Regeneration and retail in Liverpool: A new approach

Received (in revised form): 7 July 2006

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Abstract

This paper highlights the rapid economic recovery the City of Liverpool has experienced over the last six years, which is starting to impact not just on the economic performance of the rest of Merseyside but is also beginning to drive up the prosperity of the North West. The potent mix of culture and regeneration is playing a major part in redefining Liverpool in the 21st century. Buildings and areas of land, which had been untouched and derelict for years, are taking on new uses. Liverpool is moving forward at a pace. The paper focuses on the reasoning behind this recovery; the appointment of a new managerial and political structure within Liverpool City Council; the establishment of a clear vision for the city; and the catalyst to this recovery Liverpool 1 (the Paradise Street Development). When complete, this retail-led project will be one of Europe's biggest city centre mixed use developments and it is predicted it will once again establish Liverpool as a top five retail destination as the city was in the 1960s and 1970s.

Keywords:

Liverpool, regeneration, institutional investment, city centre

Journal of Retail and Leisure Property (2006) **5**, 292–304.

doi:10.1057/palgrave.rlp.5100029

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A TRANSFORMING CITY

Liverpool today is a very different city to what it was ten years ago. There is a real sense of momentum driving the city forward, a clear sense of identity and real feeling of civic pride in everything that is happening. Over the last six years, the city has moved forward quite dramatically on all key fronts: civic leadership, economic growth, investment and delivery of quality public services.

New institutional investment is coming into the city at a dramatic rate, for example, the Bank of New York, Chiron Vaccines, Avarto, Johnson Controls and Unisys are investing in total upwards of £270m and providing 3,500 additional jobs in financial and professional services, and capitalising on the huge knowledge base in the city's universities.

Liverpool's Business District has grown steadily over the last five years with 1 m² of Grade A office letting during that period. In 2005, the city witnessed its largest private sector letting in a generation, with 130,000 ft², at the speculative St Paul's Square scheme, being let to the law firm Hill Dickinson.

Hotel occupancy in the city is at a record high. New developments such as Hilton, Malmaison, Jurys Doyle and BDL Staybridge, all demonstrate strong confidence in Liverpool City Centre. Ryanair and easy-Jet have both promised further routes to bring more European visitors to the city over the next couple of years. And, the takeover of Mersey Docks and Harbour Company by Peel Holdings has helped secure approval to develop the Cruise Liner facility at Princes Dock.

Established institutions are also ploughing more back into the city. Ford, building on the successful £300m investment in the Halewood plant for Jaguar, has committed further investment in the site to house production of the new Freelander model of the Range Rover due to be launched in late 2006.

Major national firms not previously involved in the city have set up offices in Liverpool, such as the global banking firm JP Morgan, further evidencing the buoyancy of the market place and rising confidence from investors. Liverpool is now a city in which you can do business, a Liverpool address is no longer a hindrance, but a good business proposition.

Perhaps the most dramatic example of progress has been the reversal in the city's population decline, from 441,900 in 2001 to 444,500 in 2004. Liverpool ranks second only to Manchester among core cities in terms of its city centre residential population (14,000).

This rapid economic recovery is beginning to impact not just on the economic performance of the rest of Merseyside but is also beginning to drive up the prosperity of the North West, as Table 1 illustrates.

Gross value added in Liverpool has grown by £2.2bn between 1995 and 2003. This 52 per cent increase matched the rate of growth in the UK and outperformed the North West region. Indeed, forecasts show continuing economic growth over the next five years.

Nevertheless, the city still has a long way to go. Despite strong economic performance, significant concentrations of deprivation remain. Liverpool is ranked No. 1 on the 2004 Indices of Multiple Deprivation, with 26 of the worst 100 Super Output Areas nationally in the city.

