offers a number of national retailers including Next and Primark. There has been the recent development of a cinema and further restaurants enhancing its role.

Overall the regional picture is reflective of the national picture, with larger dominant centres continuing to attract key retailers and some of the medium and smaller sized centres struggling to attract investment.

Planning - Retail and Town Centre Development Policies

The County Durham Town Centre Survey 2017

Key Findings

Durham County Council produces the annual County Durham Town Centre Survey presenting retail information via an ESRI story map

2017 survey shows overall vacancy rate for retail units across the county of 12%

Bishop Auckland has the highest town centre vacancy rate (21.2%) and Barnard Castle the lowest (4.1%)

Retail parks perform strongly, Tindale Crescent, St. Helen, Auckland and Hermiston, Consett have no vacant retail units

In County Durham we carry out the County Durham town centre surveys, which provide detail of changes in retail units across the 13 largest centres, 2 district centres and 3 retail parks. The information provided is then collated into an annual survey which presents retail information in relation to County Durham on a geographical basis via an ESRI story map.

The 2017 survey shows that Durham City is the county's largest town centre, with a total of 398 units. Bishop Auckland is only slightly smaller with 382 units. Overall the vacancy rate for retail premises across the county is 12%. In relation to town centres Bishop Auckland has the highest vacancy rate (21.2%) and Barnard Castle the lowest rate (4.1%).

Retail parks continue to perform strongly with no vacant retail units at Tindale Crescent, St. Helen, Auckland and Hermiston, Consett highlighting that those
locations with full occupancy of retail units offer a modern shopping experience consisting of large retail units, free car parking and can be accessed easily by car or public transport.

24 The town centres with the lowest vacancy rate Barnard Castle, Durham City and Seaham offer a mix of independent niche retailers, national retailers and either a leisure/recreational, cultural offer or tourism attraction.

25 The survey is an evolving document and mapping tool which is kept updated, with the information used from the survey to inform the evidence base for the emerging County Durham Plan, County Durham’s Local Plan which will direct development in County Durham until 2035.

26 The results of the 2017 survey were further supported by visits undertaken by the review group providing an opportunity for Members to see ‘first hand’ the number of vacant units and the current retail offer provided in four large town centres in the county (Barnard Castle, Chester-le-Street, Seaham and Stanley).

27 The review group found Seaham and Barnard Castle have low vacancy rates, with a mix of niche independent retailers and national retailers with a cultural offer or tourism attraction acting as anchors with examples at Seaham including Seaham Harbour, the Marina development and the Water Sports Centre and in relation to Barnard Castle, Bowes Museum. These anchors have resulted in a number of restaurants, cafes, bars and pubs also locating in these town centres. It was also highlighted that a funding bid had been submitted for Public Realm funding for the redevelopment of Church Street at Seaham and that further work was being undertaken to develop the night time economy.

28 The County Durham Town Centre Survey 2017 is an evolving document, providing quality information on the 13 largest centres, 2 district centres and 3 retail parks in the county. It is recommended that future surveys include detail on a geographical basis of DCC owned buildings, hotel/bed and breakfast provision and tourist attractions. In addition, following the publication of the 2018 survey, a Member’s seminar is arranged, providing an opportunity for all DCC Members to discuss and consider the information provided in the survey.

**Recommendation 1**

(a) That DCC continues to further develop the County Durham town centre surveys to include detail of DCC owned buildings, hotel and bed and breakfast provision and tourist attractions in relation to the 13 largest centres, 2 district centres and 3 retail parks in the county.

(b) That a member’s seminar is arranged to discuss and consider the information provided in the County Durham Town Centre Survey 2018.

**County Durham Plan**
Retail Hierarchy and Town Centre Development

**Key Findings**
The emerging County Durham Plan (CDP), the local plan for County Durham includes the following policy proposals for retail and town centre development:

(a) Introduction of a retail hierarchy

(b) Use of the Sequential Test and Local Thresholds

(c) A flexible planning approach for the change of use of empty retail units in the county

Policy proposals direct development applications towards town centre locations first, protect current retail provision from the impact of future retail proposals and simplifies the process for change of use of vacant retail units.

29 To determine the retail needs within the county, it is important to understand the role of each town and local centre. The County Durham Retail and Town Centre Uses Study 2018 provides recommendations for a retail hierarchy in County Durham and was used to inform the retail hierarchy in the emerging County Durham Plan. The retail hierarchy in the plan is based on a quantitative and qualitative assessment of each centre, its wider function in terms of overall shopping and service offer and the number of national multiples represented. The plan includes the following retail hierarchy:

- Sub Regional centres – Bishop Auckland, Durham City
- large towns centres – Barnard Castle, Chester-le-Street, Consett, Crook, Newton Aycliffe, Peterlee, Seaham, Spennymoor and Stanley
- Small Town centres – Ferryhill, Shildon
- District centres – Arnison Centre Durham City, Sherburn Road Durham City

30 The study shows Durham City and Bishop Auckland function as sub-regional centres with significant levels of floorspace and several major national multiple retailers represented. The District Centres of the Arnison Centre and Sherburn Road, Durham City have large mainstream convenience foodstore anchors together with a higher order non-food retail offer. It is recognised that the future development of these centres does not undermine the role of other higher order centres such as Durham City.

