

Resident Scrutiny Panel

Review 9

**Shops' Contribution to Building
Successful and Sustainable Communities**

2018

MEMBERS

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1. INTRODUCTION

- 1.1 This report by BVT Scrutiny Panel, based on a review undertaken from November 2017 to May 2018, looks at the local shops in Bournville¹ and the role that BVT plays in managing the contribution of local shops to building successful and sustainable communities, supporting local commercial tenants and generating income for the Trust.
- 1.2 The report makes recommendations for consideration by BVT Trustees and management.
- 1.3 The implementation of any agreed recommendations will be monitored through the Executive Team and Scrutiny Panel.
- 1.4 Scrutiny Panel thanks all staff who helped with this review.

¹ Bournville refers to the local shops at Bournville Green, Shenley Green, Mary Vale Road, Swarthmore Road, Heath Road, Green Meadow Road and Bournville Gardens. **APPENDIX D – list of shops (P.12)**

2. SELECTING THE REVIEW

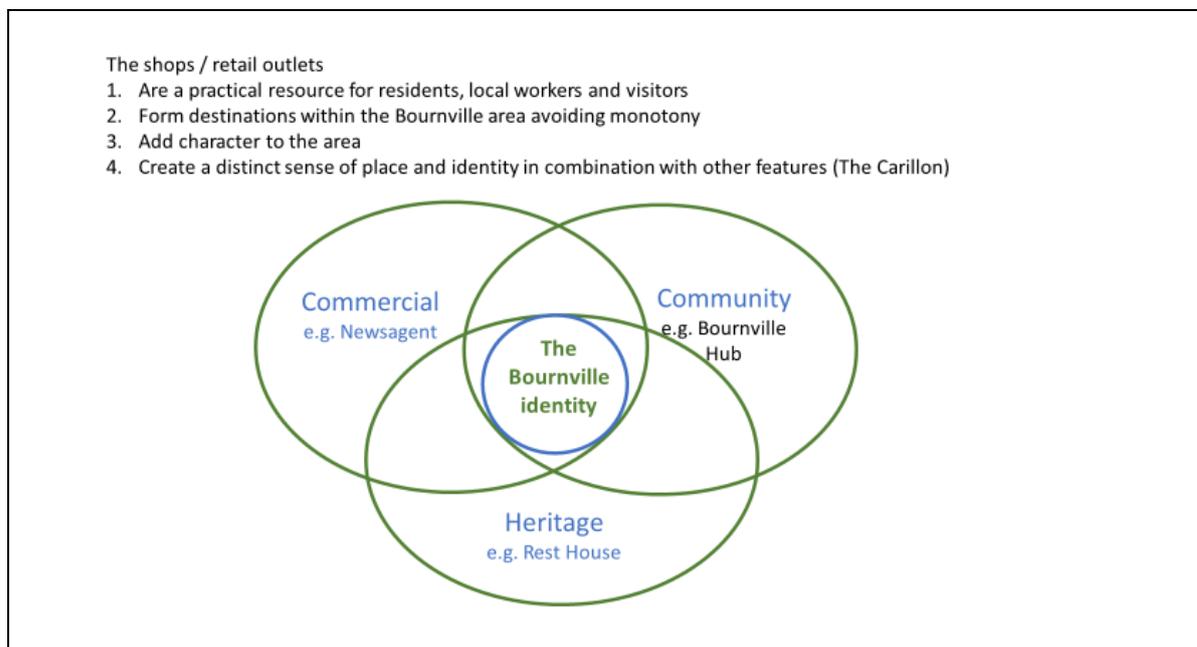
- 2.1 Scrutiny Panel has, for some time, discussed shops in Bournville and shared concerns about their future in the light of economic and social change and their impact on the retail sector and 'high street shopping'. This is reflected in the loss of the bank (Bournville Green), local post offices (Bournville and Shenley), and closure of other local shops (Heath Road).
- 2.2 When Scrutiny Panel undertook Review 2 (Financial Risk Management at BVT), one of the recommendations was about 'local shops' and their long-term sustainability. The ensuing report by CP Bigwood made some recommendations that are still pertinent and should be read in conjunction with this report. **(APPENDIX A – CP Bigwood Report – separate document)**
- 2.3 Review 6 (Resident Insight) indicated that people move to BVT for the quality of life and that the shops contribute to the 'sense of place' that makes Bournville special.
- 2.4 The Annual Satisfaction Survey 2016 highlighted a number of concerns from local residents about the shops:
- a. There are many comments about the particular situation at Heath Road and the unsightly frontages of the empty shops and the lost facilities and services: *“Not satisfied with the frontage of the shops that are now empty on the corner of Woodlands Park Road and Heath Road, looks very scruffy.”*
 - b. There are many concerns about the loss of key local services like the bank and post office, and demands for a better mix of shops: *“Could a better tenant mix be achieved please?”*
 - c. A particularly perceptive resident understood some of the issues that face BVT: *“The continuing closure of shops is an existential threat to the community and lack of licensed premises translates into no shops, café or restaurants on much of the BVT... the temperance issue is part of the charm, but also a threat to its sustainability.”*
(APPENDIX B – Annual Satisfaction Survey 2016 – Local Shopping Areas)
- 2.5 Tony Kimber, Director of Estates, responded positively to Scrutiny Panel's interest in local shops and to their selection of this topic for a Scrutiny Panel review.

