



The Scottish Government  
Riaghaltas na h-Alba

## National Review of Town Centres

# Town Centre Action Plan – the Scottish Government response



## Foreword



The Scottish Government welcomed the publication in July of *Community and Enterprise In Scotland's Town Centres*, the report produced by the External Advisory Group (EAG) undertaking the National Town Centre Review. We are indebted to the Chair and EAG members for work that they have done over the past year. Short, direct and setting out a vision for Scotland's town centres which concentrates on community, enterprise and place, this body of work has provided us with clear recommendations and a raft of possible approaches to town centre revitalisation.

When commissioning the national review of town centres, the Deputy First Minister stated that "we want to take every measure possible to ensure that our town centres are vibrant places". The Scottish Government has responded to this call by appointing the Local Government and Planning Minister as lead Minister with responsibility for an action plan, reporting to the Deputy First Minister.

The *Town Centre Action Plan* sets out a cross-government response to the EAG report, sticking to the themed structure and succinct and direct tone of the original document. All directorates have been actively engaged, identifying the relevant policies, programmes and strategies which support and put in place the conditions for the recommendations of the EAG to be delivered locally and to assist local action. The Regeneration Unit is a central point of contact, responsible for co-ordinating the activity. The forthcoming Community Empowerment (Scotland) Bill will outline additional powers which could be used to support the town centre agenda, and we will continue to consider other options to make sure that we are taking all necessary approaches to town centre regeneration.

Many of the solutions outlined in the EAG report are not for the Scottish Government to undertake directly. This plan is meant as added stimulus to encourage and support action across the wider public, private and community sectors, all of whom we invite to contribute to the efforts required ahead. Through this engagement we will facilitate action to help address issues faced by our town centres. This will also be achieved through demonstration projects to test emerging ideas to tackle these issues.

A great many people work daily for the benefit of town centres. The Scottish Government is just one key player in securing their future and we are determined to play our part in supporting them. This plan should be seen as a living document that can adapt to change, just as towns must adapt to ever changing circumstances.

A handwritten signature in black ink, appearing to read 'G. Mackenzie'.

Minister for Local Government and Planning

## Infrastructure, Development and Place

The Scottish Government recognises the importance of securing the future of town centres. The relationship between economic development and regeneration is co-dependent; equitable economic growth cannot be delivered without improving our under-performing areas, and successful regeneration cannot be delivered without investing in development, growing our local economies and delivering sustainable employment. The Scottish Government will continue to work with local authorities to support local economic development activity in order to encourage town centre growth.

Town centres are a key element of the economic and social fabric of Scotland and can be a central component of successful local economies and offer a base for small businesses and jobs. Town centres are often at the core of community life, offering spaces to meet and interact with access to facilities and services that people require. It is important that town centres are functioning, well-maintained assets that develop to support the needs of their residents, businesses and visitors. The Scottish Government will continue engagement with key partners to help understand how their strategic initiatives may assist in development of plans and help revitalise and realise the potential of Scotland's town centres. We will continue to work with the External Advisory Group members and work more closely with networks of town centre managers when developing this plan.

As set out in the Government Economic Strategy, our approach to place is built upon a strategy that recognises the unique contribution – based on their own distinct characteristics and strengths – that every part of Scotland can make. Scotland's cities, towns, rural areas and islands each play a role in driving forward economic growth. *Our Agenda for Cities* sets out how we will work with our cities and their regions to support more effective collaboration and optimise their contribution to Scotland. This action plan recognises that town centres require a similar focus, that there is a need to bring new, emerging and existing policies and strategies together to reflect the changing scope of our town centres. This plan is intended to complement the economic activity already underway in order to establish a new focus and narrative fit for a modern day town centre. We want all of Scotland to flourish and our support for town centres is complementary to our ambitions for our cities, rural areas and islands.

## Town Centre First Principle

The main recommendation from the review group is for a ‘town centre first principle’, a call to central government, local authorities, communities and our institutions to ‘put the health of town centres at the heart of decision-making processes’.

