

WARDS AFFECTED: ALL

Leicester
City Council

**ECONOMIC DEVELOPMENT & PLANNING
SCRUTINY COMMITTEE**

18th JANUARY 2007

IMPROVING AND ENHANCING SHOPFRONTS IN LEICESTER

Report of the Service Director, Planning & Policy

1 Purpose of Report

- 1.1 To provide information on the powers and controls available to the Council to improve the appearance of shopfronts in the city, including shops in conservation areas. The report includes information on the potential capital and revenue costs of setting up and running shopfront grant schemes.

2 Summary

- 2.1 New or replacement shopfronts require planning permission. They may also require Building Regulations approval if the work involves structural alterations. Illuminated advertisements on shopfronts need Advertisement Consent, as do projecting illuminated signs. In the past the Council has provided substantial amounts of grants from Capital Programme or other funding sources for a variety of shopfront grant schemes and environmental enhancement works at local shopping centres. Grant funds have not been made available, historically, for the cost of normal maintenance work such as repainting. There are currently no significant grant funds specifically for shopfronts.
- 2.2 The benefits of good shopfront design in the enhancement of buildings, conservation areas or the street scene generally is recognised by the inclusion of policies about shopfronts in the Local Plan and the Council's Shopfront and Shopfront Security Design Guides. Good shopfront design is actively sought through the planning process, particularly in conservation areas.
- 2.3 The Council has few powers to require the proper maintenance of land or buildings other than s. 215 of the Town & Country Planning Act 1990. This gives the Council powers to enforce the tidying up of sites and buildings where they adversely affect the amenity of an area. A visual condition survey and any subsequent s. 215 action across the city would have a substantial impact on the cost and workload of the planning service, as would investigations to determine, and take action on, shopfronts that do not have planning permission.

3 Recommendations

- 3.1 Members are recommended to:
1. Note the report on the powers and controls available to the Council;
 2. Determine whether to request that Cabinet allocate funds in a future programme for a grant scheme to assist owners of shops to carry out improvements.

4 Financial & Legal Implications

Financial Implications

- 4.1 The current 3 year capital programme ends in March 2008. Bids for capital schemes to be included in the 2008-2011 programme will be submitted in 2007 with the programme agreed by Council in February 2008. Any additional revenue implications will be incorporated in the DRS for 2008/09.
Martin Judson, Head of Finance, 16th November 2006

Legal Implications

- 4.2 The report correctly identifies the various statutory powers under planning and highways legislation. Under the provisions of the Clean Neighbourhoods and Environment Act further enforcement powers are given to the Council to deal with graffiti and fly-posting. Under this Act the Council has power to issue fixed-penalty notices enforceable through the courts. Power is also given to the Council to issue graffiti and fly-posting removal notices, which are subject to rights of appeal.
Anthony Cross, Head of Litigation, 16th November 2006

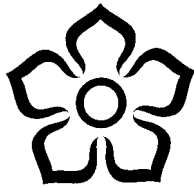
5 Report Author

June Gray

Planner

Ext. 7281

june.gray@leicester.gov.uk



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Report of the Service Director, Planning & Policy

1. Background

- 1.1 At its 19th October meeting your Committee requested a report on what the Council can do to tidy up (at eye level) shopping areas in the city, including shops within conservation areas.

2. The Issues

- 2.1 There are several issues that need to be addressed when looking at the appearance of shopfronts. These are :
- the design of individual shopfronts, including the cumulative effect that different shopfronts may have on the street scene;
 - the use of private forecourts for display purposes;
 - the display of adverts on the inside of shop windows; and
 - the aftercare and maintenance of shopfronts once installed.

3. Legislative and policy framework

3.1 Planning

- 3.1.1 Whilst many shopfronts in the city would benefit from improvement, the Council has no general powers to require that inappropriate or badly designed shopfronts be replaced, even in the most sensitive of environments such as conservation areas. The installation of new or replacement shopfronts is classed as 'development' and therefore requires planning permission and improvements are actively pursued as part of the planning application process. I can assure Members that officers make every effort to achieve better shopfront designs wherever possible.
- 3.1.2 The Local Plan recognises the impact that shopfronts can have on the appearance of the street scene and includes policies for achieving good shopfront design (Policy BE10), well-integrated security measures (Policy BE11), advertisement design and illumination (Policy BE13) and projecting signs (Policy BE14) and the application of these policies is an integral part of the planning application process.
- 3.1.3 Occasionally, shopfronts are installed without planning permission. In appropriate cases, such as the loss of the Victorian green glazed tiled shopfront at 142 London Road, the Council will pursue enforcement action, which can include a requirement to re-instate the original design. However, if a shopfront installed without planning permission is more than 4 years old, it is deemed to be lawful and no action can be taken. The timescales associated with the enforcement process can be expensive in terms of both cost and staff time. It is generally

restricted to the worst cases, that is, cases where I consider that planning permission would not have been granted, even had it been applied for.