31 The nine large town centres generally have a good food retail offer and a more limited non-food offer with few national multiple retailers. These large town centres perform a supporting role to the Sub Regional centres. Small Town centres perform a top up role to the large town centres and have a limited non-food retail offer and basic service and leisure provision. Both of the District centres have large mainstream convenience food store anchors and a higher order non-food retail offer but lack the local service function (banks, professional
services etc.) of traditional centres. Local centres are found in a large number of villages across the county and support a number of local shops and services that meet local residents shopping needs.

32 The retail hierarchy within the emerging County Durham Plan, needs to continue to support town centre development in the future, improve consumer choice and ensure that future development, fits with the scale, size and function of the respective centre, safeguarding the retail character.

Sequential Test and Local Threshold

33 DCC’s current planning policies in some circumstances date back to the 1990’s which results in the Council being reliant on policies within more up to date national planning policy guidance via the National Planning Policy Framework (NPPF) and the National Planning Policy Guidance (NPPG).

34 NPPF requires that a Sequential Test is applied to planning applications for main town centre use categories¹ proposed outside of defined town centres. The test directs applications for main town centre uses outside existing centres towards town centre locations first, then edge of centre locations² and only if suitable sites are not available should out of centre sites be considered³.

35 In addition, the NPPF requires that in relation to retail, leisure and office development an impact assessment is undertaken if the proposed development is over a locally set floorspace threshold or in the absence of a locally set threshold, if the proposed development is over 2,500sqm. This should include:
   - the impact of the proposal on existing, committed and planned public and private investment in a centre or centres in the catchment area of the proposal; and
   - the impact of the proposal on town centre vitality and viability, including local consumer choice and trade in the town centre and wider area.

36 The emerging County Durham Plan includes the continued use of the Sequential Test and sets local thresholds for the application of an impact assessment for future retail development in the county, a local threshold of 1,500sqm (gross) for food retail development which could impact on sub-regional, large town or district centre and will be lowered to 1,000 sqm (gross) where the proposal is for non-food retailing. The plan also defines a specific impact threshold of 400 sqm (gross) for proposals that would impact on a small town or local centres with a robust impact assessment as part of the planning process.

37 The use of the Sequential Test and the introduction of local thresholds for the application of impact assessments are seen as measures within the emerging

¹ retail development; leisure; entertainment facilities including cinemas, restaurants, bars and pubs, night clubs, health and fitness centres, indoor bowling centres and bingo halls; offices; and arts, culture and tourism development including theatres, museums, galleries, concert halls, hotels and conference facilities.
² For retail purposes, a location that is well connected and up to 300 metres of the primary shopping area. For all other main town centre uses, a location within 300 metres of a town centre boundary. For office development, this includes locations outside the town centre but within 500 metres of a public transport interchange. In determining whether a site falls within the definition of edge of centre, account should be taken of local circumstances.
³ a location which is not in or on the edge of a centre but not necessarily outside the urban area with preferably good links to the town centre
County Durham Plan to protect current retail provision in town centres from the impact of future retail proposals and are essential for the continued viability and vitality of our town centres.

Flexible planning policy and alternative use

38 When considering evidence on the role of planning and the future development of our town centres reference was made that the current planning process needs to be more flexible in the consideration of the alternative use of empty retail units in our town centres, allowing a change of use from traditional retail to cafes, restaurants, hairdressers etc. This would allow town centres to evolve more easily, offering an experience to visitors.

39 The alternative use of empty retail units was highlighted when undertaking visits to Chester-le-Street and Seaham town centres where as part of the work undertaken on the development of masterplans for both town centres discussion had taken place on the possibility of vacant retail town centre units and/or second floor accommodation above retail units being used for residential accommodation. Recent development in town centres in the county have included residential accommodation with the redevelopment of the Gates Shopping Centre in Durham City including both luxury residential accommodation and student accommodation.

40 In discussions with commercial letting agents in the county, they commented that a radical approach was required in relation to our town centres with flexibility in the planning process allowing the alternative use of empty retail units. The letting agents commented that the introduction of residential accommodation in some of County Durham’s large town centres would both increase footfall in town centres from residents whilst reducing the number of retailers and thereby competition which will make the retail offer more sustainable in the future.

