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DELIVERING REGENERATION:

Leading recovery through our High Streets & Public Assets

Presentation by:

Dr Steven Norris -- National Head of PDR

Mark Wilkinson – Director, London Development Consultancy

Neil Parlett – Director, London Development Consultancy

15th September 2021

INTRODUCING

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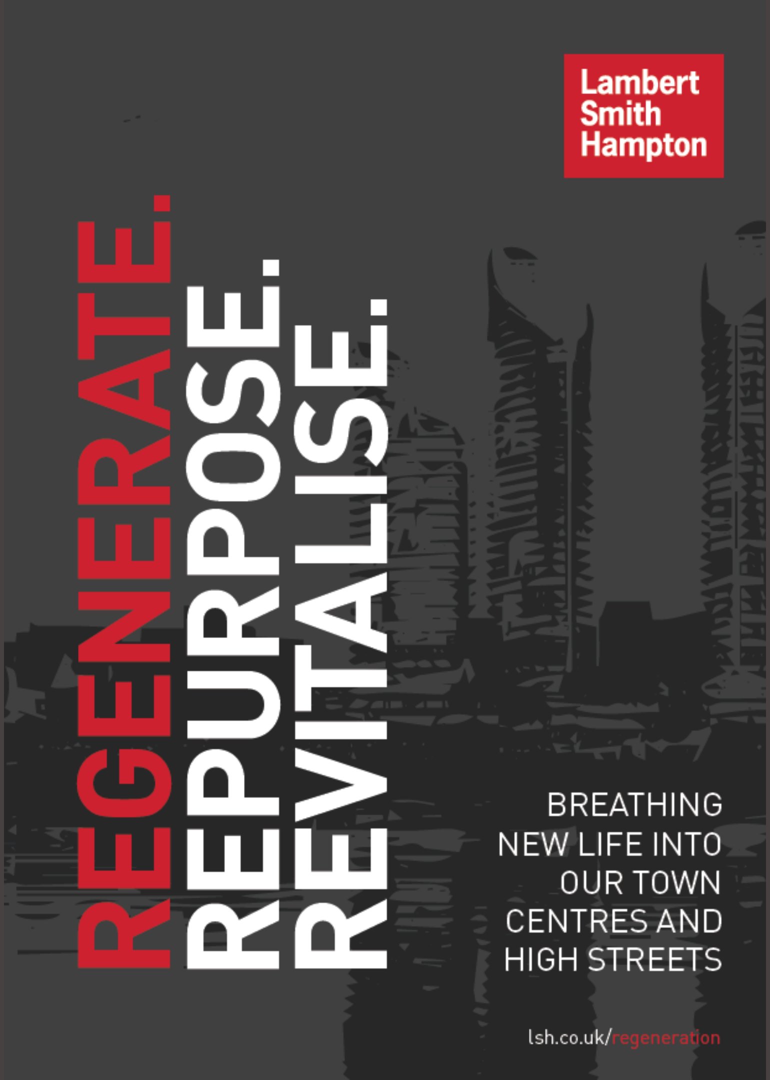
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REGENERATE.
REPURPOSE.
REVITALISE.
BREATHING NEW LIFE INTO OUR TOWN CENTRES AND HIGH STREETS
lsh.co.uk/regeneration


