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UNDERSTANDING AND SUPPORTING THE RESILIENCE OF MARKET TOWNS

Final report prepared by

CLES and amt-i

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1 Introduction

'The most positive aspect is that the local stakeholders - town council, community partnership, health providers, traders, and tourism outlets, who do not always see eye to eye, all pull together in times of crisis such as these to look for the best way forward and go for it.' (March 2009)

Britain is currently in the grips of a recession, with increases in unemployment levels, business insolvency rates and repossessions. The current economic downturn is having an impact on all localities within Britain, ranging from large cities to small rural villages. Problems which have been historically associated with our small towns such as commuting patterns, retail offerings, footfall counts and housing prices have been sharpened during the current economic climate

The increased uncertainty about the direction in which the economy and the vulnerability of many rural settlements, re-opens the debate on how the current policy environment provides for the needs of rural economies and their communities. Economic development policy during the last decade has focused very clearly on the strengthening of UK city regions, a strategy based on the assumption that growth in our cities will ultimately trickle down to smaller towns and settlements and provide support to rural economies at the same time. Many rural market towns have become repositories for housing to support urban centres and service centres for tourism and leisure. However, as recognised in the Taylor Review 2008, it is important that policy makers continues to review the validity of this assumption and, in addition, also provides opportunities for market towns to be economically sustainable centres in their own right. With the advent of the Sub National Review, there are also questions about the governance structures available to help market town economies and how new structures and mechanisms proposed in the Review, including Multi Area Agreements with statutory powers, economic assessment and the proposed economic prosperity boards, can enable towns to respond creatively to the impacts of economic change.

1.1 Research aims

It is with these questions and issues in mind that this research has been undertaken to explore the resilience of market towns in England. The research has been undertaken by Action for Market Towns (AMT) and Centre for Local Economic Strategies (CLES) and has been supported through funding by the Commission for Rural Communities (CRC). The main aims of the research were as follows:

- ❑ to understand the economic resilience of market towns considering how the public social and commercial economies operate and interact with each other;
- ❑ to uncover evidence of impacts of recession on market towns in order to better understand their vulnerability to national and global economic pressure.

This work is the first part of a larger research project into the resilience of market towns to be undertaken over the next year by CLES and AMT.

1.2 Methodology

A structured survey was sent out via hyperlink using SNAP, to over 250 AMT Members and also placed on the AMT website for a three week period in April and May 2009. In total, 73 surveys were completed, giving a response rate of approximately 29%. 65% of these respondents reported that their town would be interested in taking part in further research. The survey offered a combination of quantitative and qualitative questions including:

- the effects of the recession in terms of unemployment levels, business start up's, vacant units, footfall counts and house prices;
- actions taken to counteract the recession;
- plans to counteract the recession;
- barriers faced/ support required by the towns to counteract the recession;
- confidence levels in terms of counteracting the recession.

A copy of the survey is attached in appendix 1.

1.3 About the respondents

From the 73 completed surveys, the largest number of responses was from towns in the South East (19) and East of England (14). Unfortunately only 4 responses were ascertained from the 'North' of England 9 (see Figure 1 below). This spread of respondents reflects the membership of the AMT, which we recognise, does not cover the whole of the UK.

In terms of the population of the towns the majority of survey responses were gained from those in relatively 'small' towns. 55% reported that their town had less than 10,000 residents, 35% of respondents were based in towns between 10,000-25,000 whilst only 8% were in towns of more than 25,001.

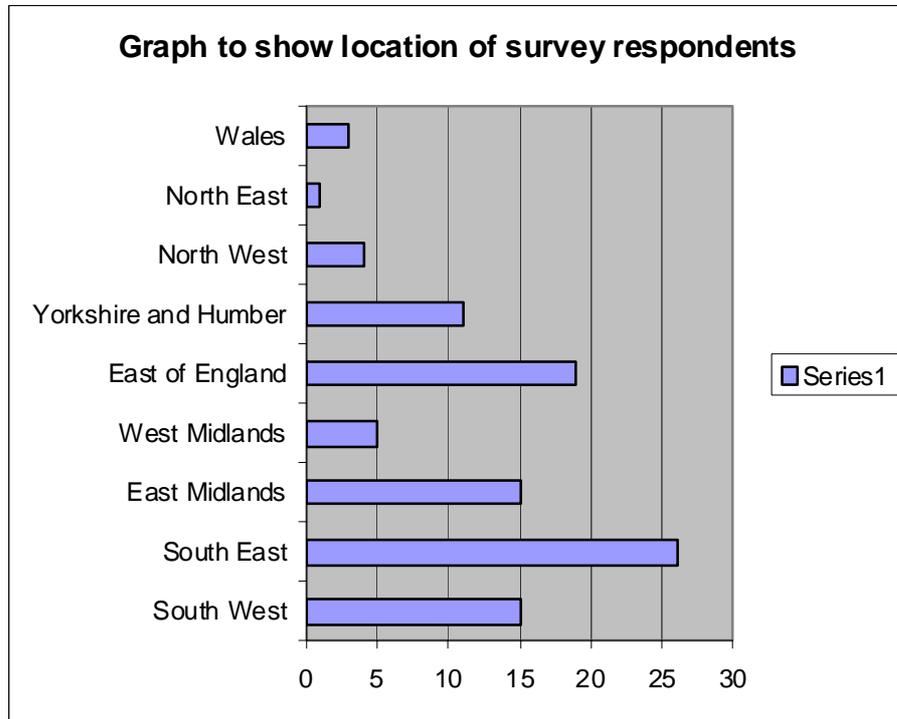
1.4 Previous town activity

The survey also aimed to develop a picture of what local or national activities the towns had been involved with over the last 5 years. Background knowledge such as previous history is vital in building up a holistic picture of any locality. The activity most commonly cited was the 'Market Towns Initiative' which stemmed from the Rural White Paper in 2000 and involved towns forming a Market Towns Partnership to develop a Market towns 'Health Check.' 41 respondents quoted Market Towns Initiative (MTI) or 'health check' when asked to comment on previous work in their area. The Market Town Initiative's programme which involved the local community in deciding which aspects of the town could be improved and developing an action plan for future regeneration. The 'Health Check' was the initial activity in the programme highlighting the quality of life in market towns and covering 4 main topic areas:

- environment;
- economic development;
- social and community issues;
- transport issues.

Other initiatives mentioned by respondents included market towns programmes developed by Regional development agencies (RDAs) such as the Renaissance Market Towns in Yorkshire and Humber and the Small Rural Towns Programme in the South East of England; Single Regeneration Budget (SRB) and the Leader+ Programme.

Figure 1: Graph to show the location of survey respondents



2 IMPACT OF RECESSION

The results of the survey highlighted the types of impacts being felt by market towns as a result of the recession and many of these results mirror the impacts taking place at a national level. The survey results provide a snapshot of what is happening in market towns in terms of unemployment, new businesses, vacant units, house prices and footfall counts.