41 The emerging County Durham Plan recognises a need for a more flexible planning approach in relation to the change of use of empty retail units. The plan identifies the Primary Retail Frontages in the county, principal retail locations which have the highest proportion of A1 retail uses (traditional retail) and form the main shopping areas within the county’s sub-regional, large and small town centres. The plan maintains in these areas a predominantly retail offer but does allow an appropriate provision of non-A1 retail facilities with other uses assessed against the mix of commercial and retail uses and whether it would lead to an over concentration of non-retail uses. In addition, the plan recognises that in some instances town centres can provide suitable locations for residential accommodation and encourages residential usage within sub-regional, large and small town centres, outside of the Primary Retail Frontage where it complies with the relevant policies in the plan.

42 This flexible planning approach to alternative usage provides an opportunity for our town centres to evolve and meet consumer requirements for centres to offer an experience whilst providing a further opportunity for local communities via the

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4 A2 (financial and professional services); A3 (restaurants and cafes); A4 (drinking establishments) and A5 (hot food takeaways)
masterplan process to consider whether vacant retail town centre units or second floor accommodation could be considered for residential use where there is evidence of demand.

43 The review group commented that DCC needs to monitor the performance of the various policy proposals in the emerging County Durham Plan and suggested the introduction of an indicator into the relevant performance indicator set providing detail on a quarterly basis of the number of vacant retail units in the county.

**Recommendation 2**

That the ReaL Service Grouping continue to monitor robustly the number of vacant retail units in our town centres and consider introducing an appropriate indicator to monitor performance on a quarterly basis.

**IT Connectivity**

**Key findings**

**Over 17% of customers now shop online**

**Important that businesses within County Durham capture growing online sales**

**Broadband connectivity in some areas of the county is poor with slow broadband speed and in some areas no access to broadband provision**

**DCC currently supports two IT projects in town centres, Smart Stanley and Online Teesdale Schemes**

**The Utilities, Telecommunications and other Broadcast Infrastructure Policy in the CDP will ensure that all new builds or renovations (residential and commercial) in rural areas are served by reliable broadband connection**

44 In 2018, shoppers are increasingly buying goods online, whilst visiting the physical shopping locations for services such as hairdressers, nail-bars, coffee shops and restaurants. Over 17% of consumers now shop online at least some of the time compared to just 5% in 2013 (The Grimsey Review 2018 ‘It’s time to reshape our town centres’).

45 This change in shopping habits has been driven particularly by the growth of smartphone ownership, and the ease of download with 4G, its connection stability and general quality of experience has improved to the point where people see online shopping as seamless. As online sales continue to grow it is important that the retail sector in County Durham particularly in rural areas have access to 4G provision to both capture online sales and to benefit from online business packages to help with the running of the business such as on-line accounting and stock auditing IT packages.

46 When visiting Barnard Castle, a large rural town centre in the South West of the county the group met with retailers to discuss the retail support they currently receive and any issues and challenges. During the discussion retailers commented that there are issues in relation to slow connectivity for businesses in the town centre which had affected sales via digital means such as iZettle.
however for those businesses based beyond the Market Cross and on The Bank there is no IT connectivity. It was added that businesses within the town centre had discussed the possibility of introducing a mobile phone location based App which visitors and local residents could access via their mobile phone devices when in the town centre which would identify special offers and highlight areas of historic interest to visitors. However, the retailers highlighted their frustrations at not being able to pursue this option due to inadequate broadband connectivity.

47 Retailers also highlighted that new family homes are to be built on the edge of the town however families when considering the purchase of a new home consider access to superfast broadband an essential element. The retailers highlighted that in order for the retail offer to be sustained and for the local economy to grow, families need to purchase the newly developed homes to increase future footfall in the town centre.

48 When receiving information on the support provided to the retail sector by Durham County Council (via the Regeneration and Development Team, the Community Economic Development Team and the AAPs) it was confirmed that currently there are two IT schemes running in town centres in the county, the Bishop Auckland and Stanley free public Wi-Fi pilot scheme and the Online Teesdale schemes.

49 The Bishop Auckland and Stanley pilot schemes will offer free public Wi-Fi in both town centre next year and in the future. If the pilot scheme is successful then the scheme will be introduced into other town centres in the county. In relation to On-line Teesdale, the scheme is currently undergoing further development to provide one to one business advice to local enterprises to promote the benefits of effective trading and visibility online.

50 Access to reliable and high speed broadband is essential for both residents and businesses of County Durham. The emerging County Durham Plan recognises that the lack of a reliable broadband connection in rural areas has constrained the economy and that County Durham needs to capitalise on the roll out of superfast broadband to stimulate a prosperous economy. The Utilities, Telecommunications and Other Broadcast Infrastructure Policy within the plan will ensure that all new builds or renovations (both residential and commercial) in rural areas are served by high speed and reliable broadband connection.