Lambert Smith Hampton
FIXING OUR BROKEN HOUSING MARKET
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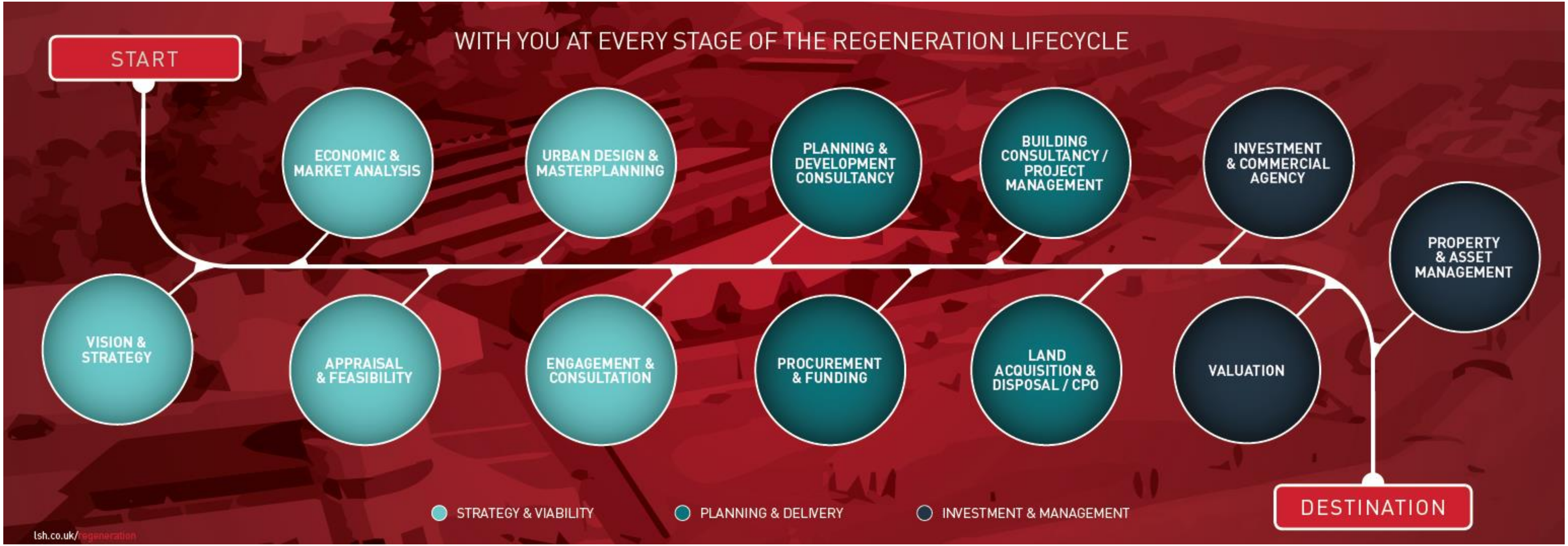
574
ikon
A3
airspacexchange
HLM
HAMPTONS INTERNATIONAL

PLACE MAKERS – DELIVERING REGENERATION



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LSH RESEARCH & VIEWPOINTS

VIEWPOINT

Perfect planning

VIEWPOINT

Business and Planning Bill 2020: Permissions, permissions, permissions

VIEWPOINT

Embracing net zero

RESEARCH

Death of the high street or a new beginning?

RESEARCH

Bouncing back: the hotel sector's path to recovery

NEWS

Planning for the Future: Overhauling the Planning System

RESEARCH

Taking stock in UK retail

RESEARCH

South East Office Market Report 2021

https://www.lsh.co.uk/explore/research-and-views/

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SCOPE OF PRESENTATION

1. Issues, Challenges and Opportunities
2. Delivering Regeneration – Town Investment Plans
3. Delivering Regeneration – Forms of Intervention
4. Summary - what have we learnt?

ISSUES, CHALLENGES & OPPORTUNITIES

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ISSUES & CHALLENGES

- **Growth of internet-based activities: shopping - eating at home – Netflix/Disney/Amazon**
- Shopping centre and retailer failures.
- Britain’s towns and high streets are over-shopped.
- Rise in home working, fall in need for traditional office space
- Planning reforms
- Climate Change – zero carbon future
- Bridging the Viability & Funding ‘Gap’.