- 3.1.4 Some shops can look unattractive when advertisements ('special offers' etc) are attached on the inside of the shop window. The Council has no control over such advertisements as they have 'deemed consent' (that is, are permitted) under the Advertisement Regulations.

3.2 Highways

- 3.2.1 The display of goods on forecourts to shops can create an untidy appearance although if they are well presented they can add to the quality of the street scene. The Council monitors shop displays under the provisions of the Highways Act 1980 if they are placed on the public highway and can take action to remove them if they are deemed to be causing an obstruction. However proving that a display is causing an obstruction is difficult and time consuming as there is no legal definition of 'obstruction'. Current normal City Council practice is to use an informal approach to the shopkeeper to move/remove their display if it is obstructing the highway. If the display area is on private land or forecourt, there can be no obstruction and therefore the Council cannot request that it is removed.

3.3 Other powers

- 3.3.1 There are no other powers, including byelaws, that would be available to the Council to secure the improvement of shopfronts. Vacant shops, however, can attract fly-posting and graffiti but this is not generally a problem on occupied premises. Where such problems do occur, the Council's Graffiti Team will remove any posters or graffiti on request. It has been Council policy for many years to identify known graffiti and fly-posting 'trouble spots' and to undertake regular clean-up visits. The Council can also issue fixed-penalty notices where appropriate.

4. The potential for improving shopfronts

- 4.1 There is no doubt that many shopfronts in the city could be improved. Some are inherently badly designed with fascias and signage that are too large in relation to the scale of the building of which they form part, or use inappropriate materials or may have been altered piecemeal in other ways. The improvement of shopfronts can be achieved either as part of the normal planning application process, or, more pro-actively, with some kind of incentive. Most usually the incentive would be, and indeed has been, in the form of Council grants or Council-run environmental enhancement schemes, both of which have been operated reasonably successfully by both the Housing Department and the former Planning Department. However, whilst officers have used those earlier schemes to encourage grant applications in numbers and concentrations that would deliver improvements for a whole group of shops, the participation of all owners has rarely been achieved. The results, although beneficial for those shops that do take part, tend therefore to be somewhat patchy.
- 4.2 Planning legislation also gives the Council powers to remove unauthorised development or advertisements, and this can also be applied pro-actively. A case in point is the active review of the hours of opening of food and drink outlets across the city. If Members were to indicate that officers should concentrate on unauthorised shopfronts or adverts then this would have implications across the planning service and would divert resources from other reactive and pro-active enforcement work. The revenue cost for an extra enforcement officer to deal with this work would be in the region of £32,000 per annum.

4.3 Grants

4.3.1 The Planning Department operated several kinds of shopfront improvement grant schemes between 1979 and 1998 (when the last grant scheme operated). A total of almost £1million was invested from Capital and other Programmes such as City Challenge, SRB etc (Tables 1 and 2 refer). There have been no significant grant funds specifically for such schemes since 1998.

TABLE 1	
Programme	Grants total (000s)
Shopfronts on Radial Roads	£150.1
Single Regeneration Budget	£127.3
Traffic Corridor Improvements	£9.2
City Challenge	£84.2
City Centre Shopfronts	£84.1
Hartington Road Shops	£82.7
Melbourne Road Shops	£35.6
Narborough Road Regeneration	£75.7
TOTAL	£648.9

4.3.2 Grant funds are generally well received, but can be quite labour-intensive, particularly where applicants need a large amount of technical support such as commissioning a design from an architect or applying for planning permission. Grants have also to be pitched at the right level – a 50% grant might secure a better design in a city centre location but might not be enough to interest smaller businesses in local shopping centres where profit margins are much tighter and investment much lower. In these situations higher grant levels have been found to be necessary, usually of at least 75%, sometimes 90%. It should be noted that, even for grant-aided schemes, the Council has no powers to require that the shopfronts are kept in good condition following payment of the grant.

4.3.3 A 'shopfront, signage and fascias' grant project was one of the proposals contained in the city centre Leicester Business Improvement District (BID) scheme but the business community voted against the BID proposal in October.

4.3.4 BID projects have particularly heavy requirements in terms of staffing, financial arrangements and support. They also require the active support of the majority of businesses in the BID area, as well as their ongoing commitment to meet the financial levy that forms an integral part of the BID funding regime. BIDs are not therefore suitable for all areas and I consider it unlikely that they would succeed in non-city centre locations in view of the result of the city centre BID ballot.

