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# A New Future for Scotlands Town Centres

Town Centre Action Plan Review Group Report

February 2021

Chaired by Professor Leigh Sparks

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TOWN CENTRE  
ACTION PLAN  
REVIEW GROUP

## Review Group

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## Foreword

# Aileen Campbell MSP Cabinet Secretary for Communities and Local Government



Flourishing and vibrant towns centres are essential for the social and economic wellbeing of our country. Over the years, however, towns have faced significant and serious challenge. In response to some of that, our communities, local government, businesses and third sector partners have worked collaboratively to take a 'town centre first' approach, guided by our internationally recognised 2013 Town Centre Action Plan.

Unfortunately, COVID-19 has brought new and serious economic challenge to our towns and places and has required us to look again at how we support them. That is why we commissioned this review of the Action Plan to ensure we have the right measures in place to enable our towns to emerge from COVID with resilience.

Because while the impact of COVID-19 continues to be traumatic

and harsh, it has prompted changes to the way we live that have started to foster a re-appreciation of the value of what is on our doorstep. We are, by necessity, staying closer to home, reconnecting and rediscovering our town centres in a new way and using them differently. For good and for ill, this has impacted upon the businesses, services and shared spaces there, making this review all the more necessary.

But we are not starting entirely from scratch, with many of our key approaches and frameworks providing strong and robust foundations to build this work from. The National Performance Framework articulates our vision for national wellbeing underpinned by the values of kindness, dignity and respect. In pursuit of this, we have a range of outcome indicators all driving action on inclusive development, climate change and equalities. Town centres can help translate these aspirations into a reality with the Town Centre First approach, the Place Principle and the 20 minute neighbourhood concept all encouraging positive collaborative place-based approaches to help us shape a more sustainable future.

There are also exciting opportunities to empower our communities and ensure that we maximise the impact of resources to drive better local outcomes. People and communities know their towns best and the Community Wealth Building

approach along with Community Empowerment legislation offer exciting ways to deliver on the growing appetite for localism and the need for us to trust and strengthen the opportunities for people to have a stake in the places around them.

I commissioned this review to provide us with an opportunity to rethink and re-energise our efforts to develop places that meet the diverse social, economic and environmental needs of our communities. It supports our ambitions for recovery and renewal to enable those communities to thrive. The report develops a new vision for the future of our town centres, capturing some of the new found sense of localism, and develops ideas and recommendations to help achieve the healthier, fairer, greener, successful towns our communities deserve.

I'm indebted to the Chair, Professor Leigh Sparks and all the members of the Review Group for the knowledge, expertise and hard work they have brought to this endeavour in the midst of the extraordinary

circumstances surrounding the COVID-19 pandemic. I'm also grateful to all those who participated in the review providing evidence both in written and oral form as well as those who responded to the public survey.

This report and its recommendations require action across a range of fronts. As my cabinet colleagues and I consider this important report, I would encourage all those interested in the health and vitality of our town centres – our local government partners, communities, businesses and third sector organisations - to do the same. As our towns continue to evolve and develop, we will all need to remain agile and adaptable as new opportunities present themselves and new challenges emerge. Because regardless of the challenge, what will continue to be necessary for the success of our towns and communities will be collaboration and partnership. The challenges are tough, but if we embrace opportunity, work hard, and trust our communities then the rewards will be significant and long-lasting.

# A New Future for Scotland's Town Centres

## Summary

The 2013 Town Centre Action Plan was the Scottish Government's response to the National Review of Town Centres. The Town Centre Action Plan emphasised the role of town centres and the need to prioritise and support them. It promoted Town Centre First and the use of data on towns across Scotland. Six themes (town centre living, accessible public services, proactive planning, digital towns, enterprising communities and vibrant local economies) focus activities to improve town centres.

The subsequent seven years have seen changes in the national ambitions and context. The development of the National Outcomes and their linkage to the United Nations Sustainable Development Goals have positioned Scotland as focusing on wellbeing, inclusive development, climate emergency responses and health and inequalities. Place and town centres have been identified as components of solutions to some of these issues and Town Centre First, the Place Principle and other place and planning changes have promoted this approach.

There has been progress, particularly at the policy and the local level. There has however remained a sense that more can be done to enhance town centres given their scope to meet our societal objectives. Inequalities amongst communities and places remain stubbornly persistent. **Town centres have continued to have a fight for their**

**future. Then came Covid-19, which altered the world as we knew it and amplified existing, and produced further, inequalities.**

In July 2020 therefore the Cabinet Secretary for Communities and Local Government, Aileen Campbell MSP set up a Review Group, chaired by Professor Leigh Sparks at the University of Stirling to review the Town Centre Action Plan and to consider how we can make our towns and town centres greener, healthier and more equitable and inclusive places and to come forward with a revised plan for action for towns and town centres. The Group was also asked to look at the emerging concept of 20-minute neighbourhoods.

