URBAN REGENERATION AND THE EFFECT ON SMALL ESTABLISHED BUSINESSES: THE CASE OF EASTSIDE

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ABSTRACT  Policy discourse concerning urban regeneration has increasingly sought to utilise formula-led approaches which are headed by flagship projects. Urban regeneration in inner-city districts of large cities is currently dominated by notions of cultural quarters and inner city living. This paper offers a critical exploration of small businesses and the effects of regeneration on their competitiveness. Building upon research conducted on a community of small businesses and with larger stakeholders of regeneration, the day-to-day challenges faced by small established businesses are explored in Birmingham’s Eastside district which is held up as a blueprint for urban regeneration. The challenges and benefits of retaining and supporting such businesses during this transition period are reflected upon. It also seeks to reflect upon the way in which the planning of Eastside has failed to engage with the existing business frameworks within Eastside. This paper argues that policy-makers and stakeholders of regeneration should pay greater consideration to the role of established businesses in order to create districts that fulfil ideas of vibrancy and diversity.

Word Count – 11,814
Chapter 1 - Introduction

The city of a thousand trades. Workshop of the world. Birmingham used to be one of the jewels in Britain’s crown. Nowadays if you ask most people ‘what is there to do in Birmingham?’ Most would reply ‘leave’. As a Brummie, I make no apology for believing that Birmingham should be recognised as England’s second city. Birmingham has faced the huge challenge of trying to reshape its economy and present itself as an exciting, creative, dynamic and aesthetically appealing place to live and do business. In the past, cities rose as a result of their position as a defensive fortress or their location as a centre for agricultural markets. Today, with unprecedented levels of mobility for both labour and capital, cities ‘must display themselves for human and corporate investment across the globe. In this, the city’s cultures play a vital part’ (Hall, 1999: 10). This is no mean feat for Birmingham; after all the impoverished vision of Birmingham has a long history. A look through J.B. Priestley’s (1934: 105) travelogue, ‘English Journey’ shows his disdain for the people of Birmingham who are described as possessing ‘extraordinary ugliness’ and who were ‘really unpleasing to look at closely’. Indeed, it was not just the people who repulsed Priestley, it was the place itself. Of Birmingham, Priestley (1934: 86) says he ‘saw nothing, not one single tiny thing that could possibly raise a man’s spirits. It was so many miles of ugliness, squalor, and the wrong kind of vulgarity, the decayed anaemic kind’.

In order to fully appreciate the reason for such scorn towards Birmingham one needs to look at its central role in the Industrial Revolution. Birmingham’s industrial presence became central to its growth throughout the eighteenth and nineteenth century. This contributed to the oft-held belief that there was little but industry in Birmingham. Manufacturing continued to be the most dominant form of industry well into the twentieth century. This was to become the city’s weakness; with nearly ‘two-thirds of its workforce employed in manufacture at the start of the 1960s (twice the national average)’ (Hall, 1999: 11), deindustrialisation hit Birmingham hard. Employment levels leapt to more than twenty per cent in the 1980s as the problems of Fordism set in.

From the mid-1980s and particularly the 1990s through to the 2000s, Birmingham has undergone a sustained programme of ‘urban re-invention and re-presentation’ (Hall, 1999: 13) with a particular emphasis on its modernity, connectedness to the rest of Europe (McGuiness: 1997), cosmopolitanism and its creativity. In order to attract investment and to attract people to live there the reinvention required a change in the built environment. Initially, this was done through flagship projects. The £300 million redevelopment of Brindleyplace in 1994 as a mixed use area for retail, offices and commercial aspects followed on from the development of the National Indoor Arena and the International Convention Centre. Further flagship projects were undertaken such as the Symphony Hall and the redevelopment of the Jewellery Quarter. However, more was needed. It was to this end that the Big City Plan was created.

‘Birmingham’s Big City Plan is the most ambitious and far-reaching citywide development project ever undertaken in the UK: to create a world class city centre by planning for the next twenty years of transformation, to be in the top
The £500 million redevelopment of the Bullring shopping centre in 2003 was a major part of the scheme and with around forty million people visiting each year (Kennedy, 2004); it has proved to be a success. Additional redevelopments such as the mixed use development, the Mailbox, have also proved a big hit and have gone a long way to correcting Birmingham’s image. Further developments are scheduled to take place and a trip to New Street Station is a timely reminder of exactly why a Big City Plan is needed.

Indeed, the repopulation of Birmingham (see table 1) is testament to the success of the regeneration process and is the reason why Birmingham has been chosen for this study to be conducted in.

**Table 1: Population trends in selected English cities.**

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<tbody>
<tr>
<td>Liverpool</td>
<td>516,690</td>
<td>471,440</td>
<td>439,473</td>
<td>442,300</td>
<td>-14.9</td>
<td>+0.6</td>
</tr>
<tr>
<td>Manchester</td>
<td>454,271</td>
<td>425,586</td>
<td>392,819</td>
<td>483,800</td>
<td>-13.5</td>
<td>+23.2</td>
</tr>
<tr>
<td>Newcastle upon Tyne</td>
<td>281,803</td>
<td>274,912</td>
<td>259,536</td>
<td>264,300</td>
<td>-7.9</td>
<td>+9.5</td>
</tr>
<tr>
<td>Birmingham</td>
<td>1,017,891</td>
<td>987,449</td>
<td>977,087</td>
<td>1,028,700</td>
<td>-4.0</td>
<td>+5.3</td>
</tr>
<tr>
<td>Sheffield</td>
<td>541,975</td>
<td>521,816</td>
<td>513,234</td>
<td>547,000</td>
<td>-5.3</td>
<td>+6.6</td>
</tr>
</tbody>
</table>

It is perhaps this overemphasis on repopulation that has led to neglect of the small established businesses within Birmingham. Discourses and public engagement tend to be centred on the needs of residents and the existing business fabric has been largely overlooked (see Imrie et al. 1995; Healey, 2002; Sayer, 1992). For this reason, an evaluation of the ways in which urban regeneration has affected small established businesses in a district in Birmingham shall be undertaken.

In the UK, ‘cultural facilities and activities are increasingly being exploited as a ‘driver’, or at least an important player, in physical, economic and social regeneration. Sprinkle a little cultural fairy dust on a run-down area and its chances of revival will multiply’ (Shaw and Evans, 2006:5). For Birmingham, Eastside will be the cultural quarter. In the literature provided by Birmingham City Council, it is said that Eastside ‘offers major redevelopment opportunities and an established learning and technology focus’ whilst the area within Eastside, Digbeth will ‘use its historic roots as a foundation for growing its established creative businesses and developing a vibrant urban community with entertainment, living and cultural opportunities. Digbeth will become a flourishing creative and cultural hub for the city’ (http://bigcityplan.birmingham.gov.uk/). Within walking distance of the city centre, the landscape of this area is dominated by derelict factories and buildings, a reminder of Birmingham’s manufacturing heritage.
Birmingham has been late to regenerate the area, but this may not be a bad thing. The Custard Factory – a private initiative focused on arts and media – is located here, as well as a number of independent businesses and Birmingham’s oldest inn, which is over five hundred years old. Birmingham needs to utilise such unique assets and create an area that, whilst being thoroughly modern, embraces its heritage. It is of great importance to Birmingham that Eastside does not become an identikit cultural-led regeneration project but one that is unique. There is a danger in Eastside that, as it has become a part of the Big City Plan, it may become mainstream and be absorbed into commercialisation, and thus lose its charm. As such, the preservation of local independent businesses is a necessary component in realising this ambition of distinctiveness. It is to this end that I shall explore the way in which small established businesses have negotiated the regeneration process by using qualitative data undertaken by myself with the business community and wider interest groups in Eastside, such as a council member from the regeneration team for Eastside.

Aims of the Study

- Are small established businesses included in the planning of urban regeneration? Are they truly accounted for when decisions are made? Do they have a say in the decisions that are made and can they shape regeneration processes that are occurring? If not, how do these businesses survive on a day-to-day basis to make regeneration relevant to them? How does the council help these businesses in negotiating the regeneration process?

- As culture-led regeneration becomes increasingly a successful way of generating new economic drivers, what do new cultural quarters mean for small established businesses? Who decides what areas should be regenerated as a cultural quarter? Do other non-cultural industries suffer as a result of this process?
Chapter 2 - Methodology

Field work for this study was conducted in the area known as Eastside (see Figure 1) in July to September 2010. In order to avoid any ambiguity regarding the outcomes of the analysis, and thus allow for a thorough evaluation of the empirical findings, this chapter shall outline the methodology used to collect the data. Moreover, the ethical considerations undertaken – which are important when conducting research with human participants – is also highlighted within this chapter.

2.1 - Data Collection

In order to fulfil the research objectives a thorough review of secondary data such as official publications and newspaper articles was carried out, which provided the necessary background information regarding policies pertaining to urban regeneration in the UK, their relation to Birmingham and the socio-economic context of Eastside. This helped ground the research in literature, allowing for reflection upon current discourse and opinions. The use of ethnography also served the additional purpose of triangulating empirical data from interviews and observations, thereby strengthening the quality of the research (Olsen, 2004).

The nature of the research meant that I was investigating complex relationships between people and their interactions with policy directives; therefore qualitative methods were used to obtain data (Silverman, 2005). Research was carried out in the form of semi-structured interviews. This allowed interviews to ‘unfold in a conversation manner offering participants the chance to explore issues they feel [were] important’ (Longhurst, 2003: 103). Interviewees included business owners, a member from the council and the manager of the largest creative project (Custard Factory) in Eastside. Research, either through academic literature or general publications was carried out about interviewees and the companies that they worked for before interviews took place, thus allowing for tailoring of questions.

Figure 1: Map of Eastside
Interviews were scheduled either via e-mail or through walking around the area during the preliminary research and asking business owners if they were free to be interviewed. Interviews were scheduled at the interviewee’s behest so as to minimise disruption to their business.

Notes written during the interviews supplemented the dicta-phone recordings allowing for a thorough understanding of an interviewee’s body language, which helped clarify and convey exactly what the respondent was trying to get across. Whilst recruiting for interviews, great care was taken to ensure that the interview sample was all-inclusive, in order to obtain the opinions of people from a variety of ages, different races, genders and occupations.

2.2 - Analysis

Interviews were transcribed on the same day as they were undertaken so as to ensure that I could immerse myself into the data and so that I could convey the opinions of my respondents as accurately as possible. A three stage process was used in order to analyse the interviews. The first stage involved making notes after each interview regarding the topics talked about during the interview (Field and Morse, 1985). The second stage involved reading the transcript and as many headings as necessary were written down using the analytical software Atlas-ti to describe all aspects of the content of the interviews (Berg, 1989). The third stage involved generating headings for broader categories and then classifying the coded sections. Headings included cultural aspects, engagement aspects, and business adaptations. Coding was either emic or etic, thereby allowing thematic retrieval, cross-referencing of data and analysis without fitting the words of informant’s into pre-conceived categories (Seidman, 1998). Moreover, in order to be completely familiar with the data, transcripts were read through several times (Polit and Beck, 2004). It was only once sense was made of this data that analysis could be conducted using either an inductive or deductive approach (Kyngas and Vanhanen, 1999).

