



Clone Town Britain

The survey results on the bland state
of the nation

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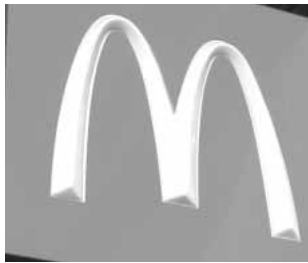
nef (the new economics foundation) is a registered charity founded in 1986 by the leaders of The Other Economic Summit (TOES), which forced issues such as international debt onto the agenda of the G7/G8 summit meetings. We have taken a lead in helping establish new coalitions and organisations, such as the Jubilee 2000 debt campaign; the Ethical Trading Initiative; the UK Social Investment Forum; and new ways to measure social and environmental well-being.



nef's Clone Town Britain Survey released people's deep sense of unease about the increasing uniformity of our high streets, and the wider impacts that this is having on our local economies and communities. Launched in 2004 the Survey enabled people to broadly quantify the loss of diversity on their own high streets, and large numbers took up the challenge. Here are the results. As this Report shows, we are reaching a critical juncture: We can choose to take action that will lead to thriving, diverse, resilient local economies across the UK; or, we can do nothing and condemn ourselves to bland identikit towns dominated by a few bloated retail behemoths. The choice is ours.

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Introduction

In 2002 **nef** (the new economics foundation) began publishing a series of groundbreaking *Ghost Town Britain* reports. The reports revealed the extent to which, over the past two decades, the construction of large out-of-town shopping centres and waves of high-street bank-branch closures have driven many people away from town-centre shopping, creating ghost communities with few or no services left.

In August 2004, **nef** launched the *Clone Town Britain* report and national survey to quantify another, related phenomenon, that is emerging on high streets which are still economically active. Real local shops have been replaced by swathes of identikit chain stores that seem to spread like economic weeds, making high streets up and down the country virtually indistinguishable from one another. Retail spaces once filled with a thriving mix of independent butchers, newsagents, tobacconists, pubs, bookshops, greengrocers and family-owned general stores are becoming filled with faceless supermarket retailers, fast-food chains, and global fashion outlets. Many town centres that have undergone substantial regeneration have lost their sense of place and the distinctive facades of their high streets under the march of the glass, steel, and concrete blandness of chain stores built for the demands of inflexible business models that provide the ideal degree of sterility to house a string of big, clone town retailers.

nef's *Clone Town Britain Survey* clearly resonated with people's deep sense of unease about the increasing uniformity of our high streets, and the wider impacts that this is having on our local economies and communities. The Survey enabled people to broadly quantify the loss of diversity on their own high streets, and large numbers took up the challenge. **nef** has also been contacted by small, unfunded community groups across the country that are bravely resisting the onslaught of the clones.

This Report reveals the findings of the survey. It paints a picture that is both more disturbing and more filled with possibility than we have been able to provide before. It has both enraged and inspired us – I hope it does you too.

Andrew Simms
Policy director, **nef**



Summary and recommendations

Both in the UK, and elsewhere examples abound of communities and local authorities taking steps to create and maintain diversity and the environment of their choice.

Clone Town Britain?

If we are to avoid becoming a nation of clone towns, we must learn from these examples. The homogenisation of high streets is not a benign or inevitable product of 'progress'. Just as regulatory changes have allowed it, the right changes can begin to turn back the tide.

Since the Survey was launched in 2004, over 160 surveys have been completed, covering around 150 villages, towns or city areas around Britain with populations between 5,000 and 150,000. Not all of these were complete, so the final survey results are based on 103 national and 27 London surveys.

A *home town* is a place that retains its individual character and is instantly recognisable and distinctive to the people who live there, as well as those who visit. A *clone town* is a place that has had the individuality of its high street shops replaced by a monochrome strip of global and national chains that means its retail heart could easily be mistaken for dozens of other bland town centres across the country.

- Of the towns surveyed 41 per cent are clone towns, 26 per cent border towns and 33 per cent home towns.
- In actual numbers the survey revealed 42 clone towns, 27 border towns and 34 home towns.
- Of the London villages surveyed; 48 per cent are clones, 19 per cent borderline and 33 per cent are home towns. In actual numbers that represents 13 clones, 5 borderlines, and 9 home towns.

- The town that reached the most extreme 'clone' score was Exeter – managing only a meagre 6.9 out of 60.
- The survey also revealed that clone town high streets are not only populated by identikit chain stores, they also have a smaller range of categories of shop than border, or home towns, meaning a poorer range of services available for people in a given area.

A design for diversity

Britain doesn't have to become a nation of clone towns. As the Survey results show; there is still time for action to protect our home towns, to prevent our border towns becoming clone towns, and to begin to reverse the trend in the towns that have already been overtaken by the clones. Some of the solutions already exist. Local authorities and innovative town councils are already using existing aspects of planning law to protect and enhance diversity. In other areas government action will be needed to create a framework in which retail diversity can thrive once more. As this Report shows, we are reaching a critical juncture: We can choose to take action that will lead to thriving, diverse, resilient local economies across the UK; or, we can do nothing and condemn ourselves to bland identikit towns dominated by a few bloated retail behemoths. The choice is ours.

This Report outlines a range of policy solutions, which, if implemented could begin to reverse the process. The fight back starts here. This report calls for action to:

- **Use planning law to protect locally owned stores.** Section 106 agreements: the negotiation between developers and planners over arcane details to do with granting planning permissions – usually about low-cost housing – could easily be extended to force retailer developers to include locally owned stores.
- **Apply local proximity protection.** Some local authorities are already applying the idea of local proximity – such as 400m or five minutes walk – to protect, for example, the last food shop in a parade from change of use in order to meet people's need for access to healthy food.
- **Tackle upward-only rent.** The clauses that insist that rent rises will only be upwards are unfair, and impact particularly severely on small, independently owned businesses. Upward-only rent may be outlawed in a government review. We have to ensure that this happens.
- **Introduce a retail takeover moratorium.** There should be a moratorium on further takeovers of existing chains either by Tesco, or any of the other three largest multiple retailers.
- **Apply a limit of eight per cent market share.** The four leading supermarkets should divest their interests above an eight per cent national threshold, the level above which the OFT believes that abuse of market power that is damaging for retail can occur.
- **Tackle the 'tardis' factor.** Supermarkets have been getting around floor space restrictions in planning permission by miscalculating storage space and then converting it, or by adding mezzanine floors. The Office of the Deputy Prime Minister (ODPM) has already taken action to close the loophole that allowed mezzanine floors. Action must also be taken to stop other tricks used to get around planning rules to extend floor space.
- **Make complaints to the Office of Fair Trading (OFT) confidential:** It is clear that supermarkets have a monopolistic stranglehold over suppliers, but initiatives to solve the problem have failed – because suppliers fear retaliation. An independent and confidential watchdog, to allow suppliers to complain in confidence is long overdue.

- **Introduce local competition policy.** The ODPM needs to introduce this to guarantee fair market access to small, local and independent retailers, and prevent the loss of choice through any retailer becoming too dominant in any town centre.
- **Create Community Land Trusts (CLTs).** These establish community ownership of land – especially in new developments or regeneration areas – locking-in land value and underpinning sustainable development for the benefit of a defined locality or community.
- **Extend local rate relief.** This should be extended to independent newsagents and food, beverage and tobacco retailers, particularly those in villages, town centres and urban deprived neighbourhoods.
- **Apply local money flows analysis.** Local authorities, planning agencies, regeneration bodies and regional development agencies need to monitor local money flows to help guide local retail development, so that they know how different types of retail development and public procurement strategies can reduce or augment money flows in the local economy.
- **Implement Irish-style retail planning guidelines.** We need guidelines like those in the Republic of Ireland to control and cap the size of supermarkets, to make sure that town centres are the primary focus for development, and to require local authorities to develop retail plans for their area.
- **Extend new kinds of business support.** These are needed to level the economic playing field in favour of small, local and independent businesses, and include BizFizz and Local Alchemy, both of which **nef** has pioneered.
- **Pass the Local Communities Sustainability Bill.** This would provide for a realignment of power between the forces driving ghost and clone towns and those seeking to build healthy, vibrant and sustainable local economies, providing for greater powers to communities to influence local quality of life.
- **Procure goods and services locally.** A growing body of evidence says that it makes sense, economically, socially and environmentally, to source expertise and goods as locally as possible. Research in Northumberland has shown that going local can increase the local economic value of procurement spending by 400 per cent.
- **Learn from the US.** The US is much further along the road to becoming a nation of clone towns than the UK. We don't have to let things go as far, and can learn by the myriad of responses to the problem already implemented in the US.
 - The 'Keep Louisville weird' campaign, which has grown out of the American Midwest to encourage shopping in local stores.
 - New York, declared a 'new frontier' by Wal-Mart in January 2005, looks set to pass legislation that would require any big-box retailer with more than 85,000 sq feet to face a licensing review that would force them to specify their economic impact on the community.
 - Requirements for economic and community impact reviews before approving any new retail construction.
 - Local bans or caps on 'formula' business, defined as businesses that adopt standardised services, methods of operation, decor, uniforms, architecture, or other features virtually identical to businesses elsewhere.
 - Limits on the size of new stores: also used in Europe.
 - Reviving the idea of dedicated taxes on chain stores, common in the first half of the last century.



The death of diversity

The palpable consumer excitement that greeted the initial wave of new American retailers like Gap, Starbucks and other UK chain stores has been replaced by a listless malaise that looks very like boredom. Why?

They seemed exotic at first, and promised variety, but delivered instead a lasting Latte-Chino blandness. And, due to the increasing concentration of ownership in the market, they make it harder for smaller, different players to get a foothold. Banality has taken root like a relative from abroad invited to stay because their foreignness seemed interesting, before realising they were tiresome and refused to leave.

But identikit commercial culture has a darker side too. The death of diversity undermines democracy, attacks our sense of place and belonging and therefore well-being. It hands power to an unaccountable corporate elite; ultimately pulling apart the rich weave of natural systems upon which our livelihoods and the economy depend.

“The diversity of the phenomena of nature is so great,” wrote the sixteenth century German astronomer, mathematician and astrologer Johannes Kepler, “and the treasures hidden in the heavens so rich, precisely in order that the human mind shall never be lacking in fresh nourishment.”

Now the slide into corporate sameness, greased by the logistical demands of economic globalisation, is removing nourishment for the human mind as surely as the burger and chicken chains took it out of our food.

For centuries scientists and poet philosophers have understood the importance of diversity in maintaining healthy and stable ecosystems. A diverse habitat produces

equilibrium. Most importantly, it allows species to be resilient to change. As the biologist and author Barbara Kingsolver wrote, "At the root of everything, Darwin said, is that wonder of wonders, genetic diversity. You're unlike your sister, a litter of pups is its own small Rainbow Coalition, and every grain of wheat in a field holds inside its germ a slightly separate destiny... genetic diversity, in domestic populations as well as wild ones, is nature's sole insurance policy."

