



PENZANCE CHAMBER OF COMMERCE



NEWSLETTER



Issue 57

23 Dec 2011

Editor's Comments.

Apologies from the long wait for this newsletter which has become the Christmas edition.

Christmas is often a time of reflect on the year that has passed and look ahead to the year to come. What a year it has been both globally and locally. The failure to fund the Route Partnership Scheme has to be the big event of the year (if you exclude the 8000+ pirate gathering on the Promenade) and it is an issue that will dominate future years as there is effectively a strategic void in future transportation arrangements for the IOS which the Government is hoping the private sector can fill but which history tells us the private sector will have difficulty filling alone. None of this is to detract from the Town Council's Harbour Options Review project which is a valiant effort to rescue something from the wreckage of the previous scheme.

The positive result for the year is that at least one major retailer has shown confidence in the future of Penzance as the major retail centre. In the process BIH has been rescued from financial peril even if it now has to search for a new home for its IOS service. Not everybody is pleased to have a Sainsburys superstore on the edge of the Town but on balance it is probably the best guarantee in the medium term of Penzance remaining a popular retail destination in the wider area and stemming its decline in retail footfall. The alternative strategy of denial (of retail reality) and retrenchment to historic patterns of Town Centre retail use is doomed to failure. A combination of growth in online retail, changes in shoppers' expectations and reduced retail spending are going to force major changes. Mary Portas, in the foreword to her recent report espouses town centres "*re-imagined as destinations for socialising, culture, health, wellbeing, creativity and learning*"*where shopping is just one small part of a rich mix of activities*. If she is right then Penzance has the potential to fare well in the future provided it is proactive and not obstructed by unhelpful policies by Cornwall Council like the current car parking charges regime.

This year has been especially difficult for most retailers and business generally. Tourism has done better than expected in these gloomy times. Next year looks likely to be at least as challenging irrespective of the impact of the Olympic Games. Thereafter lets hope things improve.

Best wishes for Christmas and a Prosperous 2012

Dick Cliffe

Newsletter Editor

Penzance Harbour Options Review

The Town Council led (and Department of Transport funded) Penzance Harbour Options Review formally started on 14 November 2011. It runs until Apr 2012 when it is hoped that the DfT will bless the resulting preferred option and somebody, perhaps Cornwall Council, will agree to develop it further and deliver it.

There was a launch public meeting on 17 Nov in St John's Hall chaired by Cllr Jon Pender, Chair of the Penzance Harbour Scheme Management Board. The Hall was full to bursting following heavy advertising and the distribution of some 10,000 flyers to local households by volunteers from the Penzance Seafront Forum.

Andrew George MP addressed the meeting and explained the limitations imposed upon the new project by the Dept of Transport. He explained that it was the "last chance saloon" for Penzance. He avoided overtly politicizing the issue which was appreciated by the Penzance Harbour Scheme Management Board.

Despite the MP's attempt to reduce expectations, it quickly became clear that passions had not cooled and ambitions remained unconstrained. There were strident calls for an Albert Pier solution and a call for a vote on the Albert Pier. The Chair refused a vote on the grounds it was inappropriate at the very beginning of the options review process. A member of the public ('Old Mike) forced a vote as he had possession of the microphone; cooler minds won the day with the majority of those voting wanting to consider all options before making any decision. The Chairman, having been pilloried for not calling a vote, allowed himself a smile. The meeting was marred by an inadequate audio-visual equipment.

There were two days of 'Design Workshops' at the Queens Hotel on 23-24 Dec to allow opportunities for members of the public to speak to the consultants and submit ideas. Approximately 100 people attended. The opportunity was generally well received with the most common complaint being lack of time and for some, a desire for a lot more technical information about what was actually achievable in the harbour.

Hyder Consulting produced 14 initially options out of the material fed in from the public. These were scored by PHSMB members on 1 & 2 Dec and the shortlist confirmed on the 14 Dec. There was a public announcement in the Cornishman 22 Dec. One of the shortlisted options involves the Albert Pier.

Program for Penzance Harbour Options Review (public Consultation)

14 Nov 11	Options Review formally starts.
17 Nov 11	Launch Public Meeting
23-24 Nov 11	Design Workshops/Options Gathering
1 – 2 Dec 11	Option Scoring Workshop
14 Dec 11	PHSMB meeting selects 3 options (announcement imminent) (Options to be developed in detail by Hyder Consulting)
Week of 13th Feb 12	Options Shortlist Public Meeting
Week of 20 Feb 12	Final Option Selection Workshop (select preferred option)
March 2012	Preferred Option Public Exhibition. Hear why the Preferred Option has been chosen, find out what happens next, and give your views

Editor's Comment.