Over 6 months the Review Group has taken written and oral evidence, considered results from a public survey and previous research on towns and town centres across the UK. It has debated what the role of town centres can and should be across Scotland. In reaching its conclusions we note that the route-map set down in the Town Centre Action Plan is widely admired and has been followed in part by other governments; the basis of the approach remains sound. Progress however needs to be more consistent and rapid.

The Review Group adopted a vision for towns and town centres: "Towns and town centres are for the wellbeing of people, planet and the economy. Towns are for



**Diverse and mixed uses evident in Alloa town centre, where Alloa First has spearheaded support for local businesses.**

everyone and everyone has a role to play in making their own town and town centre successful". Towns and town centres are very well placed to deliver on the national ambitions. They are the heart of communities. They can provide shared and equitable access to products and services, have an ability to focus sustainable and local economic and social activity and can deliver enhanced wellbeing through a positive sense of place, history, community and environment.

The best of our town centres and our most successful towns offer a sustainable, local economy and society with diverse and mixed uses attracting and meeting the needs and desires of their local communities. They are centres that enhance a sense of community, place, identity and that advance equality by enabling all members of society to participate fully.

Currently however some towns and town centres are not meeting these ideals and ambitions. They can be perceived as disappointing by many residents and visitors with a lack

of sense of place or difference and little by the way of local presence or engagement. Some town centres may be perceived as excluding particular communities or groups – for example, if there are concerns about safety at particular times, where using the town centre is considered expensive compared to other options or where it is not as accessible as it should be. There are many town centres that do a good job, but we need to improve overall and especially where local needs are not being met.

There are a number of reasons behind the current situation. Sixty years of decentralisation (development away from town centres) and disaggregation (separation of uses) has removed many activities and assets and reduced reasons to visit and dwell. The operating costs in town centres are higher than in competing channels such as out-of-town sites and the internet. The lack of organisational and ownership differentiation means that local stake-holding can be limited. Town centres are often choked by an

over-reliance on car-borne traffic and an under-emphasis on people access and movement.

We can point though to examples where the town centre has become the focus of attention whether by local authorities, community groups or the third sector. Place-based investment is being prioritised, often where local authorities have adopted Town Centre First and placed an emphasis on their town centres. The Place Principle and town centre planning and visioning has been shown to help generate investment and build a sense of place. Concepts such as Community Wealth Building including community asset ownership are gaining ground.

This local engagement and focus on the community as the driver of change is really important. It also reflects that whilst general conditions can be set nationally to aid town centres, so much has to be done at the local level. **Towns and town centres are unique places and have their individual specific localities and communities to consider.** Rural and island located towns and town centres are distinct from towns in the heart of dense urban conurbations, such as across the Central Belt. At a detailed level, what works for one town centre, and for one community, does not necessarily work for another.

In arriving at our recommendations therefore the Review Group has attempted to build on the good progress made and the clear path set out in 2013. We have tried to reflect the changed context and the new national ambitions especially in the areas of environment and climate. We welcome and recognise significant progress across Scottish Government in developing and aligning policies that assist

communities and town centres and focus on inclusivity and equalities and have attempted to align with these.

We have made three types of recommendations.

First, we have a set of proposals about strengthening the role of town centres in planning and the role of communities in shaping their town and town centre. This set of proposals is primarily for the planning profession at national, regional, local and community levels. **The aim is to strengthen the position of town centres overall and ensure a local embeddedness and focus on working with all of the local community.** We need to enable and ensure a more equality-focused participative approach to engaging all parts of our communities, and not just the same voices. This includes, for example, a focus on local accessibility to services, and concepts including 20-minute neighbourhoods, making sure older and disabled people can benefit fully. Some of these recommendations can be taken forward as National Planning Framework 4 is developed further in 2021; others can be adopted immediately. A refocus and reemphasis on Town Centre First would be beneficial.

**Recommendation 1: Strengthen the formal positioning of towns and town centres in National Planning including requirements to produce town and town centre plans, co-produced with communities and enhance data collection and use at the town and town centre level**

- (a) Towns and town centres to be included and prioritised in National Planning Framework 4 (NPF4)**
- (b) Town Centre Plans need to be developed and implemented**





**Partnerships such as Paisley First are key to engaging the local community about town centre development**

**with the local community and with a focus and commitment on the wellbeing of people, the planet and the economy**

**(c) Develop a revised and enhanced focus on measurement and data for towns and town centres**

Secondly, we have identified and seek to tackle what is an unfair playing field, stacked against town centres. Taxation needs to reflect activities or it becomes unsustainable. We make recommendations for consideration mainly in the area of rates and taxation to make it more attractive to operate in town centres and less attractive to operate out-of-town. This will help address equitable access to various public and commercial services. **We suggest rebalancing taxation to better encompass and reflect the rapid rise of online activities.** We seek to tackle the environmentally unfriendly nature of much of our current activity and the need to make substantial changes in operations

and behaviour to meet our climate targets. These suggestions could usefully be considered in detail in 2021 by the Scottish Land Commission's expert group on Land and Property Tax, though the proposal for a moratorium fits more closely with the ongoing NPF4 development.

