

WESTFIELD MALLS AND THE FUTURE OF TOWN PLANNING

With the fate of the eurozone still hanging in the balance, the British property market could still feel the pinch of discussions in Brussels

Former Tory Cabinet minister Michael Portillo had it spot on in a recent LBC interview when he talked about the likely dismantling of the eurozone with just a few stronger countries retaining the currency. Jose Manuel Barroso's insistence, however, that Greece will stay in the eurozone is, frankly, barmy.

Many greater and wiser than me believe that ultimately, Greece will be left to default and the eurozone will unravel, despite the latest sticking plaster in the form of new powers for the eurozone to buy bonds and recapitalise weak banks. This has just bought time.

The unravelling of the eurozone, if and when it comes, could be a long-term good thing for Europe and good for Britain where we continue to be dragged down by our Continental cousins.

Commercial property needs an economy where sentiment is buoyant, where institutions will lend, where speculative development can be undertaken with a degree of confidence that the resultant space will be in hot demand. Developers are living in a world of hypervigilance, with one eye to world events and another to the domestic agenda.

Land of opportunity

There is still much to celebrate in this country of ours – the unveiling of Europe's largest urban shopping centre, Westfield Stratford City, was a major achievement. Okay, so they are Australians, but it is the UK that has got an amazing 1.9m sq ft new mall – some sight to behold

It is a reminder of how well London has prepared for next year's Olympic Games and, thankfully, looks like putting the embarrassment of various Millennium white elephants well behind it.

Now what we need going forward is a sustained environment in which property developers and investors can go about their business in the belief that politicians will make the right decisions – not short-term sticking plasters but permanent fixes.

Ministers really must reconsider the taxing of empty properties. It just does not make sense when there is such a low level of demand from occupiers for space in so many locations and the impact this extra cost has on an owner's ability to invest in its asset. Indeed, this is one of the recommendations the British Council of Shopping Centres (BCSC) makes in a report commissioned from Oxford Economics, called 'Empty Shops – What does the future hold for town centres?'

Richard Akers, managing director of Land Securities' retail portfolio, and president of the BCSC, says the most pertinent issue for those involved in trying to create town centres that remain vibrant places to visit, is how unoccupied retail space can be brought back into use, "or put to alternative uses compatible with the aspirations and environment of a specific location"

However, surely one of the reasons businesses are struggling on high streets is inaccessibility. The unceasing war on motorists and woeful lack of free, or reasonably-priced, parking provisions contribute to town-centre blight.

But consider this, too. The face of the high street will need to change as we become more and more comfortable with buying online. It will need to be more leisure-oriented than purely functional, a place frequented for pleasure rather than out of need, but not overrun with catering establishments either.

This is where the massive Westfield-style malls come into their own, providing a huge variety of shopping combined with leisure under one roof. To visit a Westfield shopping centre is an experience. Visiting town centres is an experience, too – often of the wrong kind.

The big malls are what our high streets have to compete with and clearly they cannot. So they have to find a new niche, a new reason for attracting expenditure. They need to be distinct, "non-clone" and interesting

And accessibility is a crucial issue that has not got enough press. It is all about convenience. Town-centre shopping, sadly, in many cases is inconvenient. I hope Mary Portas in her forthcoming review will focus strongly on this aspect and that ministers stimulate a revival

We shall wait and see.