

Growth and Infrastructure Overview and Scrutiny Committee 10 October 2022

City Centre Update

Introduction

Plymouth's city centre was rebuilt after the Second World War and was planned as a centre focussed on retail. As shopping habits have changed over recent years (a trend which was accelerated as a result of the COVID pandemic), this has led to some difficult times for retailers across the UK. A number of large high street brands have gone into administration and some independent traders have struggled. This has led to an increasing number of vacant units across Plymouth city centre.

The number of people visiting Plymouth's city centre fell dramatically during COVID and whilst footfall has recovered to a certain extent it is still below 2019 levels (see Appendix 1). Notwithstanding, this data, there are some signs that Plymouth is recovering better than many other towns and cities. In a report on recovery of hotels published by Colliers earlier this year, Plymouth featured in the top 5 out of 25 destinations across the UK. And in research published at the end of September by retail intelligence organisation, Small Business Prices, Plymouth was found to have the busiest city centre in the UK by footfall.

However, despite those signs of positivity, 19% of the city centre's shops are vacant and Plymouth's retail footprint in the city centre is simply too large for today's consumers' requirements and there is a pressing need for diversification – there should be other reasons for people to visit and spend time in the city centre.

There are currently only around 1,000 homes within the city centre (as defined by its retail footprint) and many of these are social housing formerly owned by the Council and now owned by Plymouth Community Homes. A typical city centre of Plymouth's size would be expected to have around 8,000 homes. More new homes are therefore required, as these will help to create a more vibrant city centre – particularly outside of normal working hours.

Other reasons for people to visit the city centre are also required, including for health and wellbeing reasons, to work and to spend their leisure time.

But the city centre also needs to be an attractive place to visit. The quality of the public spaces is important, as is the condition of the buildings. The city centre should offer visitors and residents a welcoming environment where they are keen to shop, work, live, spend their leisure time and have fun!

Aside from the challenges around the decline in retail, property values in Plymouth are lower than other nearby cities such as Exeter and Bristol. This makes regeneration and development more challenging because projects are less likely to be financially viable or meet the parameters set by investors. Grant funding or innovative approaches to development finance will therefore be required in order to stimulate investment.

However, it should be noted that some of the city centre's physical characteristics provide a strong platform from which to progress – for example, the wide, largely pedestrianised streets offer a safe environment for the public, and the existing buildings (many of which now form part of the Conservation Area) are of high quality. The city centre is also well located, including being within close proximity to the city's train station and just a few minutes' walk from the waterfront.

City Centre Strategy

The work which is currently underway on the city centre is based on a number of existing plans and strategies, which have previously been through extensive public consultation, primarily:

- The City Centre Masterplan
www.plymouth.gov.uk/sites/default/files/PlymouthCityCentreStrategicMasterplan.pdf
- The Plymouth & South West Devon Joint Local Plan
<https://plymswdevonplan.co.uk/policy?areas=plymouth>

Work to improve the city centre is focussed on a number of inter-related areas and is being carried out by the Council in partnership with or working alongside various third party organisations, including Plymouth City Centre Company, Plymouth Culture, Destination Plymouth, Urban Splash, Historic England, British Land, the Theatre Royal and others.

The improvements being made to the city centre include:

- Physical regeneration / capital projects
- Improving public realm
- Improving existing buildings
- Reducing vacancies / meanwhile uses
- Cultural programme & events
- Business support / work of the Business Improvement Districts

Physical Regeneration / Capital Projects

The Council has already delivered:

- The Box
- The Barcode (in partnership with British Land)

And has supported the delivery of projects and investments such as the:

- New retail units in the former BHS
- Conversion of the former Derry's store to provide a 110-bed Premier Inn and 500 student apartments

New projects within the city centre and near vicinity include:

- New £44m health and wellbeing centre in the West End, providing space for 3 existing GP surgeries, outpatient clinics, dentistry, pharmacy, wellbeing and the voluntary sector. Planning consent granted, due to start on site March 2023 subject to final funding approval.

- Refurbishment of Civic Centre by Urban Splash to provide 144 apartments, as well as a range of commercial space on the lower floors. Supported by £10.5m from the Future High Streets Fund. Strip out works due to start in October, with main contract underway in early 2023.
- Modernisation of the Guildhall to improve the events space and attract more use. Supported by £1.5m from the Future High Streets Fund. Currently at the pre-application stage.
- Railway station redevelopment. This £100m project is well underway, with a new gateline having been provided, various internal relocations completed and University of Plymouth due to complete the conversion of Intercity Place to provide new teaching facilities for medical students by September 2023.
- Around 150 new homes to be provided by Plymouth Community Homes on land owned by the Council at Bath Street, currently at the pre-application stage.
- A new 150-bed Hilton Garden Inn and 142 apartments to be provided on land owned by the Council on the Hoe, currently at the pre-application stage.