2.3 - Ethical Considerations

Before data collection started, informed consent from all participants was sought. The right of full anonymity or partial anonymity in the form of the removal of surnames from all documentation was granted to respondents.

Research is a social process that requires delicacy in the way in which it is approached. What I came to realise whilst carrying out the research was the inherent power relations between myself and my interviewee. I have the power to present people’s opinions as knowledge and this must be handled in a delicate manner, especially with my own positionality as a Brummie. Furthermore, when interviewing people in ‘positions of power’ such as the head of the regeneration team and the manager of the Custard Factory, I felt there was a shift in the dynamics of positionality and power and thus this had an effect on the conversations that entailed, which was considered in the analysis of these interviews (Smith, 2005).

In order to ease people’s suspicions and dispel any reluctance, when contacting potential participants I stressed that I was a student conducting research for my dissertation. I was also keen to express my gratitude towards participants from the start, with the aim of building rapport. During the interviews I employed methods such as mimicking body language,
speaking informally, sitting when the respondent was sitting or standing when the respondent was standing in order to put the interviewee at ease and ensure a free-flowing dialogue. As much as possible, I aimed for interviewees to forget that they were being recorded and for them to have an open, honest discussion with me.

When approaching interviews, my own disposition in lacking experience in both business and how government decisions affected my livelihood helped me as I approached interviews from the angle of information seeking as a means to empathise rather than presumptuousness. Respondents were more willing to explain and articulate the difficulties and nuances involved in surviving the regeneration process, or in managing a large regeneration project which helped to deliver more successful interviews. Finally, my personal bias towards Birmingham and my desire to see it succeed as a vibrant city may have distorted my opinion of efforts to help local businesses survive. Being conscious of this danger from the outset, I believe I have not misinterpreted or exploited the words of any of the participants.

2.4 - Conclusion

The methodology used to carry out my research came in the form of a thorough review of the literature with regard to urban regeneration in the UK, the role of businesses within this process and finally the context of Eastside and how the wider debate of regeneration applied to it. This was used as a foundation for qualitative methods which were used to discover individual narratives and perceptions upon the debate. Furthermore, great care was taken to ensure that information given by respondents was not exploited or misconstrued, thereby providing an unadulterated account of the effects of sustainable regeneration on small established businesses from a variety of perspectives.
3.1 – Introduction

In February 2003, the New Labour government announced the implementation of its latest iteration of the ‘British planning system that would both enhance economic development and promote new forms of sustainability’ (Raco, 2005: 2). These plans would require a regeneration of the physical urban infrastructure through the demolition of derelict premises and the creation of new towns, with the aim of boosting urban economics and property development markets (ODPM, 2003a). It was argued that such developments would actively involve the local interest groups such as residents and businesses in ‘the planning, design and long-term stewardship of their community’ (ODPM, 2003a: 2).

However, what has emerged from this is a lack of clarity in whether notions of community focus on the different individual interest groups equally (see Raco and Tunney, 2010; Imrie et al. 1995; Healey, 2002; Sayer, 1992; Curran et al. 2000). The attempt to engage with the local community in the decision-making processes of urban regeneration represents a direct questioning of the role of local party representatives, as their legitimacy to make decisions is undermined (Geddes, 2001). As such there is a tendency for ‘local authorities to respond by dominating partnerships, undermining efforts to engage other voices and using resources to supplement their own diminishing budgets’ (Rowe and Devanney, 2003: 379). Closely related to this are the tensions that are felt between different sectors in the community. There is a need to develop a unified and common agenda whilst at the same time reflecting the views of a diverse range of people and enterprises such as those between businesses and residents (Mayo and Taylor, 2001). Given these tensions, it is unsurprising that many view partnerships as good in theory but less so in practice (Davies, 2002; Stewart, 2002).

Urban regeneration, while criticised for being formulaic has relied on specific economic drivers as catalysts for regeneration including inner-city housing, retail and cultural quarters. The cultural quarter as an approach to urban regeneration has become a new orthodoxy in the revitalisation of inner city industrial districts, yet increasingly this is being questioned as to whether it delivers on its promises (Porter and Barber, 2007; Evans, 2001; Evans 2005; Evans and Shaw, 2004; Caterall, 1998). Culture-led regeneration can lead to a lack of diversification in the economies that such projects inhabit, leaving existing businesses vulnerable to closure. A thorough review of the literature regarding these issues shall help to ground the research undertaken and allow for an expansion on the debate regarding the ways in which small established businesses are affected by urban regeneration.

3.2 – The Urban Regeneration Agenda in the UK

Urban regeneration strategies have focussed on community participation since the 1990s with the former regeneration minister Richard Caborn (1997) remarking,

‘The government places great importance on the real involvement of local communities in the whole range of regeneration activities. It is important to the success of regeneration programmes to involve as many people as possible. This can lead to better decision-making, enhanced programme delivery and improved sustainability.’
This paradigm shift to partnerships stemmed from the methods utilised in Manchester where during the late 1980s and early 1990s, regeneration policies were centred on a partnership between the private sector, local government and government agencies under the banner of the Central Manchester Development Corporation (Dixon et al, 2010: 61). This provided the basis for the partnership models that exist today (Mace et al, 2004) and as Robson (2002) highlights, the widespread recognition of the ‘Manchester model’ of regeneration heavily influenced the City Challenge, a government programme which invited councils to bid for funds for regeneration. This model also played a large part in the Moss Side and Hulme Partnership ‘which saw the successful regeneration of Hulme to the immediate south of the city centre’ (Dixon et al, 2010: 61).

However these partnerships have come under criticism by a number of scholars. Peck and Tickell (1994) for example, argue that local partnerships have not involved community empowerment and bottom up approaches but instead have been formed to compete for central government funding. Raco (1998) argues that as a result of the centralisation of policy, the authority and autonomy of locally grounded approaches to regeneration has been constrained. For small businesses (SME), this has meant a lack of involvement in the planning process. As Strange’s (1997) study of Sheffield shows, whilst business participation in the decision making for local economic regeneration has increased, this involvement has not extended to all members of the business community. Only a handful of small businesses which are parochial in scope have been represented. In Sheffield, other sectors of business such as ‘large service industries, landowners and property developers were not part of the partnership cognoscenti’ (Strange, 1997: 12).

In addition to this lack of involvement within the planning process, SMEs seldom have the ability to organise themselves into effective lobbying groups. According to Taylor (2007), SMEs are likely to organise themselves when threatened directly but fail to do so in earlier processes of planning and policy making. This unease in involvement is compounded by reluctance on the part of policy makers to see the value of SMEs in contributing to the social and economic vitality of a city. SMEs are largely seen as ‘visible symbols of earlier eras of economic activity, whose presence’ (Raco and Tunney, 2010: 2073) sits at odds with the marketable urban images of ‘vibrancy’ and ‘creativity’ that are often attempted to be portrayed by regeneration projects.

In many instances, SMEs largely ‘occupy marginal spaces within cities, outside the ‘view’ of the mainstream population and policy-makers’ (Raco and Tunney, 2010: 2072). They do this in order to have the flexibility to expand or adapt their practices as well as having the benefit of being cheap (Imrie and Thomas, 1992). This also makes them vulnerable to regeneration. Small businesses are reliant upon established social and business networks within an area (Amin and Thrift, 2002; Porter, 2000), and processes of regeneration often have negative impacts upon these networks through forced relocation, ‘particularly as Compulsory Purchase Order (CPO) schemes often fail to adequately compensate firms for rises in property values’ (Raco and Tunney, 2010: 2073). Thomas and Imrie (1989: 19) note that clearance plans are often implemented with little care for the future of SMEs deeming them as ‘so called low order uses’ and preferring ‘more marketable, and profitable land uses’ such as residential uses. This uncertainty over futures has a profound effect on the business practices employed by SMEs. Marshall (1995) argues that uncertainty can afflict investment plans, and thus long
term competitiveness may be weakened. Moreover, legal and financial consequences of CPOs divert resources and time away from the day-to-day running of small businesses.

It is important, however, to retain such businesses. Whilst some businesses that are large polluters or noisy industries need to be displaced in order to achieve the purposes of urban regeneration, other businesses play a crucial role in improving an area’s uniqueness, sense of place and vibrancy. As Murphy’s study on Birmingham highlights, at the moment ‘the city centre is too much like every other centre in the UK. Birmingham needs to complement its mainstream successes in business… with a grittier, innovative approach’ (Murphy, 2004: 45). Furthermore, local businesses may help provide a stronger local economy through the local-multiplier effect. Local businesses are more likely to source services and products from within an area, allowing for money to be spent and re-spent in a given area (Sacks, 2002; Ward and Lewis, 2002).

However, spiralling rents and property values, has meant that ‘without government action, many businesses fear they will be forced to relocate away from inner city areas’ (Taylor et al, 2004: 16). In addition to this, the supply of commercial premises for businesses to expand in to has been reduced as a result of regeneration initiatives that have encouraged the redevelopment of land for residential uses. Further problems for SMEs have arisen as cities in Britain, on the whole have overlooked local, independent shops in favour of larger chain stores. Recent redevelopment schemes such as that of Manchester City Centre and Birmingham’s Bull Ring have attracted flagship stores such as Debenhams’s, Selfridges and H&M. This has mainly been as a result of market economics dictating that more efficient businesses survive at the expense of less efficient ones and the desire on the behalf of policy makers to ‘provide new harbours for investment, lure high end residents (back) to the city, and provide a safe base for urban tourism’ (Doucet, 2007: 2). However, SMEs are unique assets and such assets are what make a city stand out (Parkinson, 2007). As Murphy (2004: 45) states, ‘to succeed in future, cities will have to differentiate themselves from their competitors. Potential consumers will look for uniqueness, diversity, authenticity. It is a crucial economic factor.’ Ultimately, in order to remain competitive, SMEs are dependent on access to funding, certainty over their location especially in the medium-term and the availability of labour so as to cope during market changes (Blackburn and Ram, 2006).

It is not just retail-led and property-led regeneration that has had a profound impact on SMEs and their ability to remain competitive. The recent phenomenon of culture-led regeneration in cities has introduced a new kind of economy. According to Montgomery, 2003: 294) ‘the most lively and interesting cultural quarters tend to be places of complex variety, with a large representation of small-scale business activity which trades not only with ‘consumers’ but also with their industries’. This suggests that small scale businesses are essential to successful cultural quarters. This type of regeneration then is seemingly different to other forms of regeneration in that it appears to be more accommodating and sensitive to smaller enterprises. However, it is unclear how SMEs that are not directly linked to cultural industries fare from culture-led regeneration.
3.3 – Cultural Quarters as a Mechanism for Urban Regeneration

‘My own blunt evaluation of regeneration programmes that don’t have a culture component is they won’t work’ (Robert Hughes, Chief Executive of Kirklees Council, 1998).