51 In addition, the review group recognise there are areas of the county not designated as rural where broadband speeds are slow and need to be significantly improved. DCC needs to continue to work with broadband providers to ensure that residents and businesses throughout the county have the opportunity to access superfast broadband provision currently available. In addition, where appropriate DCC should roll out IT schemes currently being piloted in town centres such as the Bishop Auckland and Stanley scheme.

**Recommendation 3**

(a) DCC ensures that as a result of the Utilities, Telecommunications and Other Broadcast Infrastructure Policy within the emerging County Durham Plan, all new
build developments or renovations (both residential and Commercial) in rural areas are served by high speed and reliable broadband connection.

(b) That DCC continues to work with broadband providers to ensure that residents and businesses throughout County Durham have the opportunity to access superfast broadband provision currently available.

(c) That pending a successful evaluation of the Bishop Auckland and Stanley pilot schemes to provide free public Wi-Fi, the scheme is rolled out where appropriate to other town centres in the county.

Masterplans

Key findings

First round of masterplans for the 12 largest town centres in the county is complete

Commenced development of ‘second round’ of the masterplans programme

Chester-le-street masterplan includes consideration of signage, signage issues were raised when the group visited the four large town centres in the county

Opportunity for a signage audit to be undertaken in the 12 largest town centres

52 County Durham has masterplans (Regeneration Frameworks) for its 12 largest town centres, Durham City, Peterlee, Seaham, Chester-le-Street, Consett, Stanley, Barnard Castle, Bishop Auckland, Crook, Newton Aycliffe, Shildon and Spennymoor. The masterplans are designed to supplement the information provided through the County Durham Plan. They are prepared at a town centre or settlement level and provide an overview of the relevant town, identifying the relevant key partners operating in the town and key emerging priorities and projects and set a monitoring framework for delivery.

53 All masterplans follow a broadly similar format and are developed using a multi-disciplinary group of staff driven by the Regeneration and Local Services which typically includes Planning, Economic Development, Housing and Transport colleagues and depending on the location other service areas or partner organisations may input throughout the process.

54 As part of the development of the masterplans detailed consultation takes place with external individuals, groups and organisations that feed their thoughts into the document. A key element of the consultation process is the involvement of the AAPs, many of which have identified or retain task and finish groups looking at the main centres. The AAPs also play a key role in shaping the masterplans to ensure that they reflect the priorities of local residents.

55 A full suite of the ‘first round’ of masterplans has been delivered for 12 of the Council’s largest towns. The programme of the ‘second round’ of masterplans has commenced delivery, with the development of Chester-le-Street masterplan currently under way.
One of the objectives in the Chester-le-Street masterplan is to improve the links: between the town centre and the surrounding local residential areas, visitor attractions, heritage sites and the wider countryside with improved signage identifying walking routes from the Emirates Cricket Ground and Chester-le-Street Riverside Park into the town centre. This will encourage footfall from the visitor attractions to go into the town centre.

During visits to Barnard Castle and Seaham town centres the issue of signage was raised. Local retailers and developers highlighted the need for signage in general to be reviewed and updated including signage directing footfall to the retail offer, historical sites and visitor attractions such as the Marina and the Water Sports Centre at Seaham and the Old Well Inn at Barnard Castle.

In addition, during the visits to all four large town centres in the county (Barnard Castle, Chester-le-Street, Seaham and Stanley) issues in relation to car parking signage were raised both directional signage directing drivers to car park provision in town centres and signage identifying individual car parks in the town centres.

Signage in town centres needs to be clear and up to date directing visitors to car parking provision, the retail offer, historical sites and visitor attractions. It was recommended by the review group that as part of the ‘second round’ programme of masterplans a separate signage audit should be undertaken across all 12 large town centres in the county with a view to making improvements to town centre signage.

**Recommendation 4**

That as part of the ‘second round’ programme of masterplans, a signage audit is undertaken across all 12 large town centres in the county with a view to making improvements to town centre signage.

**Retail support provided by Durham County Council**

**General business support**

**Key findings**

DCC provides a mix of business support to the retail sector via the ReaL Service Grouping

DCC is piloting the ‘Managing Our Town Centres’ project in Durham City providing one point of contact for arranging events in town centres

Need to consider how future events in town centres are publicised

The Regeneration and Development Team and the Community Economic Development Team, located in the Regeneration and Local Services (ReaL) Service Grouping provides DCC’s business support to the retail sector.

