

Enterprise needs to be at the centre of sustainable regeneration.

Our cities are one of this country's great resources. No one doubts their significance in the history of our nation. But they are not just our history.

The health of our cities are central to health of the whole nation. Cities are living symbols of the enterprise, endeavour, culture and diversity upon which our prosperity depends.

Manchester is a city, whose past symbolises the importance of enterprise and it is a living symbol of the power of how enterprise working with local communities and government, can reenergise our urban centres.

It is true to say that the Conservative Party has been seen for too long as a rural and suburban party, but we are a party which takes cities seriously and we want to see both a revival of our cities and a conservative revival in our cities.

Our urban areas have been taken for granted and left behind by Labour.

That is why David Cameron has appointed Lord Heseltine, who played such an important role in regeneration in Liverpool and here in Manchester, to head the party's cities task force and has appointed Shadow Ministers to each of our major cities.

I have been given responsibility for the Tyneside area, and in my speech to Conservative Party Conference, I announced the Tyneside test. I believe if we can get things right in Tyneside and other urban areas we can really do great things to stimulate business and opportunity all across Britain. And, I intend to test all our DTI policies through the experience of Tyneside by asking what each policy would mean for real long-term growth in the area and therefore other urban areas across the country

One thing I have learnt is that urban areas are too often let down by Labour's complicated and contradictory bureaucratic schemes which take power away from local people.

Labour's own former Minister for regeneration has admitted that: 'quite often an awful lot of money gets spent, but there is very little to show for it.' (Stephen Timms, 2004)

I agree with him!

Lord Rogers, who was appointed by the Government to head its urban task force, Labour's grand visions for urban revival have collapsed into 'mediocrity' (Report of Urban Task force, 2005)

I agree with him too!

These comments sum up the failure of the Government's regeneration polices. They have been too centralised, too un-responsive to the needs of local communities, and, most

importantly, they fail to understand the vital importance of enterprise to urban regeneration.

Rather than encouraging enterprise-led regeneration government policies have undermined it.

Businesses which should be playing a far more important role in bringing prosperity to our city centres have been burdened with more taxes, higher cost and more regulation, leading to slower growth and declining productivity and investment.

We need a new direction.

Retail developers like you play an absolutely central role in the redevelopment of our city centres. High quality shopping opportunities can transform city centre office deserts into destination which people want to visit.

Shoppers attract further investment such as cafes restaurants and suddenly a grotty city centre is transformed into somewhere people want to visit, invest and live.

We want to encourage the transformative effects of retail development in sustainable urban regeneration.

Sustainable regeneration means regeneration which creates and sustains new jobs and investment in the long-term. Sustainable regeneration is regeneration which helps maintain and develop strong communities, sustainable regeneration also means regeneration which protects and enhances the environment rather than causing environmental damage.

I believe that this kind of regeneration can not come from the top down, either from central or regional government or simply from outside investment. To succeed in the long-term, major projects like the development of a new shopping centre needs to both engage with local communities and become a transformative part of local life.

Government at all levels does have an important role to play in setting the framework of incentives and regulations of development, but Government on its own can not deliver regeneration. Regeneration requires the willingness of commercial concerns to invest and develop profitable business.

This means that helping development means helping businesses make money.

This requires a stable macro economic climate, giving business the confidence to invest for the long term and giving consumers the confidence to spend.

We have made it clear that in our economic policy stability will come first and anything we do with fiscal or other policy areas will not put the stability of the country's finances at risk.

As well as ensuring stability, we believe in reducing burdens on business.

Since 1997 the retail and other sectors of business have been burdened by £50 billion of extra costs from Government red tape. Tax and employment rules have become more and more complicated.

We want to make it easier for companies to create jobs and make profit and thereby contribute to our society. We want to see less government interference in business, we want to simplify business taxes and we want to reduce the burden of regulation on employers.

In particular, we need to look at the burden of regulations from the EU.

No British government will ever build an environment in which enterprise can truly thrive unless it controls the power to legislate in this area.

That's why we have said that Britain must restore our opt-out from the Social Chapter.

Although some regulation is essential, encouraging good corporate behaviour is the responsibility of society not just the state.