Cultural quarter planning has become a noticeable part of urban regeneration and the practice of planning ‘since the 1980s, as city administrations seek to forge a response to the challenges of economic restructuring and related social and environmental decline’ (Porter and Barber, 2007: 2). Whilst most great cities tend to have quarters where cultural entrepreneurs and artists are based, these places have a long history and have grown organically. The recent trend of developing cultural quarters has been a deliberate and considered approach to regeneration. These areas typically see a mixture of creative industry and the associated consumer services. Despite being a prominent part of the reimagining and reconstructing of numerous cities, these quarters have raised a number of problems ranging from the public realm and the extent to which they are involved, the role of the built form and how the notion of culture is constructed during the planning procedure (Bianchini, 1993: Scott, 1997: Brown et al, 2000).

That Marshallian cultural industry quarters are still prevalent can be seen to be counterfactual given the dispersal of production globally and the perceived death of distance that has accompanied advances in technology. Nonetheless as Pratt (2000) highlights, the value of proximity and the value of social interaction is still highly important especially for cultural industries. Furthermore, ‘the place of production is still important for the experience economy, where tourism and the search for authenticity require consumers to visit first hand’ (Evans, 2009: 33). As such, these cultural quarters have become sites of knowledge exchange and social reproduction. Cultural quarters traditionally occupy heritage buildings representing ‘an anachronistic hangover from traditional craft, cooperative and place-based manufacturing’ (Evans, 2009: 34) and at the same time provide a new landscape for cultural industries as part of a resurgent cities of culture (Hutton, 2000; 2008). Harvey (1989), Scott (2000) and Zukin (1995) as well as numerous other scholars have established the idea that culture has very much ‘become the business of cities, and the symbolic capital of cities is transforming their present and futures’ (Porter and Barber, 2007: 3) Crewe and Beaverstock (1998: 288) argue that ‘culture and economy are integrated categories which are mutually implicated in the urban development process’ and this has spawned a new form of urban governance known as ‘cultural planning’ (see Bianchini and Parkinson, 1993; Landry and Bianchini, 1995; Evans, 2001). As such, culture and creativity have been positioned as key tenets of successful urban regeneration in what Miles and Paddison (2005; 833) call a ‘new orthodoxy’.

Culture in urban policy is related ‘to social cohesion, sustainability, economic growth, civic pride, mental and physical wellbeing, social inclusion and a vast array of other social, economic and environmental goals’ (Porter and Barber, 2007: 3). The cultural sector has been afforded a powerful status as one of the key drivers of the generation of wealth and an increase in employment by urban policy directives. The UK Department of Culture, Media and Sport states, ‘culture drives regeneration in many ways from inspiring landmark buildings through to reviving the decaying centres of market towns to bringing a community
together around an arts event’ (DCSM, 2004: 4). Whether or not culture does this however, is being questioned. Evans (2005) debates whether cultural schemes produce social and economic benefits in the long-term, especially as short-term impacts have proved to be unsustainable. Another potential flaw with urban regeneration and the marketing of a city through flagship developments in order to attract capital and tourism is the displacement of former marginalised communities from these newly targeted areas of regeneration (Zukin, 1989, 1995: Lees et al, 2003: Rodriguez et al, 2003). Nottingham’s Lace Market is one such example. The Lace Market district had fallen into destitution as a result of the decline in the textile industry in Britain. Redevelopment of the area in the 1980s by Nottingham City Council in a bid to preserve textile industries proved unsuccessful. With Lace Market rents rising, they eventually exceeded that of industrial use and led to an influx of small professional service firms, leaving only a few small textile firms (Ferris, 2003: 3). Regeneration initiatives focused on creating tourism through museums, promoting the retail sector and creating residential developments. As a result, the original textile industries that were once a prominent part of the regeneration process have disappeared. Of the historical lace industry, only the name survives (Shorthose, 2004).

Montgomery (2003: 297) states that ‘the successful cultural-quarter economy will [contain] a high proportion of SMEs inter-trading and subcontracting. They will variously and continuously be involved in a dynamic of importing, exporting, import substitution, domestic consumption and adding new work’. A good example of this is the emergence of Manchester’s Northern Quarter as a hub for musical development which has attracted a cluster of music related SMEs to the area, and is widely deemed as a success (Brown et al. 2000). Whilst cultural quarters may indeed bring in an influx of SMEs related to notions of culture – industries such as music, graphic design, publishing, fashion, film and television – the effect upon the SMEs that have little direct relation to these industries appears to be bleak. For example, the ‘hands-on’ approach utilised by Sheffield City Council in creating Sheffield’s Creative Industries Quarter has led to the demise of what few steel manufacturing industries remained (Moss, 2002; Brown et al. 2000). For SMEs then, on the face of things cultural-led regeneration seems sympathetic to their plight and actively encourages the development of SMEs. However, as case studies in both Sheffield and Nottingham show, SMEs that do not seem to serve the designated purposes of these quarters have not been able to survive. As such the challenges for SMEs in cultural quarters is to be recognised as a valuable component of the network of cultural industries through adjusting their business practices to cater to the needs of cultural industries.

These kind of regeneration challenges have characterised the revitalisation of Birmingham, whose regeneration has been launched on an ambitious scale but has been riddled by questions of appropriateness of some of the agendas adopted including culture-led regeneration strategies and disregard of local businesses.
3.4 – Regeneration of Birmingham

As a result of mass deindustrialisation in the United Kingdom, around 370,000 manufacturing jobs were lost between 1965 and 1981, leaving Birmingham and the West Midlands reeling (Spencer et al. 1986). This culminated in the Gross Domestic Product per capita for the region being ten per cent lower than that of the United Kingdom average, making the West Midlands the second poorest region in the United Kingdom.

The City Council commissioned an outline strategy in order to lift Birmingham out of its economic decline (Birmingham City Council, 1985). The result of this was a clearly devised strategy informed by the experiences of US ‘rust belt’ cities such as Baltimore which positioned the CBD as the site for drawing ‘urban economic sectors and fashioning a more progressive, attractive image of Birmingham’ (Barber and Hall, 2008: 285). What this entailed in practice was the promotion of urban dwelling, a new spatial vision and a series of flagship projects (Hubbard, 1996; Loftman and Nevin, 1996; Ward, 2001; Webster, 2001).

The regeneration effort was centred around Birmingham becoming ‘the world’s meeting place’ (www.meetbirmingham.com) and the subsequent flagship projects funded by lottery funds and European Regional Development Funds included the well-known developments of the National Indoor Arena, the International Convention Centre, the National Exhibition Centre, Birmingham Symphony Hall as well as a number of retail and leisure complexes such as Brindleyplace, the Mailbox, the Bullring and Martineau Galleries (Pollard, 2004). In addition to this, regeneration work is under way on the 170 hectare Eastside district at an estimated cost of £6 billion (www.virtualbrum.co.uk/eastside.htm).

Furthermore, around 2000 residential units were built between 1998 and 2003. This promotion of ‘city living’ helped boost the economy in Birmingham. This was done by targeting high-income groups which increased the ‘demand for leisure, cultural and retail facilities in the city centre outside working hours’ (Pollard, 2004: 176). However, the regeneration of Birmingham has raised a number of questions over which groups are being included and excluded from participating in these new spaces. The goal of securing inward investment and the development of new shops, restaurants and bars as a means of ‘high culture’ has resulted in the exclusion of many SMEs in Birmingham.

The Jewellery Quarter is one such example and a body of literature has emerged from this which has suggested that the regeneration process has been more concerned with creating an urban village than protecting jewellers (see Pollard 2004; Pollard, 2007; De Propris, 2007; Hubbard, 1995). The greatest concern for the jewellery industry is the upward pressures being exhibited on land prices as a result of regeneration. The significantly more lucrative residential uses have caused a rise in rent prices in the area which has caused the jewellery industry to shrink ‘dramatically [only] to be concentrated in a web of streets around Warstone Lane’ (De Propris and Wei, 2007: 2471). Even this was only due to the pressures placed upon the City Council by the industry which resulted in the area around Warstone Lane being designated as a conservation area (Pollard, 2004: 190).
At a time when cities are key sites in the remaking of regional economies, the conflicts between land uses must be dealt with in a sensitive manner. The regeneration of Birmingham and in particular the conflicts that have arisen in Jewellery Quarter should provide lessons for Birmingham City Council in the regeneration of its latest ambitious phase of regeneration, Eastside. The mistakes of following a formula based approach to regeneration as has happened in the Jewellery Quarter and in other cultural quarters in the UK will have to be avoided in order to retain the SMEs that are currently based there. Whether these lessons have been learnt is open to debate as in Eastside there is growing controversy about the ‘displacement of existing businesses and community networks’ (Barber and Hall, 2008: 286) as a result of the sweeping assembly and clearance process directed by public agencies (Porter and Barber, 2005). Furthermore in Eastside, the opportunity to create a district which has a balanced economy presents itself, but there is a very real danger that the inclusion of high-street and global brands into new developments will see off the chance to allow SMEs to flourish. That the ability of SMEs to contribute to the success ‘of urban economies is relatively opaque when compared with the activities of visible, high-profile firms’ (Raco and Tunney, 2010: 2072) is something that should not deter policy makers and the stakeholders of regeneration when making decisions about which firms should locate in Eastside. A more sustainable outlook must be considered where the future of Eastside as a unique environment must be the key ideology.
Chapter 4 - Eastside - Analysis

4.1 - Planning and Regeneration Context of Eastside

Eastside is the ‘the largest physical regeneration project in Birmingham, comprising 170 hectares’ (http://www.birmingham.gov.uk/eastside), and is part of the oldest settlement in Birmingham. Historically, this district was home to numerous small manufacturers but as a result of deindustrialisation, the area is now regarded as run-down, unattractive and unsafe due to the low number of residents, the large derelict sites and heavy manufacturing (BCC, 1996; Porter and Barber, 2006; Porter, 2006). Slowly but surely, the fabric of Eastside is changing, as new land usages emerge and displace some of the old ones. This has been done by local authorities acquiring land through CPOs (ESAG, 2007; BCC, 2007). Investment has also been provided by Advantage West Midlands, the regional development agency for Birmingham. However, current developments are and future developments will mostly be funded through the private sector. The redevelopment of Eastside is also expected to have ‘the potential to set new standards for urban life through adherence to the highest quality in urban and building design, scheme content and social inclusion’ (BCC, 2004: 3).

Formally launched in 1999, the regeneration of Eastside was initially overseen by a specific Eastside regeneration team which was ‘drawn from several city council departments and headed by the city’s former director of Economic Development’ (Weingaertner and Barber, 2010: 1659). At its peak it had eighteen people and was the facilitator in the overall regeneration process of Eastside. This has recently been disbanded and been absorbed by the City Centre Development team (respondent Clifford Hill) due to budgetary constraints. This City Council team is advised by a group consisting of representatives from 17 companies and individuals with professional interest in Eastside called the Eastside Sustainability Advisory Group (ESAG). Their aim is to encourage sustainable development and provide best practices throughout the Eastside development (ESAG, 2002).