The teams provide a mix of support including: assisting new business start-ups; improving shop frontages and the general environment of town centres; assist with site acquisition and clearance; provide training for business owners and
employees working closely with Durham Employment and Skills a training provider which sits within the ReaL Service Grouping; signpost to DCC’s Employability Team businesses that require support in relation to providing apprenticeship opportunities; support the Durham Markets project and various business chambers and forums in the county and work with partners to promote various campaigns such as Small Business Saturdays, Love Your Markets and Do it Digital.

62 When talking to a local retailer in Chester-le-Street, the REFUSE Café (a pay as you feel café) the review group was informed that they had experienced a number of difficulties when trying to arrange an outdoor event in Chester-le-Street to feed a 1,000 people. The review group was informed that the organisers of the event were required to contact several DCC services where they received conflicting advice and had several separate forms to complete. They highlighted that they had found the process complex and tiring and that they were uncertain about arranging future events.

63 The Community Economic Development Team informed the review group that the ‘Managing Our Town Centres’ project is being piloted in Durham City and has one point of contact for groups when organising events in the city centre. The one point of contact has been successful and work is currently being undertaken to roll out this approach to other town centres in the county.

64 The issue of events held in town centre was further raised when the review group visited Stanley town centre. Whilst discussing with local retailers the retail support they had received it was highlighted that local retailers had received at short notice detail of two events to be held in the town centre, the Christmas Market and the Armed Forces Day. The lack of opportunity for retailers to prepare for these events had resulted in local retailers not benefiting fully from the significantly increased footfall.

65 Both events had been organised by the Town Council and it was suggested by the review group that businesses may want to consider attending future Town Council or AAP meetings so that they are aware of further events planned for the town centre. It was also suggested that Stanley Town Council should consider co-opting local retailers onto the relevant committee or group responsible for arranging future town centre events.

66 To encourage the organising of more events in town centres in the future it is important that the process for organising events is as simple as possible. The review group would recommend that the ‘Managing Our Town Centres’ project is rolled out across the county and promoted with relevant DCC Service Groupings and key partners including AAPs so that local residents/community groups and businesses have a single point of contact when arranging future town centre events. In addition, that DCC working in partnership with Town and Parish Councils and AAPs promote community events to be held in town centres with local businesses and subject to satisfying the appropriate regulations regarding the promotion of third party events.
Recommendation 5

(a) In order to encourage future events in town centres DCC rolls out the ‘Managing Our Town Centres’ project across the county, and promotes the project with relevant DCC colleagues and partners including the AAPs.

(b) That DCC’s Communications and Marketing Team in conjunction with partners including Parish and Town Councils and AAPs, actively promote community events to be held in town centres ensuring awareness amongst local businesses and subject to appropriate regulations regarding the promotion of third party events being satisfied.

Targeted Business Support

Key Findings

DCC’s Targeted Business Support Scheme provides funding to small retail businesses to improve business premises

Scheme provides up to 70% of cost for external works on major schemes up to a maximum of £20,000 and for minor schemes up to 50% of the cost up to a maximum of £5,000

Scheme is currently promoted via DCC website and signposting by key partners

Commercial Letting Agents engaged in the review process unaware of the Targeted Business Support Scheme

67 DCC offers a scheme of targeted business support providing funding to small retail businesses in the county to use on improving premises. The funding is available to support new businesses into premises, bring back derelict premises or underused retail space back into use and encourage business growth.

68 Funding is administered by the Regeneration and Development Team and the Community Economic Development Team and is awarded for external works on major schemes, 70% of cost up to a maximum of £20,000 and in relation to minor schemes, 50% of cost up to a maximum of £5,000, with the option that internal works may also be considered alongside the external works. In the last five years the Targeted Business Support scheme has funded improvements to over 150 premises in the county, with a third of the premises improved previously vacant units.

69 The Targeted Business Support scheme is promoted via the DCC website, with signposting to the support service undertaken by the AAPs, Business Durham and various partners including the Federation of Small Businesses (FSB), Enterprise Agencies and various business forums.

70 As part of the review, Members of the review group met with representatives from three commercial letting agents in the county. During the conversation Members of the review group made reference to the availability of funding via DCC’s Targeted Business Support scheme to small retailers in the county. The commercial letting agents engaged as part of the review process commented that they were not aware of the availability of this funding and that it was essential
that all letting agents in the county are provided with detail of how to access this funding either via the DCC website link or be provided with information directly attached to an e-mail sent out to all letting agents. Letting agents would then have the information to promote the availability of this funding and make potential start-up businesses and existing businesses looking to grow aware of the financial support available via the scheme.

71 During the meeting several Members of the review group tried to access DCC’s website to get detail of both general business support provision and the Targeted Business Support scheme. It was found that the process to access the information was complex and would require some knowledge/understanding of how DCC’s website is structured and operates.