2.1 Rising unemployment

As shown in the graph below, 61 per cent of the respondents said that unemployment had either 'increased' or 'largely increased' in their town. 27 per cent of the respondents said that unemployment had neither increased nor decreased in their town, with 8 per cent of respondents noting that unemployment had actually 'decreased' or 'largely decreased' in their town over the last six months.

Figure 2: Unemployment over the last 6 months



Qualitative evidence cited to support this rise in unemployment included:

'Increase in numbers at Jobcentre Plus.'

'Local knowledge of businesses closing or reducing their level of activity.'

'The number of younger men who seem to be around the town during the day.'

'A reported increase in the number of applicants for jobs with some known local employers.'

'Local newspaper reports on job losses/gains at local firms.'

Empirical evidence to support a perceived rise in unemployment included:

'Buxton town centre has 8 wards - May 2008 total of JSA claimants for these wards was 277 Feb 09 - same wards = 649 Thus 234% increase.'

'May 2008 JSA claimants = 101 Feb 2009 JSA claimants = 170.'

2.2 Business and enterprise activity

Considering media coverage concerning the lack of new businesses starting up during the recession, it was somewhat surprising that the majority (60%) of respondents reported that the numbers in their town had neither increased nor decreased. The apparent uncertainty about the impact may be to do with a lack of data about how business start ups are being impacted upon in the town or it could also be because the impacts of the recession on start ups and the health of business generally, are still to be felt. .

Those respondents who indicated that there had been a decrease (27%) were asked what evidence they had to support the response. One of the main responses concerned 'Vacant Units' in the form of both shop fronts and industrial premises.

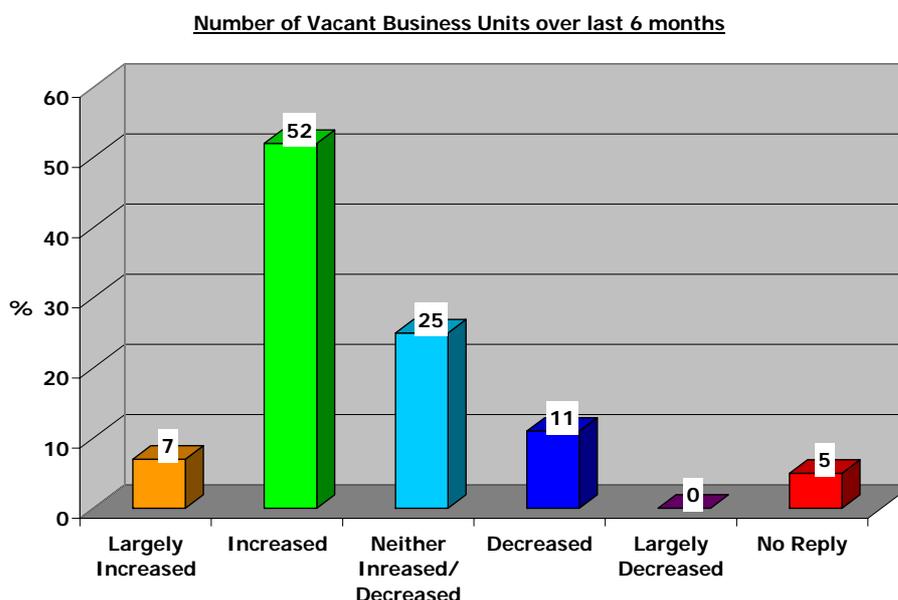
'We now have four empty shop premises in the town and six of the eleven units in the town's Industrial Park are about to be vacated, with little prospect of filling them in the short term.'

'We have some shops empty - for longer than usual.'

'There are several vacant shops in the town centre.'

'Level of vacant units has increased.'

Vacant units are one of the most obvious signs that the economy is changing and reacting to recession, and detailed records are normally kept in towns about their occupancy rates, therefore it is unsurprising that they should be quoted here. When the survey asked respondents directly about the trend in vacant units, a clear trend emerged, with the majority of respondents, 52% indicating that the number of vacant units had increased, 25 per cent responded that the number of vacant businesses had 'neither increased nor decreased'; whilst 11 per cent noted that the number had 'decreased'. (see figure 3 below).

Figure 3: Number of vacancy business units over the last 6 months

Once again, a number of these responses were based on empirical data, whilst others were grounded in the respondents' general observations and more anecdotal evidence. Some of the respondents noted that they had carried out their own surveys of the number of vacant business units. The sources of evidence cited to support the assertion that the number of vacant business units had increased, included:

'There are now 2 large empty properties in the main street. One has have been empty for over a year and one since Christmas. These are proving hard to fill.'

'Office to let signs (10 now none six months ago). Vacant units on local business parks. Six shops (+ Woolworths) vacated since Christmas.'

'Six of the eleven business units in the town's Industrial park are about to be vacated with little prospect of filling them in the short to medium term.'

'Prior to the last 6 months all retail units were in use, now there are at least 6 empty, which returns the situation to what it was ten years ago.' (sic)

'Increase in vacant shops and spare office space in the town, a number of public houses closing down and restaurants going out of business.'

'Vacant Unit count is undertaken on a monthly basis. Feedback from local business groups'

'A physical count of local businesses 3 months ago compared to health check data from 2006.'

Despite the fact that the levels of vacant units appear to be rising, towns did report that units were being filled by new businesses with the majority (71%) of those surveyed reported that this process was happening. However, when questioned further, in 58% of those towns where the vacant premises had been filled, this was happening to only 0%-20% of premises

2.3 Impact on land and house prices

The majority (66%) of towns who responded to the survey recorded that the house prices in their locality had decreased (61% decreased, 5% largely decreased) over the last 6 months. Information to support this perception was largely anecdotal in nature and included the following evidence:

'Working with local valuers and estate agents we have factual evidence of lower prices.'

'Average 3 bed ex authority Sept 07 = £175,000 Average 3 Bed ex authority Feb 07 (same road) = £124,000.'

'Large number of ads in local paper with the words 'new instructions' or 'reduced' written across them.'

'Three estate agents have closed branches in the town.'

'Estate agents report they are failing to achieve the asking price and homes are selling at a discount.'

'Information from local press and conversations with estate agents.'

