

## THE HIGHLAND COUNCIL

19<sup>th</sup> December 2013

Agenda Item	15
Report No	HC/56/13

## TOWN CENTRE REGENERATION

### Report by Director of Planning and Development

#### Summary

This report updates Members on the Scottish Government's recently published Town Centre Action Plan and outlines examples of regeneration activity within Highland town centres.

This activity delivers on the Council's Programme commitment to support the development of our urban centres.

## 1. Background

- 1.1 In September 2012, the Scottish Government asked an External Advisory Group to agree an action plan for re-energising Scotland's town centres, addressing issues associated with planning, rents and rates, competition and empty properties. The Advisory Group produced their *Community and Enterprise in Scotland's Town Centres* report in July 2013. In September, the Advisory Group Chairman, Malcom Fraser, presented the thinking and findings from the report to Members after the PED Committee.
- 1.2 The Town Centre Action Plan, published on 7 November 2013, sets out the Scottish Government's response to each of the themes identified in the Advisory Group's report. It is a cross-government response and marks a significant shift in policy for maintaining and enhancing the role of town centres, reinforced with the appointment of Derek Mackay as Minister of Town Centres with responsibility for the delivery of the town centre action plan.

## 2. Town Centre Action Plan

- 2.1 The underpinning principle to the Advisory Group Report and to the Town Centre Action Plan is the need to place the health of town centres at the heart of decision-making. To this end the Scottish Government propose that a principle in favour of town centres be placed on public bodies. This means that when they are taking any decisions which affect the town centre, be that the location of services or offices, they consider as appropriate to local circumstances, the short, medium and longer term impacts. Clearly further work is required to determine how this can be enacted in an open, measured and transparent manner across the public sector and not just the Council. Work to this end will now be progressed through CoSLA to determine how a town centre first principle will work in practice yet take account of the other

governmental policy and duties placed on the Council.

## 2.2 Town Centre Living

Footfall is key to achieving thriving successful town centres, and footfall from residents, who use the local shops and facilities and help make places safer in the evenings and night, is vitally important. Town centres across Highland have many flats sitting empty and unattractive above shops. The Scottish Government recognise that the public sector has a key role to play here, and propose to utilise its Town Centre Housing Fund as a means to test opportunities, and remove barriers to enable more town centre living. Allied to this, it is proposed that Local Housing Strategy guidance will be strengthened to prioritise town centre housing.

2.2.1 The Council is already actively utilising Scottish Government Empty Homes Loan Fund finance to encourage property owners to bring back or convert property into residential use. The current redevelopment of the vacated RBS bank building on Kenneth Street, Inverness to convert into 3 flats is an example. The Council is working with property owners in Inverness, Dingwall, Alness and Nairn to carry out feasibility studies on other projects. The main difficulties have been landlords' reluctance to invest and the high cost of conversion due to fire and sound insulation regulations.

2.2.2 The Highland Council is also prioritising new Council housing investment in town centre areas and is working with developers in Academy street and Church street in Inverness and town centre projects in Fort William and Dingwall to take forward new mixed tenure housing projects. The Council has recently started on site on new Council housing in town centre sites in Nairn and Aviemore.

2.2.3 It is recognised that in addition to fit out costs, many city centre buildings are of historic value and in need of investment. To this end, whenever opportunity allows, the Council seeks funding to assist with such investment. Previously Wick Pulteneytown benefited from Heritage Lottery and Historic Scotland funding and the Council is currently managing a Historic Scotland Conservation Area Regeneration Scheme in Dingwall and have applied for Heritage Lottery funds for a Townscape Heritage Initiative project in Academy Street, Inverness.

## 2.3 Vibrant Local Economies

Town centres need vibrant businesses and successful entrepreneurs. It is recognised that the role of the public sector is to create the necessary conditions for businesses to thrive, and in particular give support to enable them to adapt, to prove resilient to the challenges faced, and equipped to identify and increase investment opportunities. Business rates in particular are seen as critical in this regard, and the Scottish Government has identified a number of rate relief initiatives that it seeks to maintain and build upon: Business Rates Incentivisation Scheme, Small Business Bonus Scheme, Fresh Start (expansion to pubs, hotels and restaurants), and Town Centre Investment Zones. Other commitments have also been made relating to Business Improvement Districts (BIDS) and business support (Business

Gateway).

2.3.1 The Council has already stated its intention to work towards the establishment of a City Centre Investment Zone for Inverness, and will actively work to this end with the Scottish Government as more details emerge on the pilot scheme. This will build on existing good work whereby the Council, working together with business, has secured a high percentage of take up of the Small Business Bonus Scheme. Members will know that the Council is a strong supporter of BIDS and earlier this year voted in favour of the Inverness City BID re-ballot and the new Lochaber BID proposal. Since taking over the Business Gateway service the Council has opened up support to retail business, and they are now able to access the full range of support, including online, face to face, or workshop activity including workshops that are specifically tailored to the retail sector, for example, stock management, sales and marketing, trading online and customer service.

#### 2.4 Enterprising Communities

Across Highland community groups play a central role bringing culture, enterprise and services to their communities. The Scottish Government recognise this and outline a series of actions that will support enterprising communities and individuals to assist with the problems of vacant and empty properties and meeting local demand for new activities, events and services within town centres.

2.4.1 The impact of community-led regeneration on town centres is typically more significant and obvious in smaller town centres but nevertheless, all town centres are increasingly home to a growing number of social enterprises. While such businesses can access Business Gateway support there is also a wider programme of support in place to enable such business to become established and to trade. The Council's asset disposal programme which provides for the transfer of Council assets no longer required to community groups, already aligns with the Government's aspiration in this regard.