3. SCOPING THE REVIEW

- 3.1 Tony Kimber was invited to attend a Scrutiny Panel meeting in November 2017 to answer 10 key questions as a way of helping the Panel ‘scope out’ the review. Panel members wanted to understand the context and range of ‘commercial/non-housing’ properties across the estates, including the current management of the commercial portfolio, and to understand if BVT has any particular long-term strategy for shops and commercial outlets. **(APPENDIX C – Ten Questions to Tony Kimber)**
- 3.2 Tony supported the Panel’s proposal to investigate:
- The views of the commercial tenants
 - Residents’ views on the local shop offer
- 3.3 **Geography**
The Panel agreed this review would include the shops at Bournville Green, Shenley Green, Mary Vale Road, Swarthmore Road, Green Meadow Road, Heath Road and Bournville Gardens.
- 3.4 **National Context**
There is widespread awareness of, and research demonstrating, the changing patterns in the retail sector. The shift away from local shopping and High Street shopping to local and out-of-town centres and the huge impact of online shopping threaten the future of local shops. Many have closed. Local shopping centres are increasingly occupied by services – rather than retail – and charity shops (themselves undergoing constant change). National research describes the kinds of shops, services and facilities that are now in demand. (See below: 5.4 What the Panel Found – Research)
- 3.5 **Value for Money**
BVT’s core business is high quality, affordable housing. However, there is a role for shops in providing a service to the community, and an additional source of income to BVT. Historically, shops feature in the Cadbury vision of community facilities, a legacy which has been upheld in recent developments. Shops are also an ‘identifier’ – part of the shape of the area and a sense of place, adding character.
- 3.6 **BVT’s Corporate Aims**
The review links directly to BVT’s corporate aims (<https://bit.ly/2I7Lfcr>) with the following quotations taken from the BVT strategy statement:
- “Our Vision is ‘to create and sustain flourishing communities where people **choose** to live’ and our over-arching strategy supports this.”*
 - “We recognise that we are more diverse than the traditional housing association, with our agricultural estates, green open spaces, **shops** and a museum.”*
 - “As a registered charity, these invaluable additional services support our special legacy and build upon George Cadbury’s vision, which is as respected and as important today as it was when his model village was created over 120 years ago.”*
- 3.7 The Panel, therefore, concluded that the review should be:
Shops’ Contribution to Building Successful and Sustainable Communities.

4. WHAT THE PANEL DID

- 4.1 The Panel set up three working sub-groups to investigate the commercial, community and heritage aspects in more detail.



4.2 Commercial

The Panel addressed a number of questions about BVT's relationship with the shops and decided to survey the commercial tenants. A survey was sent out to 28 commercial tenants and 16 responses were received. **(APPENDIX D – Questionnaire for Commercial Tenants, with list of shops contacted on P.12)**

4.3 Community

The Panel sought to find out about local residents' use of and views on the local shops and how they thought they could be improved. 49 residents from the Village Voices database were invited to a focus group. Although only six residents contributed to this meeting, some useful ideas were raised. **(APPENDIX E – Notes of a Shops Focus Group Meeting with Involved Residents)**

- 4.3.1 Complementary to this, an email survey of residents was completed with 22 responses from local people. Whilst useful, the limited number of responses highlighted the need for wider consultation across the whole Estate for a more comprehensive, balanced set of views. (The Panel suggests BVT take this into account in the planning of any future consultations.) **(APPENDIX F – Questionnaire for Residents Regarding Shops)**

- 4.3.2 The limited response was complemented by national research into changes in the retail sector:
- a. The Local Shop Report 2017 – published by The Association of Convenience Stores (ACS) – neatly presents a great deal of research conducted by a number of reputable organisations and added some useful background to the review. **(APPENDIX G – The Local Shops Report 2017 – PowerPoint Presentation)**

- b. “*Store openings at lowest level in seven years...*” Press release from PwC summarising the findings of research by The Local Data Company (<https://pwc.to/2EEdQQO>).