RISE OF ONLINE SHOPPING

SOURCE: ONS

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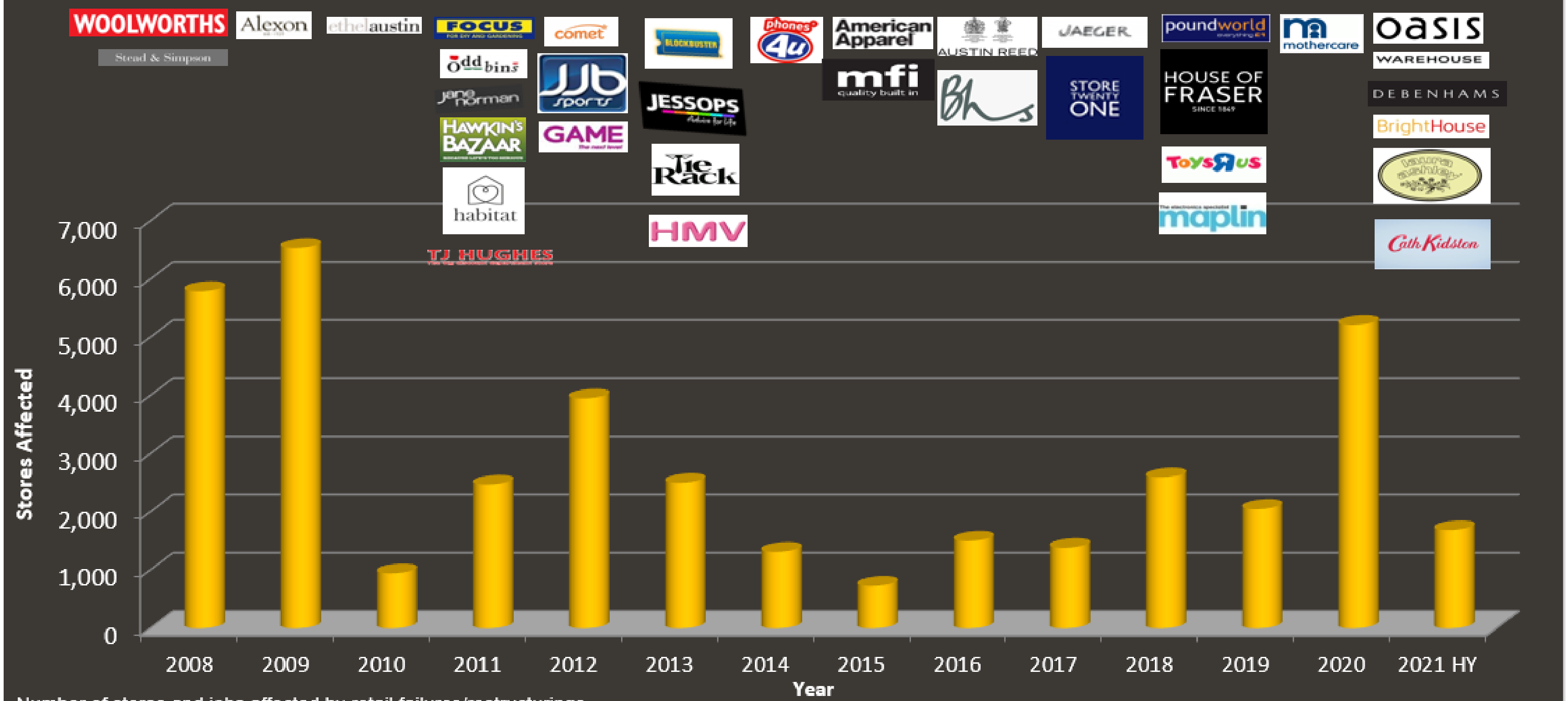
RETAIL 'CASUALTIES'



Number of stores and jobs affected by retail failures/restructurings

Source: Centre for Retail Research

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RISING VACANCIES – SHOPPING CENTRES EXPOSED

SOURCE: Local Data Company

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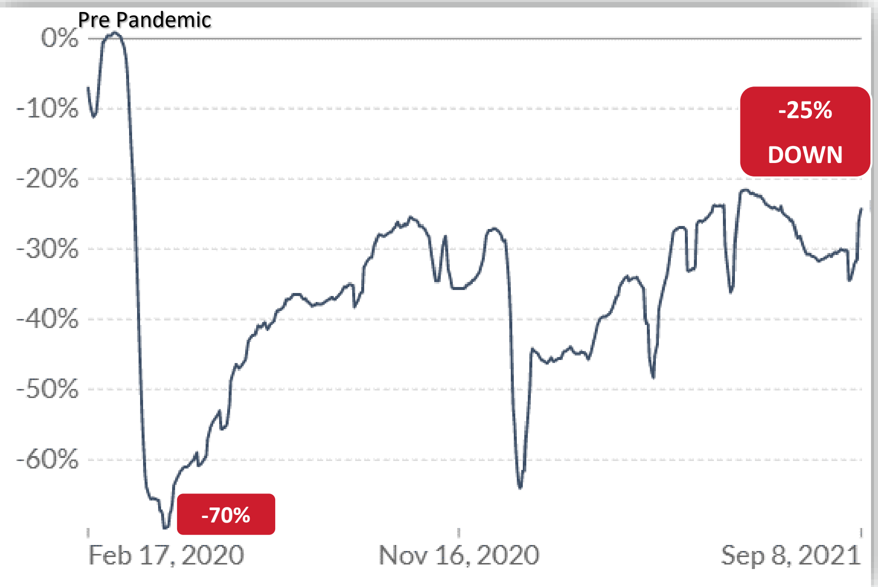
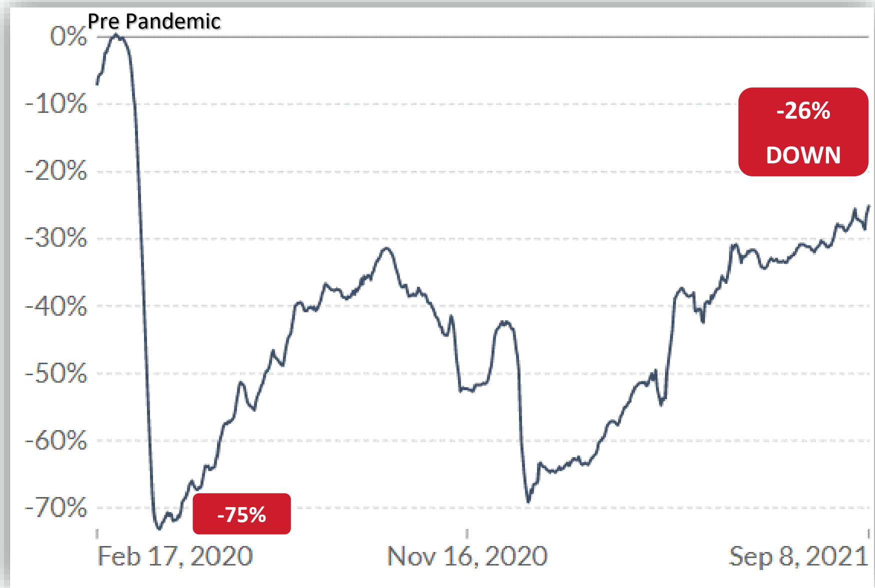
IMPACT OF PANDEMIC: HOME v OFFICE