#### 2.5 Accessible Public Services

Closely linked to the Town Centre First Principle, the Advisory Group Report advocated that there is a democratic right of access to public services, that these public services should be town centre based, and the financial models influencing decisions affecting the location of offices and services should be amended accordingly. The Scottish Government recognise and support this presumption and has outlined actions which will progress this, drive forward the 'place' agenda and ensure there are sustainable transport options for people to access town centres.

2.5.1 As detailed in paragraph 2.1 the Council must balance a number of competing demands and duties when making decisions that impact on office and service locations, but the recent consolidation of staff in the Town House, Inverness, and the office redevelopment in Wick, are positive demonstrations of current Council support for town centres.

2.5.2 The Council has also agreed to focus on the close interrelationship between transport and land use planning issues and the implications for town centres. In October 2013 the City of Inverness Area Committee agreed for a Land Use and Transport Strategy to be prepared for Inverness City. This work acknowledges that the quality and ease of access to services and facilities, and availability of places to visit and socialise has a strong influence on where people choose to spend time and money. A series of consultation meetings are proposed to identify the land use and transport priorities that can best achieve an increase in footfall in the City. This will include a cycling strategy for the city to investigate ways of achieving the national target for 10% of all trips to be made by bicycle.

2.5.3 Alongside, the Council is developing a Green Transport Strategy which aims to maximise the role of active travel and public transport in the journeys made across Highland.

## 2.6 Digital Towns

The digital revolution is impacting on everyone and it has been profound and swift on town centres. E-commerce means there is now a different way to buy and sell things and a different way of seeing, promoting and using town centres. The Scottish Government wants Scotland to be at the forefront of the digital revolution and sees the potential that this offers town centres and their businesses. The provision of superfast broadband is central to this; as is the need to provide a digital infrastructure that enables connectivity at anytime, anywhere, by any device; and that support is given to help small businesses better utilise digital technology.

2.6.1 Superfast broadband access will be rolled out over the coming 2 years to all town centres within Highland. Together with HIE and Business Gateway town centre businesses are currently able to access free one to one advice in the form of Digital Health Checks, workshops, ranging from Cyber Security to use of Social Media, Digital Marketing, Ecommerce and using the Cloud, on line guides, and the latest information on superfast broadband access. Workshops and advice can be tailored to the specific needs of the town centre business community. Citizens Online UK, is also working with HIE and Business Gateway to provide free workshops to our citizens to motivate and help people on line for the first time. See <http://www.hie.co.uk/about-hie/events/archive/19-11-2013-our-digital-zone.html>

## 2.7 Pro-active Planning

Planning policy for town centres should be simple, encouraging and proactive. This is a recommendation from the Review that the Scottish Government fully embraces as this approach fits with its wider programme of modernisation of the planning system. A series of actions are proposed including an updated town centre first planning policy and associated 'sequential test', a Master-planning Toolkit for town centres and greater encouragement of the use of compulsory purchase powers to promote sustainable economic growth.

2.7.1 Members will be aware that the Council endorses this approach and seeks to ensure planning policy for town centres is clear, encouraging and proactive

including the preparation of a number of Town Centre Development Briefs. As a direct response to the Advisory Group's report the Council has embedded a 'Town Centre First' principle in the Inner Moray Firth Proposed Local Development Plan (IMFLDP) and the identification of Inverness city centre as a Priority Action Area. Policy 1 of the IMFLDP seeks to protect and enhance the vitality and viability of our existing city and town centres, and to make them vibrant places where people want to visit and where businesses wish to invest. When the Council approved the IMFLDP in September 2013 for consultation, it was one of the first local authorities in Scotland to adopt the sequential approach that prioritises growth and investment to all existing centres.

- 2.7.2 This work will inform the review of the Inverness City Centre Development Brief. Inverness City Centre will also benefit from a series of consultation events aimed at drawing up a Land Use and Transport Strategy for Inverness. This is aimed at identifying the key sites and transport improvements that will best increase footfall and the quality of the environment in the City. This will include consideration of any proposals that reflect the recommendations of the Advisory Group and the Town Centre Action Plan.
- 2.7.3 Alongside, the Council has submitted a bid for funding from the £120k made available by Scottish Government to run Charrette events in Fort William, Nairn and Tain to identify actions and proposals for delivering town centre regeneration. This could include the re-use of vacant or under-utilised buildings, improving connections to facilities and services and identifying potential catalyst projects for the regeneration of each town.

### **3. Summary**

- 3.1 Town centres in Highland share the challenge of regeneration with many towns across Scotland, and while, as demonstrated in this report, good work across the themes is already underway, much more is required. This challenge cannot be underestimated and while the Town Centre Action Plan marks a significant shift in Scottish Government policy towards town centres, it is seen as a framework to create the conditions for regeneration rather than as a solution. Each town centre must choose and find their own way.

### **4. Implications**

- 4.1 Given the nature of this report there are no direct Resource, Legal, Equalities, Climate Change/Carbon Clever or Risk implications immediately arising. However, such is the subject matter that significant implications will arise and will need to be considered as integral to decision making going forward.
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**5. Recommendation**

- 5.1 Council is recommended to note regeneration activity within Highland's town centres and emerging developments arising from the Scottish Government's recently published Town Centre Action Plan.
- 5.2 Council is recommended to continue to develop support for our town centres through focussed activity and community consultation.

Designation: Director of Planning and Development

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