But there is also a strong parallel between genetic diversity in the natural world and retail diversity on our high streets. Where loss of genetic diversity threatens the survival of species and makes natural ecosystems vulnerable to collapse, clone towns imperil local livelihoods, communities and our culture, by decreasing the resilience of high streets to economic downturns and diminishing consumer choice.

The parallels between economic and ecological systems were explored by the eminence gris of American community activists, Jane Jacobs. In *The Nature of Economies* she argues that the degree of diversity determines what benefits get left behind. Whether it's after sunshine and rainfall in the case of the ecosystem, or when money gets spent in the local economy, "The practical link between economic development and economic expansion is economic diversity." But diversity is exactly what is being lost both in the United States, and through its exported business models in the UK.

Take one example. About 40 years ago Wal-Mart was a one-man general store, now it's a vast, global brand with over 100 million customers per week, 4,000 stores worldwide and a new Wal-Mart opening somewhere in the world every three days. Along with Mexico, Brazil, Argentina, Canada, Puerto Rico, China and Indonesia, it's now firmly rooted in Europe, especially in Germany and the UK, where it took over the supermarket chain Asda in 1999.

The Wal-Mart policy of out-of-town developments and 'stack-'em-high sell-'em cheap' retail is the economic equivalent of carpet-bombing the local economy. According to one US study, "In the 10 years after Wal-Mart moved into Iowa, the state lost over 555 grocery stores, 298 hardware stores, 293 building suppliers, 161 variety stores, and 158 women's clothing stores, 153 shoe stores, 116 drug stores and 111 children's clothing stores. In total some 7,326 businesses went to the wall."¹

In Britain, supermarkets like Tesco grasp a rising share of the nation's shopping basket, with nearly 2,000 stores in Britain alone and, by the end of 2004 almost 30 per cent of the supermarket sector. According to a report written by Alan Hallsworth of the University of Surrey for the Association of Convenience Stores in February 2005, "Tesco currently open one Express store each working day." As they expand, small general stores close at the rate of around one per day and specialist stores, like butchers, bakers and fishmongers, counted together shut at the rate of 50 per week between 1997 and 2002.

Trends like these are not just an attack on small businesses though; they also threaten choice and diversity. Tesco is reportedly following in Wal-Mart's footsteps in the influence it exerts over magazine publishing. In the US, Wal-Mart actively censors publications. In the UK, *The Observer* newspaper recently reported senior magazine editor's fears, that changes to the way that titles are distributed (due to come into force on 1 May 2005), would make supermarket control of editorial content the 'inevitable outcome'.² Already major players in magazine sales, the supermarkets are eyeing the independent newsagent sector through moving into the smaller 'Local', 'Metro' and 'Express' formats. Whereas independent local newsagents typically carry a massive range of magazine titles, the multiples broadly concentrate on only the top 100 titles with the biggest turnover to maximise profit. The same is true for the sale of CDs and DVDs. So, not only do they reduce the range of shops available in these areas, they reduce the choice of goods readily available too.

Ian Locks, chief executive of the Periodical Publishers Association believes that the rule changes on magazine distribution in favour of supermarkets could put 12,000 smaller retailers out of business.³

Tesco has already been criticised in Scotland for, “centralising culture” by failing to stock popular Scottish magazine titles in its new breed of smaller, city stores,’ according to the Scottish *Sunday Herald* newspaper. Although the retailer holds a ‘regional list’ including 33 titles, ‘only a handful’ were found to be actually stocked.⁴

The loss of diversity is even built into the very fabric of the buildings. Architecture journalist Jonathan Glancey recently complained that, “Tesco branches are breeding like shrink-wrapped rabbits. Where once we had a church in every village, town and city, now we have Tesco with its Extras, Metros and Expresses.”⁵ But, whereas churches display considerable architectural diversity, English Heritage has been dismayed by the impact on high-street commercial buildings as the supermarkets impose standard layouts to fit their strict business models. Walls and windows are ripped-out to accommodate identical shelving and signage.

High-street homogenisation is just one manifestation of the march of cultural uniformity. A generation grew up in the 1970s and 1980s with the spectre of dreary state-centrally planned East European economies. Now that generation is waking up to realise that they’ve been replaced by equally dreary economies, centrally planned by corporations.

Anxieties about social homogenisation are not new and can be unpleasantly elitist. T.S. Eliot and Ezra Pound complained about how mass culture corrupted the impulses of Enlightenment. The threat of totalitarianism triumphing over a population whose senses were dulled permeates the writing of Wells, Huxley, and Orwell.

So what is different about contemporary fears? It’s a question of scale and range. We now live at a moment in history when the power, concentration and international reach of big business makes resistance to dominant market systems so challenging, that even the most dystopic critic of the last century would despair.

In 2001, the British Booksellers’ Association reported that against the power of the big chains, more than one in ten of Britain’s independent bookshops had folded in the previous five years alone. In the United States, the American Booksellers’ Association grew so alarmed at the power of the retail chains that in 1998 it filed a lawsuit against Barnes & Noble and Borders. One of the plaintiffs Clark Kepler, owner of Kepler’s Books & Magazines, stated: “This fight is about preserving what America is able to read. A network of healthy independent bookstores spurs publishers to produce a diversity of literature and to take risks with authors who are of less commercial but greater critical appeal.”⁶

These tensions reach across global media. Since a controversial merger was approved in July 2004, around 80 per cent of the global music market is now owned by just four companies: Universal, EMI, Warner Music and the newly merged Sony BMG. Universal and Sony BMG are now the two biggest music companies in the world, with about 25 per cent market share each. But even that does not represent their true cultural stranglehold: Sony BMG is owned by media giant Bertelsmann, Universal by fellow behemoth Vivendi.

Warner, for example, recently cut 1,000 employees and was preparing to sack half of the 170 acts on their rosters. In March 2004, EMI was reported to be cutting 1,500 jobs, and dropping one-fifth of its recording artists. Niche and under-performing artists were reported to be on the way out. EMI said, “We believe that by concentrating our efforts on a tightened roster of artists we will increase our revenue-generating potential while reducing our costs.”⁷ Then there’s the question of how the music gets public airtime.

“I don’t think anybody anticipated that the pace would be so fast and so dramatic,” said William Kennard, chairman of the Federal Communications Commission, the body who made a decision to deregulate TV and radio ownership in the US in 1996, “The fundamental economic structure of the radio industry is changing from one of independently owned operators to something akin to a chain store.”⁸

On this scale and with these economics, it is more profitable for a music company to sell 10 million copies of one album, than one million copies each of 10 albums. As a result companies constantly vie to sign a 'sure thing' pop act that will be marketed massively.

Then there's the diversity of opinion that makes it onto the airwaves. Five corporations control 90 per cent of the news in the United States. Mark Cooper, research director of the Consumer Federation of America said, "News departments get reduced, and culturally diverse and public interest programming comes under pressure. Less popular programming disappears and journalists are evaluated by the corporate-profit-centre logic of these huge organizations."⁹ A memo from Coke's advertising agency to magazines shows how direct the influence can be, "The Coca-Cola Company requires that all insertions are placed adjacent to editorial that is consistent with each brand's marketing strategy... We consider the following subjects to be inappropriate: hard news, sex, diet, political issues, environmental issues... If an appropriate positioning option is not available, we reserve the right to omit our ad from that issue."¹⁰

There is also growing international cross-ownership. Rupert Murdoch's News International Corporation, for example, publishes 175 newspapers in six countries, and owns about 800 companies around the world that include terrestrial and digital TV channels, news networks, newspapers, magazines, major book publishers like HarperCollins, film companies, sports teams and record companies. In Silvio Berlusconi's Italy, the Prime Minister owns one of Europe's biggest media companies, Mediasat, and controls 90 per cent of Italian television. An average Italian could spend a Saturday shopping at his local supermarket, relaxing in his home, reading a paper, flicking through a few TV channels to watch AC Milan play football, and the same huge company could have provided all those goods and services.¹¹

The distinguishing characteristic of globalised media is not that it serves as a window on diversity, but rather that it has become a pipeline through which formulaic, cloned programmes like *Pop Idol*, *Big Brother* and *The Weakest Link* get pumped into front rooms the world over, regardless of cultural impact or appropriateness.

Each language expresses a whole culture and embodies a unique way of seeing and understanding the world around it. But one side effect of media consolidation, and especially the global domination of the English language media, is the extinction of living languages and the loss of the unique insights they possess.

Almost one half of the world's 6,000 languages may die out in the next 100 years, according to UNESCO. Of the 3,000 languages expected to survive for a century, nearly half will probably not last much longer. It's no coincidence that places with the greatest cultural diversity are also places with the highest biodiversity. As much as the rainforests of Brazil are home to plants containing secret cures to human illness, they have been home to cultures that held the keys. Since 1900, about one Indian tribe has disappeared from Brazil each year.¹²

Diversity is under attack even when we look in the mirror. One of the most popular plastic surgery procedures in Japan is for women to have their eyes 'widened' to look 'more Western'. In parts of East Asia, skin whitening creams are amongst the most popular beauty products, allowing darker-skinned Asian women to also look 'more Western'. In the Philippines, television adverts even marketed nose pegs that can be inserted in one's nostrils to give a more European-shaped nose.

The reason that so much goes unremarked is because the global corpocrats who make decisions about where we can shop, what we can buy, and what we can read, watch and listen to, are themselves trapped in horribly cloned lifestyles.

They meet in identical glass-walled rooms in corporate headquarters and travel in first and business class on international flights. They read the same international newspapers, watch the same global TV channels and stay in identical hotel suites. For global enterprise to be managed, management has to live globalisation –



creating for the managerial technocrat a cloned virtual-reality, detached from rooted, diverse local existence.

G.K. Chesterton's lament that, "There is nothing in front but a flat wilderness of standardization either by Bolshevism or Big Business",¹³ has come to pass, just without the Bolshevism.

The sheer tedium of the world this creates is leading to a spontaneous backlash. The town of Homer in Alaska banned what it describes as 'big-box' stores. In France and Poland local authorities can now veto certain supermarkets and shopping centres. In the French case, to protect 'the social and economic cohesion and the fabric of society'. Malaysia placed a five-year ban on the construction of hypermarkets in Klang Valley, which includes Kuala Lumpur. In Cuernavaca, 50 miles south of Mexico City, residents fought against plans by the retail American giant Costco to build a new store on a historically significant site.

And in Britain, Tesco's reign as the nation's favourite shop seems to be coming to an end as more and more local campaigns and farmers' groups organise against them.

In case people feel powerless against the 'flat wilderness of standardisation' that business culture is shaping for us, there is a huge range of things that can be done.

The clone town parade: findings from the survey

The *Clone Town Britain Survey* was designed by **nef** to help broadly quantify the loss of diversity on high streets and assess whether a given location feels like a *home town* or a *clone town*.

A *home town* is a place that retains its individual character and is instantly recognisable and distinctive to the people who live there, as well as to those who visit. A *clone town*, in contrast, is a place that has had the individuality of its high street shops replaced by a monochrome strip of global and national chains that means it could easily be mistaken for dozens of other bland town centres across the country.