UK change in visitors to workplaces relative to period before pandemic



UK change in visitors to public transport hubs (e.g. bus, tube and train stations)



SOURCE: Google/ InOurWorldData

THAMES VALLEY & SOUTH EAST

OFFICE MARKET REPORT 2021

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CHANGING SPACE

https://www.lsh.co.uk/explore/research-and-views/news/2021/june/south-east-office-market-report-2021

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GUIDE TO USE CLASSES ORDER CHANGES IN ENGLAND
FROM 1 SEPTEMBER 2020

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PDR – Class E to Class C3

USE CLASS (UP TO 31 AUGUST 2020)	USE CLASS (FROM 1 SEPTEMBER 2020)	DESCRIPTION
A1 Shops	F2 Local community uses	Shops not more than 280 sqm mostly selling essential goods, including food and at least 1km from another similar shop.
	E Commercial, business and service uses	All other shops.
A2 Financial & Professional Services	E Commercial, business and service uses	Financial Services, Professional Services, Estate Agents, Employment Agencies.
A3 Restaurants & Cafés	E Commercial, business and service uses	Restaurants and Cafes (excluding Internet Cafes).
A4 Drinking Establishments	Sui generis	Public House, Wine Bar or other Drinking Establishments.
A5 Hot Food & Take-away	Sui generis	Takeaways.
B1 Business	E Commercial, business and service uses	i. Offices, other than a use within Class A2 (Financial Services) ii. Research and development of products or processes iii. Light industry
B2 General Industrial	Unchanged	Use for the carrying out of an industrial process other than one falling in class B1.
B8 Storage & Distribution	Unchanged	Storage or distribution centre.
C1 Hotels	Unchanged	Hotel, Boarding House or Guesthouse.
C2 Residential Institutions	Unchanged	Hospital, Nursing Home or Residential School, College or Training Centre.
C2A Secure Residential Institution	Unchanged	Secure residential accommodation.
C3 Dwelling Houses	Unchanged	Dwelling house.

USE CLASS (UP TO 31 AUGUST 2020)	USE CLASS (FROM 1 SEPTEMBER 2020)	DESCRIPTION
C4 Houses in multiple occupation	Unchanged	Use as a dwelling house by not more than six residents as a "house in multiple occupation".
D1 Non-Residential Institution	E Commercial, business and service uses	Medical or health services, principally to visiting members of the public, except the use of premises attached to the residence of the consultant orpractitioner. Creche, day nursery or day centre.
	F1 Learning & Non-residential institutions	Museums, Public Libraries, Art Galleries & Exhibition Halls, Law Court, Schools, Non-Residential Education & Training Centres. Places of Worship, Religious Instruction & Church Halls.
D2 Assembly & Leisure	Sui generis	Venue for live music performance, a cinema, a concert hall, a bingo hall, or a dance hall.
	E Commercial, business and service uses	Gymnasium or area for indoor or outdoor sports or recreations, not involving motor vehicles or firearms.
	F2 Local community uses	Hall or meeting place for the principal use of the local community. Indoor or outdoor swimming baths, skating rinks, and outdoor sports or recreations not involving motorised vehicles or firearms.
Sui generis A use on its own	Sui generis	Now includes: • Public houses, wine bars or drinking establishments (formerly Class A4) • Drinking establishments with expanded food provision (formerly Class A4 or A5) • Hot food takeaways (formerly Class A5) • Live music venue (formerly Class D2) • Cinemas (formerly Class D2(a)) • Concert hall (formerly Class D2(b)) • Bingo halls (formerly Class D2(c)) • Dance Halls (formerly Class D2(d)) • Betting offices/shops, pay day loans

E F1 F2 Sui generis

This table is intended as general guidance only. Our advice is that the Use Classes Order preceding 1 September 2020 will continue to be relevant for permitted development rights throughout the 'material period' to 31 July 2021.