It is already clear that many cherished options are unachievable given the much smaller budget (~50% of the Option A budget) and very tight timescale to qualify for ERDF match funding. Without ERDF funding the available budget would shrink to around £4 million which would fund very little given the need for a program of capital dredging.

Sainsburys Form 106 Agreement

The Town Council met on 30 Nov solely to discuss the issue of the Sainsbury's Form 106 Agreement and the issue of the split between food and non-food goods to be sold in the new store. It became quite clear that a number of members were seething over the fact that the Town Council had supported the Sainsburys application.

The issue was delegated to the Town Council by the Strategic Planning Committee (SPC) when it gave Sainsburys outline planning permission for its new store on 20 Oct 2011. Cllr Wallis had proposed a restriction of 20% in the amount of floor space given over to non-food goods sold from the 35% requested by Sainsburys. The outline planning permission was given subject to;

“ the applicant entering into a Section 106 Agreement to secure mitigation of the impact on the town centre; improvements to the pedestrian and cycle links and environment generally: a park and ride and to agree the retail split (within the range 65%-80% food - retail) in consultation with the Town Council and Ludgvan Parish Council”.

The Chamber addressed the members in the public speaking spot at the start of the meeting and was courteously received. Councillors were less courteous to each other over the matter.

The nub of the issue for the Town Council was that only a tiny percentage of the £1,900,000 was earmarked for spending by the Town Council. Most was earmarked for the park-and-ride and other transport related matters). Of the £202,000 to be spent in the Town some £152,000 was earmarked for subsidized parking in the winter months and therefore would go to Cornwall Council. Of the remaining £50,000 some £35,000 was earmarked for the setting up of a Business Improvement District - an initiative that other towns have used to achieve improvements in their town centres.

The Town Council debate on the issue was driven by emotion. Cllr Pender proposed a pragmatic path which would have seen the 65%/35% split accepted as the Chamber Rep had proposed but a number of the F106 'heads of terms' questioned with a view to redistributing some of the money for other Town Centre mitigation measures. Pragmatism did not rule the day with Cllr Lewarne leading a charge to demand all of the money for the Town Council. One of her arguments, aired previously, was that there was no need for a park & ride because “anybody could park in Morrisons or Tesco Car Parks and just catch a bus into Town”. Despite strident calls for ‘the money’ no mitigation measures (valid or otherwise) were mentioned during the meeting as far as your representative can remember.

The key policy guidance on what constitutes an acceptable planning obligation can be found in ODPM Circular 05/2005 – Planning Obligations (referred to by Cllr Pender). Any attempt to get a redistribution of funds needs to start with proposed mitigation measures that meet the following tests:

Annex B *A planning obligation must be:*

- (i) relevant to planning;*
- (ii) necessary to make the proposed development acceptable in planning terms;*
- (iii) directly related to the proposed development;*
- (iv) fairly and reasonably related in scale and kind to the proposed development; and*
- (v) reasonable in all other respects.*

.....planning obligations must be governed by the fundamental principle that planning permission may not be bought or sold.Similarly, planning obligations should never be used purely as a means of securing for the local community a share in the profits of development, i.e. as a means of securing a "betterment levy".

The Town Council resolved to propose a 80/20 split and write to Cornwall Council effectively challenging the F106 agreement.

Future newsletters will up date you on this matter.

You can find Circular 05/2005 here:

<http://www.communities.gov.uk/documents/planningandbuilding/pdf/147537.pdf>

Comment.

Certain Town Councillors are against supermarkets and this seems to have created a barrier to engagement with the Sainsburys representatives and the Cornwall Council despite the fact that the sale was likely to go ahead and planning permission granted. The pragmatic stance, when faced with the inevitable, should have been to be to extract the best deal for Penzance. A demand for the money without a list of qualifying mitigation measures (re Circular 05/2005) is likely to fail.

Perhaps the most depressing aspect of the debate on 30 Nov is the lack of understanding about what is going on in the ‘High Street’ both locally and nationally. Targeting supermarkets with restrictions is just a

damaging diversion which avoids the real issue of defining the future role of the Town Centre and then doing something about it. The Portas Review, recently released (see below) eloquently captures the nature of the challenge. See the Guardian article "*Retailers leaving 'wrong' locations*" below for another perspective on the forces changing our high street.

The Portas Review – An Independent Review into the Future of our High Street.

The report from Mary Portas Review is now available.

Full report: <http://www.maryportas.com/news/2011/12/12/the-portas-review/>

For her 28 recommendations: <http://www.maryportas.com/news/2011/12/12/my-28-recommendations/>

Whilst her report includes some measures previous advocated to support the High Street, the introduction to her report reflects her view that we need to think again about what the function is the High Street is in the future.