Regarding the physical plans for Eastside, large infrastructural investments and the creation of flagship developments such as the Millennium Point technology centre will be coupled with a thorough renovation of the older industrial areas of Digbeth and a number of themed districts e.g. learning quarters, a science park for knowledge based companies, a large city park and numerous mixed-use high density developments (see table 2) (BCC, 2001 and 2003). Throughout the literature provided by Birmingham city council, there is an underlying theme that the Eastside development aims to encourage the creative and knowledge-based sectors, creating a cultural quarter which will attract young professionals.
<table>
<thead>
<tr>
<th>Development</th>
<th>Description</th>
<th>Main Actors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millennium Point</td>
<td>Science and technology centre; higher education; I-Max cinema; opened in 2001</td>
<td>Birmingham City Council</td>
</tr>
<tr>
<td>Curzon Park</td>
<td>Offices, residential, commercial uses Not built</td>
<td>Private – Grainger plc. and Development Securities</td>
</tr>
<tr>
<td>City Park</td>
<td>12 ha green space in the heart of Eastside. Not built</td>
<td>City Council – seeking central government grant</td>
</tr>
<tr>
<td>Eastside Locks</td>
<td>Business space; other mixed use Not built</td>
<td>Public and Private: City Council, Regional Development Agency and Goodman</td>
</tr>
<tr>
<td>Masshouse</td>
<td>Offices, new law courts which has been scrapped as a result of Government austerity package, 550 apartments. Phase 1 opened 2010</td>
<td>Private – Nikal and RBS</td>
</tr>
<tr>
<td>Curzon Gateway</td>
<td>Private and student residential Opened 2008</td>
<td>Private – Taylor Woodrow</td>
</tr>
<tr>
<td>New Technology Institute</td>
<td>IT training and learning facility Opened 2005</td>
<td>Birmingham City University and Learning and Skills Council</td>
</tr>
<tr>
<td>City Park Gate</td>
<td>Retail, residential, leisure, office uses. Not built</td>
<td>Private – Quintain Estates</td>
</tr>
<tr>
<td>Typhoo Wharf</td>
<td>Converted warehouse complex with residential, commercial uses. Not built</td>
<td>Private – J.G. Gallagher, fallen into administration</td>
</tr>
<tr>
<td>Warwick Bar</td>
<td>Mixed use development undergoing master planning Not built</td>
<td>Private – ISIS Waterside Regeneration</td>
</tr>
<tr>
<td>UB40</td>
<td>Office, residential uses and recording studio Not built</td>
<td>Private – not listed</td>
</tr>
<tr>
<td>BCU Campus</td>
<td>Learning facility: Birmingham Conservatoire and Institute of Art and Design Opened 2009</td>
<td>Birmingham City University</td>
</tr>
<tr>
<td>Custard Factory</td>
<td>News, arts and media quarter Opened 1992</td>
<td>Private – Bennie Gray</td>
</tr>
<tr>
<td>Martineau Galleries</td>
<td>Retail, office, leisure, residential uses</td>
<td>Private – Birmingham Alliance</td>
</tr>
</tbody>
</table>
Eastside can broadly be divided into two sections, either side of the rail tracks. North of the tracks, most of the area bar a few historical buildings has been razed for development, and these are mostly large-scale projects and projects for residential use. The opportunity of retaining the existing business fabric has mostly been lost in this part of Eastside and all three of the businesses that were interviewed here expressed their concern at this approach of planning. The owner of the Warehouse Café commented on the fact that ‘regeneration is going on everywhere, in an almost slapdash fashion’. This is a major concern for the business community, many of whom fear that they will not survive the transition period of the regeneration process.

‘They’re handing planning left, right and centre, so developers are buying land and leaving empty plots. Loads of them are empty and half of Eastside is empty at the moment because developers have bought it and the recession has come along, so they can’t do any more apartment development and er...you know...it’s destroying the area. They couldn’t care less and at the end of the day, they should be saying we’re gonna do half a square mile or whatever and until this is developed we don’t give any more permission to anybody. Do it systematically, but if you have an aerial view of Birmingham, you can see cranes working everywhere. It’s not right; it’s not the right way to do things’ (respondent, Gulshan Lall)

What this outlines is perhaps a greater issue with concern to the guidelines followed by the council when accumulating and distributing land to developers. It seems to follow the template provided by that of Urban Development Corporations of the 1980s and 1990s where property-led projects were fast-tracked on sites that would provide minimal local opposition (Cochrane, 2007). This blank slate approach was preferred so as to create a highly visible

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**Figure 2**: Large-scale Developments in Eastside. Source: Crown Copyright/database right 2010. An Ordnance Survey/EDINA supplied service.
regeneration landscape (Dixon et al, 2007). Concern for this was echoed by many of the business community who noted how ‘all they [are] interested in [is] giving out planning’ (respondent Gillian), and that ‘as long as you stand on the corner with a piece of paper there, they’ll hand you out planning’ (respondent Gulshan Lall).

The pursuit of housing-led regeneration particularly north of the tracks has also come under criticism. With such little economic activity currently and proposals for numerous residential developments, many businesses fear they will be forced to close even once the regeneration process has been completed. Respondents, particularly those who were reliant on passing trade during the day cited a mismatch in their hours of trade and when the area will be busiest as their main concern over residential development. For example, corner shop owner Gulshan Lall commented, ‘the residents are not there when I’m open and there when I’m closed, which is evenings and weekends’. Shops like this are reliant on a loyal customer base and as a result of the displacement of businesses this has dwindled. What this emphasises is an issue with SMEs to mobilise themselves as one group as they tend not to organise themselves effectively in up-stream processes of planning (Taylor, 2007). Had the business community in Eastside who were to be affected mobilised effectively earlier in the planning process, they may have been able to influence the decisions made in a more positive manner for them. As such there does not seem to hold much hope with regards to the future. As Gulshan Lall noted ‘because I’ve been there long enough, I can survive, but if it wasn’t for that, I don’t think I’d be able to survive on the trade that’s taking place at the moment.’

SMEs are reliant upon close-knit networks that could be described as clustering (Amin and Thrift, 2002; Porter, 2000) and the shrinking of these networks through CPOs and the resultant business loss is detrimental to hopes of survival. If regeneration north of the tracks had occurred more organically and in a contained fashion, there would have been less vacant premises and some semblance of an economy. This must be qualified though, in the sense that a lot of the planning permission was given to developers’ pre-economic downturn and whilst it would be unfair to criticise the council outright as they were not to foresee the financial crisis, the use of a formula-based regeneration approach that resulted in the loss of nearly all economic activity in the area must be questioned. The pursuit of such an interventionist formula based regeneration is especially bizarre given the failings of previous projects, such as Sheffield’s Creative Industries Quarter (Porter and Barber, 2007). Indeed, of that project, Moss (2002: 218) concluded that such an experiment should never be tried again but instead ‘new stakeholders [should] be able to subscribe again to a common vision and clarity of purpose in a new climate of co-operation rather than reliance on public intervention, finance and leadership’. In Eastside, this blank slate approach coupled with the collapse of the housing market has resulted in numerous plots of land being undeveloped. It is unclear at this stage how the council will encourage this land to be developed, but until there is an upturn in the housing market and such developments are completed, the future for what little of the current business community remains looks bleak and even then this future is uncertain.

Visions of regeneration as seen by policy makers and developers are far different from those by local actors such as SMEs and how these ‘spaces and places are ‘seen’ from different perspectives and the processes through which they become visualised are therefore critical elements in shaping any regeneration project’ (Raco and Tunney, 2010: 2071). In that sense, lessons seem to have been learnt for south of the tracks, where a less interventionist approach
has been employed thus far and must be encouraged to do so. SMEs still operate here and comparatively the area is far more vibrant and active than north of the tracks, largely due to the emerging creative sector. As such, the opportunity to capitalise on the history of the buildings and to fully engage with the current business community in the planning process must be utilised in order to provide a unique area which would enhance the quality of Birmingham.

The interaction between these macro level factors and the way they affect the micro level has briefly been touched upon. For businesses, the lack of engagement in the planning process has resulted in a situation where they are reactive rather than proactive. What follows is an overview of the way in which SMEs in Eastside have made the regeneration process meaningful to them.

4.2 - Access to Information: Participation and Planning

Majority of the business owners interviewed found that access to information regarding the development of Eastside was impossible to get hold of. What few meetings that are held with the Eastside business community are in the words of one respondent ‘a waste of time’ (respondent, Gulshan Lall). Many feel that without sufficient updates to the progress of the development works, they cannot plan accordingly and thus are in limbo as to what to do regarding their businesses. For example at one meeting a shop owner asked:

‘When are these businesses going to come? How long am I going to have to survive to get a decent business back? … and they couldn’t answer the questions, they just kept saying this or that, I’ll come back to you’ (respondent, Gulshan Lall).

Another owner said:

‘I would like to know just what the plan is really, and what sort of time span. I mean I could plan so much better, I could probably raise money, I could expand and if it’s not gonna take off for another five years, I probably won’t be here…I’m not gonna work this hard for another five years for not very much money, just covering all my bills at home, it’s just a no go’ (respondent, Dorinda)

Most businesses are ‘working on extraordinarily narrow margins, and are just ticking over’ (respondent, Clifford Hill) and this uncertainty over their future undermines the ability of SMEs to remain competitive as they cannot invest accordingly which can lead to customer and supply chains being impacted adversely (Storey, 1998). The existence of an ‘official discourse advocating…partnership is no guarantee that it will actually be translated into practice’ (Atkinson, 1999: 60) and in Eastside the lack of updates is indicative of a wider absence of engagement with the small business community. As marketing manager for Custard Factory, David Peebles notes, ‘there’s been an awful lot of talk, for an awful long time about Eastside and there is a tendency to switch off’.

This lack of information sits closely with the feeling of lack of monetary support and assistance. Again, majority of the business community felt that whilst funding may have been there, the means of distributing information about funding was poor. A member of the regeneration team, Clifford Hill spoke of encouraging
‘Businesses through grant assistance programmes to improve their property. We build new roads and improve the highways infrastructure, we engage with the business community to improve community safety, cameras, security, grant schemes to fix the roof…and grant schemes to put CCTV in’.

Yet when talking about funding one respondent remarked, ‘well if they do have these things…they’re not telling anybody about it. There’s no communication there, so basically…yes they’ve got security grants etc. but no they haven’t’ (respondent, Gulshan Lall). The distribution of funding for businesses was also questioned by several business owners. One respondent, Gita, said ‘I believe they do provide the facility like if you put in say two thousand pounds the council will put in the other two thousand…but you need that two thousand initially to get the other two thousand’. Similarly, Dorinda, owner of the Eastside Café commented when talking about these grants, ‘I can’t even get two and a half thousand, if I said that to the bank; they’d just laugh at me’. Match funding has been criticised as helping those with larger resources to dominate the regeneration agenda (see Mayo and Anastacio, 1999; Mayo and Taylor, 2001). This leaves SMEs who are ‘unfamiliar with the…decision-making structures having a limited influence on the agenda; indeed, they may only have the power to block or obstruct business rather than shape it’ (Rowe and Devanney, 2003: 381). Such grants also seem paradoxical in the sense that the SMEs that are in greatest need of funding are priced out of it.