The Scottish Government understands this to mean a principle which extends beyond the town centre first planning policy, traditionally associated with Scottish Planning Policy (SPP) and the associated sequential test applied currently to decide on the location of retail and commercial leisure uses. The review group aspire to a principle which drives public sector investment decisions, aligns policies and targets available resources to prioritise town centre sites and encourages vibrancy and diversity.

The Scottish Government broadly agrees with this view. We envisage that this would be a principle in favour of town centres but not a duty. Rather, it would be about making sure that all public bodies continue to take open, measured and transparent decision-making that takes account of the short, medium and longer term impacts on town centres, recognising that proportionate decision making appropriate to the local circumstances is required.

### Action

- We recognise that a shared understanding and interpretation of a town centre first principle across the public sector will be key to its success. We will work with COSLA to determine how a town centre first principle will work in practice taking account of other government policy and duties on local government.

## Demonstration Projects

From the outset, the Scottish Government is committed to undertaking a series of demonstration projects targeting specific areas identified through the work of the EAG. These feature in the action plan against the relevant six thematic areas identified in the review report. We will be looking to work with other key partners to scope these further and to gauge the appetite and demand of local authorities, business, third sector and other local partnerships.

## Engagement with the Private Sector

The Scottish Government recognises the contribution that private sector businesses make to town centres and we will continue to support the sector’s contribution to the economic growth of Scotland’s communities.

The Scottish Government will work with the private sector to develop appropriate investment models to support our town centres. The Scottish Government will welcome ideas from the private sector about how our support for town centres can be strengthened through effective partnership working across all sectors.

## Town Centre Living

The idea of encouraging more people to live in town centres is one which the Scottish Government will endorse. Whilst many local authorities are already promoting town centre living, we will test the opportunities and barriers to this through our Town Centre Housing Fund. The Scottish Government also understands that town centre living requires a need for safer and more people-friendly environments. The Scottish Government will undertake the following:

Actions	Timescale- Short/Medium/Long*
<ul style="list-style-type: none"> <li>We will commit £2m towards a Town Centre Housing Fund that will act as a demonstration project to help bring empty town centre properties back into use for affordable housing.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will identify best practice and models of engagement to encourage owners of empty properties to bring these back into use as affordable housing.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will work with COSLA to strengthen Local Housing Strategy (LHS) guidance to support local authorities to consider prioritising housing for town centres and to identify potential for mixed use living in town centres.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will facilitate and support affordable housing development in town centres through our Affordable Housing Supply Programme (AHSP).</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will share learning from our National Community Planning Support Framework project and the Assets Focused Approaches project to ensure our towns are safer places.</li> </ul>	Short

\* Timescales: **Short** - within 6 months-1 year; **Medium** - 6 months-3 years; **Long** - 3-5 years

## Vibrant Local Economies

The Scottish Government agree it is crucial that town centres, and by association their businesses and entrepreneurs, are supported to adapt, prove resilient to further challenge and are equipped to identify and increase investment opportunities. Through our Government Economic Strategy we are committed to supporting sustainable economic growth and promoting job creation across Scotland, including in our town centres. We work closely with our enterprise agencies, Scottish Enterprise and Highlands and Islands Enterprise to deliver that growth. Across Scotland, the enterprise agencies offer support to businesses in town centres. They do so directly through their account management support and supporting the leadership development of town centre businesses as well as through their investment in key enabling projects, by providing information on town centre premises and advantages of that location and by their membership of community planning partnerships.

Town centre businesses already benefit from the UK's most generous business rates relief package worth £570m in the current financial year. Key elements include the Small Business Bonus Scheme and Fresh Start Relief. The Scottish Government recognise the impact that these initiatives have for many town centre businesses and through this action plan we will undertake the following:

<b>Actions</b>	<b>Timescale- Short/Medium/Long</b>
<ul style="list-style-type: none"> <li>• We will support the collection and collation of town centre data at a local level, which will aid understanding of their health and performance.</li> </ul>	Short
<ul style="list-style-type: none"> <li>• We will continue to monitor the effectiveness of BRIS (Business Rates Incentivisation Scheme).</li> </ul>	Medium
<ul style="list-style-type: none"> <li>• We will create powers for local authorities to establish a Town Centre Investment Zone, using discretionary rates relief to encourage local business. We will consider a pilot scheme for this initiative.</li> </ul>	Medium
<ul style="list-style-type: none"> <li>• We will maintain Small Business Bonus Scheme for the life of the current Parliament, removing or substantially reducing the rates burden for many thousands of town centre properties.</li> </ul>	Short
<ul style="list-style-type: none"> <li>• We will take appropriate measures to create incentives to bring long term vacant premises back into use, including the expansion of Fresh Start rates relief to apply to pubs, hotels and restaurants from 1 April 2014.</li> </ul>	Short
<ul style="list-style-type: none"> <li>• We will complete the actions identified as part of our review of the entire rating system to ensure the system better supports Scottish businesses, including town centre businesses.</li> </ul>	Short
<ul style="list-style-type: none"> <li>• We will test thinking with a range of stakeholders to identify support priorities for Business Improvement District (BID) projects and opportunities to expand what BIDS can deliver in alignment with the wider community focus recommended in the review report.</li> </ul>	Short/Medium
<ul style="list-style-type: none"> <li>• We will encourage entrepreneurship in our town centres through our forthcoming Entrepreneurship and Innovation Framework and through our funding available to third sector organisations.</li> </ul>	Short/Medium
<ul style="list-style-type: none"> <li>• We will work with COSLA and our enterprise agencies to ensure that town centre businesses understand the business support available from Business Gateway, local government and through the enterprise agencies.</li> </ul>	Short/Medium

## Enterprising Communities

The Scottish Government is committed to supporting community-led regeneration by supporting local people to take responsibility for the economic, social and environmental action that will make a difference within their communities. There is already a vibrant and diverse range of community-led and enterprising activity within our town centres. The Creative Place Awards showcase achievements and ambitions in using creative activities, both for the benefit of local communities, and to attract visitors. We want to celebrate the value of creativity to the wellbeing of communities, and to reward the hard work and imagination that lies behind the creative activities and programmes to promote the identity of the place. The Scottish Government agrees that enterprising communities and individuals can be key players in dealing with the problems of vacant and empty properties and meeting local demand for new activities, events and services on offer over the course of the year. The Scottish Government will undertake the following:

Actions	Timescale- Short/Medium/Long
<ul style="list-style-type: none"> <li>We will carry out a town centre asset audit demonstration project, specifically working with public sector bodies to model ways in which communities can take occupation of public buildings when they are no longer required by the public body.</li> </ul>	Medium
<ul style="list-style-type: none"> <li>We will work with Creative Scotland, Historic Scotland and Architecture + Design Scotland to identify where specific policies can be aligned strategically to provide further support and opportunities to our town centres.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will continue to work with Creative Scotland, Cultural Enterprise Office, Business Gateway, WASPS and other relevant partner agencies and organisations to facilitate support for local enterprise in mixed-use existing town centre facilities.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will strengthen existing guidance to respond to the need to provide support for commercial premises that will require to comply with EPC ratings at point of sale and new lease in January 2014 to ensure historic properties are not considered too difficult to deal with and therefore left vacant.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will investigate with Prince's Trust (Youth Business Scotland) the potential for setting up a retail space to sell the products of some of the new businesses that the Trust has helped to establish.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will support community-led activity that supports our town centres by strengthening communities to implement initiatives that benefit town centre regeneration.</li> </ul>	Short

## Accessible Public Services

The Scottish Government recognise the value of place-based decision-making happening alongside a fuller and transparent assessment of the wider impacts. This requires going beyond cost benefit analysis of short term savings and looking to the potential medium to longer term economic and social impacts of proposals on town centres. This principle applies equally to the practices of the Scottish Government, as well as those in the national agencies and wider public sector. Sustainable transport options are key in terms of ensuring access to our town centres. The Scottish Government will undertake the following:

Actions	Timescale- Short/Medium/Long
<ul style="list-style-type: none"> <li>We will endeavour to amplify guidance in the <i>Scottish Public Finance Manual</i> to ensure that bodies acquiring and disposing of public sector assets and property consider the degree of priority attached to town centres.</li> </ul>	Short/Medium
<ul style="list-style-type: none"> <li>We will discuss inclusion of the Town Centre First Principle in the <i>NHS Property Transaction Handbook</i>.</li> </ul>	Short/Medium
<ul style="list-style-type: none"> <li>We will encourage Community Planning Partnerships to consider how they bring the town centre first principle to the fore when delivering on their current Single Outcome Agreements and when developing further. We will produce information and advice to help CPPs link the 'place' agenda with spatial planning and quality placemaking principles.</li> </ul>	Short/Medium
<ul style="list-style-type: none"> <li>We will work with Architecture + Design Scotland and Scottish Futures Trust to investigate ways of expanding the role of place-based reviews.</li> </ul>	Medium
<ul style="list-style-type: none"> <li>We will recognise as part of National Planning Framework 3, the role that town centres play as integrated transport hubs.</li> </ul>	Medium/Long
<ul style="list-style-type: none"> <li>We will support local authorities and others with projects to improve bus services through the Bus Investment Fund.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will work with local authorities and other relevant partners to develop and maintain walking and cycling routes, public realm improvements and cycle parking facilities in town centre areas where high levels of cycling can be achieved.</li> </ul>	Long

## Digital Towns

The Scottish Government wants to position Scotland at the forefront of the digital revolution. We can see the potential opportunities that this offers to town centres and their businesses, aligning these two agendas to help further cement Scotland's place as a world class digital nation by 2020. The Scottish Government will undertake the following:

Actions	Timescale- Short/Medium/Long
<ul style="list-style-type: none"> <li>Through a combined public and private sector investment of around £410m, Scotland's towns will be provided with access to a future proofed fibre infrastructure through our Step Change Next Generation Broadband programme. This infrastructure will enable support for 21st Century learning opportunities, digital healthcare and the growth and development of a vibrant digital economy.</li> </ul>	Medium
<ul style="list-style-type: none"> <li>We will continue to develop a world class digital infrastructure that enables our people to connect anytime, anywhere, using any device.</li> </ul>	Medium
<ul style="list-style-type: none"> <li>We will work with our enterprise and skills agencies to help small businesses to better utilise digital technology and stimulate the growth of new and innovative digital/ICT business.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will explore potential projects focused on town centre connectivity under the developing Demonstrating Digital programme and actively look for further opportunities to link digital and town centre strategies.</li> </ul>	Short/Medium

## Pro-active Planning

The Scottish Government fully embraces the review recommendation for a simple, encouraging and pro-active planning policy in support of town centres. This approach fits with our wider programme of modernisation around Scotland’s planning system. Our recent consultation on the draft Scottish Planning Policy (SPP) proposed a town centre health check to help inform development plans and planning applications. The purpose of the health check is to assess the strengths, weaknesses and resilience of a town centre and its vitality and viability. Our intention is to ensure that planning policy is efficient, inclusive, fit for purpose and sustainable to enable action for our town centres. The Scottish Government will undertake the following:

<b>Actions</b>	<b>Timescale- Short/Medium/Long</b>
<ul style="list-style-type: none"> <li>We will ensure that an updated town centre first planning policy and associated ‘sequential test’ is included in the final SPP, due for publication in Summer 2014.</li> </ul>	Short/Medium
<ul style="list-style-type: none"> <li>We will identify pilots with interested planning authorities who wish to consider collaboration and test approaches which could help simplify planning processes in town centres.</li> </ul>	Short/Medium
<ul style="list-style-type: none"> <li>We will continue to encourage local authorities and other stakeholders to use compulsory purchase powers to promote sustainable economic growth.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will develop a Master-Planning Toolkit, specific to town centres, that includes guidance on specific transport and design details, focusing on the development of quality, accessible public realm and the use of town assets.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will develop a fund open to local authorities and community and third sector organisations to help deliver community design charrettes focussed on town centres.</li> </ul>	Short
<ul style="list-style-type: none"> <li>Working with Architecture + Design Scotland, we will support a stalled spaces demonstration project identifying temporary uses for sites within town centres.</li> </ul>	Short
<ul style="list-style-type: none"> <li>We will shortly publish a consultation on planning and telecoms provisions. The consultation will focus on removing unnecessary barriers to telecoms infrastructure provision; in particular it will focus on permitted development (i.e. development where a specific planning application is not required).</li> </ul>	Short



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