72 Whilst commercial letting agents were unaware of the Targeted Business Support scheme it was acknowledged by the review group that in discussions with developers and retailers they were aware of the scheme and had used funding from the scheme to improve their premises.

73 Information of DCC’s general business support service and in particular the funding available via the Targeted Business Support scheme needs to be shared directly with commercial letting agents operating in the county to ensure that the information is available to new business start-ups and existing businesses looking to grow. The existing process to access information on general business support and the Targeted Business Support Scheme on DCC’s website is complex and the ReaL Service Groupings needs to consider how it can make the information on DCC’s website easily accessible.

Recommendation 6

(a) That a link to DCC’s web pages providing detail of DCC’s business support service and the Targeted Business Support scheme is sent to all commercial letting agents operating in County Durham.

(b) That DCC’s web pages providing detail of the business support service and the Targeted Business Support scheme are in a clear format and easily accessible when using search engines to access information on potential grant funding currently available.

Training Opportunities

Key Findings

DCC (ReaL Service Grouping) working in partnership with Durham Employment and Skills develop and subsidise training courses for local businesses

Training courses provided in 2017/18 free of charge included digital marketing, health and safety, customer services, window display and marketing

Retailers and the Federation of Small Businesses (FSB) highlighted the importance of training

Cost of training is an issue to small businesses
The Regeneration and Development Team and the Community Economic Development Team working in partnership with Durham Employment and Skills have developed and subsidised training courses for employers and employees in the county covering digital marketing, health and safety, customer services, window displays and marketing. The training sessions have been well attended in 2017/18 with over 40 local businesses attending across the five training sessions with each business sending two or three members of staff to each training session, resulting in each training session having approximately 50 attendees. It was confirmed that the training provided had cost £5,000 in total and was offered free of charge.

During visits to town centres when discussing with retailers current retail support, it was highlighted to the group that with the rise in on-line shopping and town centres evolving into offering an experience, for independent retailers to remain in our town centres they need to be able to market and sell their offer digitally, attract customers into their shops via eye catching window displays and then get repeat custom via good customer service. Whilst undertaking walkabouts in the four large town centres Members saw ‘first hand’ that a well-dressed window attracted customers into a shop.

The review group also raised the issue of training when it met with Simon Hanson, North East Development Manager, Federation of Small Businesses (FSB) on the 6 April. He agreed that the availability of training was important however the cost of training was particularly challenging for SMEs and micro-businesses in the county so any training provided free of charge or at a low cost will be actively promoted by the FSB with their local membership.

It is important that DCC continues to work with partners to develop future training opportunities for the retail sector in relation to digital marketing, window display/dressing and customer services informed by local retailers and promoted by DCC and key partners to SMEs and micro-businesses in the county.

Recommendation 7

That DCC continues to develop training opportunities for the retail sector which are informed by local retailers, with a focus on digital marketing, window display/dressing and good customer service and that the training offer is promoted by various key partners in the county to SMEs and micro-businesses.

Business Rate Relief

Key Findings

Revaluation of all business rateable properties, new rating list produced in April 2017

7,729 properties had an increase in rateable value and 3,398 a decrease in value

In 2017 a change to the Small Business Rate Relief Scheme (SBRR) thresholds from 1 April resulting in an additional £3.7m in SBRR awarded

Government introduced new reliefs for specific types of business including pubs which resulted in 224 receiving £176,443 in relief
Government introduced Supporting Small Business Relief (SSB) resulting in 61 businesses receiving £85, 215 in relief

78 A new business rating list came into effect on 1 April 2017. This resulted in 15,095 business properties being responsible to DCC for rating purposes with 7,729 properties seeing their rateable values increase and 3,398 properties seeing their rateable values decrease and 3,969 properties had no change.

79 The category with the greatest overall decrease in rateable value are commercial shops with 1626 properties seeing a fall in business rates. Some commercial properties, 478 saw an increase in their bills with large increases for the retail parks at Sherburn Road, Durham City and Dalton Park at Seaham.

80 Government in 2017 has also made changes to the Small Business Rate Relief (SBRR) thresholds, increasing the amount of relief and the thresholds for awarding SBRR from 1 April 2017. The rateable value threshold for 100% SBRR was doubled from £6,000 to £12,000 and then tapered relief is available for rateable values from £12,000 to £15,000. SBRR is available to all eligible business rate payers, who have one business and the premises are occupied or in use. A small core of SMEs in the county eligible for SBRR continue not to claim. An additional £3.7m in small business rate relief has been awarded in 2017 resulting in 7,567 accounts receiving £13.9m in total small business rate relief (2016 – 6,865 accounts received £10.1m in SBRR).