Following on from this, there seems to be a direct contradiction with the rhetoric of the Council and that of the business community. When speaking to the head of the regeneration team for Eastside, he stressed that business community meetings were held once a month, which created an agenda for the next month, thus ensuring a long-term dialogue between the council, SMEs and larger firms such as Custard Factory.

‘The thing to do is to engage with the business community on a regular, on-going basis, rather than just wait until you need them and say by the way ‘We need you now, come to the meeting’… so we have a local traders meeting once a month and we all get together around a table, cup of coffee, biscuit, have a chat, what are the issues then an agenda emerges and we’ll talk about it in the next meetings. Then you have an on-going dialogue…because the trick in any form of work, regeneration work, any engagement between the public and private sector is communication, absolutely communication is everything’ (respondent, Clifford Hill)

Whilst this seems admirable, the response from the business community seemed to dismiss the notion of an on-going dialogue as fictitious. The owner of the Eastside Café, Dorinda reflected on the paucity of feedback as she noted, ‘there is no feedback. We don’t have any money, we don’t carry any weight.’ Many SMEs like Eastside Café are struggling entities and the owners of these businesses cannot afford to take the time away from their premises to go to these meetings. In order to truly engage these businesses, the Council must undertake outreach with businesses in the area. Such initiatives seem unlikely however, as there is no dedicated Eastside team and funding for more man power seems improbable against a background of fiscal austerity.
What is most surprising is the fact that large businesses have felt uninvolved in the planning process for Eastside. Engagement with the business community during processes of regeneration is usually done through meetings with established community organisations (Rowe and Devanney, 2003; Geddes, 2001; Mayo, 1997; Taylor, 2001) and in Eastside; Custard Factory is the main representative for the creative industries. Yet David Peebles remarked ‘what they (the Council) haven’t done is taken advantage of us and they should. I’ve had every city, European capital city come to Custard Factory, but I haven’t had the leader from the city council’. Whilst it would be unfair to expect complete representation in such a diverse community, for such an important and unique asset to feel disengaged from the regeneration process is concerning.

4.3 - Changing Face of Eastside: Clientele and the Effects on Types of Businesses/Current Businesses

The perception of most respondents was that the changing fabric of Eastside has resulted in a change in the types of clientele and the types of businesses emerging. The dwindling blue collar customer base has not been replaced at a sufficient enough rate by new residents/businesses and thus much of the business community are unsure whether they can survive in order to see the benefits of regeneration. Yet for some, the benefits of urban regeneration are starting to be felt and they remain positive over changes that are occurring in the area. Jane Cummins, owner of a lifestyle and therapy shop called Greenscene, opened in 2005 and commenting on her business she said:

‘When I was first thinking about opening a shop like this, I looked at all the buzzing areas, you know like Kings Heath, where they have that organic café. I decided to do Custard Factory because, well you know, look at the people and some of the businesses that are around here…it’s brilliant we have so many like-minded people. They’re what you’d call the creative types rather than blue collar types who used to work around here…Business is a lot better than [I] expected when I first opened up, and that’s definitely because of the regeneration process that is happening here…people are equating Eastside and Digbeth with this sort of bohemian quarter and what we really need is more development in the area so we can really push on and make a fight of this thing (respondent, Jane Cummins)

The positive implication of having a business that has been established and is thriving as a result of the regeneration process is encouraging for the future of Eastside. Not all have fared so well as Greenscene though. One respondent told an anecdote of a fish and chip shop who had been in Digbeth for thirty years, but because ‘businesses in that area have closed, the guy just didn’t have enough customers and he’s gone’ (respondent Gulshan Lall). Walking around the area, it is obvious that many businesses have suffered a similar fate (see figure 3). It is important then for priority to be placed not just upon the fate of ‘firms directly affected by major re-development initiatives but also those enterprises indirectly threatened by the wider dynamics unleashed by ambitious regeneration proposals’ (Weingaertner and Barber, 2007: 1664). Whether or not these businesses closed due to not getting sufficient feedback about the developments in Eastside and thus not being able to plan and adapt to them is unclear.
Figure 3: A Derelict Shop on Digbeth High Street

What is clearer is the influx of cultural and creative industries to the area has forced many SMEs to adapt their business practices.

Respondents had noticed that the habits of clientele have changed significantly since the arrival of the creative industry in Eastside. For example, food traders have had to adapt to the needs of their new clientele by evolving ‘to keep up with the current trends…wholesome soups, vegetarian choices, healthier options’ (respondent, Gita) in a bid to remain in business. These changes have been easier for the newer established businesses that are more flexible as their identity within the Eastside community is not as well established. In contrast, cafés and restaurants that had been open for ten years or longer had noticed it was far more difficult to adapt to changes in the demographic of Eastside. These problems mostly came down to the financial and time investments of retraining staff, adjusting premises and changing menus. Traders from other professions such as fabric traders have also noticed a stark contrast in the demands placed upon them by the new breed of clientele.

‘It’s a lot more professional, we do a lot of business with C.O.W [Creative Open Workshops] and the Couture Company in Custard Factory and the way they go about doing business is completely different. I’ve been here when the rag trade was big and I’d know everyone who come into the shop and in many ways it’d be really informal, I knew people were good for money so if people didn’t have cash on them at the time it’d be ok, because I knew they’d be back next week, or they’d pop in to the shop. Nowadays, whilst I still get some of my old customers regularly, I’m mostly there to just provide a service, nothing more, and it’s nice in a way, in that it’s less hassle, but there isn’t the same sense of community. I can’t rely on the same people to always come back here, and it’s meant whilst if I’d carried on trying to do the same thing as I’d done before I’d be out of business; at the moment I’m still struggling’ (respondent, Margaret)

Informal relationships have been replaced by a new mode of business operation which suggests that the notion of a united business community is misguided. Indeed there are two distinct business groups in Eastside, the Digbeth Business Association and the Space Foundation to which the Custard Factory and several other creative and cultural firms are a part of. The fact these two groups exist indicates a difference in interests between the creative
and cultural firms and other businesses. What this will mean for the future of Eastside is unclear. The success of many cultural quarters in the UK has come as a result of cohesion between businesses and cultural industries as was the case in Dublin’s Temple bar where ‘businesses and arts organisations in the area organised themselves to form the Temple Bar Development Council’ (Montgomery, 2004: 5). This does not appear to be the case in Eastside and the way in which these seemingly distinct business associations interact with each other will play a significant role in shaping the ability of SMEs not related to the cultural and creative industries in the area to remain competitive. Furthermore, what also emerges from the interview with Margaret is scepticism to the economic strength of Custard Factory. She highlights the fact that she is struggling despite her relationship with firms in Custard Factory being ‘about five years old’ (respondent, Margaret), which would suggest that there is not enough trade being generated by Custard Factory for SMEs, even those that are related to the cultural and creative industries.

This lack of a loyal customer base has plagued many businesses in Eastside. In order for many established businesses to make regeneration economically meaningful for them, they must adapt to the needs of their new clientele or forge of links with other businesses in the area. There is evidence of this occurring in Eastside and such opportunities must be actively encouraged and exploited in order for the area to retain the character and distinctiveness fostered by independent businesses.

4.4 - Social and Business Networks within Eastside

Informal relationships have been the main form of linkages between established businesses within Eastside. Many of the interviewees aimed to patronise as many local services as possible with the idea being that if ‘they come in and buy my bacon sandwich, then I will…take my business to them’ (respondent, Dorinda). Dorinda, owner of Eastside Café, noted how ‘Dave fixes my car down there, I get my linen from Diamond Linen and from Atlas…all of my suppliers are from within a mile’. Such networks take time to evolve and develop and it is proving a tough task for established businesses to forge links with new arrivals to Eastside, informally or formally. For example Pav, owner of Zambi, a newsagent that is located within five minutes walking distance of the newly opened South Birmingham College spoke of the fact that ‘the college over the road doesn’t let students take food and drinks in from outside. When it first opened I thought I’d get more passing trade but that’s just not the case’. Better planning from an earlier stage would have allowed the voices of food traders to be heard and a compromise that helped promote the local economy may have occurred. Despite this, there are examples of new businesses, especially corporate businesses such as architecture firm MADE approaching local traders such as The Warehouse Café for food services.

Other innovative methods of negotiating the regeneration process can be found in Eastside. The installation of Digbeth’s first free cashpoint located outside of the Nisa supermarket on the Digbeth High Street has provided a competitive advantage for the grocery shop.
These innovative ways in which the established business community have negotiated exclusion in the regeneration process is commendable and their survival is necessary for potential economic growth of Eastside. As one respondent noted ‘We rely on businesses in the area for a lot. We’re new to the area and the small things like local catering facilities really help us in our day-to-day running. We need these sorts of services so we can survive. It’s a you scratch my back and I’ll scratch your back kind of philosophy’ (respondent, Amy).

That SMEs have had to adapt and try to find ways to make the regeneration process economically meaningful to them has come about as a result of Custard Factory. The private redevelopment of the former Bird’s Custard Factory as a cultural and creative hub sparked the vision by urban planners to reshape Eastside as a cultural quarter. What ensues is an analysis of Custard Factory looking at the effects it has had upon its locale and its uneasy relationship with small businesses.

'I had people come in from the coach station and they’d always be asking where’s the nearest cashpoint, but thing is we didn’t have a cashpoint in Digbeth. Well we did, but they weren’t free. It was ridiculous to be honest that in this day and age the whole of Digbeth didn’t have a free cashpoint. So...I spoke to Natwest and applied for one and then yeah, I got one in April. Ever since then business has really picked up. I became a Nisa to help me cope, because the whole area was dying, but ever since this ATM, I’ve had lots of business. You get people coming from all the offices down the road coming to get money out, and they end buying things in the shop because it’s convenient for them. Then of course you get lots of people coming from the coach station and again they buy things in the shop. It’s one of the best things I’ve done for this place’ (respondent, Michael)
Chapter 5 - Custard Factory: Bohemian Urban Regeneration?

Custard Factory is a five acre piece of land that was once home to the Bird’s Custard Factory. Redevelopment of the complex started in 1992 after Bennie Gray, a real estate developer recognised the potential of this space and was approached by several artists looking to use the space as studios. Originally, rent-free for ‘no less than 70 creative enterprises’ (Lavanga and Mariangela, 2008: 3), the organic approach of minimal regulation gained the initiative street-credibility and thus the demand for space within it rose immensely. Such a demand, created the need for a thorough renovation of the derelict building – funding for which was provided by gap funding – which then allowed for the formation of separate working units. Today, Custard Factory is home to around 300 companies and employs more than 700 people.

