

ENHANCING THE VALUE OF LOCAL AUTHORITY ASSETS IN TOWN CENTRES

Overview

Contemporary policy for town centres is failing to recognise the importance of Local Authority Assets. Therefore, the Centre for Local Economic Strategies (CLEES) and the Association for Public Service Excellence (APSE) have recently collaborated on a research project exploring the role and value of local authority assets in town centres.

City and town centres across the United Kingdom are in a worrying state. A historical focus on town centre retail, followed by the recession and has led to shop closures and empty high streets. The Coalition Government appointed retail expert Mary Portas as a figurehead to review the state of English high streets. This work made a number of recommendations targeted at breathing economic and community life back into our high streets.

During Summer 2013, both Government and other town centre and retail experts have reviewed the progress of the recommendations and associated activities of the Portas Review. In 10 of the 12 initial Portas Pilot towns, more retail units closed than opened in the past year – with a loss of 95 units in total.

Why are town centres continuing to decline?

For CLEES and APSE this is in large part due to economic circumstances, a policy approach which lacked teeth and a failure to recognise the ongoing role of town centre assets. Additionally, there is a conspicuous absence of a defined and leading role for local government in working towards supporting and reinvigorating ailing town centres. Local government has a critical role to play in town centres:

1. As an economic steward drawing together the public, commercial and social sectors to drive economic development; and
2. By providing a key element in the physical makeup of town centres.

In light of this, CLEES and APSE have worked together to develop a more effective understanding of the role and value of local authority assets in town centres. This work has:

- Identified the various roles of local authority assets in town centres and their links to other policy agendas and services;
- Developed a means of demonstrating the strategic, place, economic, social and environmental value of local authority assets to town centres;
- Provided evidence from across the UK of where local authority assets and practice are being used to derive strategic, place, economic, social and environmental value.

The Findings

Through research, we have identified five thematic roles which local authorities and their assets play in supporting town centres. CLEES and APSE conducted case study research in four localities: Ballymena; West Dunbartonshire; Southampton; and Neath Port Talbot. Further details of this case study material can be found in the publication 'The role and value of local authority assets in town centres', published by APSE in January 2014. For more information, see our website at www.cles.org.uk/news/28600/.

There are five key roles:

Strategic

Local Authority assets have a strategic role in town centres; they are diverse in their nature and provide a space for shared services.

Local authority assets are essential in town centres:

- As spaces for the provision of shared services between providers in the public sector, such as local government and the health service;
- For partners delivering services on their behalf, including private sector organisations; and
- For bringing providers together in a single space to reduce duplication in delivery and also reduce building management costs for the authority and partners.

Place

Heritage is vital to our identity and to local image:

- Many local authority assets, such as town halls and galleries may have archaeological, architectural, artistic or historic significance, contributing to the richness of local places and providing economic, social and environmental benefits.

Local authority assets have an essential place-shaping role in town centres. This should form part of wider corporate plans, community strategies and economic strategy. Assets themselves have financial value, and form a key element of revenue expenditure for local authorities.

Economic

Local growth assets have an economic role in town centres:

- Providing jobs and growth;
- Creating businesses hubs; and
- Helping to stimulate investment through private sector relationships.

This matters because local authority assets which are currently under-used offer potential to create economic growth. Two crucial means to achieving growth are identified through the Department for Communities and Local Government and the Local Government Association's Capital and Assets Programme:

- Reducing public sector expenditure on assets; and
- Using redundant public sector spaces for alternative employment use.

One of the important roles for asset management teams is to redefine the use of office focused activities. Engaging with the private sector to create business hubs in vacant offices could enable the creation of new businesses.

To stimulate investment in holistic regeneration schemes, local authorities can use their asset base to facilitate partnership. Joint ownership and investment with the private sector through local asset backed vehicles (LABV) offers potential. These are distinct legal entities with equal shares and risk between the public sector and private sector. The public sector contributes its physical assets to this arrangement, whilst the private sector contributes funding, capacity to deliver and expertise.

Local authority assets, both physical and virtual (such as websites) can be used to generate income, for example through selling advertising space. Local authorities have many new and historic powers which permit them to sell or charge for services. Consideration should be given to the best use of these powers to generate income from local authority assets.