The Clone Town Survey results

The Survey was launched in August 2004 in the report *Clone Town Britain*. The report encouraged people to survey their local high street and send the results back to **nef**. The main aim was to get a better idea of the clone town state of the nation. The methodology was counting and categorising 50 shops on the high street according to ownership (independently owned or chain store) and type of shop (based on 25 different categories).

By the end of the survey period over 160 surveys were completed, covering around 150 villages, towns or city areas around Britain. Some were removed because of incomplete survey information and others because the population size was either too large or too small to be representative. The survey was done on towns with a population size of between 5,000 and 150,000, as places below this population size may not have a sufficient sample of shops to survey and above this size, a town is highly likely to have more than one retail 'centre'. Given the number of surveys that had been done in the different villages of London, a separate category was set up for these. Where the same location has been surveyed more than once, and the scores were not identical, an average of the results was used.

The final survey results are based on 103 national and 27 London surveys; of the national surveys, 33 represent Northern England, 24 Middle England, and 32 Southern England. Scotland and Wales are represented with 9 and 4 surveys, respectively. In addition, there is one survey of Guernsey.

Out of these, 42 were clone towns, 27 border towns and 34 home towns. Of the London surveys, 13 were clone towns, 5 border towns, and 9 home towns. Some correlation can be found between population size and scoring. Places with a higher population size are more likely to be clone towns and places with a lower population size, home towns. This is probably a reflection of the demographic profile necessary to trigger the interest of chain retailers. But there are also exceptions to the rule. The population size in border towns generally spans the same spectrum as that of clone towns.

There was an average of 16 different categories of shops, out of 25, on the high streets. Clone town high streets displayed a smaller range of categories of shops. In terms of range, the clone town average was 15, border towns 17, and home towns averaged 17.5. Independent shops mainly dominated in the restaurant sector, while the chain stores dominated in the clothing sector.

Out of the 25 different types of shops on the high street, the most commonly omitted are cinemas or theatres. There is also a lack of shops in the pet category (i.e. pet shop/supplies, vets) and car services (i.e. mechanics, car accessories, petrol stations). DIY stores and garden centres are also often missing from the high street, which is probably a reflection of large out-of-town stores in these categories. Nationwide, there also seems to be a lack of off licences on the high street, as well as dry cleaning and launderette facilities. However, in London, these are generally present; but instead, there is a lack of travel agents.

Clone Towns and Home Towns – the best and worst

Clone

Exeter, South West

The high street in Exeter, Devon, prides itself as “the heart of one of the West Country’s biggest and liveliest shopping centres...packed with many famous national names including Marks & Spencer, Laura Ashley, H & M, Dingles (House of Fraser), Next, Cargo Home Store, Boots, Country Casuals and Ann Harvey.”¹⁴ Not surprisingly Exeter also takes the bottom score of the surveys received – a mere 6.9 out of 60. Amongst the shops counted on the high street, there was only one independent shop – the rest were chains. A broader range of independent shops can be found on side streets, however, but it was noted that few visitors or even locals find their way there.

Not only have most of the independent shops been driven off the high street, but Exeter is also bottom in terms of diversity of shop type, with only 10 out of 25 categories represented. Overall, there is little more than clothing retailers, a few electronics shops and some stationery or bookstores on the high street. Unsurprisingly, the rents on the high street are also extremely high. Information from the Exeter & District Consumer Group reveals that they rise upwards from around £30,000 a year, with the business rate adding at least another £120,000.¹⁵

Yet, for Exeter city council, it seems to be a case of a clone not far enough. After six years of heated local debate, preliminary work has commenced on a £175 million project to redevelop the town’s centre due to complete in Autumn 2007. The redevelopment will demolish Princesshay, the UK’s first fully pedestrianised shopping mall opened by the then Princess Elizabeth in 1949. The plans include:

- A 128,500 sq ft Debenhams department store
- A new 43,000 sq ft Next
- Four further major stores including a Virgin Megastore
- Over 50 new shops and restaurants
- A 300-space multi-storey car park
- Over 120 city centre apartments.

The developers boast that Exeter was recently highlighted as the third most successful location for big business. Local resident David Cornforth tells a different story: “The front of the new Debenhams looks like some cheap 1970s Japanese radio without the volume control. There is no natural flow between the buildings with ugly slab sided glass and concrete... Why didn’t they use some input from local architects who understand Exeter?”

Dumfries, Scotland

Dumfries, in Dumfries and Galloway on the Scottish borders, is not an average clone town, as it has a population of only 31,600, well below the average clone town population of around 50,000.¹⁶ With only one independent store, but with a higher diversity of store types than Exeter, it comes second from the bottom, at 7.2 out of 60. It has numerous chain stores in the clothing retail sector, and the rest of the high street stores are fairly evenly spread across 14 of the remaining types of shops.

The 'success' of Dumfries is now being used by some in the region as an argument for the introduction of a Tesco to the nearby flourishing market town of Castle Douglas. Currently firmly a home town, a new Tesco store on the edge of the town could well set the scene for the slide of yet another historic market town to clone status.¹⁷ And in the case of Castle Douglas there is much to be lost. For the past three years, the town has been promoting itself as Scotland's first 'Food Town'.

The town's website describes the economic benefit to the town of its emphasis on local produce as the raw materials produced by local farmers are also processed and sold in the town, keeping money circulating locally. It describes; "traditional butchers, fishmongers, bakers and delicatessens offer a cornucopia of premier quality foods... locally produced pickles, preserves and honey" and "locally-brewed ales from the town's family-run brewery".

Yet, on Friday 8th April, by a vote of 12 to 3, Dumfries and Galloway Planning and Environment Committee gave final planning approval for a Castle Douglas Tesco. Perhaps unsurprisingly, the three councillors who voted against were Dumfries councillors. Based on their experience of the destructive impact of the new Dumfries Tesco on their town centre, they were convinced that Tesco will damage "the vitality and viability" of Castle Douglas and other communities in the area.

Border

St Neots, East Anglia

In St Neots, a growing market town in Cambridgeshire, the chain stores prefer the sunny side of the street, while the independents are left in shadow. As a result, two surveys of either side of the street reveal that the sunny side constitutes a clone town and the shady side a home town, leaving St Neots straight in the middle as a border town, scoring 30.1 out of 60. What will become of St Neots in the future is a lively subject of local debate. St. Neots Town Centre Management Initiative is working to make the town centre a better and more prosperous place. On the agenda is action to "enhance the vitality and viability of St. Neots by attracting new investment and business which will reflect and build on the identity of St. Neots as a premier Cambridgeshire Market Town".¹⁸

Whether St Neots will swing towards becoming a clone town or home town depends very much on whether the emphasis of the initiative will be on local independent stores or on chain stores. It may already be too late, though.

A 2004 study by the Civic Trust, supported by both Waitrose and Marks & Spencer, forecast that in ten years' time "shoppers would find the town centre a more attractive destination with more of the shops they are used to elsewhere."¹⁹ The recommendations therefore include inviting in more big name chain stores. There is little analysis in the report of the impact this will have on small independent shops, meaning that St Neots could already be well on the way to clone town status.

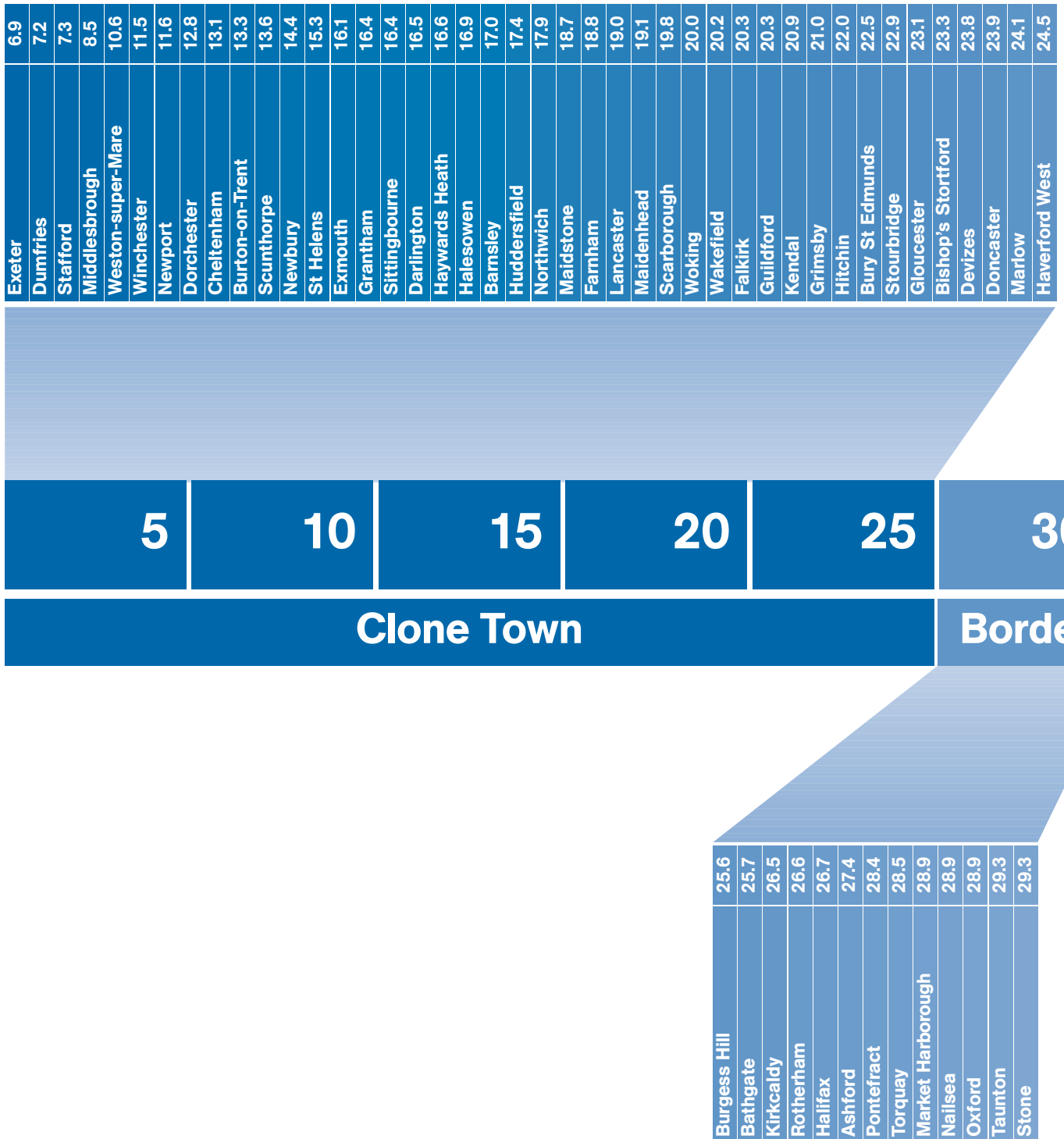
Hebden Bridge, North East

Set on the Yorkshire side of the Pennine Hills, Hebden Bridge has made a remarkable comeback after struggling in the 1960s and has become a haven for those wanting to escape cities, and experience instead a mixture of the urban and rural.²⁰ In contrast to Exeter, Hebden Bridge prides itself on having “a good range of small shops, which deliver the resident and visitor alike that same friendly service”.²¹ Hebden Bridge achieved the top home town score from the survey, with 48.6. Out of the shops counted, only three are chain stores. While Hebden Bridge doesn't have a remarkable diversity of stores, it still ticks boxes in 16 of the 25 categories, with several independent shops in the restaurant and in the clothing category.

