Food for Thought: Food and Regeneration

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Introduction

On the face of it the social and cultural climate for the food and health agenda has never been so favourable, however, in policy terms, food and regeneration are more disembodied than ever. Overall, there is a lack of strategic direction at the policy making level, and regeneration and planning for food retail has practically disappeared from the policy menu. In addition, at the national level we now have food policies as opposed to a unifying food policy and many of these individual policies do not work together to provide a coherent whole: there is a lack of joined up thinking (and funding) for food-based initiatives. Consequently, this *Local Work: Voice* will focus on food retailing, supply chains and the planning system, and will argue that the current situation is the result of a lack of a coherent policy surrounding food retail, the 'free market' and a failure, inherent within this philosophy, to constrain planning.

The current food retail climate in the UK

Currently the four major retailers (Tesco, Sainsburys, Asda/Wallmart, and Morrisons/Safeway) control over 80% of all food spending. Planning policy has been inadequate and lacking direction in the face of the power exercised by the major retailers and Government preoccupation with providing cheaper and cheaper food. For example, Sheringham in Norfolk is one of the last towns in England without a supermarket, but Tesco have been granted permission to open a supermarket on the edge of town. Local opposition from both residents and existing small businesses focuses around the following

- The re-drawing of planning zones;
- No Impact Assessment or use of Planning Policy Guidance;
- Lack of consultation with the community; and
- Rumours over secret deals

To compound the problem, what was known as the 'Gummer effect,' a cap size on out-of-town stores , was recently rescinded (Bevan, 2005). In addition, there will also continue to be large scale developments. For example, moves by ASDA/Wallmart to increase the size of stores by introducing mezzanine levels into some of their bigger stores, thus increasing space and getting around existing planning restrictions.

Nonetheless, concerns surrounding the development of out-of-town centres for food retailing, by the huge super-stores, are not the only issue. In fact, a new era is emerging with respect to food retailing that sees the major retailers moving back into towns, cities and locations on the edges of urban areas. This trend for smaller retail units, in town and city centre locations, has been made possible with developments in just-in-time retailing, where goods are not kept in storage but instead are quickly distributed from production areas to shops with a minimum amount of time being spent in the warehouse. In effect the motorways are being used as storage areas.

The current dominance of food retail is not, however, peculiar to the UK, it is a feature of the developed world and also increasingly of the developing world. The problem is multifaceted, such control gives these retailers not just control of the retail market in the high street but also control the food supply system. Their growth has the effect of dismantling existing supply chains resulting in a smaller number of growers and producers.

In the UK there is a lot of evidence that the siting of an out of town supermarket has a negative impact on other local businesses. The large food stores impact on market towns and city centres with both direct and indirect job losses (for every 20 jobs created 30 are lost

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locally: DETR 1998). Direct job losses come from small retailers in the area, whilst indirect losses come from the support structures such as wholesalers that support the small retailer. From conversations with people in these sectors the predictions are that the existing wholesale networks are about five years from melt-down. This will mean that the option of shopping from a small independent trader on the high street will be more difficult as the network may not be there to support them. It is clear that we are seeing a return to the high street and corner store formats, but the corner store of the future will be owned by one of the major players. The following summarises the impacts of current developments:

o 10,000 small shops close every decade.

o Wholesalers, which are vital for local independent shops, have closed at the rate of six per week over the last two years.

o Between 1997-2002, specialised stores including butchers, bakers, fishmongers, and newsagents selling confectionery, tobacco, and newspapers closed at the rate of 50 per week.

o There is a time lag of two-to-three years before smaller stores are forced to close, having used up their operating reserves in the battle with the big stores.

o The growth of 'local format' stores under the brand of the big supermarket presents yet another threat to small independent stores. For example, Tesco 'Express' stores have reportedly caused a drop in business of 30-40 % for other local shops.

o The average person now travels 893 miles a year to shop for food.

o There are fewer outlets in terms of choice (New Economics Foundation, 2003; DETR, 1998).

The impact of this domination on the countryside is also clear with 42% of all rural parishes having no shop and 43% no post office (Goldsmith and Roth, 2001).

Owners of locally-owned shops are also more likely to spend their income in the vicinity, resulting in that money having a greater 'multipling effect' as opposed to money which is spent in a branch of a major food multiple. One study comparing food bought through a local box scheme with that spent in a major retailer, found that every £10 spent with the local box scheme was equivalent to £22 for that local economy, while the £10 spent in the supermarket had the equivalent multiplier effect of £14 for the local economy (The Countryside Agency/New Economics Foundation, 2002). Local shops are therefore better for lots of reasons they contribute to social cohesion and to local employment, money flows and regeneration.

To state the obvious, we cannot apportion all the blame to the major multiple food retailers, they are responding to market forces and go where there are the best market opportunities. Among the locations where the major stores are less likely to locate are areas with:

o Older people who are less prosperous

o Council estate residents and high unemployment

o Council estate residents with greatest hardship (*The Grocer*, Nov 8, 2003, p 17).

In addition, failures with regard to planning for food retailing are confined to new developments. There is a self-evident reality which is that along with new housing suffering from a lack of planning with respect to food, existing housing estates degenerate over time. So retail location can be both a feature of prospective planning and also of historical social and retail failure. In that, in the recent past the major retailers have 'killed off' small independent shops which have not been replaced but are now being substituted with smaller versions of the major multiples (eg Tesco Metro etc). Thus, it is incumbent on social policy-makers and planners to address these issues and ensure adequate provison is made fro food retailing, rather than leave food retailing and supply to the vagaries of the (free)market.