81 In addition, DCC offers a Discretionary Rate Relief policy (DRR) which is mainly targeted at providing rate relief to those organisations that operate on a not for profit basis such as charitable organisations/voluntary groups. Government has recently introduced some new reliefs that are delivered under the same regulations that govern awards of DRR. These new reliefs are directed to specific types of businesses such as pubs and businesses adversely affected by the revaluation. In relation to pubs, for 2017/18 and 2018/19 this relief applies to pubs with a rateable value of up to £100,000 and they are entitled to £1,000 additional rate relief after any other relevant reliefs have been applied, resulting in 224 pubs in County Durham receiving £176,443 in new rate relief.

82 Government has also introduced the Supporting Small Businesses Relief (SSB) and the Discretionary Fund. The SSB was introduced to lessen the impact on ratepayers who as a result of an increase in rateable value have lost some or all of their small business rate relief resulting in 61 business accounts in the county receiving £85,215. The Discretionary Fund of over £300m over four years was announced in 2017 and introduced by Government to support those businesses that face the steepest increases in business rates as a result of the revaluation. DCC’s received £663,000 from the fund in year 1, with DCC’s policy approved in July 2017. Subsequently 517 businesses in County Durham have been awarded a total of £668,842.

83 The Business Rates Team and the Enforcement Team need to re-target all those business which are eligible for SBRR who have not applied to date. In addition the Business Rates Team needs to promote on the DCC website and via colleagues in Community Economic Development, Regeneration and Economic
Development, Business Durham and the AAPs the various forms of rate relief currently available.

**Recommendation 8**

That the Business Rates Team and the Enforcement Team re-target all businesses eligible for Small Business Rate Relief who have not applied to date, publicise all forms of business rate relief available and the associated eligibility criteria via the DCC website, Business Durham and the AAPs.

**Traffic and parking management**

**Key Findings**

- **Town centres within the county have a mix of car parking issues**
- **Car parking provision in the county is a mix of private and public ownership**
- **DCC controls 3,133 parking spaces in the county plus 1,224 spaces in Durham Park and Ride**
- **Need to manage occupancy and availability/turnover in our car parks**
- **29 contactless car parking payment machines have been introduced into Durham City**
- **DCC currently operates two car parking schemes in DCC car parks in December, ‘Free after 3’ and free car parking after 10.00am on Small Business Saturday**

When undertaking visits to the four large town centres in the county and speaking to retailers/developers various car parking issues were raised including:

- The need for additional car parking provision at Stanley and Seaham town centres. In relation to Seaham town centre it was recognised that during the summer period demand for parking around the harbour area was particularly high resulting in large traffic queues forming. In relation to Stanley town centre which has free car parking, employers and employees leave their cars in the public car parks in the town centre whilst at work in Stanley, the Metro Centre and Newcastle, significantly reducing car parking spaces available for visitors to the town centre.
- Need to update car parking signage at Barnard Castle, Chester-le-Street Seaham and Stanley both directional signage to car parks when entering the respective town centres and individual car park signs (see section on masterplans page 15).
- Need to consider different car parking payment options such as payment on return to vehicle or contactless payment, this was highlighted in relation to Barnard Castle and Chester-le-Street town centres.

It was recognised by the review group that town centres in the county have a mix of car parking issues which need to be tackled via an individual plan for each town centre.
Car parking provision across the county is a mix of private and public (DCC) ownership with the County Durham Parking Policies document 2016-19 setting out DCC’s approach to parking across all of the towns and larger and smaller villages of County Durham. The document provides a clear and comprehensive framework for the operation of Civil Parking Enforcement and contains policies to effectively manage parking control and enforce parking restrictions on the road network.

DCC currently controls over 3,133 parking spaces in the county 1,354 off street, 79 blue badge and 1,700 on street plus 1,188 spaces off street and 36 blue badge bays in Durham Park and Ride.

It is important that car parking occupancy and availability/turnover rates are managed. DCC works on the basis that in order for car parks to operate efficiently the maximum occupancy level is 85% which gives visitors to the town centres the expectation of finding a space, reduces congestion as there is no circulating for a space and generates turnover of spaces to maximise visits and footfall. The group was provided with the example that if a space turns over 5 times a day and the occupants of each vehicle spends £5 in the local economy this equates to £25 per space per day, £150 per space per week and £7,500 per space per annum. This will equate to £23,250,000 of potential business income per annum from DCC’s 3,100 pay and display spaces in County Durham. The example used reinforced with the review group the importance of managing car parking occupancy and availability/turnover to ensure they are kept for visitors to town centres.

Occupancy and availability/turnover can be managed in car parks by introducing maximum stay periods which will dissuade employees from taking up car parking spaces for the whole of the working day. The Albert Road car park in Consett town centre had introduced a maximum stay scheme which had been very successful in freeing up car parking spaces for visitors to the town centre and ensure regular turnover of parking spaces.