Table I: GVA by core cities 1995–2003

£m	1995	1999	2000	2001	2002	2003	Per cent change 2002–2003	Per cent change 1995–2003	Growth per cent p.a. 1995–2003
Liverpool	4,253	5,366	5,539	5,757	6,082	6,459	6.2	51.9	4.8
Birmingham	11,042	14,001	14,633	15,448	16,219	17,065	5.2	54.5	5.0
Bristol City	5,407	7,274	7,565	7,937	8,495	8,984	5.8	66.2	5.8
Gtr Manchester Sth	15,345	20,354	21,391	22,640	23,798	25,130	5.6	63.8	5.6
Leeds	8,704	11,174	11,667	12,316	13,037	13,870	6.4	59.4	5.3
Nottingham	4,272	4,778	4,952	5,235	5,500	5,829	6.0	36.4	3.5
Sheffield	4,902	6,060	6,288	6,607	7,003	7,425	6.0	51.5	4.7
Tyneside	7,790	9,549	9,995	10,623	11,275	11,996	6.4	54.0	4.9
Merseyside	10,742	13,123	13,681	14,405	15,260	16,161	5.9	50.4	4.6

Source: ONS (December 2005)

Note: The figures for Manchester and Newcastle city areas are contained within the wider NUTS 3 conurbations of Greater Manchester (South) and Tyneside, respectively, which masks direct comparability with the other core cities.

A TROUBLED PAST

Nonetheless, there is no doubt the city has begun to turn itself around.

How has it achieved so much in such a short space of time?

Particularly given that the recessions of the early 1970s and 1980s left the city with a myriad of economic problems with several decades of sustained under investment and market failure.

Liverpool had the potential to become a major player in the UK economy. The city had been one of Britain's and the world's great commercial centres — a vibrant economic hub that was home to major shipping, banking, legal and insurance companies that operated across the globe. The cultural wealth and diversity of 800 years of maritime history gave Liverpool a special identity of international recognition. Unlike other cities, Liverpool has retained much of its historic cityscape. Low land values and lack of resources prevented Liverpool from undergoing the same degree of redevelopment experienced by other cities in the country at that time. The built environment is exceptional. It is a city rich in heritage, with some of the finest architecture in the world.

What was missing was the right commitment and appropriate governance mechanisms to effectively kick start the process. Liverpool City Council had developed a reputation for being inwardly focused, with low horizons and aspirations of lowest common denominator.

WHAT CHANGED?

Firstly, the redevelopment of the Albert Dock, by one of Michael Heseltine's quango's, the Merseyside Development Corporation (MDC), following the Toxteth riots in 1981, was an initial catalyst for regenerating Liverpool. The centrepiece of the City's waterfront had huge symbolic value in changing the perceptions of the city. Generally, high-quality historic buildings and a distinct local character are often a disincentive to developers. They require a more innovative approach to design and a quality of finish which in turn often means more upfront investment. The regeneration of these 19th century warehouses proved that with the right approach, investor confidence could be restored. During the early 1990s,

further development activity started to occur across the city most notably Speke Garston.

Later, the appointment of a new managerial and political structure within Liverpool City Council — capable of transforming the City Council's performance as a leader in local governance, to become one of the best in local government — was a significant factor to improving investor confidence.

Secondly, a clear vision for Liverpool was put in place, to become a premier European city with a competitive economy enhanced through the development of healthier, safer and more inclusive communities. Established under the single overarching co-ordination framework of the Liverpool Partnership Group, and chaired by the Chief Executive of Liverpool City Council, it consisted of senior representatives from 17 public, private, statutory and voluntary sector agencies, including the North West Development Agency. The City Council had a clear role in leading a comprehensive ten-year programme of integrated action covering the whole of the city. Emphasis was on partnership, and was outcome led. This framework was not constrained by narrower departmental or organisational interests, a completely different approach for the City Council.

A CHANGE IN APPROACH

Building on these changes, the City Council has sought to create an environment that breeds success. They have built their capacity to deliver by engaging with those who have the expertise. Working collaboratively through innovative partnerships with the private sector, the City Council is playing a key part in the Liverpool's regeneration.