Peebles, Scotland

Peebles, a small town on the Scottish Borders, has scored well over its Scottish counterpart, Dumfries. Peebles was second in the home town category scoring 46.9. Only six of the shops counted are chain stores, and the independent shops which populate the majority of the high street are also reasonably well distributed across the range of types of shop, managing to tick boxes in 19 categories out of the total of 25. The survey also revealed that Peebles boasts 5 independent shops in the food category, with no chain food stores. Peebles is also one of 40 conservation areas in the Scottish Borders, and is classified by Historic Scotland as “outstanding”. This means that any change to the unique character of Peebles is closely monitored, and it should therefore stand a fighting chance of remaining a home town for the foreseeable future.²²

CLONE TOWN SURVEY



St Neots	30.1
Castleford	30.5
Thetford	30.7
Selby	31.8
Sherborne	31.8
Harpden	32.1
Wickford	32.1
Cowes	32.8
Banstead	33.6
Helensburgh	34.0
Trowbridge	34.2
Beverley	34.4
Shirley	34.4
Royston	35.0

Town

35

40

45

50

55

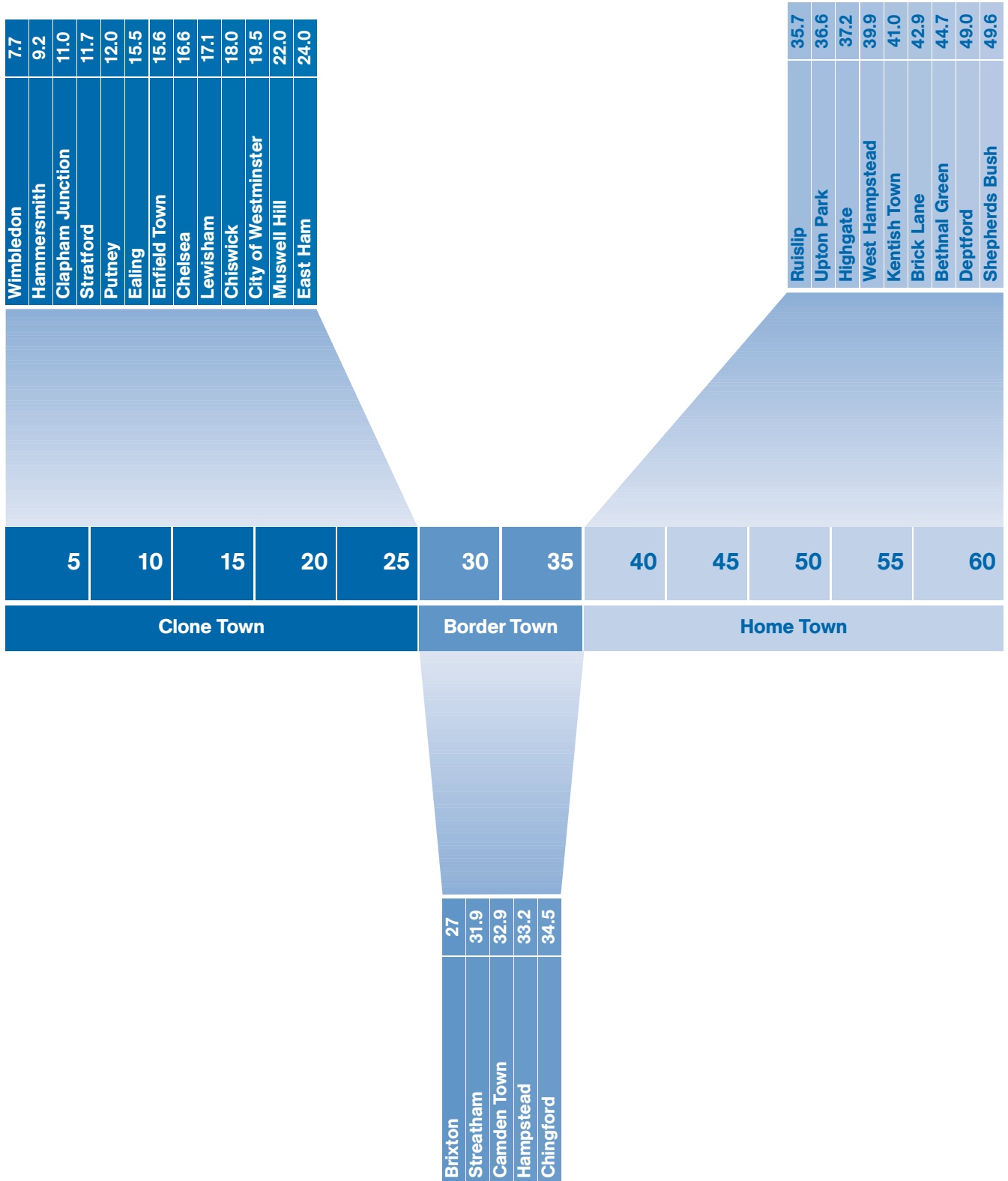
60

Home Town

West Kirby	35.4
Bangor	36.2
Wellington	36.4
Chesham	36.6
Kilmarnock	36.7
Monmouth	37.5
Congleton	38.0
Bridlington	38.2
Nantwich	39.1
Neston	39.2
Swanage	39.3
Minehead	39.6
Sandbach	39.6
Whitley Bay	39.6
Wallingford	39.9
St Peter Port	40.0
Ware	40.7
Castle Douglas	40.8
Middlewich	41.1
Bollington	41.4
Wotton Under Edge	42.3
Kirkham	43.0
Alsager	43.1
Crediton	43.4
Gainsborough	43.5
Lewes	44.1
Great Malvern	44.3
Hadleigh	44.5
Emsworth	45.2
Frodsham	45.7
Normanton	46.1
Bo'ness	46.7
Peebles	46.9
Hebden Bridge	48.6

NATIONAL RESULTS

CLONE TOWN SURVEY



LONDON RESULTS

Identity theft – community struggles against cloning

Across Britain, communities are struggling to defend themselves against being developed to death. Sometimes what gets promised as regeneration feels to local people more like annexation. These case studies give a flavour of countless more battles currently being fought out in which local people's visions for the communities they want to live in, too often get sidelined by the demands of big retail.

Bury St Edmunds – buried by developers?

When **nef** researchers visited ancient market town Bury St Edmunds in 2004, their analysis of the town's main shopping street left little room for doubt. With a score of 22.5, Bury was already a clone town. Yet, Bury's thriving weekly market, and the wealth of independent stores to be found in the maze of streets surrounding the town's historic centre provided some antidote to the blandness of the clone stores crowding the high street. Even if they were off the main street, the market stallholders and independent traders were an important counter-balance.

However, Bury is set to have its clone status entrenched. The disused cattle market in the centre of the town is the subject of a £85 million re-development plan fronted by Centros Miller, developers responsible for the faceless N1 development in Islington, amongst others. The proposal for a 32-shop development plus a large new Debenhams faces broad opposition from the local community, including both local businesses and residents.

A glossy brochure from the developers shows artists impressions of a nondescript glass any-town 'facelift' they propose. Bury's original town plan is credited to one of two pioneering eleventh century Abbots, and its market was recorded in the Domesday Book. Residents fear that the development has been designed to suck trade away from the historic centre, starving shops of the passing trade that is their lifeblood. The developers' blueprint not only threatens to kill off the remaining diversity in the town's side streets, it also threatens people's sense of place, heritage, belonging and well-being.

Local opposition to the scheme has been led by the 'group of 32' – named simply after the 32 local residents who joined together to fight the proposals, the Chamber of Commerce, the Bury Society and the Suffolk Preservation Society. At a heated council meeting in November 2004, campaigners won the right for a local vote on the Council's plans for the town. When votes were cast in early December, an overwhelming 82 per cent of residents rejected the plans. But the Council took a different view, "We think the silent majority wants the project to go ahead," said one official.



A developer's vision for the ancient town of Bury St Edmunds.

The Council argues that without the development, Bury's economic future looks bleak. The developer's projections claim that the development will bring an additional £58 million to the town, and failure to develop will result in a loss of £11 million. But the figures demand a closer look. Anthony Platt, leader of the 'group of 32' did, and he found the Council's economic analysis deeply flawed. The so-called loss of £11 million relates to projections of additional spend that the Council believes the development would attract. As Platt points out, "you can't have a loss if the money never existed".

If **nef's** analysis of local money flows²³ were applied to the town, it is conceivable that the picture would be reversed. The local independent stores, which currently populate Bury's side streets, are more likely to source, spend and employ locally, and to keep profits circulating in the local economy than the chain stores that threaten to replace them.

Palmers – a regional department store that is still owned and operated by the fifth generation of family management, the great, great nephew of its founder, Garwood Burton Palmer – bid for the department store spot in the new development. Yet, rather than 'going local,' which is more likely to keep money circulating in the local economy, the Council offered the space to the 106-store chain, Debenhams.

The development also bodes badly for other local independent retailers. In November last year, the *East Anglian Daily Times* reported the comments of Alan Jary, who has run a gift shop in the town for 50 years. "We want to stop developers coming along and wiping out people like me. This new development will only make us a clone town... People come to this town for the specialised shops because we can offer something that bit different. Bury is individual and unique and we must preserve that."

The developers, keen to display 'civic virtue' have proposed that the development should contain a new public venue. But Bury already has the listed Corn Exchange – an imposing nineteenth century building that provides the town with a thriving cultural venue. Local residents say that the Exchange could benefit from a sympathetic conversion, but they are baffled by the need for a new venue. If the planned development goes ahead, the Corn Exchange's fate might be sealed along with Bury's remaining independent store holders.

On 21 February this year, the town's Council took just three hours to approve Centros Miller's plans for the town. Centros Miller aims to start construction at the beginning of 2006 with completion scheduled for mid-2008. However, the project

faces legal action. The Council is due to be challenged in the High Court over the way it assessed the archaeological significance of the site. Anthony Platt says locals are “absolutely aghast” about what is being proposed. “It’s been described as beach huts on stilts. With their uniform rooflines, they have nothing to do with Bury. They could be anywhere.”

Hadleigh – the sound of CAASH

During the fifteenth century and early sixteenth century Hadleigh was possibly the most important and richest of the Suffolk wool cloth towns – many of Hadleigh’s medieval buildings survive today.²⁴ As a legacy of this perhaps, Hadleigh today is clearly a home town, with a score of 44.5. But proposals for a new retail development in the quiet rural town first mooted in 1999 led to the formation of CAASH, The Campaign Against Another Supermarket in Hadleigh.