5.1 - Reuse of a Vacant Industrial Building

Fuelled by the brownfield debate (Hall, 1998), there is a recognition that subject to appropriate use, the ‘costs of reusing vacant industrial buildings are lower than the equivalent costs of new build’ (Ball, 1999: 143). The renovation of Custard Factory is a fine example of the ways in which vacant buildings can be reused and recycled for an altogether different purpose. The initial development is home to a community of small businesses in the creative sector, majority of which are media firms and artists. It has a vast range of facilities such as 80 studios ‘ranging from 300 – 3000 square feet…the gallery, [a 220-seat] theatre, kitchen and a number of award-winning boutique shops’ (http://www.custardfactory.co.uk). The second development is known as the Greenhouse. Completed in 2002, this zone of Custard Factory is mostly dedicated to media businesses as well as a ring of poolside shops, galleries and restaurants. The last development, Zellig, was completed in May 2010 and provided space for 110 new office and workspace units and funding of £6.4 million for this was obtained through the regional development agency, Advantage West Midlands. (http://www.advantagewm.co.uk). Custard Factory has played a large part in luring ‘two important educational institutes in the field of media to locate in the area: the Media and Arts annex of South Birmingham College and VIVID Media, which has relocated from the Jewellery Quarter’ (Lavanga and Mariangela, 2008: 4). As a result of the restoration and subsequent marketing, Custard Factory has ensured a lively local creative hub has emerged and it is widely praised as an excellent example of urban revitalisation through arts and media (Ball, 1999; Urbact Culture, 2006).

5.2 - Custard Factory as a Centre for Economic Activity

Custard Factory is currently run by a non-profit organisation called SPACE (Society for the Promotion of Artistic and Creative Enterprise). Based on the back of the success of the creative community that was formed, a number of support projects have emerged such as:

‘the Custard Factory Creative Hub, which provides business support to creative entrepreneurs, the Custard Factory Creative Industry Forum, offering personal assistance and training, and the Custard Factory Theater Project, which supplies training and technical facilities and theater space to both creative firms and local residents. Furthermore, the Screen Hub West Midlands provides firms within the movie industry with specific facilities, business support and business units’ (Lavanga and Mariangela, 2008: 5).
It is institutional networks like this that has seen fledgling arts and media firms flock to Custard Factory as entrepreneurship has been allowed to flourish through an all-encompassing support network with both business support and floor space being offered.

Creative firms are also attracted to Custard Factory as a result of them being in such close proximity to other likeminded firms. As David Peebles, marketing manager of Custard Factory notes ‘if you get a good team in, a good graphic designer etc…they actually help you market your space because the graphic designer…needs someone else and it's almost that incestuous way that they work’. This follows neatly with the idea of clustering and firms locating near one another as a means of competitive advantage (Porter, 1998). Moreover, the issue of rent is another important factor in firms locating within Custard Factory.

‘You want to do the best you can do, but in order to succeed economically in a regeneration project there’s a ceiling height from a rental point of view that you can reach; because you’re in this part of town or because you’re trying to attract fledgling companies who don’t want to risk too much capital’ (respondent, David Peebles).

Custard Factory is a freehold property so has had a far greater degree of flexibility in setting rent prices. New creative firms are attracted by the low rent prices and this coupled with the support system in place means Custard Factory has become a successful creative community and has created economic growth.

5.3 - Custard Factory: Forging Links with the Established Business Community?

Through interviewing David Peebles, the marketing manager of Custard Factory an interesting vision was laid out in which he envisioned Custard Factory as ‘surviving despite Eastside’ and in which Custard Factory ‘was not reliant upon regeneration and…whose destiny should be in our own hands’. In that sense, Custard Factory is unique, it has created a community within its own walls and the economic model it has employed of having ‘one hundred businesses’ rather than having one large business as was the case with the old Bird’s Custard factory is something that attests to this. As Peebles noted, ‘we’re known for our nightclubs but that’s one tenant…but if I’ve got two hundred companies and one goes bump, I’ve still got one hundred and ninety-nine companies, so the economic model’s actually quite strong once it gets to a certain occupancy level’. The institutional network it also has in supporting its businesses further strengthens the idea of creating a community within its own walls.

It is very tempting when walking around Custard Factory and noticing the vibrant, energetic feel it has to think of it as being in a completely different realm to Eastside, and talk of a self-sustainable community reinforces that notion of otherworldliness. However, Custard Factory has had a profound effect upon Eastside. Not only has it been instrumental in attracting other components of the creative sector to Eastside such as VIVID Media and the Media and Arts department of South Birmingham College, it has played a role in promoting a more locally-orientated economy. Established businesses in the area have formed linkages with companies within Custard Factory. For example, David Peebles spoke about the ‘great metal worker just across the road, they’re an asset to the community, because if we’re building, then we’re using them. Same with the guy who’s got his carpet warehouse, it’s great, and we use them
every time we carpet.’ Another example Peebles cites is the Yumm café that has opened its doors in 2010 at Custard Factory.

‘When we first were here, there was nowhere to eat, so people who worked here would go to the nearest café. It was nice, just like sandwiches and stuff, nothing too fancy. Anyway, the lady who owned it came up to us and said I don’t really see a future for me in my current location, have you got any spare units available? One came on the market about a month later and I offered it to her. So she’s moved in and because of the nature of this place, the rents are really competitive and she’s doing great business for herself’ (respondent, David Peebles).

The absorption of local businesses into the Custard Factory complex harks back to the notion of its bid to become self-sustaining. It is this idea of ‘surviving in spite of Eastside’ that sits uncomfortably with notions that many politicians, business leaders and urban elites perpetuate which is flagship projects will ‘enhance the image of their city, [and] be a catalyst for further economic growth’ (Doucet, 2007: 3). As he admits when talking about the importance of retaining businesses, ‘I don’t think you can be too precious, if it doesn’t work it doesn’t work…It’s all in the name business. If you’re not doing business then you’re folding and…if things change, embrace it’ (respondent, David Peebles). Whilst a flagship project such as the Custard Factory has undoubtedly attracted new employment to an area, it has also helped to further widen the socio-economic divide of the marginalised existing business communities of Eastside. Growth is centred on these new nodes of creativity, leaving only the businesses that can add value to them that truly prosper from these developments. Furthermore, such flagship projects can hinder local economies in the sense that industries that grow are invariably linked to that of the flagship project. For example, creative industries have grown within Eastside but it can be argued that if resources were spread more diversely over previously established SMEs and the development of new industries, then it would have been better for Eastside as a whole. Many of the owners of SMEs interviewed believed that they were being neglected in favour of the Custard Factory and the regeneration programme. One respondent when asked whether he felt his business was being ignored by the relevant authorities said:

‘Oh yeah, definitely. I don’t blame them in a way. They see projects like the Custard Factory as the future and so everything is centred on that. What do we have to offer? Not a lot really. I mean who are you gonna be looking after, a hundred small shops or one large project that’s raking in money? I know what I would do. In an ideal world we’d all be getting a bit of the action but it’s not to be’ (respondent, Pav).

Another responded:

‘End of the day, all they’re interested is money. I can’t blame them for that. I just wished when they’d first started this whole regeneration that they’d told me. The Custard Factory is great, don’t get me wrong, but I thought that was it. I didn’t think they’d centre the whole thing around the Custard Factory and what’s happened now is, we’re left to fend for ourselves whilst all the money gets poured into the Custard Factory and regenerating things based on that’ (respondent, Graham)
As alluded to earlier, merely walking through Custard Factory and then back out into Digbeth, it is noticeable how alien the two places seem compared to one another.

**Figure 4: A Comparative View of Custard Factory and the Surrounding Area**
What has been clear is that Custard Factory has grown at a rate that far exceeds the rest of Eastside and that the regeneration of Eastside as a cultural industries quarter has not taken into account the profile of the existing business fabric. Despite being a private initiative, Custard Factory has been held up by the City Council as a flagship project and thus in this sense it has been drawn into the regeneration process. As a flagship project, it has looked to be self-sustaining, favouring the absorption of businesses that add value to it rather than providing the community wide benefits that would have been desired from a flagship project. However, this is not necessarily the fault of Custard Factory as it is first and foremost a business. Unfortunately, this has resulted in an opportunity that has been missed so far in embracing the culture of the old Eastside and integrating it into visions of a new Eastside.
Chapter 6 - Conclusion

Through interviewing several of the business community and people who have a deep seated interest in the regeneration process of Eastside I can draw a number of conclusions that help me answer the aims of my study. Eastside is invariably an important part of Birmingham’s future, and the decisions that have been made so far ultimately point towards an opportunity that has been missed.

Whilst it was expected through a review of the literature that businesses were unlikely to be involved in the planning of the regeneration process, the extent to which this has occurred was unexpected, especially with regard to the involvement or lack thereof of Custard Factory. Custard Factory is undoubtedly the true success story of Eastside so far, and for the council to not utilise it in the planning process is concerning for the future of Eastside. Regeneration of Eastside is nowhere near complete and future development of the area must surely incorporate such important actors in it. This lack of involvement for larger actors does not bode well for SMEs, especially as there is now no dedicated Eastside team. However, the recent announcement in the 2010 Queen’s speech regarding the Coalition Government’s plans for a localism and decentralisation bill does provide a beacon of hope for integration into the planning process (Couch and Cocks, 2011). Decentralisation of power would shift power to local governments, neighbourhoods and thus businesses in the planning process. There is hope then that the current culture and resident-led approaches to regeneration will be replaced by a more fluid approach that shows greater sensitivity to the existing business fabric in the planning and consultation process. For now, the failings of the blank slate approach used north of the tracks have all but stifled the economy and whilst the more organic approach south of the tracks is positive, there is still not enough SME inclusion.

What has also emerged is that many businesses in Eastside do not have the flexibility to reinvent themselves and this rigidity could have been understood through a more sensitive approach to the planning process by the Council. This could have been done through better incorporating larger actors such as the Digbeth Business Association. By understanding the context of the businesses located in Eastside and by undertaking outreach programmes to incorporate the business fabric into the initial planning and consultation processes, certain mistakes would not have been made such as South Birmingham College not allowing food and drink to be brought in to their premises from outside. With support and involvement from the council, such rules may not have been implemented and would have provided local businesses with the larger customer base they had hoped for when South Birmingham College first arrived in Eastside. This paucity of dialogue is typified through the feeling held by many SME owners that they were unaware of a lot of funding structures that were in place. As such, it is been down to businesses to find innovative ways to make the regeneration process economically meaningful for them. The creation of business and social networks with other firms in the area and new arrivals is something that has been done as a means to survive. It has worked well so far, and with help from the wider stakeholders of regeneration, such networks would be easier to form. Future policy directives must endeavour to help the forging of these relationships, again by better involving larger actors such as the Digbeth Business Association and the Space Foundation.
Finally, the problem with following a formulaic approach to regeneration has been felt in Eastside. By focusing largely on the creation of a cultural quarter, further marginalisation of much of the existing business community has occurred. However, this may have been a deliberate ploy on the part of the Council as Smith (1996) shows how culture and the arts can be used as a deliberate strategy to displace less marketable populations and activities. Whether or not this is the case is beyond the scope of this study but with the Custard Factory seeking to create a self-sustaining community within its own four walls it appears that two large business associations, the Digbeth Business Association and Space Foundation will be vying for funds from the Council. The concentration of efforts so far in creating a cultural quarter suggests that resources will be concentrated in developing this rather than in protecting other sectors, which does not bode well for the prospect of the area having a diverse economy. Once the area is fully regenerated, economic growth may bring about a diversification of industries, but when this will occur is uncertain, and for small businesses currently in the area, such uncertainty is potentially lethal.