For more detailed information regarding use classes and permitted development rights, please contact one of our team:

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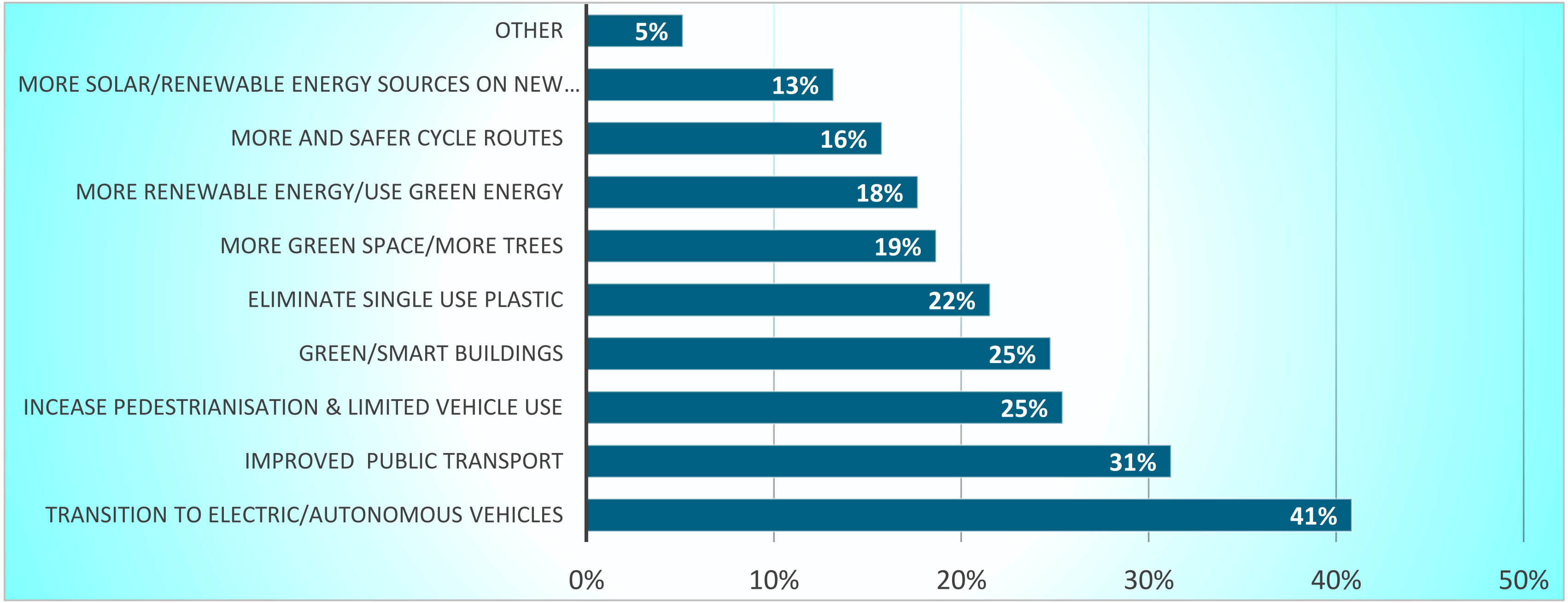
TACKLING THE CLIMATE CRISIS – NET ZERO CARBON FUTURE

“ WHICH TWO MAIN INTERVENTIONS FOR TOWNS AND SHOPPING CENTRES WILL MOST HELP TO ADDRESS CLIMATE CHANGE OVER THE NEXT DECADE?



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FUNDING MODELS - OPTIONS

"HOW DO YOU INTEND TO FUND THE KEY TOWN CENTRE REGENERATION PROJECTS OVER THE NEXT 3-5 YEARS?