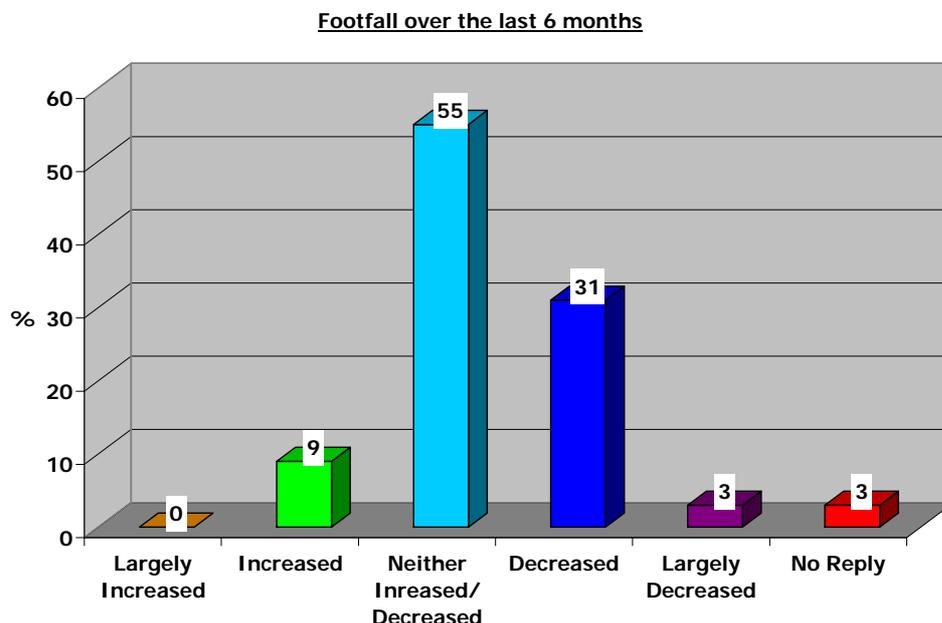
These results largely reflect the national picture which has seen a significant fall in overall land and house prices across the UK. However the results are not as conclusive as first might be assumed, given the national publicity about house prices during the last 12 months. 28% of respondents commented that values had 'neither increased nor decreased' which may suggest that the impact has shown significant variation.

2.4 The impact on town's footfall

Footfall in market town is one of the most commonly cited figures indicating the health of a retail centre. Interestingly, when asked about the level of footfall in the town, over half (55%) of the towns indicated that the 'footfall' in their town centre had neither increased nor decreased in the last 6 months.

Again, the lack of certainty about footfall may be due in part to a lack of evidence about how the recession is affecting the area. From the 31% who reported that 'footfall' *had* decreased, respondents suggested that evidence to support this response came from 'formal systems'.

Figure 4: Footfall over the last 6 months



'Electro-counting devices in the Riverside Shopping centre and in some public conveniences.'

'Annual Retail Monitor exercise.'

'Footfall surveys.'

'Numbers visiting Tourist Info Centre on main shopping street with whom I check every week.'

'Weekly footfall counts are undertaken which shows a 5% reduction over the last 12 months.'

'Shopping centre figures.'

'Footfall counters installed in 6 of our town centres.'

'Anecdotal evidence' also suggested that footfall had decreased in towns.

'It's a guess. We know that overall trade is down by over 6% according to some who monitor that. There have been other factors not helping, e.g. digging up the High Street for new Gas, electricity and other services...all impacted the town.'

'Market traders and shop keepers comment weekly on lack of shoppers and people about.'

'Comments from shop keepers.'

'Our Town Museum located on the Shopping Centre and our CCTV system and reports from shops.'

Although not conclusive, the results point to a general reduction in the level of footfall experienced in market towns. This has a number potential multiplier effects in terms of less local spend, lower business sales and in the longer term, lower economic growth in the high street.

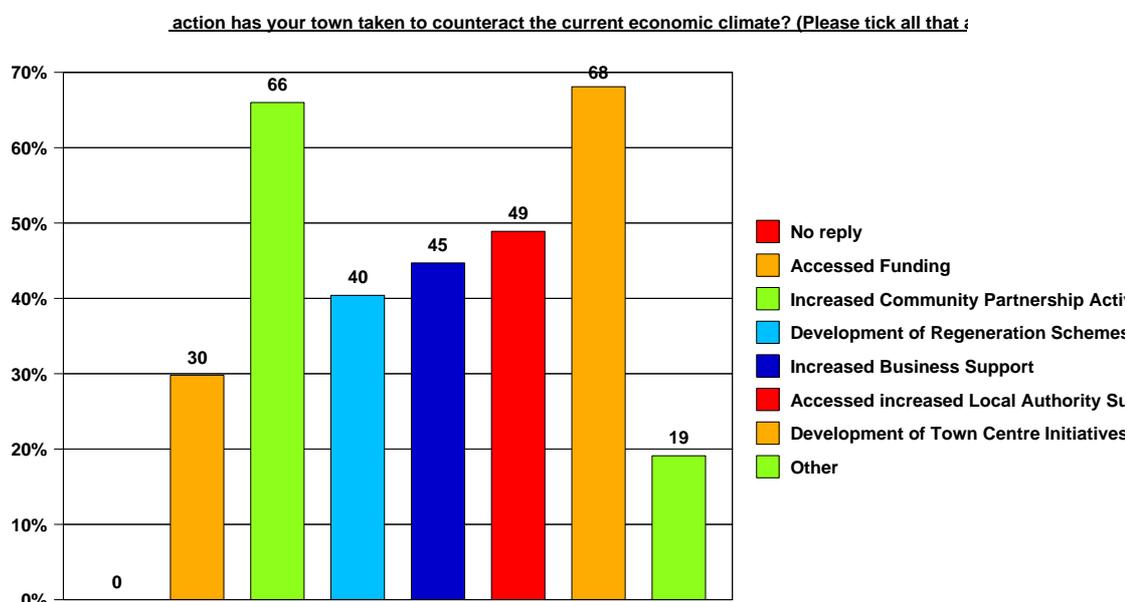
3 RECESSION RESPONSES FROM MARKET TOWNS

A key element of this work was to understand how towns themselves were responding to the recession in order to understand their economic resilience and to get a feel for the general trend in current activity locally.

When we asked towns whether they were taking any actions to counteract the recession, 63% stated that there were working pro-actively to combat the negative impacts in their town. When we then took these responses and drilled down to find out the types of action undertaken by the towns in the context of recession, the results were extremely varied with a wide range of work being undertaken locally.

Figure 5 below provides an overview of the types of work being undertaken. It shows that the development of town centre initiatives (68%) and increased community partnership activity (66%) are the most popular types of responses, with just under half (49%) of the towns surveyed accessing increased local authority support.

Figure 5: What action has your town taken to counteract the current economic climate?



We asked a follow on question to glean more details on the work being undertaken in the towns and this provided us with a rich source of qualitative material from which to understand in more detail the nature and variety of activity in the towns. From our analysis, it is possible to identify a number of key themes, which characterise this work:

3.1 Support for independent retailers

Retail is a major part of the work that traditionally, market town organisations have been involved with and this was reflected in the surveys. Responses to date have been very focused on shoring up a weakened high street, particularly since the loss of a number of larger national retail outlets, such as Woolworths and Adams. These national closures have had a very visual impact in some areas and highly publicised in the media, *'the high street is beginning to look like a smile with missing teeth'*.¹

¹ Teather D. (29th January 2009) writing in the Guardian <http://www.guardian.co.uk/business/2009/jan/29/credit-crunch-road-to-ruin>

As a result, many market towns responses have been focused on supporting those retailers still in existence, particularly independent retailers, as they were perceived in the survey as important for keeping high streets 'alive'. A common solution to lower footfall and struggling retail was development of loyalty card scheme, to incentivise people to shop locally. Other marketing techniques to promote independent retailers included a new town centre leaflet and working with the local newspaper to develop campaigns to shop locally.