This paper has explored urban regeneration from a new perspective, focussing on the way in which businesses have negotiated the transition period of urban regeneration, as well as the ways in which formula led regeneration projects whilst creating employment do not necessarily consider the existing socio-economic profile of existing businesses in the area. I hope this work will be a starting point for a focus towards a discussion about this specific facet of urban regeneration schemes.
Chapter 7 - Auto-critique

Through the research I have carried out, I feel that I have answered the aims of my research. Full and frank discussions were had with all of my interviewees and various insights were gained pertaining to the aims of my research. That being said, I did encounter a few limitations during the data collection process.

Whilst interviews were sought with people from different ethnic backgrounds so as to gain a holistic representation of Eastside, the language barrier became an apparent problem in many of the interviews conducted, as many were not able to articulate responses to questions they did not fully understand. As such, respondents were mostly of British descent. A further problem arose when interviews were sought with members of Birmingham city council. There was a reluctance to be interviewed with a dicta-phone despite the promise of anonymity offered, and thus only one interview was conducted with a member from the council. As such council attitudes to urban regeneration and the support offered to businesses were supplemented heavily by council publications and the opinions of traders.

Regarding the interview questions, I feel that if I had asked more questions about what business associations the respondents were a part of rather than wait for the topic of business associations to come up during the interviews I would have been able to expand upon the debate regarding the way in which the creative business community and the other SMEs in Eastside seem to be competing with one another. This would have further illuminated the problems with pursuing a formula-led regeneration project.
Chapter 8 - References


Chapter 9 - Appendix

Interview Transcript

Business Interview 1

R.S – Firstly, a bit of personal information, what exactly is your job role?

G.L – Well, basically everything really. I’m a manager, proprietor, buyer, seller, everything.

R.S – Erm, and when did you take up your job, like when did you first open your shop?

G.L – 1991

R.S. – 1991. And how would you say the Eastside community has changed erm, compared to when you first arrived? Was there more of a thriving business industry then or has it lost it?

G.L- Well yeah, it was more industrial and then it starts changing to erm… office, industrial and then industry started to disappear and now there’s small industry, small office and some er, lot more residential has come in, apartments and stuff

R.S – And has it affected your business?

G.L – Yeah

R.S – Yeah? In what sort of ways?

G.L – Different types of customers or er, lack of customers, because obviously er there’s not enough people in the area because of industry and offices, and I don’t get them into my place and they er….er… the residents are not there when I’m open and there when I’m closed, which is evenings and weekends.

R.S – And so, how have you adapted to these sorts of changes? Is there any way you can do that?

G.L – Not really, no, we just have to, just, because I’ve been there long enough, I can survive, but if it wasn’t for that, I don’t think I’d be able to survive on the trade that’s…that’s taking place at the moment.

R.S – So do you still have a loyal client base who always come in and …

G.L – Oh we have loyalty, because a lot of our customers come from outside the area, not in the vicinity, you know Darley or even those who have moved from the area, remember that they can get from us, so they come back.

R.S – They come back to you. Ok. And have you found the stakeholders of regeneration have helped your business to adapt, er, either by helping forge formal links with other industries in the area or anything like that?

G.L – No, no, they haven’t done anything like that at all
R.S – No? So they haven’t provided you with re-training opportunities or refurbishment funds?

G.L- No.

R.S - Commercial rate relief?

G.L - Oh er, no. Well, the rate relief, small rate relief has come from the council but that’s through the government initiatives, because of the recession and not for any other reasons.

R.S – So you haven’t been able to apply for grant assistance programmes?

G.L – No.

R.S – Because the guy I was talking to at the local council; was head of the regeneration team, he was saying how there’s erm… er… you can apply for grant assistance programmes to repair your roof or install cameras and stuff like that. But nothing….

G.L – Nothing to me, they haven’t told me anything

R.S – Really?

G.L – No

R.S – And, do you have local business community meetings? Anything like that? Again, the person from the council said there’s local business community meetings held once a month.

G.L – They have some meetings about the Eastside regeneration and all that, but that’s just telling us there’s gonna be more offices here or that there’s gonna be more apartments here, nothing to do with actually helping businesses survive. I’ve been to one, it was just a waste of time.

R.S – Really? They just didn’t help you?

G.L – Na, no, they couldn’t answer. I mean some people there were asking questions, they couldn’t even answer the questions, they just kept saying this or that, I’ll come back to you…

R.S – And, er obviously they don’t get back to them?

G.L – I don’t know, because I haven’t spoken to those people.

R.S – So, what do you think the local council, local authorities can do to help businesses that are in the area, if they can do anything?

G.L – Well…the regeneration should be managed properly not just er….pushing everybody out, leaving derelict sites and no people in the area, with no regard to the existing businesses, and then saying oh yes we’re gonna regenerate, but nothing happens for ten years. It’s nonsense isn’t it?

R.S – Yeah, it is..
G.L – Which is what they’re doing, they’re not managing it and also, regeneration is going on everywhere instead of managed from one section to the next.

R.S – Ok, so it’s not erm… you think there’s not enough structure to the whole approach?

G.L – No, not at all, it’s just haphazard and all they were interested in was giving out planning and… to anybody and everybody as long as you stand on the corner with a piece of paper there, they’ll hand you out planning, and they’re handing out planning as if there’s no tomorrow.

R.S – And obviously, you feel that they’re not involving the local businesses enough?

G.L – No, no, they’ve never bothered asking me what er…er… how it should be, or what do you think or whatever. None of that, they keep saying we’ve got these forums or whatever, but the only people that go, are the ones you know…who are actually involved in these things. None of us go

R.S – So, erm…so what do you think…have you noticed things like unemployment increasing in the area?

G.L – Oh yeah, well obviously unemployment’s increasing because there’s so many people who er…used to come…

R.S – Uh-huh

G.L – have suddenly disappeared and the companies still there, but they haven’t got as many staff.

R.S – And in terms of regeneration, you tend to find that local independent shops are replaced with identical chain stores; that seems to be the general trend in Britain, have you noticed that in the area you’re in, or has it just been…

G.L – No, no, we haven’t noticed that, because there aren’t that many big stores in the area, it’s not that sort of area at the moment, but obviously they will start to come in the area when it’s fully developed, but not right now.

R.S – What about things like physical barriers like erm, obviously physical regeneration involves an upgrading of infrastructure, things like double yellow lines or physical barriers themselves may affect businesses. Does the local council engage with businesses in regards to street design? Has that affected you?

G.L – Well no, the only thing that affects me is a lack of parking in the area, you know the er… obviously more and more apartments coming that’s supposed to help parking and all this you know. But the parking is terrible. People don’t park in underground car parks when they’re just popping in and out; they try and park on the streets.

R.S – And obviously, there’s loads of double yellow lines and stuff?

G.L – Yeah, obviously those who need to park there because they’re either visiting the area or they actually work in the area, they’re parking er…abilities are reduced aren’t they?
Because if the residents are taking up some of the parking rather than parking…not all the residents have got parking. Because the ratio is not 100%, so instead of having two parking spaces for one apartment, they’ve got erm…er…half a parking space for one apartment, because they think…assume that not everybody’s gonna have a car. Well they’re wrong.

R.S – Yeah true. So have things like that affected you and your business. Have you noticed it’s affected?

G.L – Well, not the business as such because people you know…we’ve got double yellow lines so people park there for a second and then move on or whatever…and they get away with it. But er…it does affect us because we can’t always find proper parking spaces ourselves. We’re always having to move cars from one side to the other rather than staying. Yeah, generally parking is a problem here.

R.S – You know you were saying earlier how erm…how you’re clientele have changed over the years in terms of…because it used to be an industrial area and now it’s a knowledge based and creative kind of area. Have you noticed that the demand for; because you also sell food in your shop, have you noticed the demand for food change and stuff?

G.L – Well, erm…not so much demand for things, the…the office workers tend to be more women, therefore they’re more selective in their requirements so you know, all healthy and so forth, so they don’t eat or drink like the men do, the factory workers you know. There is a difference there.

R.S – So have you had to change your stock?

G.L – No, I haven’t had to change it, but probably change the proportions you know, whereas maybe I was buying 10% of something, I’m buying 50% of that but something else has gone down, so not actually changing the products, just the quantities have probably changed.

R.S – That’s fair enough. Are there any other issues you would like to raise that you feel are important but have been overlooked?

G.L – No. The usual issues, incompetence of governments and all that. Council’s and things that’s all. And we’ll always have those so…

R.S – Do you reckon that’s because of a lack of man power or a lack of understanding, a lack of a communication line between you and…

G.L – No, it’s because of a lack of…no on their part, they’re politicians, they think short term. They’re only thinking about the next Mayday election or whatever it is you know. They’re not really interested in people’s erm…er…businesses or whatever, it’s very short term thinking and very political thinking rather than genuine desire. The reason they’re there is to say they want to serve the community but they’re not serving the community, no, not at all.

R.S – So obviously they’ve got their own self-interests and…

G.L – Yeah, it’s only short term interests, party interests, whatever’s the case. Only short term interests, there is no long term coherent strategy on their part. No erm…desire to
actually help people. There’s so many issues with them…you know…they say all these things, you mentioned security grants and what not. But where are they? I’ve never heard anything.

R.S – Really?

G.L – Yeah.

R.S – Do you know anyone in the area that has received anything like this funding?

Examples of the Different Interview Schedules Used

Rough interview guide to be conducted with the marketing manager of Custard Factory

Where ever possible I shall keep the conversations flowing using an exploratory interview style, however, if the respondents reply with short answers then further questions are available below.

Personal information:

What exactly is it your job role?

When did you take up your role of employment?

How was the Eastside community when you first arrived in terms of the regeneration process? Was there a thriving business industry or was it on the wane as it has been recently?

Notions of Sustainable Development:

Policy has indicated that urban regeneration has to be of high quality and also sustainable. How hard has it been to turn these policies of sustainable urban regeneration into practice? What problems have you encountered in making the custard factory sustainable?

What is your personal ideal of sustainable development regarding urban regeneration? Has the Eastside in your opinion fulfilled that ideal?

Regeneration and Approaches to it:

Would you agree that location is not the only important factor regarding regeneration in its ability to bring about change? What other factors are there in helping bring about sustainable regeneration?

Many cities in Britain have disregarded local, independent shops and replaced them with near-identical chain stores, resulting in loss of local character and distinctiveness in many town centres and regeneration areas across the country. It has been argued that for an area to attract business and people to it, a unique atmosphere is required. Having small, local and long established businesses could help to create this unique atmosphere in cities and regeneration areas.
Has this been the case with the Eastside? And following on, how essential is it that established businesses are retained throughout and beyond the process of regeneration? (Local multiplier effect. Large businesses outsource, local businesses source within the area)

In your opinion does the retention of established businesses allow for a positive implication on an area’s sense of place, distinctiveness and social networks? Why and how?