The Hadleigh Society and other concerned local bodies joined forces in April 1999 to oppose proposals from two supermarkets to build on sites in the town. In October 1999, a local referendum rejected both sets of plans, after which Hadleigh Town Council rejected the Tesco application, but recommended that an application from Buyright Stores to extend an existing store should be approved.

There was an appeal with a Public Enquiry in October 2000. The weight of evidence filled more than the three weeks allocated, and the conclusion could not be scheduled until March 2001, two years after the proposal was first aired. In 2002, the Inspector’s report recommended that both supermarket proposals be refused. Formal letters were subsequently sent turning down both Tesco’s appeal and Buyright’s application. The Inspector accepted that the need for a supermarket was proven, but rejected the Tesco proposal on the grounds that the building was of an unsuitable design

The proposed mono-pitched roof structure and high wall were deemed damaging to the amenities of Sun Court, a grade II listed building. The Inspector’s only significant objection to the Buyright proposal was that the building of a supermarket adjacent to the existing store would create a one-stop shopping site from which few people would walk into the High Street. The local shops might therefore suffer.

But Tesco proved persistent and came back for more, even though local opposition remained strong. Babergh District Council received two separate planning applications from the retail giant on Christmas Eve 2003. Tesco backed up its assault by launching a website designed to gain local support for the scheme. The site for the proposed store was exactly the same as for the 1999 application – with a total planned store area 2,618 sq m. However, this time, Tesco proposed two alternative schemes for the site – one of which would depend on Tesco acquiring part of the town council’s allotments. Earlier in 2003 Tesco had showed the Council the plans, who then voted by a large majority not to sell town lands. The second proposal depended on the demolition of a home belonging to ‘Mr & Mrs Alvarez’ who, again, had already told developers that their home was not for sale. Either option would require the district council (Babergh) to obtain the land required for the development by a compulsory purchase order.

Jan Byrne, Chair of The Hadleigh Society, comments that, “The overview of the retail assessment assures us that ‘The overall health and vitality of Hadleigh Town Centre would not be damaged, it would be enhanced,’” but adds, “If that statement were to be true then Hadleigh would be unique, as Tesco would have succeeded in closing down small food shops and changing the face of high streets in every other town in the country where they have opened a store.”

The Hadleigh Society identified a number of technical omissions in the plan; the archaeological assessment, for example, contained errors, and doubts were raised about the flood risk assessment.

Then, in February 2004, Babergh councillors agreed that the site could be used for retail development and a further decision was to be considered as part of the Local Plan Inquiry in the autumn of 2004. The Suffolk Preservation Society requested that Babergh consider other community uses for the site, and the

Hadleigh Society collected 1,262 signatures opposing the Tesco development.

In March 2004 Hadleigh Town Council's Planning Committee rejected the latest Tesco plan for the site by a majority of five to one. It was rejected on the grounds of traffic problems, environmental damage, dangers to pedestrians on Bridge Street and the effect of heavy traffic on the historic buildings adjacent to the site. Suffolk Wildlife Trust joined the Suffolk Preservation Society in demanding further investigation of the site. The Trust believes that the site may provide an important wildlife habitat. Tesco, however, continues to lobby for a new store.

Shirley

At 34.4, Shirley scores just below the home town threshold, making it a border town. For 12 years local campaign group 'Keep Shirley Alive' has been fighting plans for a superstore and retail development that they believe is unwanted and un-needed. Shirley Advance, a joint venture between Helical Bar plc and Coltham Developments Limited, has worked closely with Solihull Metropolitan Borough Council on the 'New Heart for Shirley' project. They plan a mixed-use development consisting of:

- A 42,000 sq ft superstore
- Two public squares
- An underground car park
- Residential apartments and offices
- Around 15-20 retail units amounting to 60,000 sq ft on Shirley High Street.

However, local residents question the need for the development when the town already has four supermarkets on its high street, and three more further afield. The proposal also threatens two and a half acres of green space including an acre of designated parkland, which is home to a wildlife area and rose garden. Local resident, Barbara Panvel, writing to her local paper, describing the proposal as "daunting", captured local feeling: "Shirley's town centre offers a range of small and medium-sized shops which meet the daily needs of people in the area. With good transport links, free car parking and a charming park, it is a pleasant, relaxing place to visit - despite the heavy level of through traffic."

The so-called need for the new development is based upon reports produced almost 10 years ago in 1996. Shirley's current state of economic health has not been measured, and relative to many centres seems reasonably good. Shirley Advance claims that the scheme would "claw back" local people to shop in Shirley who are using out-of-centre superstores and other shopping centres, and in doing so would benefit existing traders along the high street. Yet residents fear that the new centre will supplant the high street, becoming a one-stop destination for shoppers.

As 40 per cent of the shops on the high street are independently owned, loss of trade would have a significant impact on the amount of money circulating locally; have knock-on effects on the community facilities located on the high street, alter local character, and disrupt traffic flows. The appeal of Shirley's high street will be affected as it becomes transformed, essentially into an access road for the new development.

In Shirley Advance's first consultation, 83 per cent of the 520 respondents opposed the development, or had reservations. In addition, the consultation specifically avoided referring to a key cause of local concern: the inclusion of a 42,000 ft superstore. When local opposition group Keep Shirley Alive rectified the omission with their own survey, the results were still more conclusive. Asked the specific question "do you want another large supermarket in Shirley?" of almost 2,000 respondents, 87 per cent said no.

An independent study of the potential impact of the plans by Karen Leach of Localise West Midlands concluded: "If more analysis had been conducted before the proposals had been accepted this would have greatly reassured local people that the driving force behind the development is the wellbeing of Shirley rather than the capital receipts from the leasing of the land. It would also have provided, of course, a firmer factual basis on which to draw up proposals for an appropriate development."



Streatham High Road, London

Streatham High Road was voted 'worst street in Britain' in 2002 by the *Today Programme* and CABA (the Commission for Architecture and the Built Environment), although improvements have been reported since.

A border town today, with a score of 31.9, the high street already has six chain supermarkets, Sainsbury's, Sainsbury's Local, Lidl, Iceland, Somerfield and Safeway/Morrisons. But that hasn't stopped Tesco wanting to move in on the action.

In 2000, Lambeth Regeneration Service commenced 'Planning for Real' in response to interest in redevelopment of the local ice rink. Continued provision of an ice rink and leisure facilities were cited as top priorities. In May 2001, Tesco submitted a planning application for a 6,000 sq m foodstore, which included the demolition of the existing ice rink.²⁵

Stanthorpe Residents' Association organised a day of campaigning on Streatham High Road on Saturday 13th October 2001. More than 1,800 people signed slips stating:

"I feel very strongly that Lambeth Council should promote the development of the Ice Rink site as a leisure and social amenity to include a full size Ice Rink and Swimming Pool and not permit the supermarket development currently proposed by Tesco."

Tesco then agreed to keep ice rink open for longer than originally agreed and to submit a new planning application for a more appropriate mix of uses, and phasing of development for the site. An application was subsequently submitted for a leisure centre, 250 residential flats, and an 8,500 sq m foodstore with a bus layover as required by Transport for London.

The Council sent out 7,000 consultation letters and got 287 responses. Of those, 86 offered full support, 50 were conditional and 124 clearly objected.

In March 2003, the Greater London Authority (GLA) informed planning officers that the mayor was minded to reject the plans commenting that, "The design, appearance, nature and size of the proposal, without the replacement leisure facilities, would result in a food retail dominated scheme so would not be an appropriate mixed use scheme and so would not sufficiently deliver regeneration benefits to Streatham town centre." The mayor's key concern was to do with adequate funding for leisure facilities. Following confirmation of funding from Tesco under a Section 106 agreement in December 2004, the mayor gave approval to

the plans saying: “The original plans did not contain sufficient guarantees that the leisure facilities currently on site would be re-provided, and the affordable housing on offer did not meet Londoners’ needs. The developers’ latest assurances give me greater confidence that the leisure facilities and ice rink will be delivered and the plans for affordable housing have been significantly improved. The sporting complex and particularly the ice rink will not only attract people locally but also from right across London.”

The final planning hurdle was overcome in March 2005, when the Government Office for London decided not to refer the application to the ODPM.²⁶

In spite of planning approval there has still been strong local opposition. Local resident Ann Savage said the scheme was a slap in the face to residents, who were promised a transport interchange of trains, trams and buses but instead ended up with an undesirable supermarket with poor transport links.²⁷ In meeting the obligation to include affordable housing in the development, Tesco cleverly secured a proportion of that housing for its own staff.

A design for diversity: innovations promoting variety

Although as this Report shows, we are well on the way to becoming a nation of clones, there is still time to act. There are ways in which, for example, existing legislation that allows local authorities to specify a percentage of affordable housing in any new development could also be applied to safeguard space for local businesses.

In the UK, the 'My shop is your shop'²⁸ campaign – and the newly inaugurated 'National Independents' Day' on 1 June – promotes the value of independent retailers, and the vital role they play in providing the 'social glue' that holds local communities together. From Parisian measures against '*la Londonisation*' to measures employed by towns across the US against 'big-box' stores, blueprints already exist for measures that could stem the advance of the clones, and even begin to turn back the tide.

Using planning powers against clone towns – Section 106

One of the most powerful tools in the hands of local authorities is the ability to grant or withhold planning permission.

A major problem faced by many councils is whole sections of society being priced out of local housing markets, often including key service workers like teachers and nurses. In an attempt to deal with this, councils have made increasing use of their ability to negotiate with developers using planning law.

Though they may never have heard of it, many people on low pay might owe their new homes to Section 106 of the Town and Country Planning Act 1990 (as amended by Planning and Compensation Act 1991).

The powers given by Section 106 have been fairly long-standing under different guises. Previously they were known as a Section 52 Agreement under the 1971 version of the Act.

The powers were created in recognition of the Midas touch of planning permission. As soon as a piece of land has planning permission granted, its value rises dramatically. Being able to attach conditions to the permission enabled local authorities to claw back for the community some of that magically created value, rather than allowing a windfall of unearned income to go straight to the developer.

Several dynamics have increased the importance of Section 106 powers in recent decades: a dramatic decline in the building of social housing, changes in the way families live in the growth of smaller family units, and especially in the South East of England a growing, overheating economy.