'A new town centre leaflet developed to encourage people to shop locally'

'Local newspaper has launched shop local campaign supported by all the independent stores.'

3.2 Making physical improvements to the town

Another recurring theme of the responses was that of making physical improvements to the town. This ranged from relatively small-scale measures, such as putting up hanging baskets and flower boxes, to larger scale improvements such as plans for making town centres pedestrianised. The aim of this activity was to increase towns' appeal to visitors and also perhaps to boost morale amongst residents. A number of respondents stated that town centre plans and projects were underway for public realm improvements such as developing town squares, and improving the main shopping areas. Relocating markets to locations where they would more visible to pedestrians and passing traffic was also suggested as a way of increasing footfall.

'The local authority is looking to implement public realm improvements to attract people back into the town centre.'

3.3 Developing new initiatives and partnerships

It was encouraging to see from the survey that a number of market towns have been quick to develop initiatives and partnerships in an attempt to counteract the recession. This included the formation of partnerships such as economic development task groups. Other groups have been formed that involve business, public and private sector organisations and individuals. In terms of support for local business, initiatives raised by the respondents included a *'New Business Networking Club'*, which provides a network for representatives from SMEs and those that work from home. Strengthening partnerships with local bodies such as the Chamber of Trade was also cited as a way of bolstering towns to cope in the recession. Reflecting that market towns are often in rural areas, one respondent noted that they had established a farmers' network.

'Town Council and Community Area Partnership have formed an Economic Development Task Group with the local Chamber of Trade. This has sponsored a shopping and retail survey...with a view to identifying both resident and visitor needs as a prelude to developing loyalty and promotional schemes.'

'We have worked with the District to organise a jobs fair and to support one company losing 174 jobs.'

Case Study: Towcester

Towcester is a town which is coping with the current economic downturn due to holistic approach with both internal and external partners. Towcester Partnership's wide ranging approach has involved accessing funding, increased community partnership activity, developing regeneration schemes, increasing business and local authority support and the development of town centre initiatives. Particular projects include;

- a new WEB portal development to help businesses and regular training;
- newsletters;
- late night shopping;
- opening longer hours at the weekend;
- new tourist brochures.

To ensure the sustainability of the town centre, Towcester partnership is working in conjunction with business organisations, voluntary organisations, national organisations, NEL the local economic development agency, the local district council and charities. A Master Plan document is also being used to drive the growth and coordination.

3.4 Developing community arts projects

Community arts projects were also valued amongst the respondents as a way in which towns' appearance can be improved whilst also enhancing the general ambiance of town centres. Responses included a funded arts project to improve yards and public walk ways and '*pavement heritage street art*'. A number of respondents to the survey responded that they were hoping to fill empty shop units with art to maintain the appearance of the high street. This was described as the '*Dursley effect*', following the successful scheme of this kind in Dursley, Gloucestershire, which received national press coverage.

'We hope [allowing artists to display their work in empty shops] will encourage visitors to the town and as a result encourage new businesses to take up units in the town centre increasing the diversity and variety of retail outlets from which to shop.'

3.5 Developing the town centre's 'character'

Complementing the physical improvements were responses in terms of developing town centres' character and atmosphere. For example, one respondent suggested that the traditional Market Place area in their town

'Should be developed into a piazza style environment with cafés, wine bars, and restaurants...spilling onto the square to create a vibrant daytime family and visitor experience and a controlled evening economy.'

It was felt that developing to town centre's character would increase the number of visitors and shoppers, and also attract independent retailers.

'Recognition that there is a need to create character and atmosphere in the Town Centre, not least to attract independent traders and shops that create a pleasing and friendly browsing atmosphere.'

3.6 Investing in marketing, tourism, and events

A number of the respondents to the survey noted that increasing marketing to promote the town to visitors had been one way in which they were responded to the recession. Planning events, including food and drink events, carnivals, and community events, was seen as a way of encouraging people into town centre. Heritage events, such as marking landmark historical anniversaries, were also suggested by one respondent as a way of drawing visitors the towns. Others noted that their town were investing in tourism, for example one town had received funding to appoint a "Tourism Development Officer" with a view to "make the town a more attractive and welcoming destination". Working to improve transport links to towns was also suggested as a way of encouraging visitors and counteracting the downturn.

'Various tourism agencies have identified that more UK residents are taking short-breaks and 'staycations' and we are maximising the publicity about what we can offer in terms of spectacular scenery and unique heritage to visitors.'

'Focused on projects to encourage visitors into the summer.'

'Enhanced Events programme for the spring and summer.'

'The town is looking at ways to promote the town and make empty premises look more attractive.'

'Loyalty scheme, Festival, Youth schemes and generally to promote a can do attitude and that the town is on the up.'

'Developing sustainable transport links.'

3.7 Partnership working

Many respondents cited the importance of partners in developing and co-coordinating their responses to recession with a wide variety of partners mentioned (see figure 6 below). 85% of the respondents highlighted the importance of local community/town partnerships in their responses, many of which will originate from the development of market towns partnerships as a result of the market towns initiatives. 80% were also working the private sector, inactive of the strong relationships between the private sector and town partnership organisations. Some of the initiatives being developed with these partners included:

'New WEB portal development to help businesses and regular training, newsletters to advise the community on where to find information in all areas of business.'

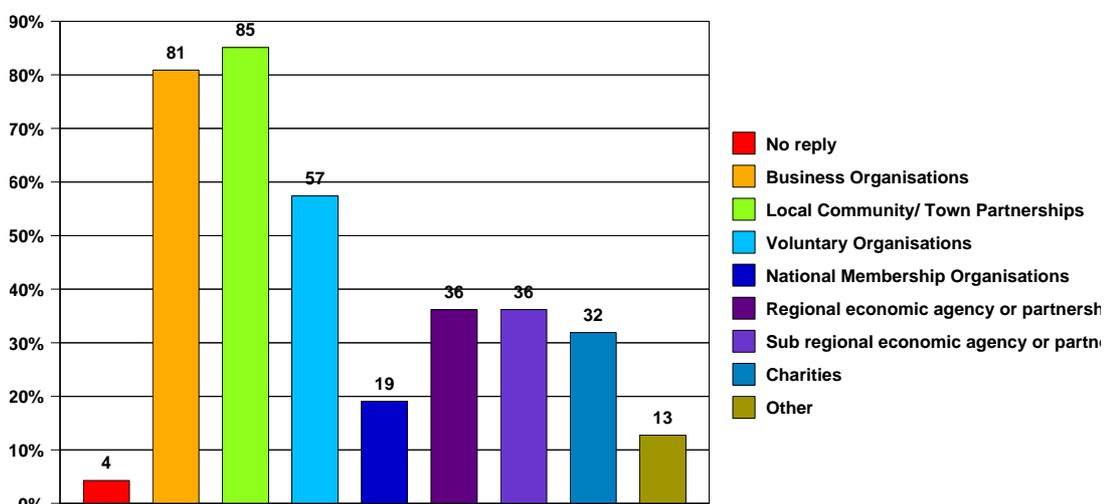
'Keep up high media coverage by issuing press releases every week.'