The Custard Factory is part of the bohemian quarter of Birmingham and is its most famous example of it. What inspired you in the first place to start a project like this? Did you receive funding from local authorities etc.?

In a way you guys at the Custard Factory are guiding the process of regeneration. How exactly do you distribute your space? Are there certain requirements that a potential client has to show for example?

**Role of Stakeholders:**

From the interviews I have carried out with local business owners, it seems that they’ve not been given much feedback regarding the long term plans for the Eastside. For a project as large as the one occurring in the Custard Factory, surely you have had more feedback than the local businesses being perhaps the marquee symbol of regeneration in the Eastside?

According to a member from the regeneration team I spoke to, local business community meetings are held once a month. Have you been to any of them? Were they helpful? Were the issues raised from these meetings resolved?

What sort of conflicts have you found between business owners and local authorities?

*Wholesale, retail and manufacturing were the dominant sectors in Eastside prior to regeneration. In the last years many of these firms have slowly left Eastside and there are several possible explanations for this trend: competition with global markets and changes in the local and regional economy has been an important factor. However compulsory purchases, increases in rent, property and land values resulting from the regeneration activities have also played a significant part.*

Have you noticed an increase in land or rent prices since the process of regeneration started?

The Custard Factory has been open for 20 years in its current guise as a place to house creative and knowledge sectors of industry. How have you adapted to the changes that have occurred in the area such as rent increases etc.? Have you been helped by local authorities e.g. temporary commercial rate relief or assistance grants?

*Regeneration often changes land uses. For example, in the Eastside, industrial uses have been replaced by post-industrial uses (creative and knowledge based sectors). For small businesses this has meant a change in the clientele. A good example of this is local food retailers or cornershops that are reliant upon a certain type of customer.*
Have you found in your personal experience that these are problems that businesses in the surrounding area have faced?

Has the Custard Factory aimed to forge formal links (corporate social responsibility) with existing businesses in the area? Are there examples of this?

What about physical barriers? Regeneration obviously involves an upgrading of the infrastructure. Things like double yellow lines, bus lanes or even physical barriers may affect businesses and their clientele numbers. In the planning stage, have local authorities engaged with yourselves to alleviate any conflict?

Other Concerns:

Are there any other issues you would like to raise that you feel are important but have been overlooked in this interview?

Thank you very much for your time, all your responses will be kept entirely confidential (if desired) and have been very helpful for my final project. If you would like a copy of this project, one can be made available.

Interview guide to be conducted with the business community

Where ever possible I shall keep the conversations flowing using an exploratory interview style, however, if the respondents reply with short answers then further questions are available below.

Personal information:

What exactly is it your job role? When did you take up your role of employment?

How was the Eastside community when you first arrived in terms of the regeneration process? Was there a thriving business industry or was it on the wane as it has been recently?

Notions of Sustainable Development:

Policy has indicated that urban regeneration has to be of high quality and also sustainable. How successful do you think the Eastside development has been in terms of the social and economic sustainable urban regeneration? Have you noticed unemployment increasing for example? Or businesses going bust etc.?

What is your personal ideal of sustainable development regarding urban regeneration? Has the Eastside in your opinion fulfilled that ideal?

Regeneration and Approaches to it:

Would you agree that investing large amounts of money isn’t the only factor when talking about regeneration? What other factors do you think are necessary for urban regeneration to fulfil its goal of providing access to opportunities?

Many cities in Britain have disregarded local, independent shops and replaced them with near-identical chain stores, resulting in loss of local character and distinctiveness in many
town centres and regeneration areas across the country. It has been argued that for an area to attract business and people to it, a unique atmosphere is required. Having small, local and long established businesses could help to create this unique atmosphere in cities and regeneration areas.

Has this been the case with the Eastside? And following on, how essential is it in your opinion that established businesses are retained throughout and beyond the process of regeneration? (Local multiplier effect. Large businesses outsource, local businesses source within the area)

In your opinion does the retention of established businesses allow for a positive implication on an area’s sense of place, distinctiveness and social networks? Why and how?

In the area of Eastside that you are in, has there been a more organic less structured approach to regeneration, where stakeholders attempt to engage with local businesses or has it been more of a blank canvas approach?

**Role of Stakeholders:**

Have you been given much feedback in terms of the long term plans for the Eastside?

Is there a newsletter of sorts, and how long has it been running for? Is it widely distributed and made available?

According to a member from the regeneration team I spoke to, local business community meetings are held once a month. Have you been to any of them? Were they helpful? Were the issues raised from these meetings resolved?

*Wholesale, retail and manufacturing were the dominant sectors in Eastside prior to regeneration. In the last years many of these firms have slowly left Eastside and there are several possible explanations for this trend: competition with global markets and changes in the local and regional economy has been an important factor. However compulsory purchases, increases in rent, property and land values resulting from the regeneration activities have also played a significant part.*

Have you noticed an increase in land or rent prices since the process of regeneration started?

How have the local authorities and stakeholders of regeneration helped in providing you with the tools to remain in business during the regeneration process? (Provide re-training opportunities, refurbishment funds, temporary commercial rate relieves, etc.)

How easy has it been to get a grant if you have applied for grant assistance programmes? What problems have you encountered with them?

*Regeneration often changes land uses. For example, in the Eastside, industrial uses have been replaced by post-industrial uses (creative and knowledge based sectors). For small
businesses this has meant a change in the clientele. A good example of this is local food retailers or cornershops that are reliant upon a certain type of customer.

Have you found that these are problems that your business has faced?

How have you adapted to these changes?

Have stakeholders helped businesses like yourselves adapt to this, either by helping to forge formal links (corporate social responsibility) with these new firms or other means? Do you know of any examples where this has occurred?

What about physical barriers? Regeneration obviously involves an upgrading of the infrastructure. Things like double yellow lines, bus lanes or even physical barriers may affect businesses and their clientele numbers. In the planning stage, have stakeholders and the BCC engaged with businesses in regards to street design to ease such potential problems? In what ways do they do this?

Is there an example you can think of, where original plans have changed as a result of local concerns?

Other Concerns:

Are there any other issues you would like to raise that you feel are important but have been overlooked in this interview?

Thank you very much for your time, all your responses will be kept entirely confidential (if desired) and have been very helpful for my final project. If you would like a copy of this project, one can be made available.
E-mail Received from Clifford Hill Regarding the Scheduling of an Interview

Ravi, thank you for your phone call earlier today (Monday, 23rd August) and request for a meeting to discuss (broadly) the impact of regeneration on business.

Meeting /contact details are as follows:

Date of meeting: Wednesday, 1st September, 2010

Time start: 2.00 p.m.

Time end (maximum) 3.30 p.m.

Venue: 1. Lancaster Circus, Queensway, Birmingham (opposite former central fire station)

Clifford Hill
Principal Regeneration Officer (Development)
Tel: 0121 303 3692
Fax: 0121 464 9859
E-mail: clifford.hill@birmingham.gov.uk

Table Showing Interviewees, Date that Interviews were held and a Profile of Respondents

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<thead>
<tr>
<th>Respondent Name</th>
<th>Date of Interview</th>
<th>Interview Location</th>
<th>Brief Profile</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gulshan Lall</td>
<td>03/08/2010</td>
<td>Respondents Shop</td>
<td>Owner of a newsagent in Digbeth for over 20 years.</td>
</tr>
<tr>
<td>Respondent 2</td>
<td>03/08/2010</td>
<td>Respondents Shop</td>
<td>Young female who is owner of a music shop in Custard Factory</td>
</tr>
<tr>
<td>Pav</td>
<td>04/08/2010</td>
<td>Respondents Shop</td>
<td>Owner of a newsagent on Digbeth High Street. Been open for 10 years</td>
</tr>
<tr>
<td>Clifford Hill</td>
<td>01/09/2010</td>
<td>Respondents Offices</td>
<td>Head of the regeneration team for Eastside</td>
</tr>
<tr>
<td>Michael</td>
<td>01/09/2010</td>
<td>Respondents Shop</td>
<td>Owner of the Nisa store located near Digbeth Coach Station</td>
</tr>
<tr>
<td>Name</td>
<td>Date</td>
<td>Role</td>
<td>Description</td>
</tr>
<tr>
<td>--------------------</td>
<td>-----------</td>
<td>-----------------------</td>
<td>-----------------------------------------------------------------------------</td>
</tr>
<tr>
<td>Gillian</td>
<td>01/09/2010</td>
<td>Respondents Shop</td>
<td>Owner of a small café located north of the tracks</td>
</tr>
<tr>
<td>Gita</td>
<td>03/09/2010</td>
<td>Respondents Shop</td>
<td>Owner of a small café in Eastside. Has been open for over 15 years</td>
</tr>
<tr>
<td>Margaret</td>
<td>06/09/2010</td>
<td>Respondents Shop</td>
<td>Fabric trader located just off Digbeth High street. Does regular business with Custard Factory</td>
</tr>
<tr>
<td>Jane Cummins</td>
<td>06/09/2010</td>
<td>Respondents Shop</td>
<td>Owner of Greenscene, a lifestyle and therapy shop in Custard Factory</td>
</tr>
<tr>
<td>Mr. Ahmed</td>
<td>06/09/2010</td>
<td>Respondents Shop</td>
<td>Owner of a small supermarket. Has been open for 5 years</td>
</tr>
<tr>
<td>Amy</td>
<td>07/09/2010</td>
<td>Respondents Shop</td>
<td>Employee at a small advertising firm. Has only been open for 2 years</td>
</tr>
<tr>
<td>David Peebles</td>
<td>08/09/2010</td>
<td>Custard Factory</td>
<td>Marketing manager for Custard Factory</td>
</tr>
<tr>
<td>Sam Williams</td>
<td>09/09/2010</td>
<td>Respondents Shop</td>
<td>Manager at A.E. Williams, a pewter gift ware shop</td>
</tr>
<tr>
<td>Gerry</td>
<td>09/09/2010</td>
<td>Respondents Pub</td>
<td>Owner of Anchor Inn</td>
</tr>
<tr>
<td>Tom Forsyth</td>
<td>09/10/2010</td>
<td>Respondents Shop</td>
<td>Owner of a small furniture company</td>
</tr>
<tr>
<td>Graham</td>
<td>09/10/2010</td>
<td>Respondents Shop</td>
<td>Owner of a newsagent in Eastside</td>
</tr>
<tr>
<td>Respondent 18</td>
<td>09/10/2010</td>
<td>Respondents Shop</td>
<td>Employee at a creative firm inside Custard Factory</td>
</tr>
<tr>
<td>Dorinda</td>
<td>11/11/2010</td>
<td>Respondents Shop</td>
<td>Owner of Eastside</td>
</tr>
<tr>
<td>Mirabel</td>
<td>12/11/2010</td>
<td>Respondents Shop Manager of Warehouse Café. Has been manager for 7 years</td>
<td>Café.</td>
</tr>
</tbody>
</table>