Social

Recognising the social value of local authority assets is important. These assets have a significant social role in town centres in that they provide cultural venues which enhance visitor numbers and they can be used by the voluntary and community sector.

Local authority assets can be used as:

- Facilitators of new forms of ownership or community management;
- Spaces for voluntary and community sector organisations; and
- Spaces for 'meanwhile' use.

Many care passionately about the use of town centres as social, civic places to support the people who live there. Transferring ownership of assets to the voluntary and community sector, and coordinating the use of local assets with the voluntary and community sector, are means of creating greater social value from assets. Asset management and the use of an asset register can help to identify which assets could be used more effectively to support their use in a social role in town centres.

Environmental

The environmental role of local authority assets must not be overlooked. Their role in town centres can be the basis for public realm improvements and new energy schemes. The size and scale of public sector assets in town centres means that they can be used as sites for new green energy schemes. As well as creating renewable sources of energy, this can also bring economic benefit in the form of increased demand for local suppliers and workers.

Recommendations

Our review of current policy along with our research has informed ten recommendations for maximising the benefit of local authority assets for town centres.

1. Use assets as hubs for service delivery

Civic centres and other administrative centres should not just be the domain of the local authority but a strategic asset where multiple partners in the public, commercial and social sector provide services.

2. Promote the historical importance of town centre assets

Local authorities should promote the historical importance of their town centres and the assets that they own within them.

3. Embed the regenerative potential of assets into core strategy

Local authorities need to engage cross sector stakeholders in realising the potential of assets and highlight the importance of effective asset utilisation to wider objectives in corporate and community strategy.

4. Use local authority assets for employment and economic gain

Local authorities should be encouraging direct and indirect employment in town centres and measure the impact of this to the local economy in terms of the multiplier effect.

5. Develop partnership and investment vehicles

Local authorities should look to develop town centre consortia involving the public sector, retailers, investors and the voluntary and community sector in order to develop priorities and strategy for town centres.

6. Measure and promote the economic importance of assets

Local authorities need to measure and evidence the economic benefits their assets bring for town centres in order to demonstrate their importance and effectiveness.

7. Create meanwhile uses for vacant assets

Local authorities should work with the commercial and the voluntary and communities sectors to bring empty properties into meanwhile use and consider the transfer of town centre assets to the voluntary and community sector.

8. Use public realm improvements to stimulate improvement, investment and growth

Local authorities should value public realm assets and the role of future improvements in the functionality of towns.

9. Think town centre for new administrative buildings

To enable viability, town centres need to have a mix of retail, civic and leisure uses – local authority assets should be integral to this mix, given their strategic, place, economic, social and environmental values.

10. Develop a cross public sector comprehensive asset register

Local authorities and the wider public sector should develop comprehensive registers of their own assets, including details of their value and wider economic benefit.



CLES FINDINGS

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What next?

CLES passionately believe that there are essential components which comprise successful town centre economies. Mix of use, and strong engagement across the public, private and social sectors can energise town centre economies. Strong local authority leadership is also important. As detailed above, the effective use of assets can create substantial benefits for town centres.

This fundamental vision is reflected in our ongoing work around the resilience of local economies. Local authority assets present important opportunities to develop resilience in local economies, for example, by providing space for voluntary and community sector organisations. At present, we are furthering our research into developing resilient local economies through work with the Association of Town and City Management (ATCM).

In this work we are looking at a number of different towns nationally and analysing the ways in which the public, private and social sectors work together to support their local economies. The use of local authority assets in town centres offer significant potential to support better networking and closer working between different stakeholders in the local economy. The learning and framework developed through the APSE and CLES research will be used to support our future work in analysing and enhancing town centre economies.

If you are interested in speaking to CLES to assess how your organisation's assets can bring additional value to your town's economy, please contact Matthew Jackson at matthewjackson@cles.org.uk.

More information

For more information about this research and the case studies used within it, please see APSE and CLES (2014) 'The role and value of local authority assets in town centres'. Please also see our website at www.cles.org.uk/news/28600/.

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