'Free advertising space on White Cliffs Country website.'

'We intend to promote the Town and show it to be a positive place and still vibrant, growing and a good place to do business and create business We aim to smile our ways out of the Recession by avoiding excessive talk of doom and gloom and going for the more positive, optimistic approach.'

Figure 6: Which of the following organizations/agencies is your town working/plans to work with to counteract the current economic climate?

Which of the following organisations/ agencies is your town working/ plans to work with to counteract current economic climate? (Please tick all that apply)



Partnership working with local authorities' was also mentioned by respondents and a number of initiatives quoted including:

Working with local authority. Business start up event being held in June 09.'

'The Town Council is working with the District and County Councils to assess the current economic viability of the town and to gauge the impact of proposed measures to improve traffic flow, changes to planning laws for the town (through the LDF), proposals for enhancements of existing features and a scheme to develop a derelict area of the town adjacent to the town centre.'

'District Council are holding an event to support and discuss hoe the economic downturn affects local businesses in April 2009.'

A large percentage of towns also cited the importance of working with the voluntary sector and charities, for example through use of social enterprise. It is worth noting that many of the responding organisations including town partnerships are also likely to be third sector type organisations themselves.

3.8 Future response plans

The survey also captured what other activity may be planned for the future, particularly in those towns that were not yet actively responding to the recession. When we asked towns who reported that their towns had not, as yet, undertaken any work to respond to the recession, whether they had plans to do so, 63% stated that they had no plans to respond. 37% respondents stated that they had plans to introduce in the future including:

'Considering introduction of a loyalty card or similar scheme.'

'Approval of a new supermarket in the centre if the village.'

'Eco-Town project.'

'Reward scheme to attract shoppers.'

'Working with local district council to introduce flags on poles in the High Street to brighten up the visual affect of the Town.'

'Raise awareness of shopping locally.'

'A newly built supermarket is linked directly to the current town centre to enable the shopping experience of residents and visitors a varied choice of goods.'

'Plans are in place with the (council) to set up a business and economy programme to help local businesses ride the recession.'

4 BARRIERS TO THE DEVELOPMENT OF MARKET TOWNS RESPONSES

As explored above, from the Market Towns we surveyed there are clearly a number of plans and responses that have been developed with the aim of counteracting the downturn. However, the research was also keen to uncover the types of barriers that market towns were facing in their attempt to respond pro-actively to the recession. The main themes to emerge from the research are detailed below.

4.1 Resourcing constraints

Unsurprisingly, a lack of resources was frequently cited as a barrier preventing market towns from counteracting the current downturn. The current economic climate has meant that there is less money available to fund developments, whilst budget controls have become much tighter. It was noted that whilst market towns may have the ideas or enthusiasm to counteract the recession, this was inhibited by a lack of funding. Where funding did exist, survey respondents highlighted the overly bureaucratic nature of this funding which also acted as a significant barrier, both in terms of time and capacity.

Lack of paid staff to work on these types of schemes was also highlighted in responses for example, the loss of a town centre manager following local government re-organisation and the loss of economic development officer posts as a consequence of cost-cutting exercises within a local authority. In addition to public sector funding constraints, our survey highlighted that the recession has made it difficult to get the buy-in of private sector investors to support town initiatives.

'Lack of venture capitalists and a shortage of grant funding to carry projects forward.'

'Accessing funding for local tourism marketing and promotion has been an uphill struggle.'

'Lack of budget for any town centre initiatives.'

'Money! Many ideas have cost attached.'

'The statutory authorities have set low precepts which means less money for improvement.'

'Local district Economic Officer posts are being cut as part of cost-cutting exercise.'

4.2 Attitudinal barriers

In addition to the more tangible barriers, such as financial constraints, a number of the survey respondents suggested that there are significant attitudinal barriers that need to be overcome if market towns are to counteract the recession. For instance, it was suggested that there is cynicism as to the extent to which towns can do anything to make a difference, whilst others noted a lack of vision amongst local authorities to instigate activity. Others suggested that local authorities had not been responsive enough to the economic challenges. It was also suggested that, in some instances, local businesses were 'sticking their heads in the sand' in terms of responding to the recession, and were not always willing to work in partnership to develop town centres. Moreover, landlords and agents were also criticised for a lack of interest in participating in projects and initiatives and a lack of commitment to the vitality of the town. A lack of flexibility amongst landlords was also identified as an attitudinal barrier, for example showing unwillingness to consider short-term lets.

'Lack of 'vision' to influence owners, landlords and local authority planners to work together and help develop the Town Centre.'

'The Town Council...resent any new initiatives.'

'Lack of commitment from landlords, many of whom are London-based pension funds who have no interest in the vitality of the town.'

'Negativity of the traders to work in partnership to improve town centres.'

'Access to agents for empty properties – unwilling to consider short term lets to bring activity onto shop windows.'

'Slowness / inertia / subjectiveness of local authority decision making.'

'There is a kind of apathy or head in sand approach by some of our businesses which is worrying and difficult to counteract.'

'Perceptions from some people that we should resist new developments e.g. Town Square during economic downturn.'

4.3 Governance issues

A number of the survey respondents suggested that there are a number of barriers related to local governance that were inhibiting market towns from counteracting the recession. This was particularly noted in areas that have experienced local authority restructuring. Some felt that local authorities were showing a lack of awareness as how to respond to the particular challenges being faced by market towns. The level of negativity within the comments from respondents also suggested that many groups felt isolated from governance structures in their areas and were undertaking responses to recession, in spite of what 'official' agencies were doing in the local area.

'The political lacuna created by going unitary has not been helpful, so there has been minimal support from county level.'

'In built bureaucracy and lack of effective risk management.'

'An inability of the Borough Council to understand the needs of a small market town.'

'Lack of help from our District Council – which has fortunately disappeared [due to restructuring].'

'The three-tier structure of local government in Somerset just doesn't allow for strong town leadership.'

4.4 Lack of central government direction

In addition to concerns regarding governance at the local level, concerns were also raised about the level of support being offered to market towns by central government, particularly in terms of funding. There was also a feeling amongst some respondents that central government ought to be instigating stronger leadership to guide market towns through these economically uncertain times.

'Government initiatives are too slow and focus on large voluntary organisations. We really do not get a look in.'

'...lack of funding from central government.'

