

# Unlocking Growth Through Partnership



Local development, growth and  
regeneration through successful  
public/private collaboration



- Introduction to BPF
- BPF/LGA work on unlocking growth
- Town centre investment zones

- Trade body for owners and investors in commercial real estate
- Market value of £1,662bn which contributed more than £94bn to the economy in 2014
- Work with central and local government and stakeholders to help sector grow and thrive sustainably
- Focus on delivering a successful economy, essential infrastructure and great places

## From then...

- Stimulating economic growth was seen as fundamental objective of previous Parliament
- Recognised the traditional models of funding no longer functioned in a post-crash world
- Local authorities faced significant financial constraints, and the real estate sector faced low levels of development
- Partnered with LGA to provide solutions and challenge Government thinking
- Original report in 2012 following roundtables and place-based studies to Cornwall, Kettering and Barnsley
- Produced ten recommendations for ways councils, developers and partnerships can boost economic growth

## To now...

- Policy landscape has shifted significantly
- Some recommendations remain valid while other areas have moved on
- Revisited topic in 2016 with further place-based studies to Southampton and Milton Keynes, then in 2017 to Derby
- Consider progress and opportunities for growth in these cities
- Provide a set of best practice guidelines for progress that could be applied across the country
- Real appetite for growth, sharing experiences and innovative partnerships

## Pro-growth councils...

- Create political certainty
- Ensure a convincing and realistic vision
- Use land assembly tools at their disposal
- Develop commercial mindsets
- Commit to improving infrastructure

## The best of the real estate sector...

- Takes a long-term view
- Considers the place
- Remains open and accessible to local authorities
- Communicates
- Develops a compelling housing and public realm offer



## Central government can...

- Allow the pooling of funds
- Commit to local growth
- Review state aid rules
- Demystify local plans
- Simplify CIL

# Town Centre Investment Management

- Report launched January 2016
- Cross property sector project part-funded by DCLG and Mayor of London
- Identified fragmented ownership and poor asset management as issues
- Pilots in Melton Mowbray, Weston-Super-Mare, Dartford
- Show a more structured approach to a high street's offer can attract investment and bring about fundamental change

# Town Centre Investment Management

- Principle of pooling a critical mass of property assets into an investment vehicle
- Assets can then be managed and curated
- Allows existing stock to adapt to challenges such as changing consumer behaviour
- Allows local authorities to transform high streets including more housing and leisure space
- Attractive to investors, delivering scale and growth potential

# Town Centre Investment Zones

- Areas designated set up as TCIZ
- Provides coherence, leadership and clear focus
- Promotion of Zone should be in hands of local authority
- Criteria set by central Government
- Focus in pilot studies about twin issues of retail reconstruction and shortage of land for housing

# Framework

**Planning framework**



**Investment vehicle**



**TCIZ**



**Funding**



**Pool assets**



**Asset managers**



**Review**

AAP; Business Neighbourhood Plan; supported

Business case; partnership, company or REIT

Leadership, governance, incentives

Institutional, debt etc.

Voluntary, acquisition or CPO (last resort)

Specialists, working to agreed KPIs

## Results

- More effective adaptation, delivering improved occupiers
- Better response to change
- Improved performance and enhanced customer experience
- Makes the whole town centre more attractive to investors
- TCIM will only ever be effective if it has the full support of the local authority
- Role of Business Neighbourhood Plans, BIDs and LEPs

## Where next?

- Achievable – already happening
- Sharing best practice
- Continued devolution
- Industrial Strategy
- Brexit