DCC has introduced in Durham City 29 car parking contactless payment machines which have been well received with 25,000 customers using them in the first three months of operation. The review group felt that whilst there was a cost of introducing these machines, £5000 per machine together with a small charge per transaction (20p), they are popular with users and some large town centres in the County may want to consider their use.

In relation to car parking initiatives to support town centres, DCC has introduced two that currently operate during December, the ‘Free after 3’ - free parking after 3pm during December in DCC car parks and Small Business Saturday providing free car parking after 10am on the first Saturday in December in DCC pay and Display car parks across the county. The group was informed that there are issues with both initiatives. The ‘Free after 3’ initiative is held in December the busiest month for retailers in County Durham when the number of visitors to our town centres after 3.00pm is limited with visitors opting to visit the town centre on weekends or week days prior to 3pm. Concerning Small Business Saturday the review group heard that evidence in relation to Durham City shows that workers in the city centre will pay for the first two hours of parking and then park free for
the remainder of the day. This has resulted in visitors coming into the city centre to support the initiative having issues in finding an empty car parking space. This would suggest that DCC needs to explore both the type and timing of any car parking initiative that it offers to ensure that they increase footfall in our town centres.

91 DCC needs to consider introducing alternative payment options in DCC car parks across town centres such as contactless payments ensuring that visitors to the centres have a choice of payment method. In addition, DCC working with local stakeholders including DCC Councillors, needs to re-consider when car parking initiatives such as ‘Free after 3’ are offered and consider moving the initiative to possibly January/February when retail sales are slower. This would ensure that such an initiative is of optimum benefit to local retailers. In relation to initiatives that offer free parking such as Small Business Saturday, DCC should continue to link this offer to events in town centres such as Easter events and limit the maximum period of free parking offered to maintain the availability/turnover of spaces.

92 The review highlighted that town centres in the county have a mix of car parking issues which will require the development of an individual plan to tackle the issues identified in each centre. It was recommended by the review group that car parking provision in our 12 large town centres is an area of focus in the development of the ‘second round’ of masterplans.

Recommendation 9

a) That DCC considers introducing to some DCC town centre car parks alternative payment options such as contactless payments.

b) That DCC reconsiders when car parking initiatives such as ‘Free after 3’ are offered to ensure that any initiative is of optimum benefit to retailers and limits the length of free car parking in town centres to allow availability/turnover of spaces working with local stakeholders including DCC Councillors.

c) That car parking provision in the 12 large town centres is an area of focus in the development of the ‘second round’ programme of masterplans.

Area Action Partnerships (AAPs)

Key Findings

Since 2009 AAPs have supported 104 projects linked to town centres and business with AAP funding totalling £583,832

AAPs work in partnership with the ReaL Service Grouping and external partners including Durham BID, Enterprise Agencies, FSB and Town and Parish Councils to develop and deliver projects

93 County Durham has 14 AAPs that cover all areas of the county. They help deliver high quality services and give local people say on how our services are provided. Since 2009, the various AAPs have supported 104 projects linked to town centres and business with AAP funding totalling £583,832, £1.2m from
Area and Neighbourhood Budgets and £864,617 from match funding. It was highlighted that retail sector projects have the lowest £ for £ match rate, with each £1 of AAP funding spent bringing back 71p to the town centre. In addition, there are very few match funding opportunities other than via Heritage Lottery funding for town centres.

AAPs work closely in partnership with the Community Economic Development Team in relation to specific local projects including improvement schemes, event programmes, signage, town maps, destination development plans and IT projects including On-line Teesdale scheme, Smart Stanley scheme environmental projects such as ‘Operation Spruce Up’, business mentors, encouraging routes into self-employment and the development of future town centre retailers. They also work with external partners across the county including the Durham BID, Local Enterprise Agencies, FSB and Town and Parish Councils.

AAPs have identified a number of opportunities for the future including:

- Supporting the delivery of objectives in masterplans.
- Community Led Local Development funding - five towns (Chester-le-street, Bishop Auckland, Shildon, Spennymoor and Stanley) are eligible for business development funding.
- Local pilots to test new approaches in town centres including residential properties in town centres and car parking strategies including the development by Chester-le-Street AAP of a transferable car parking ticket which could be used in any DCC car park in the town centre.

AAPs working with partners have developed and delivered a number of town centre projects which should be shared across the AAP network. In addition, the review group requested that the Economy and Enterprise Overview and Scrutiny Committee is kept updated on progress made in relation to ongoing AAP projects supporting town centres and the retail offer.

**Recommendation 10**

(a) That information in respect of AAP town centre projects are shared across the AAP network.

(b) That the review group receives detail of progress made in relation to ongoing AAP projects focusing on supporting town centres and business.