'Government needs to empower Town Councils, working with Market Towns Partnerships, to give the strong leadership towns need to get anything decent done.'

4.5 Inherent rural issues and lack of understanding around challenges facing market towns

The final barrier identified in our survey related to the inherent challenges and issues that face market towns, many of which are situated in rural locations. For example, respondents highlighted that even before the onset of the recession, market towns were already experiencing relatively high levels of unemployment, caused in part by issues that often characterise rural areas, such as poor transport links. It was also suggested that there was a lack of awareness about the particular challenges facing market towns, and that they are often deemed less of a priority than supporting areas that have more severe levels of deprivation.

'We sadly cannot change the huge problems of rurality.'

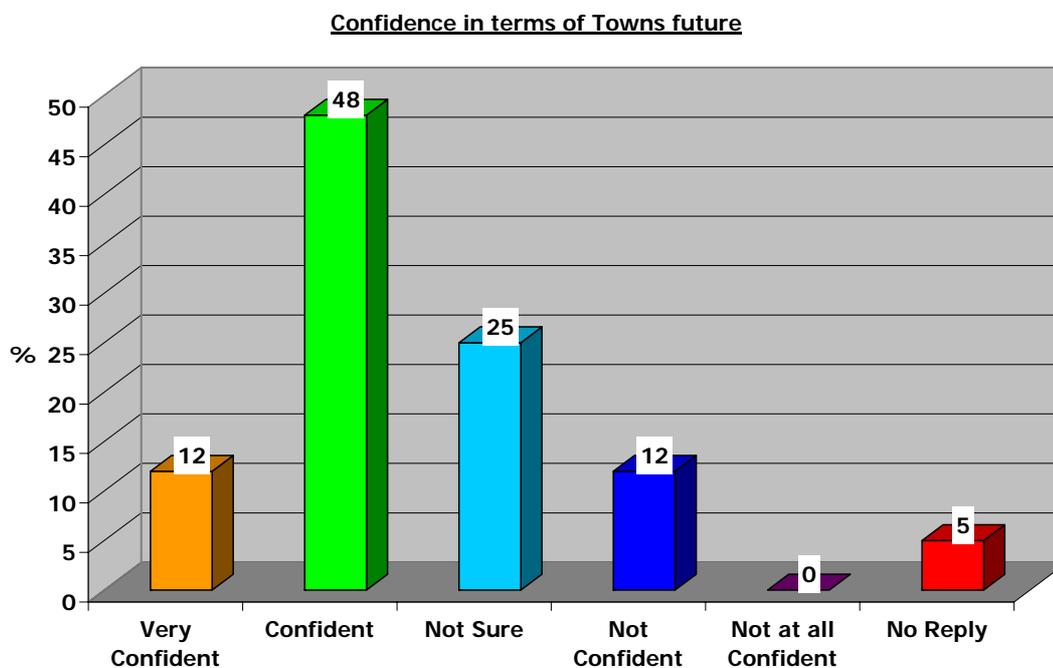
'Very little employment in the area before the crisis with no prospect of improving the situation due to its isolation from the road network.'

'Because we are near two fairly deprived areas that are genuinely suffering in the recession...we are perceived as doing well and needing no help – this WRONG and we need help of a different kind.'

4.6 Confidence among towns for the future

Despite the fact that respondents had strong opinions as to the difficult barriers faced by market towns, the majority of respondents felt reasonably confident about their town's future. Figure 7 below illustrates that confidence levels in terms of the future of towns was relatively high with 48% stating they were 'confident' and 12% stating they were 'very confident' at. When asked to expand as to why they felt confident about their towns future, representatives commented on the strength of partnership between different organisations such as local authorities, chamber of trade, town councils and community partnerships who 'work together' to help the town.

Figure 7: Confidence in terms of town's future



- 'There are several lively local organisations which contribute to the well-being of the town.'*
- 'The most positive aspect is that the local stakeholders - town council, community partnership, health providers, traders, and tourism outlets, who do not always see eye to eye, all pull together in times of crisis such as these to look for the best way forward and go for it.'*
- 'Being part of the partnership team we know how the Town ticks...! We have strong aspirations for the future developments.'*
- 'The Parish Council and the Community Partnership are continually working together to elicit the views of villagers and workers as to their hopes and wishes for the future and developing projects which attempt to deliver on those projects.'*
- 'Because of the Partnership that we have with Stockport MBC and the strength of the local traders association.'*
- 'The Market Town Partnership and others has galvanised thinking on how to seize the moment and build for the future.'*
- 'We have a strong community organisation for the first time which is proactive and determined to help its own. People and organisations in the town are responding to requests for help.'*
- 'The local Chamber of trade is working in partnership with businesses and other agencies to develop initiatives that will support the town.'*

Another key theme in regards to confidence was down to the towns 'Location.' For example if the town was 'attractive' it was felt that this appeal to visitors and tourists would always provide the locality with a firmer footing in terms of economic crisis, particularly if more people choose to stay in the UK given the economic context.

- 'We have a unique mix of independent and national retailers that are attractive to shoppers and bring people into the town.'*
- 'We are largely a tourist attraction so visitors will still come here at certain times in the year.'*
- 'It is a major tourist destination and due to the value of the Euro and Dollar we expect many UK residents to remain in the country this year and hopefully will see an increase in visitors from Europe and the US.'*

Also under the banner of 'Location' it was felt the town benefitted if it was a 'service centre' for the surrounding hinterland in terms of shops, amenities and transport links. The importance of market towns as service and economic centres for rural areas was one of the key themes of the original Market Towns Initiative in England and Wales and has been highlighted since then in the Taylor Report of 2008.

- 'It also serves a large hinterland population and has a central railway station from which London can be accessed in just over one hour and has regular services to the Thanet and Dover/Folkestone coastal towns.'*
- 'Good road rail links. New library about to reopen on old site in centre of town. We have newly developed industrial area, which once the current recession ends, is in prime position to encourage new business growth and expansion.'*
- 'It is a pleasant place to live in a very attractive part of Southern England, with good communications, and a good range of shops and social amenities.'*
- 'The town still has a good offer with its attractive surroundings and good quality shops and market.'*

'We have a thriving Co-op store and two butchers and green grocers within the town plus an assortment of antique and curios shops. There are also several hairdressers. All things being equal we will continue to be the living, working town that it has always been.'

The development and delivery of large-scale capital investment project 'projects' involving regeneration; retail and the community also offered confidence to the towns.

'A new housing development is being considered.'

'Improvements to Train Station are in the pipeline.'

'Number of major developments committed including a£700k project to improve TIC, retail selling local products shopping centre expansion and Pavilion Arts Centre project to convert underused auditorium to create second theatre venue and conference facilities in the heart of the town.'

5 Future support for market towns

Looking ahead, we were keen to find out what types of support would enable market towns to continue to respond to the impacts of recession in the future. This was important in order to draw conclusions about the role of different types of organisations in market towns and the potential for policy to support market towns in the future. Once again, the responses to this are explored thematically below.