These factors have made councils' ability to use planning law to oblige developers to increase the provision of affordable housing even more critical. In Surrey in the South East, the proportion of affordable housing developed as part of a Section 106 agreement rose from 10 per cent in 1990 to approximately 40 per cent from 2000 onwards.²⁹



Distinctiveness and how to grow it

Increasingly towns around Britain want to preserve and develop their distinctiveness against the trend towards clone towns. But what exactly is distinctiveness? Drawn from our own work at the local level and the work of similar organisations like Common Ground, the Civic Trust and the Institute for Local Self-Reliance in the US, these are some guidelines:

1. Distinctiveness is not neat: it is not marketing, it is fuzzy, overlapping, and necessarily inclusive, and impossible to pin down precisely.
2. Local people have primacy: if they feel a place is distinctive, then it is – and this can be used to draw in outsiders,
3. Distinctiveness must be authentic: what is distinctive is not usually susceptible to marketing unless it is genuine roots – often historic roots – in the places where it is claimed.
4. Assets are more than just economic: they might be a communal memory about a place or a sense of good neighbourliness. They will not always be assets that can be exploited economically, though they may make economic exploitation easier.
5. Small things are as important as big things: it is the texture that makes a place authentic as much as recordable economic assets, and very small changes – like signage or the removal of very small eyesores – can enhance people's sense of that as much as anything that requires major investment.
6. Distinctiveness requires a sense of responsibility: building distinctiveness normally requires new local institutions or practical alliances capable of bringing local stakeholders together to make things happen.
7. History gives depth to a place: it gives added dimensions – but it has to be about history alive and well today, rather than just about the past which leads to deadness.

A negotiation between developers and planners over arcane details regarding the granting of planning permission has become one of a local authority's most important levers to engineer more balanced communities. It is one weapon against the emergence of ghettos of wealth and poverty, and one way to ensure that key workers are not forced to live outside of the communities they serve.

But problems with housing are not the only threat to balanced, thriving communities. The economic, social and cultural dangers of ghost towns and clone towns are too. Although most people are aware of Section 106 only, if at all, in relation to housing, there is nothing about its powers that limit them to any one area of development.

The obligations that planners can impose include to:

- Restrict the development or use of land
- Require specific operations or activities to be carried out in relation to the land
- Require payment of a sum or sums of money – e.g. towards future maintenance costs
- Require land to be used in a certain way

The potential with regard to retail developments is enormous. In recognition of the extra economic and social benefits that local enterprises bring to a community, planning authorities could oblige the developers of new retail units to reserve a negotiated number for truly local businesses.

The logic would be related to the logic for providing affordable housing but also be backed by the research that shows that local businesses bring greater economic benefits to a community for every pound spent, compared to non-local businesses.

Section 106 could be used to guarantee affordable space for local businesses in both in-town, edge of town and out-of-town developments.

Under Section 106 developers could also make a 'unilateral undertaking' to provide affordable space for local businesses, before an obligation is placed on them.

In addition to promoting local businesses, this could be a very powerful tool for councils worried about their towns becoming clone towns. Section 106 powers could effectively promote the distinctiveness of an area by using obligations on retail developments to promote diversity of use. Instead of a new development containing one supermarket and five different mobile phone shops, there could be a requirement that combined guaranteed units for local enterprises along with a sustainable mix of shop type, including bakers, greengrocers, butchers, hardware shops and more.

Defense de 'la Londonisation'

Just such an approach is being used in Paris, France, explicitly to prevent a process that Parisian councillors call 'la Londonisation'. It's a problem that faces even leafy, prosperous Greenwich in South East London. Greenwich has a market that dates back around a thousand years. According to local independent shop-owner Ian Johns, new housing and retail development plans for Greenwich could be devastating; "The way Greenwich is going it will end up like Sidcup, Bexleyheath or Watford, just another clone town. That's great if you want a burger or a cup of coffee but what about independent retailers? We are supposed to be a nation of shopkeepers but these multinational corporations can just come in and pay three or four times the rent."³⁰

Paris' Local Urbanism Plan combines Section 106-type obligations on developers to provide affordable, social housing with a plan to protect and enhance a vibrant local retail sector on the streets of Paris.³¹

Around half of the 71,000 shops in Paris are to have restrictions placed on them to prevent inappropriate change of use when the shopkeeper either sells up or retires. This means that a small food shop would have to remain a food shop, and it would prevent, for example, a string of mobile phone chain shops replacing butchers, or bakers, or greengrocers. Although not as advanced as in Britain, Paris has been losing its delicatessens, bakers, butchers and fishmongers at an alarming rate in the last decade. At the same time outlets like mobile phone and fast-food shops have increased dramatically. The 20-year plan is aimed at maintaining the diverse food culture at the heart of Paris's vibrant street life.

Although not widely appreciated, there have, however, been some moves to protect shops and services essential to the local economy from change of use in the UK. According to the Food Commission, some local authorities such as Ealing and Hillingdon have applied the notion of local proximity – such as 400m or five minutes' walk – to protect, for example, the last food shop in a parade from change of use. With a particular focus on meeting people's need for access to healthy food, they report that local authorities "can stipulate which types of shops deserve preferential attention, and can restrict applications for change of use from retail shops to non-retail uses – sometimes explicitly mentioning food retail as worthy of protection in this way". The London borough of Hackney, for example states that: "The Council will use its powers and its role as landlord where possible to protect these essential facilities. The following uses will be considered 'essential local shops': food shops such as baker, butcher, greengrocer, grocer, and specialist ethnic food shop. The following uses will be considered as 'essential service shops': dispensing chemist, launderette, newsagent and post office."³²

Upward-only rents

Another step on the path to the emergence of clone towns that needs to be addressed is the problem of 'upward-only rents.' Britain's retail property market is highly concentrated, with a few landlords controlling almost all locations. According to Albert Catterall, Head of Economics at the British Retail Consortium, "One of the consequences that you're getting at the moment is that the retail industry is trying to get back some of that power, it is actually consolidating. So you're starting to see various magnates taking over all of the retail industry in Britain. Now there may be good or bad reasons for industries consolidating, or fragmenting, but this is one of the artificial reasons: they're actually trying to match the power of landlords who are highly concentrated."³³





Problems with the property market can be traced back to the typical model of finance and funding. According to research done by Reading University, the practice has been for property companies to use short-term finance in the form of bank loans, “followed by longer term funding via mortgages or sale of the completed and tenanted building to institutional lenders”. As a result of this model, “a standard form of lease has evolved to support these transactions – the ‘institutional lease’ which is lengthy, places most of the burden of maintaining the property on the tenant and which typically has upward-only rent review clauses.”

A consensus has grown that upward-only rent-review clauses are fundamentally unfair to tenants, and especially burdensome to smaller businesses that have less leverage in negotiation with landlords. The unfairness stems from the fact that landlords benefit when the property market rises, but tenants are prevented from benefiting if market rents fall. One survey found only eight per cent of respondents entirely satisfied with the UK leasing system.³⁴

The upward-only rent review has proved so unpopular that a ban is now on the cards.³⁵ Any ban, however, would be extremely unlikely to help businesses that are locked into an existing list, and it could be many years before any new, more flexible arrangement is available.

A review commissioned by the ODPM considered a range of actions. It was done in the light of assessing the performance of a voluntary code of practice for the sector, intended to promote greater choice and flexibility in the commercial property market.³⁶

The options under consideration are:

- Do nothing
- Ban upward-only rent-review clauses
- Ban upward-only rent reviews subject to a floor of the initial rent
- Give tenants a right to break if the upward-only rent review produced a rent above open market levels
- Limit lease length
- Require landlords to give prospective tenants priced options (require landlords to offer tenants alternatives to upward-only rents, but not preclude their use)

It's clear from the Reading University research that small businesses are at a particular disadvantage in the property market. "The general lack of property awareness, coupled with the absence of property advice at the initial stage of negotiations, means that the vast majority of small business tenants are regarded as being unable to strike the most advantageous bargain that might otherwise have been available to them," comment the authors, adding that the "voluntary code of good practice was not assisting small business tenants in negotiations because they were completely unaware of its existence".³⁷

The structure of the property market presents a double whammy for local shops and businesses. On the one hand, it is driving consolidation in the retail sector adding to the power of the market leaders and further distorting the market. On the other hand, the power of landlords and the nature of most leases mean small businesses are left with little control over their circumstances. The likely abandonment of upward-only rents would be welcome, but **the government could go further and send a pro-local enterprise message by recommending that, in light of their disproportionately positive contribution to the local economy, small businesses are subject to special and differential treatment and given more choice and flexibility in the property market.**

Supermarkets

In March 2005, the Government, through the ODPM, published its long-awaited, new national planning policy guidance about town centres, Planning Policy Statement 6 (PPS6). Its central thrust is to provide support for existing town centres. It tackles some of the techniques used by supermarkets to give themselves unfair advantages in the market place but is strategically weak in other areas. Most worryingly, given their existing market dominance, it continues to require local authorities to identify sites for large stores.

The regulators' failure to properly contain supermarket growth seems also to have led to PPS6 displaying misplaced concern. Rising concern about healthy eating has fed into the popularity of farmers' markets and farm shops. Most welcome are the more direct relationship with produce and the fresher produce that they provide. But, in the light of the supermarkets' strength and their known negative impact on small stores, PPS6 contains this bizarre warning: "Farm shops can also meet a demand for local produce in a sustainable way and can contribute to the rural economy. Care should however be taken to ensure that they do not adversely affect easily accessible convenience shopping available to the local community."

The Tardis Trick

One trick that gives big supermarkets another unfair advantage over smaller, local shops, has been cleverly working around planning rules to add floorspace to their stores. The two main techniques to do this have been either 'converting' unused storage space (how did such allegedly 'efficient' businesses miscalculate their store design in the first place to be left with large unused spaces?), or building mezzanine floors in existing stores.

Because this has been seen as a clear evasion of planning rules, in March 2005, the Government began a consultation on how such practices could be brought back within planning law. The Government's reasoning is that, "the significance of uncontrolled mezzanine installation, particularly in out-of-centre locations, is that it potentially undermines the Government's key objective for town centres which is to promote their vitality and viability."³⁸ They propose legislation that would bring within planning control increases in floorspace above a specified level.³⁹ Publication of Planning Policy Statement 6: Planning for Town Centres, showed a clear presumption should be made against any techniques used to substantially increase floor space.⁴⁰ But the abuse of market power by the supermarkets stretches much further and needs a much stronger regulatory approach.



The failure of voluntary supermarket regulation and the need for a mandatory code

In March 2005 the OFT published the results of its audit on how the big four supermarkets comply with the Supermarket Code of Practice. The audit revealed largely unchanged practices since the introduction of the Code, and that the position of suppliers has become weaker.

The OFT conceded that that they cannot “allay the concerns which have been expressed” about the Code’s effectiveness and are unable to tackle the social and economic problems caused by the dominant position of the large retailers. One option open to the OFT was to recommend a new independent ombudsman to protect the interests of suppliers. The voluntary Code failed suppliers due to the ‘mafioso’s dilemma’. This describes a situation in which there is, technically, a process for less powerful players to bring complaints against the dominant actors of the sector. In reality, however, it doesn’t work because of the mafioso’s dilemma. If at a meeting of the ‘family’, the Don asks for anyone unhappy with his leadership to volunteer criticism, even if there are complaints, it is highly unlikely that they will be aired due to fear of the repercussions. Under the current system suppliers complaining of abuse must go through the retailer, putting their livelihoods at risk.