TOP 10 - PREFERRED FUNDING MODELS		2020	2019	CHANGE: 2019-20 (%)
1	**JV/Partnership**	38%	46%	⇩
2	**Public sector funding**	24%	36%	⇩
3	**Grants**	24%	23%	⇧
4	**Institutional/private investment**	24%	24%	⇔
5	**Future High Street Fund (FHSF)**	23%	*	NEW
6	**Bank loans**	21%	17%	⇧
7	**Towns Deal Fund (TDF)**	20%	*	NEW
8	**Individual wealth**	17%	6%	⇧
9	**Public Works Loan Board (PWLB)**	14%	22%	⇩
10	**S106 /CIL**	12%	18%	⇩

OPPORTUNITIES – TOWARDS A TOWN CENTRE RENAISSANCE

- build on the “walkable neighbourhood” and support the independents.
- replace “old” stock with new flexible and exciting commercial, living and workspace.
- tackle failing shopping centres & fragmented ownership
- overhaul and replace archaic rental, lease and business rates models.
- embrace digital technology/5G – create *SMART TOWNS & BUILDINGS.*
- drive diversity in towns & build resilience

DIVERSITY + FLEXIBILITY = RESILIENCE

OPPORTUNITIES – TOWARDS A TOWN CENTRE RENAISSANCE

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- embrace digital technology/5G – create *SMART TOWNS & BUILDINGS.*
- drive diversity in towns & build resilience
- promote health and well-being by creating beautiful, attractive places and green spaces
- place towns and high streets once again at the "*beating heart*" of our communities …

… make them exciting and entertaining , liveable and loveable, green and safe …

DELIVERING REGENERATION:

TOWN INVESTMENT PLANS

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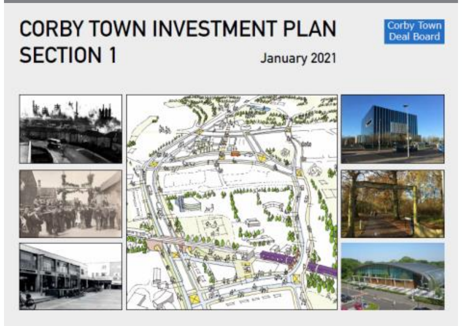
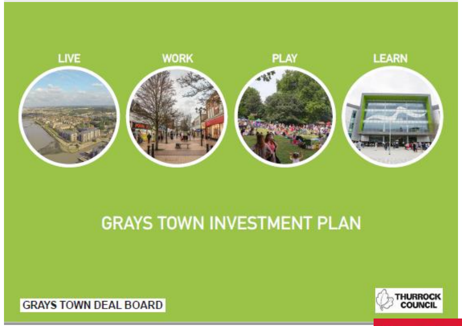
THE TOWNS FUND

- Town Deal Fund "pot" extends to £3.6 billion - available to 101 selected towns across England.
- The overarching aim is to ***drive the sustainable economic regeneration of towns to deliver long term economic and productivity growth***.
- A Capital Fund bid - focused on projects that can deliver:
  - **Urban Regeneration –** including site acquisition, increasing density in town centres, strengthening local economic assets, including local cultural assets, etc.
  - **Skills and Enterprise Infrastructure –** provide space to support skills and small business development, drive private sector investment into towns, etc.
  - **Connectivity –** develop local transport schemes, support delivery of improved digital connectivity





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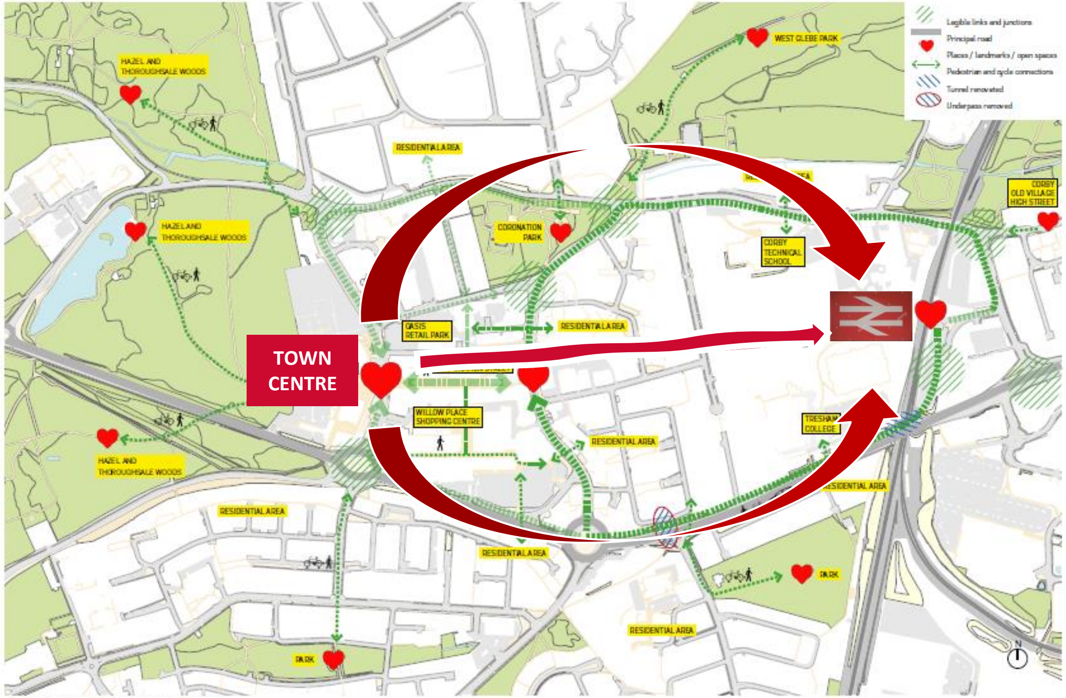
CORBY TOWN CENTRE – KEY PROJECTS