We want to see the retailers and other businesses, have good employment practices and to care for the environment and their local communities.

Rather than more and more regulation, Conservatives believe that Government and politicians leading by example along with moral pressure from society as a whole can often a far more powerful force in encouraging corporate social responsibility than rules and red tape.

Consumer focused companies in the retail and other sectors know that brand image is vital and that irresponsible or damaging corporate behaviour risks undermining the value of their brands.

David Cameron has spoken about the power of education, sponsorship, exhortation, cultural change and leadership to encourage good corporate behaviour as been often far more powerful than top down, one size fits all, box ticking regulation from Government.

Localism

Regeneration which works in the interest of local communities for the long-term will only happen if communities have a greater say over the nature of development in their area.

I believe that need a planning system that works in the interests of businesses and local communities.

As Kate Barker has pointed out in her interim report into the planning system, the complexity of the current system is damaging our economy.

Labour's obsession with regional government has added further complications to the system and has weakened the voice of local people. This is why we have pledged to abolish Regional Assemblies, and to devolve power back to local communities.

Last year Lord Rogers, attacked the plethora of overlapping, but differently funded and monitored, area-based regeneration bodies for reducing the delivery effectiveness of public sector led regeneration schemes.

Again I agree with him!

A recent report into what is supposed to be the Government's flagship regeneration project in the Thames Gateway, pointed out that the competing priorities of 37 public bodies was strangling the whole regeneration project.

This is why we believe that we need to remove the regional layer of planning policy as part of our commitment to abolishing Labour's unelected Regional Assemblies.

People will be more accepting of development if they have greater control over the impact it will have on their local area, rather than simply having development targets imposed from above, either from Whitehall or unelected regional quangos.

This is why we will also look at devolving the large parts of RDA's role in regeneration back to local authorities.

Giving power back to local authorities will give them more of a say about the nature of developments and more influence to ensure that development works in the interests of their local community.

If we are going to revitalise our cities, we need to make them attractive places to live.

The easiest way to make me angry is to promote grotty architecture.

Good design isn't only aesthetically pleasing, but makes a huge difference those who use the building.

Large retail developments are more than just collections of shops. They often act as public spaces, as thoroughfares and meeting places.

A good quality shopping centre can have a huge impact on entire town centres. This is why we want to see buildings worthy of civic pride, appropriate to their locations and enhancing the urban environment.

There are growing concerns about the impact of large retail chains on small shops and the whole nature of our high streets.

This should not be seen as simply a battle between independent retailers and the large multiples.

Often new retail development including, for example, a supermarket branch in a shopping centre can be an advantage for neighbouring shops as footfall and therefore the number of potential customers for other neighbouring businesses increases.

We are a party that believes in consumer choice, the large multiples have thrived because they have been able to give consumers what they want at the prices they want.

I welcome the Competition Commission's review into the operation of the grocery market and as long as market competition is operating properly, I do not believe it would be right to introduce restrictions on consumer choice.

That does not mean that the planning regime doesn't have a role in the protection of our environment.

PPG 6 which was introduced by the previous Conservative Government has played an important role in protecting our town centres by preventing the more out of town developments

The Government seems to be totally divided on the future policy on out of town development, with Gordon Brown saying one thing, and the Deputy Prime Minister and now the Department for Communities and Local Government saying another. We wait to see if Kate Barker's review will come up with another view.

Conservatives are clear that sustainability should be at the centre of planning policy and developments should not lead to increases in road travel. This is why we retain our commitment to PPG6.

As well as reducing the need for road travel, we believe that sustainable development needs to be far less energy intensive than now.

Buildings both domestic and commercial account for 25 percent of this country's CO2 emissions and the retail sector is a large energy user. This is why we want to see a regime of incentives and regulations which will ensure that buildings use energy far more efficiently than at present.

I believe that the role of the DTI should be the voice of business in Whitehall. Other departments spend money and the Treasury raises it.

I want to see a DTI sees its role as representing those who actually make money.

The British retail sector is a world leader, and a Conservative Government will encourage this success. The entrepreneurship of the sector, combined with a sense of social responsibility to the communities in which you operate will ensure that the whole of society is better off.