The huge difficulty experienced by the OFT in getting evidence from suppliers about supermarket practices seems to be a clear case of the mafioso’s dilemma. In spite of this, the OFT failed to recommend an independent ombudsman who could have reassured suppliers and potentially protected them against ‘de-listing’ in the event of complaints being made. And yet, as the OFT observes, “It is an inescapable fact that no code can be effective in dealing with allegations of breaches unless evidence of those breaches comes forward.”⁴¹

The ‘Breaking the Armlock’ Alliance, of which **nef** is a part, believes that enough evidence of unfair supermarket practices already exists to demonstrate that the Code in its current form, will not work. The Competition Commission Report in 2000 listed 52 kinds of abuse of market power. The OFT’s 2004 review of the Supermarket Code of Practice found that 80 to 85 per cent of respondents claimed the Code had failed to bring about any change in supermarkets’ behaviour. Also, market concentration has grown since the Code was introduced in 2002. Takeovers in the convenience store market have pushed an ever-increasing imbalance of power in the food chain. Tesco is expected to hold 30 per cent of the UK groceries’ market by June 2005, and to lead the convenience store market by the year-end.

The Alliance is calling for an independent and confidential watchdog, which will allow suppliers to bring forward complaints in confidence.

Sainsbury’s recent purchase of 114 Jackson’s stores is one in a long line of convenience store takeovers by the big supermarkets. Tesco bought the T&S and Adminstore convenience store chains, with no investigation by the competition authorities. This trend is set to continue if the competition authorities let it – Tesco alone plans 60 new Express stores this year, and in addition will convert a further 26 T&S stores to the Express format. As a result of the trend, the average price of a convenience store has soared to £490,000 making it practically impossible for smaller chains or independent retailers to acquire new stores. And there is evidence that the impact of the multiples’ entry into the convenience sector is beginning to bite. In May 2005, IGD, the think-tank of the food and grocery sector released its authoritative Convenience Retailing Report. Having long charted the loss of independent retailers from the sector, the 2005 report revealed a loss of 2,157 unaffiliated independent convenience stores compared with 324 the year before.⁴²

There should be a moratorium on further takeovers of existing chains either by Tesco, or any of the other three largest multiple retailers.

Will Wal-Mart eat our high streets?

The leading supermarkets are aggressively moving into expanding their offering of ‘non-food goods’. The impacts of the rapid growth of non-food sales by the supermarkets on smaller retailers, specialist stores and, by consequence consumer choice, could be enormous. Such stores, for example, selling books or music CDs, are already affected by concentration in their own sector (see the Clone Town Survey launch report).

But now that CDs, clothes, books and electrical goods can increasingly be bought under one supermarket roof, the pressure on specialist shops could become unbearable. This new trend is also quite deceptive. Supermarkets may increase the range of goods available within their own stores, but the knock-on effect is likely to be an overall reduction of choice in the local economy. This is because category-by-category, supermarkets will stock a more limited choice than would be found in specialist shops. But by capturing the market for the highest turnover items in the sector, they take away the core business that enables the specialist stores to be economically viable. For example, an independent will either have, or be able to order on request, a vast range of magazines. The supermarket on the other hand will offer just the top 100 fastest-selling titles. The same is true for music and books. With their core business undercut as a result of the supermarket's location, marketing and preferential buying power, both consumers and local shops lose out. The OFT should reassess the local economic impact, including the effect on overall consumer choice and the potentially negative economic local multiplier effect of a spending switch from specialist shops to supermarkets where non-food goods are concerned.



The Competition Commission's report in 2000 identified then that below-cost selling by the big supermarkets damaged smaller competitors who were less able to cross-subsidise within their product range. They noted that undermining neighbourhood outlets meant both accessibility and choice for consumers would be reduced. Consumers on low incomes would be particularly badly affected, as would those with limited mobility. As nothing has been done since, while non-food items grow in importance to the supermarkets, a review by the OFT leading to action is overdue.

Local competition policy

Several countries have enacted legislation designed to curb the development of large out-of-town superstores that destroy local businesses. In France, the Royer and subsequent Raffarin laws have limited the development of new supermarkets over the past few years, requiring special approval for any proposed new retail store bigger than 300 square meters. The UK Government should follow this lead to ensure that local communities have the final word in any decision on whether to allow the construction of a large shopping centre exceeding a certain size.

The UK Competition Commission identified an 8 per cent market share of grocery retailing as a threshold that gave supermarkets market power. In its assessment of the proposed take over of Safeway, the Commission identified, "27 practices in relation to suppliers that, when carried out by Asda, Safeway, Sainsbury's, Somerfield and Tesco were against the public interest."⁴³ It noted that these led to "particular adverse effects of reduced investment, product development and innovation, and of lower quality and less choice for consumers."⁴⁴

The Commission then "recommended that, to ensure that buyer power was not abusively exploited, multiple grocery retailers should be required to adhere to a Code of Practice." However, as that Code has proved ineffective, **nef** believes that, short of actual regulation to prevent such 'abuse', **the market share of the leading multiples should be held at no more than the eight per cent threshold, nationally, that triggers market power capable of being used against the public interest.** This would involve at least the four leading supermarkets having to divest their interests above the eight per cent threshold.

nef believes that under its plan for sustainable communities and commitment to developing viable town centres, **the ODPM should launch a consultation leading to the introduction of a local competition policy.** It would be designed to guarantee fair market access to small, local and independent retailers, and prevent the loss of choice through any retailer becoming too dominant in any town centre. The consultation would look at which measures would be most appropriate to assess market dominance.



Community Land Trusts: capturing value for communities

Like Section 106 agreements, the idea of Community Land Trusts is currently being applied to the housing problem but could be used more broadly to create new opportunities for retailers. In the past five years, housing costs have doubled nationally. As a result in half of the counties of England, job vacancies for teachers, nurses, fire service workers and bus drivers cannot be filled. Problems also are occurring in lower cost areas like the rural coalfields. In these regions, housing market renewal strategies frequently enrich local slumlords as land values rise post public sector investment. Community Land Trusts are being proposed as the missing mechanism needed to maintain housing affordability whilst at the same time operating to capture economic value for lasting community benefit.

They work by creating community ownership of land, locking in land value and underpinning sustainable development for the benefit of a defined locality or community.⁴⁵ They enable local residents and businesses to participate in planning redevelopment schemes and to take land out of the market, holding it in trust for the provision of affordable housing for lower income residents and key workers in the community. Importantly they also develop land to meet local needs for affordable workspace and retail units for enterprise.

The Community Land Trust (CLT) mechanism was first developed in the UK a century ago in the early days of the Garden City movement. It grew out of experiments with practical land reform by the nineteenth century Co-operative movement and the Chartists. Gandhian land reformers in India revived the practice in the 1950s and brought over 4 million acres of gifted land into 'village trusteeship' by 1965. This success caught Martin Luther King's attention and the American civil rights movement established the first CLT in rural Georgia in 1967. In the early 1990s crofters in Scotland introduced CLTs again to Britain as a robust legal means to buy-out collectively their absentee landlords.

In the UK, the Community Land Trust model is still in its infancy. Sets of model rules are only now being registered. There are about a dozen CLTs established in rural Scotland and recent legislation by the Scottish Parliament provides technical and legal help to assist communities to gain professional guidance and access funds to establish a CLT locally. In the US, the Community Land Trust is a clearly defined legal form and over 200 CLTs have been developed in urban and rural communities in America over the past 15 years. Like in Scotland, the Federal Government in the US has provided technical aid support for local communities to access legal expertise and financial assistance to develop their own CLTs. A growing wave of experimentation from Oxfordshire to Scottish Islands could see CLT's offering a creative alternative operating niche for local enterprises.

Rate relief for small retailers

Rate relief should be extended to independent newsagents and food, beverage and tobacco retailers, particularly those in villages, town centres and urban deprived neighbourhoods. Priority assistance should be given to high-street shops contending with out-of-town and edge-of-town superstores. This could mean establishing local business rates by taking into account things like the wider benefits accrued to the local community. It might also mean connecting rates to the amount of local employment created, or amount of goods sourced locally.

Local money flows analyses

As mentioned in **nef**'s report *Ghost Town Britain: the threat from economic globalisation to livelihoods, liberty, and local economic freedom*, there is an urgent need for local authorities, planning agencies, regeneration bodies and regional development agencies to use a local money flows analysis to help guide local retail development. The Plugging the Leaks and Local Multiplier 3 (LM3) tools developed by **nef** provide a means to conduct such an analysis, which can provide an indication of how different types of retail planning and/or public procurement strategies can reduce or augment money flows within the local economy.

Local retail plans

The loss of local shops, decay of high-street shopping and development of edge-of-town shopping centres has been allowed to happen in haphazard fashion, lacking a coherent vision that would allow planners working at national, regional or local levels to make interventions based on a clear set of policy guidelines. The current Government is publicly committed to maintaining economically viable town centres, but if the decline of small and independent retail is to be reversed, there is a clear need for the country to adopt retail planning guidelines, similar to those enacted in the Republic of Ireland. Such legislation would provide greater power to control and cap the size of supermarkets, ensure that the town centre is the primary focus for development, and require local authorities to develop retail plans for their area.

Business support

BizFizz

Regardless of regulatory change to level the economic playing field in favour of small, local and independent businesses, much can be done to enhance the fabric of business support available. One such approach is a joint project between **nef** and the Civic Trust called BizFizz. It's designed to stimulate economic regeneration from within communities by providing free and flexible support to local entrepreneurs, which actively draws upon local expertise and knowledge.

Even in run-down areas, there are people with the passion and drive to create new enterprises, and there are existing businesses with the potential to grow and thrive.

BizFizz places a business coach in the heart of the community who offers free confidential business support to anyone who needs it. Its approach is uncover people's passions and then remove the barriers to them achieving success. Within reason, the coaches can do whatever it takes to help the entrepreneur succeed.

In each community the coach is supported by a panel of well-connected and experienced people from the community and wider area who unblock problems, provide key information and contacts. The ability to unleash local expertise and resources is the main difference between BizFizz and other business support. BizFizz is currently working in ten communities across England.

Local Alchemy

Another approach is called Local Alchemy. It's a new and flexible way for residents, businesses, voluntary agencies and the public sector to work together to reverse economic decline and reinvent their local economy. Designed by **nef** in partnership with the east midlands development agency (emda), Local Alchemy is a two-year process that works by bringing people from all sectors together to share ideas, decide goals and implement a Local Alchemy Action Plan.



Communities select activities from the Local Alchemy Toolkit such as workshops, events, surveys, and games. These change the way people think about their local economy, focus on local assets and resources, and inspire new initiatives. The activities use **nef**'s Enterprising Communities Framework to increase understanding of how the local economy works. Throughout the process, a Local Alchemy Coach provides ongoing support and facilitation. Four pilot Local Alchemy projects are already underway in the East Midlands and more are in development

The Local Communities Sustainability Bill

The proposed Local Communities Sustainability Bill, promoted by the Local Works campaign initiated by **nef**, has earned the support of over 230 members of parliament. It promises to provide a radical realignment of power between the forces driving ghost towns and clone towns and those seeking to build healthy, vibrant and sustainable local economies.