The administration has also come to recognise that not all business activity need be delivered in house. Where others are better skilled to lead certain services, the administration is now sufficiently confident to bring them into the city providing the City Council has a role; services are not just outsourced, rather risks are shared as well as the rewards.

Liverpool Direct Limited, a joint venture (the first in the country) with BT, operates the local authority call centre and the growing network of one-stop shops, while Enterprise-Liverpool, a joint venture between the City Council and Enterprise plc, is responsible for improvements in the city's street-based services. 2o2o Liverpool, one of the latest joint ventures, with Mouchel Parkman, provides property and professional services. And in May 2005, BusinessLiverpool was launched as a joint venture between the City Council, the Chamber of Commerce and the Government's Small Business Services (GME), giving a new focus to the coordination of investment and support for business across the city.

A PLACE TO DO BUSINESS

Liverpool currently has a confidence that it is *the* place to do business. A long-term programme for sustainable economic growth based on *realistic* and *robust* ambitions is in place. Indeed, the nature of the regeneration programme not just within the city centre but across the city is colossal.

To achieve regeneration on the scale required in Liverpool, the administration had to take responsibility for its actions. This has led to some tough decisions being taken in terms of where to invest, where to prioritise, who to work with and how to operate. But, City Council officers have developed a clear understanding of the commitment required when working with the private sector, underpinned by the necessary resources to see it through long term. Time is money to the private sector and their priorities are driven by profit.

The potent mix of culture and regeneration is playing a major part in redefining Liverpool in the 21st century. Buildings and areas of land, which had been untouched and derelict for years, are beginning to take on new uses. Construction work is taking place in areas of the city, which a few years ago would have been considered incapable of being developed. By 2008, it is estimated over £2bn of additional investment will be made in Liverpool City Centre alone. Examples include:

- The Kings Waterfront development includes a £125m conference, exhibition and associated indoor arena facility, together with an adjoining Civic Piazza, hotel and residential developments, and is part of a bigger £350m mixed use scheme, which will create a vibrant and sustainable new city centre quarter. It is predicted that a facility of this kind will generate £20m a year into the local economy and create over 2,700 permanent jobs and 700 construction jobs.
- Office take-up in 2005 reached a record 500,000 ft² with financial and professional services firms accounting for more than half that figure, with the private sector generally taking 85 per cent of all space. At Princes Dock, all three office buildings completed so far have been fully let, The Charity Group joining the Royal Bank of Scotland, Coutts Bank and The Mersey Partnership at the waterfront site.
- The long awaited redevelopment of the former Post Office in the heart of the city centre was launched by the developer, Milligan, in March 2006. Liverpool's style credentials are well known and attracting brands such as Armani, Hugo Boss, Hobbs and Flannels to Liverpool for the first time.
- The City Council is working closely with the city's universities (of which there are three), the hospitals and the North West Development Agency (NWDA) around the area termed 'University Edge', to build a £18m science park. This will complement the £23m Bio-sciences Centre and Business Incubator complex completed by Liverpool's Universities in the summer of 2003 (a key facility for the University's biological and biomedical sciences community which is one of the largest life sciences groups in the UK). Combined with the National Bio-manufacturing Centre in Speke, it is believed Liverpool will create significant new higher value jobs over the next period.

Liverpool is moving forward at a pace. Winning the title of European Capital of Culture 2008 is evidence of how far the city has come and has provided the impetus to accelerate this process. The impact of the title in terms of positive place marketing or pound value of positive media

coverage, and increasing interest from investors is vast. Some estate agents are claiming that prices in the city centre residential market went up overnight by 30 per cent.

And, in July 2004 UNESCO awarded Liverpool World Heritage Status for its magnificent historical waterfront. The resultant investment package around the waterfront will provide a unique mix of attractions and animations that will place the city's heritage at the centre of an improved and vibrant visitor destination; not just for visitors to the city but for the diverse communities and neighbourhoods that make the city so unique.