Public Realm

Five major public realm improvement projects (£26.5m total) are currently being worked on for the city centre, with construction already started on site on one, and due to start on site on the other four:

- Old Town Street / New George Street: £7.5m project on site and due to complete July 2023
- Civic Square: £3m project due to start in November and complete July 2023
- Armada Way: £12.7m project due to start January 2023 and complete March 2024
- Royal Parade: £2.7m project running from January – August 2023
- Mayflower Street: £0.6m project starting in November and completing March 2023

These projects will improve cycling, walking and bus routes through the city, as well as improving the overall look and feel of the city centre.

Improving Existing Buildings

Supported by Heritage Action Zone funding from Historic England the Council is working to clean building facades and improve signage etc within parts of the city centre that are now designated as a conservation area.

Reducing Vacancies / Meanwhile Uses

Led by Plymouth Culture, working with the Council and Plymouth City Centre Company, a number of previously vacant units have now been occupied on a “meanwhile use” basis. This has helped to bring new activity and footfall to the city centre, as well as improve the look of the premises. Units that have already been brought back into use include:

- Vacancy Atlas, Cornwall Street
- Climate Hub, former Waterstones, New George Street
- Two units owned by British Land on Old Town Street, now used as exhibition space and a hub for bicycle deliveries

More meanwhile uses are in the pipeline.

Cultural Programme & Events

The Council, Plymouth Culture, Plymouth City Centre Company and other organisations have been working together to provide various events in or around the city centre, all of which have helped to drive footfall. These include the Hatchling, Flavour Fest, Plymouth half marathon, SailGP, Pirate Weekend, Lord Mayor's Day and the West End Carnival.

Future Investment

The Council is liaising regularly with potential funders, most notably Homes England in collaboration with the Department for Levelling Up, Housing and Communities, in order to identify opportunities to secure investment for new projects, especially on sites where financial viability is challenging. Ongoing conversations are also taking place with potential investors to ensure that they are aware of the opportunities that exist in Plymouth. Work is also underway to enhance further the way that Plymouth is marketed to investors, building on the good work that has already been done by the Invest in Plymouth team.

Business Support / Business Improvement District (BID)

Plymouth City Centre BID was established in 2005 and works in partnership with the Council and many other organisations, as well as local businesses, in order to help the city centre to thrive. The work of the BID includes:

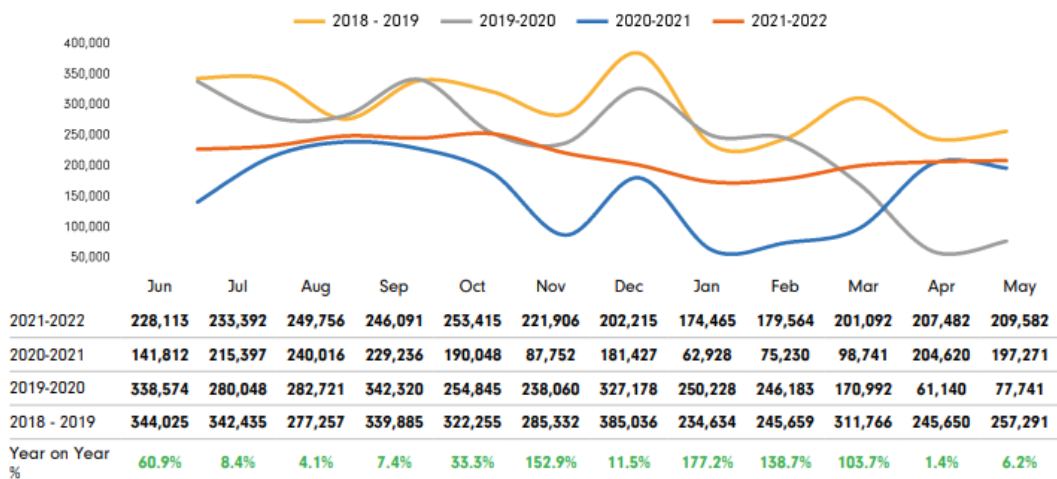
- Helping landlords and tenants find new uses for vacant units
- Pro-actively seeking new investment
- Improving connectivity between the city centre and the waterfront
- Marketing
- Organising and supporting a year-round programme of high quality events
- Improving public spaces to ensure they are clean, safe and welcoming
- Supporting businesses with services and grants to help reduce costs and improve customer experience.

The City Centre BID works closely with Plymouth Waterfront BID to ensure that activities of each organisation compliment one another.

Appendix I: Monthly Footfall across Plymouth’s Counters from June 2018 to May 2022

Footfall - rolling 12 months

The figures shown below are calculated using weekly averages.



Year on year % is calculated by comparing the 2021-2022 period with the 2020-2021 period i.e the figure for May compares May 2022 to May 2021