The Bill considerably increases the power of local communities and authorities to influence the quality of life in their local areas. Local authorities get to request further powers and spending abilities to deliver on the direction in which local people want to take their communities; they are also invited to feed into central government strategies on sustainability. The Bill does not place new burdens on local authorities themselves – it actually asks central government to relinquish some of its powers to local communities.

The Bill is based on a bottom-up philosophy, but works through the relevant government body, such as the Secretary of State, National Assembly for Wales, or the GLA, consulting widely with local communities and statutory bodies and drawing up a strategy to promote local sustainability.

The interpretation of sustainability in the Bill is very wide – and incorporates social and political justice, as well as the environment and local economy. By giving local authorities and citizens a powerful voice in planning for the future of their communities, a better quality of life for all of our neighbourhoods is easier to secure. Defending local services, high streets, hospitals, and schools becomes a much greater possibility if those who use them have a say and a stake in their organisation and maintenance.

What can we learn from the US example?

Importing economic and political ideas from the United States (as well as culture) has long been popular right across the UK political spectrum. Labour and Conservative governments alike carefully nurture the so-called 'special relationship'. Where the rise of clone towns is concerned there exists a double-edged sword.

On one hand many view that the United States has travelled further down the road towards the 'cloning' of towns; it is a nation even more deeply in the grip of the processes described in *Clone Town Britain*.

But the consequence is that the fight back by communities is also more developed.

Keep it weird – US style

In just one example, to encourage people to use locally owned and operated shops in preference to big chains, a campaign to 'keep your local town weird' started in the American Midwest has become extremely popular. Billboards with slogans like "Keep Louisville weird", have won the support of local TV stations and led to positive copycat initiatives in cities all over the US.⁴⁶

Local development agencies like Montana's Associated Technology Roundtables have also become involved, setting a useful precedent for the UK's numerous development agencies.

Work by the New Rules Project in particular, set up by the Institute for Local Self Reliance, catalogues the many inventive ways that municipalities have found to chose their own local economic development path, and to prevent being 'rolled-over' by the big retailers. These are some of the strategies that they have found and advocate.

Economic and community impact reviews

A number of communities now require a comprehensive economic and community impact review before approving any new retail construction. Typically, the Review is triggered when the proposed development exceeds a certain size: for example a retail store larger than 20,000 sq ft or one that will generate more than 500 vehicle trips per day. New York, declared a 'new frontier' by Wal-Mart in January 2005, looks set to pass legislation that would require any big-box retailer with more than 85,000 sq ft to face a licensing review that would force them to specify their economic impact on the community. In addition, the Commissioner of Consumer Affairs would have the power to withhold a licence if the company had been "involved in excessive employment related claims".⁴⁷ In some areas, neighbouring communities have worked together to establish a Regional Impact Review process for very large developments that will have impacts beyond the borders of their host town. In 2004, the National Trust for Historic Preservation named the entire state of Vermont as one of its 11 endangered historic places because of the onslaught of big-box stores – the State is now considering introducing legislation that could lead to a ban on 'big-box' stores state-wide.

Restricting "Formula" Businesses

Some communities have concluded that, regardless of their size, 'formula' businesses are rarely if at all acceptable due to their impacts on community character and the local economy. They are defined as businesses that adopt standardised services, methods of operation, decor, uniforms, architecture, or other features virtually identical to businesses elsewhere. About a dozen towns have banned or limited the number of formula restaurants or retail stores allowed within their borders.

This approach is particularly relevant to the UK situation, as the Government's commitment to reinvigorating town centres may perversely accelerate the process of town centre 'cloning'. It's yet another example of the UK following the US. Moving on from the dominance of the Mall and the out-of-town store, in the US "chain drugstores, fast-food outlets, clothing retailers like The Gap and Banana

Republic, and even Wal-Mart and Home Depot, which recently unveiled urban prototype stores, increasingly seek locations in town centers and urban neighbourhoods”, according to the New Rules Project. As a result, ordinances to control formula businesses are gathering more interest. “San Francisco, for example, is currently considering a measure that would ban formula businesses entirely from certain areas and require neighborhood notification and a public hearing for those proposed”, writes Stacy Mitchell of the New Rules Project.⁴⁸

Commercial Blight

Another urgent cautionary note to the UK’s planners and local authorities is the long-term experience that the US, home of the shopping mall, has had with large retail developments. Like the failed high-rise housing developments of the 1960s, what once looked good on an architect’s drawing, loses its lustre once age and economic realities kick in. That’s why people are arguing in the US that, “one of the most compelling reasons to establish limits and standards for retail development is to avoid the epidemic of vacancy and shopping center blight that is now sweeping the country.”⁴⁹

The New Rules Project reports that, “countless strip malls are shuttered and idle. About one-third of all enclosed malls are in serious financial distress; hundreds have already closed,” and, “even the big boxes are going dark as companies like Wal-Mart and Home Depot abandon existing outlets to build ever larger stores.” Wal-Mart alone has more than “350 empty stores nationwide”.⁵⁰

Store size caps

Limiting the size of stores is an approach used widely in Europe, but it is beginning to be applied in quite sophisticated ways in the US. Beyond a certain point in a local economies, more new retail causes existing businesses to close and so zoning rules are used to block stores over a certain size. The New Rules Project says that this helps, “to sustain the vitality of small-scale, pedestrian-oriented business districts, which in turn nurture local business development”. Limits on store size also prevent problems like increased traffic congestion, too much pressure on public infrastructure, and, essentially, on local distinctiveness.

Several factors help answer the question of ‘how big is too big’?

- The size of the town
- The scale of its existing buildings
- The community’s long-term goals with regard to retail development

Belfast, in Maine, banned stores above 75,000 square feet in size. Others chose limits of 36,000 sq ft. Limits can apply to an entire city or a neighborhood. A ban on new stores larger than 4,000 sq ft in certain neighbourhoods applies in San Francisco.

A ‘size’ tax on superstores

Dedicated taxes on chain stores were common in the US in the first half of the last century. Around half the states in the US enacted them during the 1920s and 1930s. Often they worked on an escalating basis, depending on the size of the chain. They were the product of mistrust of big business that was widespread and the time. “Many Americans viewed concentrated economic power as a threat to democracy”, comments Stacy Mitchell.⁵¹ Recently there have been attempts to revive the idea that, even with the enormous power of the multiple retailers, only narrowly failed. It’s further evidence that in the US, as in the UK, public sentiments once again seem to be turning against big business. The original tax laws were only repealed after ‘a major public relations campaign by chain retailers.’⁵²

The Home Town Advantage Bulletin reported that in April 2003, the Montana legislature narrowly defeated a bill to levy a tax on the revenue of big-box retailers. Supporters said the measure was needed because big-box retailers use state services, pay low wages, and siphon money out of Montana. “This bill protects Main Street Montana,” said Senator Ken Toole.⁵³



Preferences for local purchasing

In the UK, using local authority procurement to consciously nurture local business – a practice common in the US – has been held back through fear of breaking European Union rules. More recently, however, such fears have been shown to be misplaced, and the UK could be set to catch up. A growing body of evidence says that it makes sense, economically, socially and environmentally, to source the expertise and goods as locally as possible. The case for local procurement is now backed by the results of a yearlong collaboration between **nef** and the Regeneration Division of Northumberland County Council. The research was able to demonstrate that it could increase the local economic value of procurement spending by 400 per cent through going local.

The results of Northumberland's research using **nef**'s analysis of the way that money circulates in the local economy, made it clear that buying from local companies keeps money local for longer. Local suppliers in Northumberland re-spend on average 76 per cent of their income with local people and businesses, while suppliers from outside Northumberland spent only 36 per cent in the area. In short, every £1 spent with a local supplier was worth £1.76 to the local economy, and only 36 pence where it was spent out of the area, (because with the local supplier you also add the value of the initial contract). On the basis of the results from Northumberland, if councils across the UK made just a 10 per cent increase in the amount that they spend locally, it could mean an additional £5.6 billion re-circulating in local economies across the UK. This is a powerful tool for Local Authorities who need to target the benefits of spending on disadvantaged areas.

In the US when making procurement decisions, many cities and states give preference to local businesses as a means to nurture small businesses and local economies. Some give a local preference only in the case of 'tie bids', but others give preference if a bid from a local business is within a certain percentage of the lowest non-local bid. Washington D.C., for example, by administrative practice gives a five per cent preference to local firms. More than two-dozen cities and a handful of states have such laws.



Conclusion

Clone Town Britain? The fight back starts here.

Britain doesn't have to become a nation of clone towns. As the Survey results show; there is still time for action to protect our home towns, to prevent our border towns becoming clone towns, and to begin to reverse the trend in the towns that have already been overtaken by the clones.

Some of the solutions that can turn back the tide of the clones already exist. Local authorities and innovative town councils are already using existing aspects of planning law to protect and enhance diversity. Across the length and breadth of the UK unfunded, but passionate community groups are campaigning against proposed clone developments. Independent retailers themselves are also fighting back – the 'My Shop is your Shop' campaign and its 'National Independents Day' remind people of the added value of locally owned businesses – the 'social glue' that holds communities together.

In other areas government action will be needed to create a framework in which retail diversity can thrive once more. As this Report shows, we are reaching a critical juncture. We can choose to take action that will lead to thriving, diverse, resilient local economies across the UK. Or, we can do nothing and condemn ourselves to bland identikit towns dominated by a few bloated retail behemoths. The choice is ours – to live in clone towns or home towns.

This is the end of our Survey. If your town hasn't been included, download the Clone Town Britain Survey form from the **nef** website at www.neweconomics.org and use it to find out where your town sits on the Clone Town Scale. Then, if your town is a home town or a border town, use the suggestions in this report to protect it, or, if your town is already a clone town, use this report to begin the fight back.

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One of the other things we do



Current priorities include international debt, global finance and local economic renewal



Photo: Marcelo Alves

Tackling climate change: We are living beyond our means. Conventional economic growth based on the profligate use of fossil fuels threatens to bankrupt both the global economy and the biosphere during this century. **nef** believes that improving human well-being in ways which won't damage the environment is real growth. Only that can ensure the planet is a fit place to live for future generations.

nef works for the environment by promoting small-scale solutions such as microrenewable energy. **nef** is also working to challenge the global system. At the moment the rich become richer by using up more than their fair share of the earth's resources, and the poor get hit first and worst by consequences such as global warming. **nef** pushes for recognition of the huge 'ecological debts' that rich nations are running up to the majority world.

nef works to confront the destructive reality of climate change in many ways: building coalitions to halt climate change and get those under threat the resources they need to adapt; proposing legal and economic action against rich countries who refuse to act; calling for protection for environmental refugees, and for a worldwide framework to stop global warming based on capping dangerous emissions and equal per person entitlements to emit. With original research we expose new problems and suggest solutions.

**For more information please call
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