5.1 Maintaining and increasing funding

Perhaps unsurprisingly, many of the respondents felt that one of the most important ways in which their towns could be supported over the next twelve months was through maintaining or increasing funding resources. Whilst this was often mentioned in relation to specific market towns projects, respondents also highlighted the fact that the general squeeze on public funding at a local authority level, was taking its toll on their work. For example, the loss of tourist visitor information centres in one town (even though tourism was the most important sector of the local economy).

It was also suggested that market towns that have traditionally been perceived as wealthy were struggling to successfully apply for funds and grants. It was felt that whilst in some instances market towns are weathering the recession better than other areas, small scale funding and / or grants would still be beneficial to ensure the stability of such towns in the future. Funding to support new businesses start ups was also suggested as a way in which market towns can be supported, particularly in terms of increasing employment opportunities and reviving town centres.

'Tourist Visitor Information Centre funding is being ended by our District Council, because they can and are short of funds. This is likely to be a significant blow to our main industry - tourism.'

'Funding for projects to generate new businesses/employment.'

'Also if a small grant scheme - similar to Leader - could cover market town centres with small grants - ideally administered in same way as Leader or via Business Link - this would encourage micro business and retail start up.'

'Government Agency Financial support and landlord support will be required to help re-develop the Town Centre.'

'More funding to support and develop Business Start-up and Support schemes is required.'

'Funding for a town centre manager or similar to promote the town and encourage businesses to work together for mutual benefit or funding for promotional material, advertising, good signage at entrances and/or around the town.'

'The town is seen as a wealthy area, and grants have historically been difficult to obtain for that reason. With a very little help from grants, we could ride out the recession well. Central government grants, assistance from RDA and from the County Council would be at the top of the list. Our own organisation is already part-funded by RDA, and will need to continue to be so funded. Local private investors are being approached.'

'I would like to see more access to funding for projects. (the) Grassroots (fund) has just upped their threshold to 30K but our turnover is 32k which leaves us outside of the scheme when we could do with some small grants to help with initiatives such as launch of loyalty card.'

'Continued support with funding from the Borough Council is vital. Concerns though that each year (including this year) the budget is being reduced. The Council themselves are facing very difficult times and I am unsure long term whether they will continue to fund Town Centre Management in the way they currently do. They also fund the TCM's salary.'

5.2 The cooperation of landlords and businesses

A number of respondents suggested that gaining the cooperation of landlords and businesses would be necessary in order to ensure market towns' future prosperity. Landlords could help to support the vitality of town centres by reducing rates for new businesses and also by encouraging them to maintain the appearance of their properties in order to ensure the vitality of the high street. Some of the respondents commented on the fact that many empty/derelict buildings were not regularly maintained by absentee landlords and subsequently contributed to a poor quality high street.

'Landlords could co-operate more by reducing rents for new businesses coming in.'

'Some landlords of commercial property seem to be very greedy, while not maintaining their property with the money they make. It would be useful to have at least a voluntary code of practice for all such commercial landlords while financial crisis is being fought.'

5.3 Additional support for businesses: reducing rates

Reducing business rates was one of the most frequently cited ways in which market towns could be supported over the next twelve months. 'Freezing' or reducing business rates was deemed as particularly important to support existing independent retailers, and also encourage new businesses into town centres. Other means of supporting local businesses included strengthening the capacity of business organisations such as Chambers of Trade and Town Councils.

'Business rates which logically should support this are being used elsewhere by District Council & Government to fill other financial shortfalls. Local tourist businesses believe that more not less of their high business rates should be spent locally to encourage tourism.'

'A freeze or reduction of business rates at national level, would support small business - this perhaps could be balanced against a larger increase for supermarkets with on-site free car parking.'

'Freeze on rates for independent micro businesses. Also if a small grant scheme - similar to Leader - could cover market town centres with small grants - ideally administered in same way as Leader or via Business Link - this would encourage micro business and retail start up.'

'Business rates freeze for independent retailers/micro business.'

'Support from government to help local small businesses survive - i.e. no increase in business rates.'

'Incentives for businesses to come to the town such as business rate relief.'

'Support to form a better / closer relationship between businesses and the town council / to fill the gap caused by the demise of the Chamber of trade and Commerce.'

5.4 The protection of market towns from supermarkets

There were a limited number of responses from the survey which suggested that more should be done to prevent the negative impact that large supermarkets can have on market towns' independent retailers. This relates to the perception among market towns that the independent trading element of the town's economy is fragile and vulnerable to the effects of large scale big business such as supermarkets which potentially can threaten smaller similar types of shops in the town.

'There should be stricter control over the predatory effects of large supermarkets, for instance in the growing practice of providing free bus transport from villages to their superstores, thus further stripping business from local village stores.'

'A stop on further out of town commercial / shopping centres that are killing town centres. A review of the development plans of the larger hypermarkets to avoid current negative impacts on High Street traders.'

5.5 An increase in support to develop infrastructure

A number of respondents commented that a significant factor determining market towns' future success was that of support to develop infrastructure, most notably transport links. This is particularly pertinent for market towns that are in rural locations. Other infrastructural support required, as raised by the survey respondents, include drainage and sewage, broadband Internet connection, as well as health and social care provision, which may well see an increase in demand in the recession. Improving car parks and making them cheaper to use was also cited as a way in which market towns could increase numbers of visitors and shoppers.

'We want sub-regional support from (RDA) to develop a travel terminus...After 40 years of virtually no strategic investment, we want the new unitary authority to recognise the priority for upgrading the town's infra-structure before there is any further development - drainage/sewage, roads, health and social care infra-structure, plus assistance in attracting in new knowledge and mail order businesses to our town.'

'Funding for improved transport links between the town and the railway station.'

'Assistance from Councils to encourage shoppers with lower or zero parking charges. Get the people back in and the shops will do the rest.'

'...we are not helped by poor broadband speeds and coverage in this rural area.'

5.6 Devolving more power to the local level

An interesting theme to emerge from the survey responses was that of the devolution of power, which was deemed necessary for market towns to be able to emerge from the recession. A number of respondents suggested that there needs to be greater devolution of resources from the national and regional level down to the very local level, in order for market towns to address the particular challenges they face. There is the suggestion amongst some of the respondents that the drive for responses to the recession had to be 'bottom up', i.e. to come from the community.

'There should be greater devolution of resources, financial and human, from Regional, County, and District down to Parish level, to assist in planning and project delivery at the grass-roots. More power to the Community to control its own destiny.'

'We want county support in marketing our town and we want progressively devolved control of the public resources invested in this area to start developing our own local solutions and building up our community resilience.'

5.7 Reforms to governance arrangements

Connected to the theme of devolution is that of governance, with a number of respondents suggesting that local governance needs to be reformed in order to better support market towns. Suggestions included more rigorous inspection of local authorities in terms of their ability to regenerate market towns and also the appointment of town managers. Interestingly, there was little mention of other governance structures such as Local Strategic Partnerships or multi-area-agreements which may also provide the potential to support towns in the future.