Outside of the city centre, the City's Development Company, Liverpool Land, is driving development in four of the strategic investment areas for Liverpool. With over £110m of major public investment committed over the next five years for physical and environmental improvements in these locations, it is estimated that this will in turn lever in around £450m of private sector investment.

A NEW RETAIL OFFER — LIVERPOOL 1

The catalyst to all of these plans has undoubtedly been Liverpool 1 (the Paradise Street Development; Figure 1). Previously known as PSDA, when complete, this retail-led project will be one of Europe's biggest city centre mixed use developments and it is predicted it will once again establish Liverpool as a top five retail destinations as the city was in the 1960s and 1970s.

The development is well underway encompassing 43 acres (7 hectares) of largely derelict and underused land within Liverpool City Centre, which will cover the equivalent of 22 football pitches. It has taken only five years from its inception to get the cranes on site. A lot has been achieved in this very short time — from defining the concept in 1999, successfully completing two public enquiries, to obtaining planning

Figure 1: The Paradise Street Development

permission, signing the development agreement, obtaining CPO approvals and Road Closure Orders to digging the first hole in the ground on 22 November 2004.

More importantly, the £950-m scheme has been funded entirely by private investment raised through the developer, Grosvenor Estates. Interestingly, what was originally going to be a bank debt-funded proposal now has significant equity investment from a number of UK and European Institutions. This has enabled Grosvenor to share its financial exposure, but it is as a result of investors being convinced of the financial viability of Liverpool to ensure a proper investment return. It will provide 1.2m ft² of new city centre retail space, generate 4,450 net permanent jobs in retail, leisure and indirect employment. And over the four- to five-year construction and fitting out period due to be completed during 2008, the development will create a direct employed labour force of over 3,000, with further opportunities arising indirectly through various supply chains.

When finished, the development will create a new heart for Liverpool city centre. Located in a pivotal position, it will fuse and unify key areas of the city centre — the Bluecoat Triangle (one of Liverpool's main cultural areas), Rope Walks and the proposed Central Business District — and provide a much-needed link between the waterfront and the current Main Retail Area of Church Street.

A NEW APPROACH TO CITY CENTRE REGENERATION

Liverpool City Council Members were very clear from the outset they did not want a mall. They wanted a development that would act as a catalyst for the wider renaissance of the city. A proposal that knitted the development into the existing street scene, brought buildings back into use and highlighted the architectural heritage and urban fabric of the city. Quality is a key component for the next generation of shopping concepts that will fit the 21st century. They wanted an initiative that had a 'quality' that would be capable of turning the city around.

Liverpool 1 is *not* a traditional shopping mall, rather a reinstatement of Liverpool's historic street pattern. Indeed, from the outset the initiative has been treated as a series of related development opportunities, integrated within the city centre by a Masterplan (Figure 2). The Masterplan was predicated on a 'high street' environment with strong retail circuits, permeability, substantial new public places and quality design. Detailing and respect for the City's urban grain has been at the heart of its approach.

Liverpool 1, although primarily seen as a retail project, is in fact a mixed use development with over 30 individually designed buildings, anchored by a 240,000 ft² John Lewis Department store, one of the chain's first new generation stores and the largest in the North West. There are two other flagship department stores within the scheme, one of which will be Debenhams, together with over 50 quality retail brands not presently trading in Liverpool. In total, the initiative will provide 1.6m ft² of shopping, three hotels, a 14 screen cinema, a new bus station, 500 residential units, parking for 3,000 vehicles, several new public spaces

Figure 2: The Liverpool city centre 'Masterplan'

and a new public park. The park can only be described as a large-scale, dramatic urban set piece — a garden in the sky. It will provide one of the City's principal green spaces. Terracing up from the waterfront it will culminate in a series of pavilion buildings on a grand terrace, and hidden beneath the park will be 2,000 of the 3,000 new car parking spaces with direct access into the shopping area.