"I want to put the heart back into the centre of our High Streets, re-imagined as destinations for socializing, culture, health, wellbeing, creativity and learning. Places that will develop and sustain new and existing markets and businesses. The new High Streets won't just be about selling goods. The mix will include shops but could also include housing, offices, sport, schools or other social, commercial and cultural enterprises and meeting places. They should become places where we go to engage with other people in our communities, where shopping is just one small part of a rich mix of activities.

High Streets must be ready to experiment, try new things, take risks and become destinations again. They need to be spaces and places that people want to be in. High Streets of the future must be a hub of the community that local people are proud of and want to protect.

My goal is to breathe economic and community life back into our High Streets and town centres. I want to see all our High Streets bustling with people, services, and jobs. They should be vibrant places that people choose to visit. They should be destinations. Anything less is a wasted opportunity.

Please read through my full report below, or [click here](#) for a summary of my 28 recommendations.



Retailers leaving 'wrong' locations (from The Guardian)

Many high streets around the country have become second-class shopping areas, eclipsed by larger stores in malls.

Retailers follow the money and customers increasingly demand bigger stores, more choice, and preferably the chance to park right outside – and that means out-of-town retail parks rather than high-street parades.

This inexorable shift means there is now a mismatch between supply and demand with a quarter of the UK's estimated 271,000 shops surplus to requirements, according to Matthew Hopkinson at Local Data Company, which tracks shop openings and closures around the country.

Matthew Hopkinson at Local Data Company, which tracks shop openings and closures around the country. Hopkinson says Rochdale, with its surfeit of betting shops, pound shops and pawnbrokers is typical of the many high streets around the country that have become second-class shopping areas, eclipsed by the options in nearby larger cities.

Editor's Comment: Does this sound familiar!

<http://www.guardian.co.uk/business/2011/nov/25/high-street-retailers-closing-stores>

Arcadia Group Profit Slump drives Store Closures (extract from BBC)

Arcadia Group, the owner of Top Shop, Dorothy Perkins Burtons, Evans, BHS and others, reported a 38% fall in annual profits to £133m and says it expects to close up to 260 stores in the next few years. Sir Philip Green told the BBC: "We have got - from my memory - 450 or 460 stores where leases expire in the next three years. And I think on our latest summary we will close more than half of those on lease expiry. So I would say, I would expect us to close 250- 260.

Sir Philip said he would attempt to renegotiate rent on these leases with the many landlords involved. The locations were across the UK, in towns that were no longer prime locations. "In most of these locations, if we don't get more attractive terms, we don't want to stay," he said.

A total of 66 stores were closed in the past year.

Click here for full article: <http://www.bbc.co.uk/news/business-15867924>

British Retail Consortium – How to Keep High Streets Healthy

Your editor stumbled across this good advice from the BRC:

How to keep High Streets healthy:

- *Emphasise heritage features or natural surroundings to give a sense of place*
- *Clear up litter and repair damage to property*
- *Deter anti-social behaviour*
- *Keep it accessible with good transport links and reasonable parking charges*

Editor's Comment: It would be a good start for Penzance!

St Erth Heliport Proposals Withdrawn

The BIH planning application for heliport facilities at St Erth (PA11/07713) has been withdrawn reportedly in response to public pressure. BIH is seeking an alternative site in West Cornwall and Bolitho Estates has been linked with the quest, but not exclusively so. Your editor would like to tell you he has the inside story on the BIH strategy but he does not. Like everybody else he just hopes that a viable plan for future operations to the Isles of Scilly from the Penzance area is found. What is not in any doubt is that BIH is operating today because in a period of financial vulnerability it had the good fortune to own a prime retail site that Sainsburys needed.

Air Passenger Duty & IOS Helicopter Link

The uncertainty about Government's intentions regarding Air Passenger Duty and its impact on BIH has been lifted. BIH were previously excluded from the duty because their aircraft were below the minimum aircraft take-off weight set for the duty (previously 10 tonnes). Although the minimum weight limit has been reduced to 5.7 tonnes which would have made BIH liable, helicopters have been added to the list of exemptions from the duty. It is interesting to note that all flights to/from the Scottish Highlands and Islands are exempt APD but no such blanket exemption exists for the Isles of Scilly. Fortunately none of the current services is liable for APD for other reasons (Skybus aircraft remain below the revised lower minimum weight for APD). For the record Annex D of the Govt's report on the consultation records that the Council of the IOS and BIH made representations.

Update http://www.hm-treasury.gov.uk/d/condoc_responses_air_passenger_duty.pdf

Cornwall Council step back from Public Inconvenience

Cornwall Council are reconsidering their plans regarding the closure of public toilets following a storm of protest.