'The new Unitary Council...needs to conduct a review of the running of the town council in terms of distribution of budget. Plus employ a town manager who could actively promote the town. This would encourage the formation of a wider and more inclusive Partnership. As it is we have no local elections until 2013 and therefore no leadership which cannot be undermined by entrenched councillors.'

'Rigorous inspection of local authorities to ensure they have necessary skills / leadership & funding to meet town regeneration needs as part of their published corporate gradings.'

5.8 Maintaining support from RDAs and other bodies

A number of respondents surveyed stressed that continuing support from regional development agencies would be important over the coming months. It was also noted that in the uncertain months ahead partnership working between local authorities, business support groups, and regional agencies would all continue to be crucial for towns. It was also noted that the support such bodies offer to market towns is coherent and complementary.

'Continued support from the RDA and other regional organisations.'

'Joint efforts from regional agencies, business support groups, county and district councils working in partnership.'

'Continued support from higher tier authorities for our town will be essential.'

'Life would be easier, if there were a more coherent support policy that did not require hundreds of hours of research and form filling.'

'We need the continued support from all the local authorities, development agencies and outside bodies.'

6 CONCLUSIONS

As outlined in this report, market towns have experienced a number of negative impacts as a result of the recession, including: rising unemployment; decreasing numbers of new businesses; house prices; and footfall. However, there is nevertheless room for optimism. As this report has illustrated, many market towns have been quick to respond to the recession, and it is encouraging to see the development of a number of innovative projects, such as community art projects, local shopping schemes, and new initiatives and partnerships which have emerged. Furthermore, in some respects it appears that whilst some market towns are vulnerable to the recession, for example due to their isolated location and poor infrastructure, our research has, in many instances, uncovered a real sense of innovation and community spirit. Moreover, the inherent characteristics of many market towns – such as historic buildings, location, and attractiveness – may stand them in good stead for the future.

However, although much has been made of the opportunities for economic recover in the UK in the last week, it is likely that there will be further negative impacts on market towns from the recession as unemployment continues to rise. The survey has also shown that there are important gaps both in what is being undertaken in market towns and in the support required for the future. From this research to date, there are a number of general conclusions, which both reflect on the results of this work and look to the future for market towns

6.1 Reactive nature of responses

To date, the majority of responses identified in the research have tended to be short-term, reactive types of activities to combat the impacts on market towns as they have occurred. These responses focus largely on supporting existing parts of the economy and community in the short-medium term. However, the recession also provides an opportunity to consider how the economies of market towns may need to change and adapt for the longer term in order to ensure that they continue to be resilient in the future. This may require longer term, proactive planning and development, building on the work of the health-checks that have already been undertaken in many areas.

6.2 Considering other elements of a town's economy

The majority of responses identified in the survey highlight that activities to date have been largely focused on the retail offer of market towns and the look and feel of the town centre. In most cases, this is in direct response to the reduction in footfall and increase in empty shops, which are the most visible signs of a town's economic demise. This work also links to the tourism offer of a town's economy. This is vitally important work, but market towns will also need to consider how they support other sections of the town's economy, where the impacts are "less visible", for example, small to medium enterprises, lifestyle type businesses and the manufacturing sector, which has been severely, hit at a national level. There has been some work in this area, with towns conscious of the role that 'lifestyle' businesses and 'home-workers' play in supporting local economies. To this end, infrastructure support in terms of transport and broadband will be important to support sectoral diversity in the future. However, infrastructure investment will require the support of sub regional and regional partners.

6.3 Role of the public economy

An important aspect of many market towns' economy is the role of the public economy as an employer and procurer of goods and services. Public services often spend a proportionally large amount on local goods and services as well as employing a large volume of local people. In a time of recession, the presence of a public sector organisation in a market town, for example, local council offices, a prison, health service or social care can act to bolster the economy. Market towns should consider working with these public agencies to understand how they procure services to ensure that local SMEs/social enterprise have the opportunity to benefit from public spend.

6.4 Governance and engagement

The results of the research also point to a real need at a local level for stronger engagement with the political and decision-making process. Many of the comments alluded to a feeling of powerlessness and disengagement with local governance processes and a lack of strong local leadership among local councils. These conclusions echo the conclusions of the Empowerment White Paper published in 2008, which recognised the weaknesses in participative and representative democracy in the UK highlighting the need for greater local involvement in decision-making. There is potentially an important role for local authority and town councils in spearheading local action to improve a town's economy but this must be an enabling rather than disabling role, which is open to new ideas and approaches to tackling the challenges market towns face. To this end, government needs to continue to support the development of local capacity building among local decision makers in local and town councils. Town councils in particular, will be important in showing local leadership, particularly in those areas where Local government re-organisation has resulted in the loss of a local District or Borough council.

6.5 Potential for the third sector and social enterprise

Few towns mentioned the role that the third sector and social enterprise might be able to play in supporting their town in recession. Whilst many of the organisations involved in responding are voluntary organisations themselves, and their role in terms of providing capacity to support the development of initiatives is well recognised, the third sector also play an important economic role in a market town. There is therefore more work, which could be done to understand the economic role of the community and voluntary sector in market towns, particularly in providing and supporting services, developing enterprise and supporting the commercial economy.

6.6 Challenges for central government

The results also point to a feeling of isolation among market towns that suggest they often feel as if their needs and challenges are undervalued and underplayed by policy makers at a central and regional level. There is a real lack of understanding about the role that market towns play in regional and local economies and therefore, they tend to be forgotten whilst the majority of policy emphasis is placed on larger urban centres. However, what the results of this work do show is that market towns are feeling the effects of recession in terms of reduced employment, insolvency and footfall, if action is not taken to address the challenges they face, then this may lead to potentially bigger problems in the future.

6.7 The future direction of rural policy

The results of the research also highlight the need for rural policy to consider the direction of its policy in the future. It is interesting to note that, when asked about the extent to which they had benefitted from government initiatives in the past, the majority stated that they had been involved in the Market Towns Initiative (MTI) which was borne out of the previous Rural White Paper published back in 2001. This illustrates that these initiatives have remained important and alive for many areas, with organisations rallying to support these structures, despite the fact that central funding for this work has long since ceased. However, it also lays bare the fact that there has been very little in the way of initiatives to support market towns since this last wave of activity following foot and mouth disease and that as the public funding is squeezed further, the remaining funding available through local authorities and RDAs, for market towns is under threat. Current economic development initiatives such as economic assessment, Multi Area Agreements and Economic Prosperity Boards are heavily focused on large urban centres with little consideration of how they might be applied in rural areas. There is the opportunity for market towns to consider how they might be able to adapt these types of mechanisms for their areas in order to develop longer-term economic development initiatives.

APPENDIX 1

Survey

Appendix 1 – copy of survey