

**Minutes of the roundtable between property industry leaders and Paul Scully MP, Parliamentary Under Secretary of State in the Department for Business, Energy and Industrial Strategy and Minister for London**  
**10am, 5<sup>th</sup> May 5<sup>th</sup> 2021 (online meeting)**

**Members**

Gagan Mohindra MP [GM] (Chair)

Ben Everitt MP (BE) (Officer)

**Guests**

Paul Scully MP (PS)

PLMR

Devonshires Solicitors

CommCommUK

Harworth Group

Wates Group

Macfarlanes

PPR Estates

Sheffield Property Association

Ebbsfleet Development Corporation

**In attendance**

APPG Secretariat

**1. Opening introduction**

- PS stated his and the Government's commitment to "building back" the high street in a greener, fairer way. He positively reacted to the reopening of the retail sector in April and was enthused by some areas returning to their 2019 levels of growth.
- The Minister was also cautious to add that not all areas were so fortunate and restated his commitment to supporting businesses as the country emerges from lockdown. He highlighted the importance of strategies such as business rate relief, the furlough scheme, restart grants, and longer work hour permissions for retailers until June.
- PS explained that through various initiatives such as the 'Plan for Growth', the Government would invest in skills, infrastructure and innovation to help level-up the country and regenerate the high streets.
- PS also highlighted the Government's £3.6bn 'Towns Fund' to build resilient local economies, and the £830m 'Future High Streets Fund'. PS expressed confidence in these funds restoring town centers to thriving hubs.
- PS stated that he wanted to provide experts to support local leadership through the 'High Street Task Force' as he recognised that politicians are less suitable than local authorities when understanding local issues.

- PS mentioned reforms introduced in September designed to introduce greater flexibility into building space usage, and committed to making the Government more responsive to the needs of each high street, rather than a one-size-fits-all approach.
- PS also stressed the importance of supporting landlords, noting that the vacancy rate across high streets had increased 14.1%. He committed the MHCLG to launching a wider review of the existing landlord-tenant relationship and its surrounding legislation to ensure it is suitable for the 21st century.
- Finally, PS restated that the Government's net-zero carbon objectives were interlinked with the retail sector's performance. He expressed desire in helping retail work within the circular economy to achieve these climate objectives and praised the retail sector's production of a 'Green Guide' which includes a 'Green Street of Good Practices' as a helpful barometer for other outlets to follow.

## 2. Discussion

- You briefly mentioned business rates, is there any mileage in wholesale tax reform?
  - In terms of planning reform, we have to see what happens, but absolutely, the ethos is that we need the infrastructure to build both houses and communities which demand leisure, retail, and hospitality. Towns are ecosystems so it is important that businesses also have support in helping them adapt. In regards to business rates, we have an ongoing review. One point is most prominent, and that is the need to develop a new system of business rates as they are already a huge cost for businesses. You can't measure a business' success by its square feet anymore, and I do not like isolated digital sales taxes. A fairer system across the board is a better approach and will enhance the relation between local authorities and their high streets.
- To what extent does the Government see its role as trying to preserve what we had before Covid-19, or does it see itself as ushering in a new vision of the high street?
  - We are trying to make planning as easy as possible and are trying to remove the bureaucracy from it. Our policies are looking at easements. We have the Urban Centre Recovery Task Force alongside the High Streets Task Force to work with industry leaders to ensure the balance is right. There are many interests to balance and the Task Force is the best way to settle them.
- Communities are pursuing licenses to move outside, extend their hours, etc. So far, in central London, the councils have provided the licenses or 'certificates of lawfulness', but haven't come out to support hotels and hospitality. We need a blended approach to these high streets so all businesses have flexibility. Is blanket licensing the way forward?
  - Last summer, we focused on extending licensing and making it easier to obtain street and alcohol licensing. The councils, however, may have conflicting influences on them. What may be beneficial for us, may not be for them. In some parts of London (such as Soho), enforcement needs to be exercised with common sense to avoid the misreading of rules. These rules need to be clear to avoid abuse, and we

need to strike the right balance with licensing. The easements we have put into place have worked well, however we need more thought on the topic over the next few months in order to encourage our hospitality sector's recovery.

- Do you have any thoughts on Sunday licensing or lengthening opening hours?
  - It is a real challenge as you need primary legislation. We looked at it as a temporary measure to allow for social distancing, but it is a real challenge. Alongside religious arguments you have workers' rights arguments, and the fact that some shops have diversified in their portfolios. I will continue to look at it.
- To revitalise towns and cities, we need a plan, and we cannot do that without the support of local authorities to ensure the money is targeted appropriately. Some big high street names do not pay rent as they are covered by the Moratorium, but smaller businesses do, alongside providing the high street with variety. What is the Minister's view?
  - Central government cannot impose solutions as there will be unintended consequences. We can work with local authorities to empower them to give them the expertise, as they will know better. They must be able to enter partnerships with residents and businesses. Some big shops can pay but won't, and too often politicians listen to those who shout the loudest. Small and independent businesses build communities and workplaces and must receive equal attention.
- The Government has been helpful, but I cannot help but think that the multiple funds offer more of a scattergun approach without much strategic thinking. How is this affecting the Government's plans for our high streets and city centers? Can we find a new way for local authorities and Government to work with businesses to shape the new vision for our high streets? Too often, the Government's approach is giving money to local authorities without much thought.
  - We are going somewhere new. We are aware the economy will come back, but not all the way. Flexible working for example, is not the same as working from home. Working from homes is living at work. It has been brilliant for Zoom calls and flexibility, but you don't get the same experience as you would from your workplace. Our Flexible Working Taskforce is available to make flexible working the default option before Covid struck. Now we are telling employers that they can adopt it, but this will not be a permanent solution. We are going with the grain, rather than universally imposing it. In terms of the funds, businesses and their strategies must interlink otherwise there is no point.
- With the 'R&D (research and development) Place Strategy', and the 'Innovation Strategy' due for publication soon, my question is how can we join them up to support high streets and city centres in the future? There are real opportunities to transform some areas, but this is an area requiring a massive change of mindset.
  - You are correct, I've spoken about the Government's '1,001 task forces and strategies'. We are working on how we can better help our hospitality and our

enterprise sectors through our strategies. But crucially, they must interlink in the same way that our conversations between businesses, LEPs (local enterprise partnerships), and local authorities do. There is no point it being any other way. They simply must work together.

- There is a transformation occurring across our high streets. From my experience we have undertaken comprehensive redevelopment and regeneration of Maidenhead high street. This is just one high street going through painful CPO (compulsory purchase order) processes. The CPO process needs accelerating to help the food, beverage and retail sector. We need speeding up or our high streets will not regenerate at an appropriate pace.
  - We as politicians will tend to play catch up with this. We need to put proper processes in place. We need to sensibly ease back on some of these processes so we can get the change in good time.

GM thanked PS for his time. The meeting ended at 10:58am