Parking Charges Consultation for 2012

Full marks to Richard Hilder, Bocaina Business Services, for squirreling out the following consultation document (consultation now closed) about next years parking charges. Follow the link to find the consultation document - click on "Documents" and then click on "Consultation Order 2012"
https://www.engagespace.co.uk/cornwall/consultation_Dtl.aspx?consult_Id=124&status=2

He identified the following concerns with car parks he is familiar with:

1. Penzance Harbour car park no longer has a 2-3 hour price band but, instead, has a 2-4 hour band at £4.20 (summer) & £4.10 (winter). As many shoppers will – I am sure - fall into the 2-3 hour band, this will represent a MAJOR price increase
2. Garras Wharf, Truro, (which is surely the comparable car park there) still has a 2-3 hour price band at £3.60 as well as a 3-4 hour band at £4.40. It is totally unfair that Truro shoppers should have a 2-3 hour rate (at a similar level to the current year) whereas Penzance shoppers are to be penalized by a much higher charge.
3. Penzance Harbour car park is to have a 30 minute price band at £0.50 (which is an improvement) but ONLY in marked bays. How many marked bays will there be and what is to stop a longer-period parker from using them?
4. Penzance Harbour car park is to have a late-afternoon/evening band (1600-0030) at £2.00. HOWEVER, Garras Wharf, Truro, has the same time band BUT at £1.00. This again is unfair and discriminatory..
5. Penzance Causewayhead car park has had the existing 30 minute price band removed (currently £0.90), and this facility should have been retained but at a new – lower – rate similar to the Harbour.
6. Some changes are welcome - notably the extension of the 1 hour period to 2 hours in Causewayhead and the abolition of an overnight (0030-0800) rate in most, if not all, car parks

HMRC Registration reminder for South West Online Tax Returns

HM Revenue & Customs (HMRC) is reminding anyone in the South West sending their tax return online for the first time to get registered now, in good time before the 31 January filing deadline. The 31 October deadline for paper tax returns has passed, so any outstanding 2010/11 Self Assessment returns must now be sent online.

Over 1,000,000 people in the South West are expected to file a Self Assessment return this year, including around:

If you're completing a return online for the first time, you'll first need to register for online filing at www.hmrc.gov.uk/online. You'll immediately get a User ID, and an Activation Code will be posted to you. Once you've activated your account, you can complete your tax return online.

It's important you register as early as possible, because it can take up to 10 days to receive your Activation Code. HMRC is therefore urging people to register in December, to avoid a last-minute rush in January.

Those who have filed online before should check that they still have their User ID and password – it can also take up to 10 days to get a replacement, so don't leave it to the last minute if you need one.

HMRC is also reminding people not to file on paper, or you will receive a £100 penalty – even if you have no tax to pay or pay your tax on time. This follows the introduction of a new penalty regime this year.

For help and advice on completing a return, visit www.hmrc.gov.uk/sa or call the Self Assessment helpline on 0845 9000 444.

Your online tax return and payment must reach HMRC by 31 January 2012.

Further information on the new penalties is available from the HMRC website at www.hmrc.gov.uk/sa/deadlines-penalties.htm

HMRC VAT Purge – 31 Dec 2011 Deadline (from HMRC)

See HMRC campaigns: www.hmrc.gov.uk/ris/hmrc-campaigns.htm **for full article.**

VAT rule-breakers have until 31 December to complete the VAT registration process under a time-limited HM Revenue & Customs (HMRC) campaign.

In July this year, HMRC launched its VAT Initiative in which rule-breakers were offered a special plan to put right their tax affairs. The chance to participate, and be guaranteed the conditions contained in the plan, ended on 30 September.

Since the opportunity ended, HMRC has been identifying those who did not come forward. Substantially higher penalties and even criminal prosecution could follow.

The VAT Initiative campaign focuses on businesses trading above the VAT registration threshold – for this year, an annual turnover of more than £73,000 – but who have not registered for VAT with HMRC. The trades affected include construction, business services, hair and beauty, hotels and catering, retail distribution, recreational services, motor vehicle distribution and repair, sanitary and domestic services, agriculture and horticulture, property and road haulage.

Under the terms of the VAT Initiative, those who have notified their intention to take part must register for VAT by 31 December 2011. They will then receive their VAT registration number and instructions on how to complete their first VAT return. Once this has been submitted most will face a lower penalty rate of 10 per cent on the VAT that has been paid late.

ADVERTISEMENTS

Your advertisement could be here!

CHAMBER OF COMMERCE CONTACT DETAILS

Chairman. Mike Waters, Sycamores, Relubbus Lane, St Hilary, Penzance TR20 9EG

Email: mike@safetyuk.co.uk or chairman@penzancechamber.co.uk Phone: 01736 762888

Vice Chairman. Dick Cliffe, Elmsdale, Alexandra Road, Penzance TR18 4LZ

Email: dick.cliffe@gmail.com tel. 01736 331734

Secretary: Lucy Keen, email: secretary@penzancechamber.co.uk