Planning and Food Regeneration

Many of the current changes to our retail sector are occurring through the medium of, what are known as, mergers and acquisitions (Bevan, 2005). The major retailers are growing bigger by mergers and acquisitions of existing companies and store fronts, for example, Morrisons' takeover of Safeway and Tesco's acquisition of 600 corner shops. This allows the need for planning permission to be by-passed.

This tension between local communities and the role of food retailing is one that requires more policy attention. The Policy Action Team 13 report from the Social Exclusion Unit linked the two, although the brief of the group prohibited it from making a comment on the social and retail failure that led to such a situation (DoH, 1999). To date, the major retailers who control the UK food economy have not had a significant commitment to locating in low - income or socially excluded areas and indeed why should they - that is not their purpose.[1]

The existing planning process and their application to food retailing can be found in two key policy planning documents, these are:

o Planning Policy Statement (PPS) 6 on Town Centres provides guidance to local planning authorities to promote shopping within their local plan. It mentions food in the context of locally produced food in market towns and villages where a range of facilities should be provided including markets.

o Planning Policy Guidance Note 13 (Transport) also emphasises the need for shopping in existing centres and promoting neighbourhood centres. The recent development of Planning Policy Statement 6 makes no concessions to access or market concentrations (ODPM, 2005). It reinforces the point that planners may not interfere in the free market whilst the wider aspects of social planning seem to have disappeared. Moreover, this sort of retailing policy does not take account of what local communities want or demand or of the overall impact of such store location on small independent stores or symbol group stores (eg Mace and Spar).

The Acheson (1998) Inquiry into health inequalities noted that food access and 'food deserts' were best approached through a planning and policy framework as opposed to one based on self-help and education. The Planning Action Team 13 (DoH 1999) report certainly took this issue up, although its remit was limited by the focus on small business and the reluctance of the Department of Health, the then lead agency, to a view beyond that of self-help and social enterprises as the solutions. The question that has to be asked is why are these seen as solutions given that the problems are a consequence of market and social (planning) failure?

The power of the multiples make it hard for planners to argue against their proposals for store location. The reality is that apart from making provision for some retail space the way in which that is filled is left to the market to determine. Major impact assessments on broader issues such as health including the social health of a community and local money flows are not always undertaken but a narrow focus on aspects such as transport and job creation are the ways in which impact assessments are conducted.

Health sector policy documents have highlighted the problems of retail access, but locate the solutions in local food projects (social enterprises whether food co-ops or farmers markets), because retail and regeneration strategies are outside their capacity and possibly their understanding and skills base. These are certainly important stop-gaps and may even in time develop from social enterprise to commercially based ones (see the Newham food enterprise website for such an example http://www.nfap.org.uk/index.htm). Community food projects are seized on as 'the' local answer in Health Action Zone plans, neighbourhood renewal projects and lottery bids, by non-governmental organisations. The Lottery has even made funds available for piloting community-based initiatives designed to increase intake of fruit and vegetables in areas of deprivation within a framework dominated by models or ideologies of consumer and individual choice, as opposed to public health and citizenship approaches and without being recognised for their potential for advocacy approaches (Chapman and Lupton, 1994). The irony is that national objectives and funding are being channelled through local food projects, as the best way to reach deprived communities, but without recognition of the factors outlined above that are essential for project sustainability and 'success'; in particular community ownership, shared agendas and continuing funding, long term plans and engagement with the food retail sector. The current public health white paper and action plan for food and health (DoH 2004, 2005b) would seem to (re)endorse these approaches and already PCTs and others are gearing up for such initiatives.

Conclusion

The issue is not that the commercial sector should lead on regeneration, but that their place in social and community regeneration needs to be better understood and placed in a policy context -they are not and do not want to be - experts on social regeneration. Alongside this needs to be acknowledged the potential negative effects on the locality and community of large scale food retail developments and the dominance of food retailing by smaller number of major retailers. It is clear that for successful social regeneration communities need to be consulted and given a voice. Carley, Kirk and McIntosh (2001) relate improvements in retail food provision to improvements in the economic regeneration of an area and highlighted the importance of engagement with local communities in the planning process. A similar conclusion was reached by Rampton (2002) in a report to the Greater London Authority on food access and social exclusion. Food retailing alongside other retailing initiatives when combined with crime and disorder issues can contribute to the regeneration of an area as well as addressing food access.

So regeneration around food can take overlapping approaches:

o The first is by the development and support for social enterprises such as food co-ops and other micro enterprises within a clear context of development not as stand alone approaches. Food projects offer a form of regeneration and can be important in operating outside the box by thinking of alternatives to the current dominant models of food supply and offering a voice to the community

o The second can be seen in the attempts to attract retailers into areas of deprivations (see Carley, Kirk and McIntosh, 2001 for an example). I see this as being integrated with approach one, where the voice of the community can be clearly articulated and fed into the process.

The role and relation of regeneration and food retailing is an issue that demands more attention and more support in planning policy. Sensitive and well-planned food retailing initiatives can contribute to improvements in the social structure of an area, including improvements in social amenities and greater social cohesion, reflected in outcomes such as lower crime rates. The future is insecure for local shops, we see this in the way that the majors are re-inhabiting the town and city centres that they abandoned in the 1980s and 1990s with smaller store formats. Planners and those with responsibility for regeneration should locate policy development within public health and citizenship models where access to food is not solely determined by consumer rights but is informed by 'food as a right' issues. This includes consulting with local communities and acting as advocates on their behalf in the development and implementation of food retail to ensure a mixed provision that contributes to local health and economics.

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