DRIVING FORWARD LIVERPOOL'S HERITAGE

When finished, Liverpool 1 will not be perceived as one large development but six districts of varying individuality both in terms of scale and use, each having its own distinctive character, knitting the heritage and streetscape of the past with the modern urban fabric that is needed today.

There will be a series of key zones that will link the development to the adjoining landscape. None more important than Hanover Street, which will provide a crucial linchpin to the adjoining 38-hectare Ropewalks area of the City, famous for its young vibrant culture and home to city centre living.

In highlighting this area that lies adjacent to Liverpool 1, the City Council has created the 'added value'; the two plus two equals five equation, when public and private investments work in parallel and complement each other.

The City Council needed to make a commitment to the city if it was to deliver its vision. The poor condition of the city's fabric and environment would not entice the market. However, this also opened up an opportunity to create 'a quality of place' that was capable of complementing any private sector development.

Rope Walks, lying at the southern edge of the city centre sandwiched between the waterfront and what was known as 'Toxteth' became the priority for a public sector-led integrated action plan capable of drawing down funding streams totalling £110m. If Liverpool was to have any success in regaining its position as a major retail centre, as it was back in the 1960s and early 1970s, it had to do something to inspire confidence among potential investors and the public alike. The impetus for the Rope Walks programme lay in a comprehensive £15m public realm package, public sector led, to be implemented in advance of development. As it is capable of building a completely new quality of space between buildings through the creation of ten new squares and bringing about improvements in 5.5 hectares of open space, including the renewal of the majority of road surfaces and footpaths, the new public spaces have become the focal points for new development activity — improving the setting of buildings and raising potential values.

The public realm package has visibly improved the physical quality of the area, opening up the links between the area's narrow streets. Furthermore, the significant investment of public funds has successfully demonstrated a clear commitment to the long-term future of the area, which when combined with new maintenance regimes has also created renewed confidence to end users and traders.

By making a real commitment to an area, one can turn around the market interest and instil investor confidence.

The 38-hectare area is now completely reanimated through the provision of new homes, work spaces and leisure facilities in a mixture of new and refurbished buildings — 96 of which are listed.

TAKING ON A NEW ROLE

The success of Liverpool 1 both in terms of how quickly it will be delivered and its ability to grow the market was due to the radically different approach taken by Liverpool City Council.

In establishing a plan for a regenerated City Centre, there was a need for a proper understanding of the existing retail trading patterns and future function of the city centre. What would be the likely future trading profile? And what did we need to do to influence this trading profile?

In June 1998, the Council appointed Healey and Baker, now part of Cushman Wakefield (CW), to undertake a full assessment of the city centre shopping provision — its retail offer, function and future prospects. The subsequent City Centre Retail Strategy Report concluded that a major new retail development needed to be secured of approximately 100,000 m² gross to re-assert the city's role not only as a regional shopping centre but, also to protect the long-term vitality and viability of the main retail area. A different kind of quality shopping experience than was present at the time.

An innovative response was required to differentiate the city's offer; one that called upon the City Council to take on a different, more proactive role, to what had traditionally taken place in the past.

Firstly, the City Council needed to be assured that the development would not prejudice the main retail area but would protect and strengthen

its future. Was there the demand to grow the retail market without prejudicing the city's other retail areas? In choosing the area (a location where the City Council was a significant land owner), it enabled the authority to take on a proactive role in any redevelopment, ensuring the new retail offer complemented the existing retail arrangements in the city.

Secondly, the City Council needed to separate its core functions, both as a landowner and a local planning authority.

The City Council resolved to take forward the PSDA planning function, and defined the emerging planning strategy for the PSDA. The Council in its capacity as Planning Authority prepared additional planning guidance in the form of a planning framework, which after extensive public consultation was endorsed by the Council in November 1999. This was subsequently incorporated as a modification to the draft Liverpool Unitary Development Plan, having demonstrated that it satisfied all the requirements of national Government Policy.