Repurpose Vacant Building for New 6th Form Centre

Illustrative aerial view of the proposed Sixth Form Centre at Chisholm House

Improve Pedestrian and Cycle Connectivity Between Town, Station, Residential and Industrial Estates

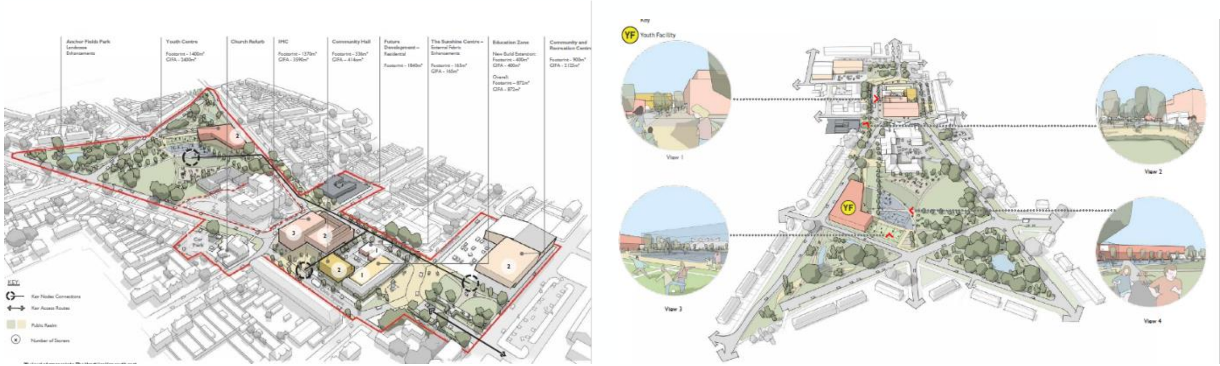


Corby town centre illustrative urban design framework

TILBURY TOWN CENTRE – KEY PROJECTS

The Hub – Tilbury Station Gateway

The Heart – Civic Square & Youth Facility



Heritage – River & Transport

TOWN INVESTMENT PLANS - KEY LESSONS

1. Leadership & Governance
2. Partnership & Collaboration
3. Stakeholder & Community Engagement (framed by Stakeholder Engagement Plan)
4. Context Analysis – Review of Strengths & Assets / Challenges / Opportunities & Needs
5. Setting the Vision, Strategic Objectives & Spatial Strategy
6. Identify Projects & Prioritisation for Towns Fund Bid
7. Align Bid with other strategies, partnerships, programmes & investment
8. Engage with and seek commitment from private sector and other funding bodies
9. Prepare Green Book Business Case
10. Map out a delivery/action plan (including estimates of projects costs, timescales, etc.).

DELIVERING REGENERATION

FORMS OF INTERVENTION

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FORMS OF INTERVENTION

- "Right sizing" of public assets
- Unlocking multiple opportunities
- Direct intervention
- Delivering social value
- Creating memorable places & experiences
- Reinvention
- New partnership models
- Temporary modular housing
- Meanwhile uses
- Initiatives for income generation
- Financial solutions

RIGHT SIZING

Rationalisation and redevelopment of Council owned assets

Perceval House, Ealing, London

Melton Borough Council offices,
Leicestershire

UNLOCKING MULTIPLE OPPORTUNITIES

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DIRECT INTERVENTION

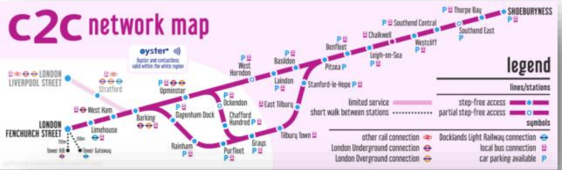
Meridian Water, Edmonton
(Enfield Council)

DIRECT INTERVENTION

Union Yard, Aldershot (Rushmoor Council)

