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maclay murray & spens LLP

Marshall Poulton Esq  
Director of Transport  
The City of Edinburgh Council  
City Chambers  
High Street  
Edinburgh  
EH1 1YJ

Andy KCMF

373539.

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Dear Mr Poulton

**House of Fraser (Stores) Limited  
Edinburgh Tram Works**

Thank you for your letter of 22 April 2009, which we have now had an opportunity to discuss with our clients.

I note your view that the works do not constitute a nuisance in law. That is a point on which we will have to agree to disagree for now.

I also note your comments about the impact of the general economic climate on our client's business. They are confident that they can demonstrate that they have suffered losses as a direct result of the tram works. The significant decline in like-for-like sales being suffered at the Edinburgh stores is not being suffered at comparable stores elsewhere in the UK. The only explanation for this difference is that Edinburgh city centre is undergoing substantial disruption from tram works, whilst the other cities are not.

Although, as you state, the diversion of Princes Street was not implemented until February of this year, works associated with the trams have been underway for the past 18 months to 2 years, in a way which has significantly reduced over that period the number of customers coming to the city centre and therefore to our client's stores. The closure of Princes Street has only served to exacerbate the problem.

Our clients acknowledge that you have implemented a marketing and communications campaign, which they do appreciate, and they recognise the constraints of the need to show 'Best Value'. They do, however, have the following comments on the way in which improvements might be made:

1. **Parking promotion**

The idea of a parking promotion has been under discussion for over a year. Insufficient progress has been made. Our clients still do not know whether, and if so, how, their preferred solution will be implemented, i.e. a rebate of parking fees for customers spending more than a particular amount in city centre shops. It is important that the consultation process is expedited and parking promotion measures implemented as soon as possible for both on and off-street parking. Can you confirm when this will take place?

2. **Variable message signs**

Our clients consider it to have been a considerable improvement that the tone of the messages on these boards changed from discouraging the public from the city centre to encouraging them to go there. They consider, however, that significant further improvements could be made. In particular, these signs could be used in innovative and creative ways further to encourage the public. This might include regularly updated messages, and giving notice to the public of in-store events in particular shops. Our clients would be happy to provide further suggestions if that would be of assistance.

3. **Hoarding signage**

Our clients welcome the progress that has been made in relation to signage on the work hoardings in and around Princes Street to guide customers around the city centre to various shops. Significant improvements could still be made, for example in showing the locations of major stores, and the routes to those stores. In particular, our clients would welcome such signage to guide members of the public towards Princes Street from Princes Street Gardens and George Street. Can you confirm when such signage will be put in place?

4. **Tram mock-up**

Our clients considered the location of the tram outside their Jenners store to have been a success and understand it is having a similar positive effect in Leith. They would welcome its installation at the west end of Princes Street outside their House of Fraser store to benefit retailers at that end of the city.

5. **PR for Princes Street**

Our clients welcomed the advertising campaign referred to in your letter. They want to ensure however that the momentum of that campaign is maintained. They consider that it should be expanded, for example in being directed towards tourists coming to Edinburgh from abroad, particularly from Europe given the strength of the Euro against the Pound. It may be appropriate, for example, to ensure that people arriving at Edinburgh Airport and the bus and train stations are encouraged to visit Princes Street.

Further, our clients suggest that the campaign should be continued throughout the duration of the works and after their completion, when it could highlight the benefits to customers of returning to the city centre.

6. **Rates**

Our clients note that their arguments in relation to rates should be taken up with the rating authorities. They are doing precisely that. However, our clients understand that the Assessor's intention is to allow relief from rates for a maximum period of 6 months, but only for the period that works are being carried out directly outside the premises. Our clients regard this as completely inadequate, because the whole city centre is affected by the works regardless of their precise location. While these are points our clients will continue to raise through the appropriate channels, it is clear that the rating authorities are unwilling to recognise the extent of the problem. Against that background, the steps that you are able to take to help our clients reduce their losses are particularly important.

7. **Cleanliness**

Our clients have recently had to complain about the pavement outside Jenners having been left uncleaned for weeks. Although that particular issue is being addressed, it is very important that the


highest standards of cleanliness are maintained to ensure that the shopping environment is as attractive as possible. Noise and dust must be confined to non-shopping times insofar as possible.

Our clients would welcome further information from you on the following issues:

1. Can you confirm how much funding was available to fund the above measures, how that funding was allocated, and what amount of funding remains available for similar projects?
2. Could you please confirm the programme of works for 2010 and 2011, so that our clients may best plan around it?
3. Could you explain to them what steps may be taken to minimise disruption to traffic from road closures? In particular, can any steps be taken to ensure that roads are closed as close as possible to the commencement of work, and are re-opened as soon as possible after the work has been completed?
4. Can you please explain what Princes Street will look like once the works have been completed?

Our clients continue to rely on your full co-operation in mitigating the effects of the tram works on their business. We look forward to your early response.

Yours sincerely



Ross McClelland  
Associate  
For Maclay Murray & Spens LLP