4.4 **Heritage**

The Panel undertook research online looking at other model villages in the UK, their origins and subsequent histories to find common factors in that experience that inform this Review. **(APPENDIX H – Heritage and Culture – Other Communities)**

5. WHAT THE PANEL FOUND

5.1 Commercial tenants

Key observations include:

- a. Newer tenants seem generally more positive about operating in Bournville, their working relationship with BVT and future prospects than some longer-standing leaseholders.
- b. Lease re-negotiations, however, by BVT's agents are unduly confrontational. The process has been unpleasant for some shop tenants, while for others the experience has gone beyond what might be regarded as acceptable. (The Panel strongly suggests BVT review the approach currently taken.)
- c. A good mix of businesses to guarantee footfall seems to be what is needed at locations where there is a critical mass of outlets. Unsurprisingly, the closure of post offices (and the bank at Bournville Green) are regretted.
- d. Specialist shops are welcomed as a way of attracting visitors from both within and beyond the Estate. This reflects findings of national research.
- e. Some retailers are keen to offer a more creative shopping experience but feel hampered by lease restrictions that inhibit diversity and competition. Some of the more 'isolated' outlets wish to become more 'general purpose' convenience stores – reflecting the positive direction seen in national research as well as local resident responses.
- f. Limited parking requires better management, and poor signage to parking and shops combine to deter visitors and shoppers.
- g. The inclusion of the new Hub on Bournville Green is a welcome addition to the Bournville Parade and has increased footfall for the shops. This is a great example of the balance of bringing in community alongside the commercial.
(APPENDIX I – Analysis of Commercial Tenants' Questionnaire)

5.2 Community

Key observations include:

- a. All resident respondents use at least one BVT shop, with many shopping there several times per week.
- b. Residents see local shops as an essential part of community.
- c. Views on the general impression of the existing shops were mixed with 64% rating them as good, but 32% as poor.
- d. The post office and bank at Bournville Green are sorely missed. Retention of the chemist here (and on Shenley Green) is very important to the community.
- e. Residents would like:
 - i. A combination of easily accessible convenience stores (groceries/household goods/daily use) and

- ii. Quality specialist shops (food, clothing, and special interest) together with cafés and restaurants.
- f. Some of the traditional shops need to modernise, innovate and diversify their offer.
- g. Bournville residents are getting younger and more diverse, so the shops need to reflect the needs of this changing community.
- h. What residents want from local shops is convenience – proximity, long opening hours, supply of good quality everyday items and a friendly, personal service.
- i. Parking and disabled access were raised as concerns while limited signage means that even residents are unaware of some less obvious outlets.
- j. Restrictions on alcohol licence deter the development of cafés and restaurants in the local area.
- k. The blighted shop premises at Heath Road should be addressed, not left to chance and not allowed to drift. The relationship with the Co-op is inhibiting a resolution. Effective action should be taken by BVT as a matter of urgency to bring the premises back into use.

(APPENDIX J – Summary of Resident Questionnaire Results – separate document)

5.3. Heritage

Main observations after internet research and the two site visits:

- a. Shops are an integral part of the heritage of communities such as Bournville. Bournville Green shops would benefit by making more of the heritage value of the site (as at e.g. Port Sunlight, Saltaire, New Lanark), and more significant links made with Cadbury World – some simple signage, a fresher, more interesting, look to the area.
- b. Local shops can be, and have been, lost to communities where their value is not appreciated and bought-into by that community, i.e. the shopper, the shopkeeper and the custodians of that heritage. There are no shops within Port Sunlight (though there are plenty just outside, within easy walking distance) – *“but they are missed”* by the local community. Local shops are seen as a ‘focal point’ for an area.
- c. The creators of more recent ‘model’ villages, e.g. Solihull MBC’s Dickens Heath and Prince Charles’s Poundbury, have invested significantly in retail facilities for their communities.
 - i. For example, Poundbury promotes its shopping facilities by providing a comprehensive on-line shops’ directory and a location map. We have not, however, tested the health of the shopping experience here.

5.4 Research

There were three key points from the Local Shop Report 2017:

- a. Post offices, convenience stores and specialist food shops have the most positive impact on a local area.
- b. Specialist food shops, banks and non-food are the most wanted services by communities.
- c. Alcohol represents 14.3% of sales; tobacco and e-cigarettes are marginally higher at 15%. The highest sales percentage is chilled foods at 17.2% and the lowest is hot food-to-go at 0.4%.

5.4.1 Panel members also visited two very different 'model villages' – Port Sunlight and Dickens Heath – to learn lessons from their experience.