4.3.5 However, an opportunity might exist to revisit grant funding for shopfronts in conservation areas as part of the work to be undertaken by the proposed new Heritage Regeneration Officer (HRO) in my Division. This could, for example, involve development of a bid to the Heritage Lottery Fund to set up a Townscape Heritage Initiative (THI) Scheme for the High Street, Cathedral Guildhall, Market Street and Market Place conservation areas. THIs are complex and the application process is lengthy. It is likely that a large part of the HRO's time in the first year would be required to prepare the applications and then to manage the project if the application succeeds. Alternatively, a simpler Council-funded grant scheme could be explored, again managed by the HRO. Both projects would require match funding. In the case of the THI, the costs would be shared by the Heritage Lottery Fund (who can contribute towards staffing costs for the life of the project), the applicants and the City Council; in the case of the Council-run

scheme, between the applicant and the Council with no external support for staff costs. The revenue cost of the HRO post may amount to £36,500 per annum.

4.4 Environmental Improvement Schemes

- 4.4.1 Table 2 below sets out the enhancement schemes that have been carried out as 'one-off' projects. Works included improved parking provision, security shutter schemes, better paving and landscaping etc.

TABLE 2	
Programme	Costs (£000s)
Improvements to Green Lane Road Shopping Centre	£27.1
Outer Area Shopping Centres	£241.0
	£268.1

4.5 Grant Sources and Costs

- 4.5.1 The average Council capital programme grant for shopfronts has traditionally been set at between 50% and 75% of eligible costs. On average, using 1994 as a base date, grants amounted to between £3,000 and £5,000 per shopfront (more if integrated security measures were included). Costs today would be significantly greater. The cost of environmental enhancement works can be upwards of £50,000 depending on the location.
- 4.5.2 The amount of funding required for THI grants would be significantly higher as such schemes cover a much wider range of eligible works (structural repairs, brickwork and stonework repairs, specialist treatments etc). A THI is a two-stage competitive bidding process and would require substantial financial commitment from the Council, depending on the area chosen and the extent of works required to upgrade and bring buildings back into use. The contribution that the Heritage Lottery Fund can make to a THI scheme ranges between a minimum of £250,000 and a maximum of £2 million, and would amount to between 20% and 50% of the THI 'Common Fund'- the amount estimated to be needed to deliver the range of improvements desired. The balance of the Common Fund would have to come from match funding from the local authority, property owners and other sources, such as, for example, emda or LSEP. A THI is therefore likely to require a substantial financial commitment from the Council over its 3-5 year life. Table 3 below sets out some recent examples from elsewhere in the UK. A smaller Council-funded grant scheme would require much smaller financial commitment.

THI Location	THI fund (£000s)	Total Cost (£000s)
Newport Lower Dock Street	810	1,600
Plymouth	450	1,740
Drapers Towns, N Ireland	n/a	1,200
Priory Green, London	2,019	4,030

5. Conclusion and Recommendations

- 5.1 There are therefore two main ways in which the Council can encourage improvements to the appearance of shopfronts - either through a grant scheme or through the normal planning process. The former will require the allocation of capital, and possibly, revenue funding whilst the latter is driven by market demands and the normal planning application process.

- 5.2 If Members determine that the Council should be more proactive with regard to shopfront improvements then the way forward would be to establish a new grant regime. They would need to seek the support of Cabinet and other appropriate committees for the allocation of Capital Programme resources at the appropriate time. If I can recruit to the Heritage Regeneration post in my Division then this is something that could be investigated further.

6. OTHER IMPLICATIONS

6.1

OTHER IMPLICATIONS	YES/NO	PARAGRAPH REFERENCES WITHIN SUPPORTING PAPERS
Equal Opportunities	NO	
Policy	YES	City of Leicester Local Plan 1996-2016; Shopfront Design Guide and Shopfront Security Design Guide 1994
Sustainable and Environmental	NO	
Crime and Disorder	YES	Shopfronts often require security shutters. These need to be of an appropriate design and integrated into the design of the shopfront to minimise their visual impact.
Human Rights Act	NO	
Older People on Low Income	NO	

7. Background Papers – Local Government Act 1972

- City of Leicester Local Plan adopted 2006
- Leicester City Council Shopfront Design Guidance
- Leicester City Council Shopfront Security Design Guidance 1994

8. Consultations

Consultee

R&C Head of Finance
 Head of Litigation
 R & C Leicester BID project manager
 R & C Planning Management & Delivery
 R & C Highway Management

Date Consulted

16th Nov. 2006
 16th Nov. 2006
 3rd Nov. 2006
 3rd Nov 2006
 3rd Nov 2006