Simultaneously, as a land owner, the City Council resolved to identify a development partner to take forward Liverpool 1 in response to the local planning authority's emerging strategy for the area. The Council retained Cushman & Wakefield to advise on preparing and marketing the opportunity as well as selecting a development partner.

A WINNING PROCESS

It was acknowledged from the outset that the usual practice of a formal tender would not achieve the objectives of the Council, its partners or the commercial requirements of the developer. It would require a much greater understanding from all sides of the perspective issues. Around for example:

- The sensitivity of the market place to Liverpool.
- The changing dynamics of the retail market, particularly in terms of the length, complexity and requirements of the process for delivering a complex City Centre development, rather than a traditional out-of-town proposal.

For the City Council, the critical path was the selection of a 'partner' with whom the city and the relevant stakeholders could work with to develop the initiative.

The development proposal was never about just securing a scheme. It was about the selection of a development team with the relevant expertise, rather than selecting a partner based upon a 'snap-shot' scheme submitted in completion. It was about securing a long-term partner who also understood the City, its heritage and recent past. Its aspirations for the future and how development would act as a major catalyst for the renaissance of a great city.

To that extent, the selection process focused on potential partner resources, expertise, approach and experience, and their understanding of the city, as well as a track record in delivery.

In June 1999, the city invited expressions of interest from the development community. Forty-seven responses were received. All 47

companies were invited to complete a questionnaire on their experience, resources and expertise. Companies were also invited to comment on the proposed selection procedure. Fourteen completed questionnaires were received. The city resolved upon an initial short list of seven leading development companies in October 1999.

During this period, the city also commissioned an urban design study from Chapman Taylor Partners and a transportation study from W.S. Atkins. These documents were incorporated into an Outline Development Brief issued to the short-listed companies, which provided more detailed guidance on policy objectives and delivery process. The companies were then asked to prepare indicative concept solutions and respond to key policy objectives. These concepts became subject to detailed scrutiny at workshop sessions attended by senior officers: planning, highway, design and property consultants, and representatives from MerseyTravel, the URC, Liverpool Vision, English Partnerships and the Regional Development Agency.

Following the workshops, and technical interviews developers' were then invited to present their proposals at interview with leading City Council Members including critically the Leader of the Council.

For a city that has witnessed substantial private sector under-investment in the last 30 years, the quality and depth of experience of the short-listed developers, represented a major breakthrough in terms of the City Council's ability to attract new investment. Following responses to the development brief from the short-listed companies to share their aspirations for the development area, further discussions took place including detailed design workshops and financial seminars before Grosvenor was selected.

Seven of the largest and best, internationally renowned companies were short listed to the final stage. This highlighted the change in perception at that time which, combined with the obvious commercial benefits (Liverpoolians sure do shop), contributed to an increasing momentum around the regeneration agenda, that the City Council was leading. The whole selection process was very comprehensive in its approach and recognised by all bidders as exemplary. In fact, the whole process has become an exemplar internationally of how to do it. For example, in 2002 it was cited as a major case study at the ICSC European Conference in Turin, and has been reported favourably by the media on several occasions.

To highlight the significance of partnership to the process, Grosvenor and the City Council worked jointly under the direction of a joint Steering Committee, chaired by the Chief Executive of Liverpool City Council and included the Chief Executive of Grosvenor UK. A dedicated City Council officer team, working closely with the Grosvenor team, with clear reporting mechanisms, enabled City Council officers to participate as an equal and proactive partner, throughout the development of the programme. A team was secured that was experienced, and partially made up of colleagues procured from the private sector. Paying competitive salaries, to ensure the city got the right quality of people with the relevant background, has been an important indicator to Grosvenor that the Council is serious about ensuring the delivery of the project.