DELIVERING SOCIAL VALUE

Twickenham Riverside
(Richmond and Wandsworth Council)



C2C route (26 stations)

CREATING MEMORABLE PLACES & EXPERIENCES

King Cross regeneration, London

Aylesbury Town Centre,
Buckinghamshire

REINVENTION

The Forum Complex, Groningen, Holland

Malmaison Hotel, Oxford

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NEW PARTNERSHIP MODELS

Ealing Council plus PA Housing (with GLA)

Bugsby Way, Greenwich Peninsular (GLA)

TEMPORARY MODULAR HOUSING

Delivering at speed cost effective property solutions

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MEANWHILE USES

Enfield Council with Troubadour Theatres
Drive-in Cinema, and Film Studios

Lavender Place Community Gardens, Reading

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INITIATIVES FOR INCOME GENERATION

Boxpark: Shoreditch, Croydon, Wembley, Bristol

Soil importation, Southall

Canopy market,
Kings Cross

FINANCIAL SOLUTIONS

Public sector funding - varied forms:

United Kingdom Debt Management Office

Ministry of Housing, Communities & Local Government

Homes England

Commercial finance/ partnering:

M&G Investments

AVIVA

Legal & General

Cheyne CAPITAL

Boutique private sector finance:

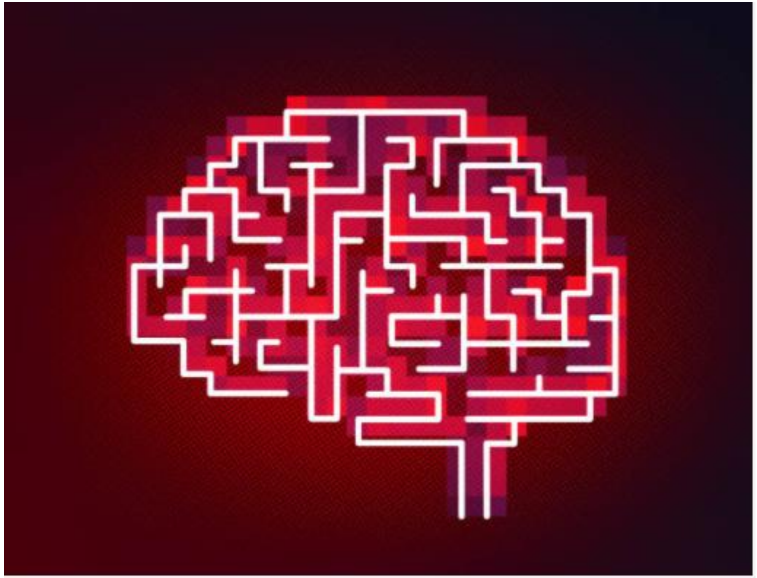
PATRON CAPITAL PARTNERS

BMO

CIVITAS SOCIAL HOUSING PLC

KEY TAKEAWAYS

- Public Sector has shown it can adapt to change quickly.
- Where Social Value takes precedence over profit motivation, Councils need to lead.
- Public Sector has great capacity to innovate.
- Public Sector resilience will be critical - the gap between funding demands and available resources is widening.
- Innovative sources of funding and income generation can facilitate delivery and enhance viability.
- Scope for effective partnerships are plentiful.
- Understanding of risk, specialist expertise, access to reliable information and skilled resources will be critical to successful outcomes.



WHAT HAVE WE LEARNT?

A ROADMAP TO RECOVERY

- Reasons to be cheerful!
- No one-size fits all solutions to achieving the successful regeneration and transformation of centres and sites.
- Start with a robust evidence-based vision and strategy.
- Collaborate and engage with a wide range of stakeholders – involve businesses and the community from day 1.
- Develop effective partnerships and explore different sources of funding.
- Build in resilience and flexibility to all strategies and developments

- PREPARE INVESTMENT PLANS TO SUPPORT TOWNS & BUSINESSES
- PLACEMAKING LEADERSHIP & GOVERNANCE
- BUILD LOCAL COMMUNITY RESILIENCE
- ALIGN WITH NATIONAL / LOCAL STRATEGIES & FUNDING SOURCES
- SUPPORT INDEPENDENT RETAILERS
- BUILD IN DIVERSITY & FLEXIBILITY
- REPURPOSE & REPOSITION FAILING ASSETS & SPACE
- SUSTAINABLE & GREEN – ZERO CARBON FUTURE
- CONVENIENT & ACCESSIBLE
- DELIVER EVENT CAMPAIGNS & PROMOTIONS
- CREATE CONNECTED & SMART CENTRES
- TACKLE RISING OCCUPANCY COSTS

Q & A

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