Key observations include:

a. Port Sunlight

- i. There are no shops within the Port Sunlight estate but several on the periphery. Our guide and a small group of residents we met (informally) noted that residents are very conscious of the *absence* of local shops. There is a much-valued bank.
- ii. The estate is opening a vintage clothing and bric-a-brac shop in the community hub as a source of income for the hub.
- iii. One of the houses has been fitted in Edwardian style and is open to visitors.

b. Dickens Heath

- i. Dickens Heath is struggling to maintain a varied retail offer and there is a huge issue with restricted parking availability which impacts on visitors using the shops. The management company is solely commercial and this does not appear to be successful in providing a balanced offer.
- ii. The majority of shops are services (hair, gym etc.) with some cafés and bars and one Tesco Express with a cash point.
- iii. Shops are hampered by lack of parking (i.e. poorly planned and managed).
- iv. One independent café owner feels threatened by the imminent opening of a Costa coffee shop.
- v. Tenants feel vulnerable because of financial pressure from the cumulative effect of increasing management charge, rent, rates and increased minimum wage. **(APPENDIX K – Notes from the Visit to Dickens Heath)**

6. RECOMMENDATIONS: TOWARDS A STRATEGIC APPROACH

6.1 There is an opportunity for BVT to take a more proactive, interventionist approach to the development of the shops in the interests of community life and the ongoing attractiveness of the areas.

6.2 Scrutiny Panel makes the following recommendations:

Recommendation 1

BVT to formally acknowledge in its business planning the vital role of local shops as integral to a sense of place and identity in the life of sustainable communities; that local shops are intrinsic to the Cadbury legacy.

Recommendation 2

BVT to take a proactive approach to the management of commercial outlets, adopting a balanced role that takes into account commercial and community interests and actively promotes the sustainability of shops for the benefit of community, shop tenants and BVT's income from leases.

Recommendation 3

BVT to prepare a shops strategy which includes the following:

- a. Recognising and responding to the needs of a changing market, e.g. evolving customer requirements and new shopping trends.
- b. Undertaking and monitoring market research to understand commercial potential; and resident research to understand needs and expectations.
- c. Engaging partners both commercial and community to create a balanced offer for local people while also providing an income stream for BVT.
- d. Securing shop tenants' agreement and engagement with any new initiatives or changes to current practice.
- e. Providing an ongoing commitment to ensure shops remain open and viable, minimising conversion to residential and expanding the offer where feasible.
- f. Diversifying the range of retail offers to provide for changing expectations and demands.
- g. Promoting and advertising the shops in a variety of ways for greater impact/reach.
- h. Promoting a modern, innovative and creative trading culture that fosters ongoing improvement.
- i. Continuing to encourage community engagement, e.g. the Christmas Festival.
- j. Generating pride in the local shops and upholding positive perceptions of the area.

Recommendation 4

BVT to review its approach to the management of the shops portfolio:

- a. BVT and its agents to take a consistent, empathetic, constructive and respectful approach to lease negotiations with shop tenants, given the economic and retail environment and the added value shops bring to the quality of life.
- b. BVT to review restrictions within leases to maximise the opportunity for innovation and growth.
- c. BVT to take a standardised approach to outlining the terms and conditions of leases by developing a core set of principles to ensure consistency and fairness.
- d. BVT to intercede and resolve the situation affecting the shops at Heath Road (currently subject to subletting by the Co-op).

Recommendation 5

BVT to undertake research among residents to inform the strategy through:

- a. Gauging demand in relation to local shops and their importance to the community.
- b. Building a demographic picture of residents across the Estate and assessing their needs and expectations.

Recommendation 6

BVT to actively promote and advertise the retail outlets and (where opportunity allows) to do so in conjunction with nearby non-BVT shops.

Recommendation 7

BVT to exploit the heritage potential of Bournville to maximise the retail benefit and create a virtuous circle of regeneration:

- a. BVT to undertake market research to test the potential commercial retail market among tourists and visitors to Bournville and to Cadbury World.
- b. BVT to exploit the potential 'heritage value' connected to the history of Bournville, e.g. the unique dwellings and listed buildings around Bournville Green, to add to the heritage experience and increase visitors (see Port Sunlight's Edwardian Worker's Cottage styled in the 1920s).
- c. In response to the widely understood market for 'retail experience' (as opposed to functional shopping), BVT to reinforce and clarify logical connections between sites, such as the Rest House and Selly Manor, to mutual benefit in increased footfall and turnover.
- d. BVT to instigate a project to rejuvenate Bournville Green with a refreshed 'retro' look and install directional, on-road signage to both shops and parking.
- e. BVT to review parking facilities in consultation with commercial tenants and Birmingham City Council.