As part of the process of engaging Members, an advisory group of key Liverpool City councillors was established, chaired by the Leader of the Council it included senior cabinet and opposition Members. They have been involved in the evolution of the project over the last six years and have been instrumental in ensuring that they broker the political agreement between the ruling group and the opposition, to ensure the scheme can be delivered politically. This has been critical in ensuring the credibility of the development is not seen as a party political issue. The process has had the support and input of all the major stakeholders — Liverpool Vision, and the business community as well as the relevant regional agencies. Other agencies such as English Heritage, Mersey Travel and CABE have been consulted throughout the process of policy evolution, partner selection and scheme design.

Engaging the people of Liverpool through the whole renaissance process has also helped the City Council to understand better the needs of local residents and factor in local knowledge and experiences. When taking forward regeneration at the scale that is happening in Liverpool, the working of the key stakeholders, residents and local businesses is essential. That is not to say there would not be some opposition along the way, indeed, in Liverpool, some of it has been fairly vocal, but in the main this has been about individual self-interest as against wholesale opposition to the initiative.

Their representation in the development of the scheme has been secured through a number of design workshops, and open forums where the evolving proposals have been shared with citizens throughout the period following selection. A standing conference of some 200 people regularly meet to look at the emerging proposals. This in turn distilled into a number of groups that had specific roles in looking at planning, design and other Masterplan issues via a range of 'planning for real' workshops. The use of walkabouts and work with specific business interest groups, have also given a wider perspective to the development of the project in order to take account of the views of existing stakeholders in the city centre.

However, all of this comes at a cost. From concept to the granting of planning permission, the whole process has cost the Council around £3m. The City Council, corporately, set aside the relevant financial provision as it was felt such an approach would ultimately result in the city sharing a greater proportion of any upside.

Liverpool 1 is the next part of the city's regeneration jigsaw. It will provide a quality of shopping provision in a way which

- connects the retail space as strongly and seamlessly as possible to the existing Main Retail Area, creating strong pedestrian and retail circuits with continuous retail frontage,
- offers effective physical and functional links, as appropriate to other parts of the city centre namely the central business district, the Waterfront and Rope Walks Area,
- retains as far as is practicable the existing street pattern, building of historic or architectural interest and existing public open spaces, safeguarding existing views of landmark buildings and adjacent areas and new views and routes will be opened where possible.

This 'Building in the City' concept provides an approach to shopping, free time and residential environments, which is both relevant commercially but unique from an urban design perspective.

Creating a city people want to live in is at the heart of Liverpool's ambitions to compete with the best in Europe. This has been reinforced since the announcement of Capital of Culture. The night time economy is booming which all helps to fuel the city's renaissance. At weekends, bars, restaurants, clubs, theatres, football and golf events attract over half a million visitors into Liverpool.

The processes the City Council has gone through to get to where they are with Liverpool 1 has been invaluable not just in demonstrating that Liverpool is a city with which one can do business, but one where the Council as a partner can deliver.

The whole concept of the partnering arrangement with Grosvenor has, in the authors opinion, been extremely successful. It has not been without its challenges, particularly when both parties have had to take a range of commercial decisions very seriously.

It is a route Liverpool City Council in the past would have shied away from pursuing, but its very nature emphasises the changing role the City Council has adopted in delivering leading edge urban regeneration projects. Lessons learnt include:

- Recognising that successful schemes do not just happen. Strong political and managerial leadership is required.
- Significant resources both human and financial are required.
- One needs a vision. A clear understanding of where one has come from is needed, where one wants to go, and how one is going to get there.

Nevertheless, the city must continue to develop its assets and opportunities to achieve greater productivity across the economy. The city needs to secure more high value-added employers and further blue-chip occupiers if it is going to be able to compete successfully in the global market. It needs to build on the lessons and experiences of Liverpool 1.

The key challenge for Liverpool in the future will be to complete and consolidate the recovery programme and move forward to its next phase of its renaissance.