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Portas to urge 'town centre first' policy

By Andrea Felsted, Senior Retail Correspondent



Mary Portas, the retail consultant, will set out her plans for revitalising Britain's beleaguered high streets next week by calling for new rules to give extra protection to local shops.

The government has already proposed changes to the planning regime through the draft National Planning Policy Framework.

But in her six-month review, Ms Portas will

call for a strengthening of the "town-centre first" policy to redress the balance with out-of-town locations.

Retailers should only be able to consider edge-of-town or out-of-town locations if town-centre options are not possible, she will recommend. This is likely to infuriate some retailers who fear that Ms Portas will seek to restrict out-of-town developments.

Another person familiar with the situation said Ms Portas had discussed a three-year moratorium on out-of-town development, but this is thought to have been dropped.

However, the Department for Business, Innovation and Skills would not comment on Ms Portas's review, and the situation could change ahead of the planned publication on Tuesday.

Ms Portas was appointed by the government to lead the review in May and admitted in an interview with the FT in July that she was not convinced that the British high street had a future.

Many have become pockmarked by empty shops after retailers closed stores or collapsed. This week Barratts, which operates 191 stores, went into administration.

According to the Local Data Company, the vacancy rate is now 14 per cent,

compared with 4 per cent in 2008.

Ms Portas is also expected to try to encourage diversity in the high street, and is keen not to see too much of a concentration of any one type of retailer, including charity shops.

She is likely to seek measures to encourage a mix of uses. This could include ways to make units the right size for supermarket convenience stores, or reducing restrictions, such as on change-of-use rules. Turning retail areas into housing is another option.

Several people familiar with the situation said Ms Portas had talked about running pilot schemes to help kick-start change.

She is also expected to look at the business rate environment, and town centre parking, although these are both expected to be controversial areas, particularly given the current economic climate.

Another option is encouraging business improvement districts, or town centre managers. In Maidstone in Kent, businesses and the local authority got together to fight back after the opening of the Bluewater shopping mall.

In the FT interview, Ms Portas said she would also consider a body to tackle the problem of who owned vacant units, and finding ways to regenerate them.

The government has also commissioned Genecon, a public sector management consultancy, to carry out evidence based research alongside Ms Portas's review.

Additional reporting by Claer Barrett.

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