**Recommendation 2: Scottish Government should review the current tax, funding and development systems to ensure that wellbeing, economy and climate outcomes, fairness and equality are at their heart. Potential suggestions for actions include**

- (a) Amendments to Non Domestic Rates (NDR)**
- (b) Amendments to VAT**
- (c) Introduce a digital tax**
- (d) Introduce an Out-of-Town Car Parking Space Levy**
- (e) Introduce a Moratorium on Out-Of-Town Development**

Thirdly we build on the strong basis of the original Town Centre Action Plan and its emphasis on

projects and partnerships. We reflect that we need to accelerate these, sometimes by incentivisation, and to better exchange the knowledge and learning from them. We focus on pre-existing themes from the Town Centre Action Plan in terms of town centre living, digital development and enterprising communities (and inducing vibrant local economies). We add to this with a set of proposals based around climate change response. In all these areas we recognise the progress made, the partnerships currently developed, the steps being taken by Scottish Government, as well as future ambitions. These recommendations thus link directly to the Place Based Investment Programme, Community Wealth Building, 20-minute neighbourhoods and Active Travel. We recognise the opportunity to develop and focus such projects, partnerships and investments with the local community to improve equality and access for all groups across society.

### **Recommendation 3: Expanded and Aligned Funding of Demonstration Projects in Towns and Town Centres.**

**We have an overall request that the Scottish Government continues to seek to expand and ensure further alignment of the funding available. Funding for town centre activities has to be substantial, multi-year and cover revenue and capital spend. We recommend that projects should be focused around themes of**

- (a) Town Centre Living Expansion – housing sector incentivisation in town centres**
- (b) Digital Skills and Use in Towns – skills development for businesses and enterprises and extended uses of various**

**technologies to understand and change behaviours in town centres**

- (c) Enterprising Communities – Strategic Acquisition Fund to alter ownership, development and use patterns in town centres to encourage local small business, community enterprises and entrepreneurship around local and circular economies**
- (d) Climate Change Response – building on existing programmes in Climate Action Towns, micro-generation, retrofitting of town centres buildings and the alteration of space in town centres for active travel, pedestrian movement, green space and social settings, with a view to enhancing the resilience of town centres against climate change.**

**Towns and town centres can deliver many of the ambitions for Scotland and its people.** They can

only do this however if they focus around the specific needs of their local communities and ensure all community voices are engaged in developments. Town centres can be places we can be proud of and which provide social, economic, cultural, creative, environmental, entrepreneurial and local opportunities for all citizens. This can be done, but we need to prioritise, support and actively rethink what we want in our town centres and show how this removes inequalities of place and identity and enhances the wellbeing of all those that live in and use them. We believe our recommendations, if adopted, will help on this journey and will result in greener, healthier and fairer town centres.

# A New Future for Scotland's Town Centres

## Introduction

1. In 2013 the National Review of Town Centres<sup>1</sup> was published. The Scottish Government responded with its Town Centre Action Plan (TCAP)<sup>2</sup>. In the intervening seven years there has been progress in numerous local towns. The context, policy framework and ambition for Scotland and its towns however has developed significantly further. This can be seen in the statutory National Outcomes, world-leading climate change response, commitments to tackling inequalities and improving wellbeing and health and the acceleration of digitalisation across economy and society. The impact of the COVID-19 pandemic has become the latest challenge for Scotland's towns and town centres, reinforcing and increasing inequalities and developing new disparities and problems that urgently need to be tackled. The impacts of Brexit are adding to these. Together these present immediate and long-term major national challenges. They also provide an opportunity to reconsider the future for Scotland's towns and re-energise towns and town centres as part of our solution to meeting these challenges. **People want to be able to live well locally; towns and town centres can help deliver this.**
2. In July 2020 the Scottish Government established a Review Group, chaired by Professor Leigh Sparks of the University of Stirling. The members of the Review Group were invited from a variety of relevant organisations and backgrounds. The Review Group was asked to:

“Review the progress and scope of the Town Centre Action Plan, published in response to the National Review of Town Centres conducted in 2013 by Malcolm Fraser and the Expert Advisory Group and produce a report detailing its findings with a revised vision for towns and a means to deliver that vision nationally and locally... The Review will place particular emphasis on recovering from the impact of COVID-19 on Scotland's town centres, as well as on meeting Scotland's climate change ambitions, identifying what further steps should be considered to make towns fit for all in Scotland”.
3. The Review Group were also asked to advise on how to adopt the Programme for Government's

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1. [https://www.webarchive.org.uk/wayback/archive/20160105024302mp\\_/http://www.gov.scot/Resource/0042/00426972.pdf](https://www.webarchive.org.uk/wayback/archive/20160105024302mp_/http://www.gov.scot/Resource/0042/00426972.pdf)

2. <https://www.gov.scot/publications/town-centre-action-plan-scottish-government-response/>

3. <https://www.gov.scot/news/healthier-greener-town-centres/>

commitment for 20-minute neighbourhoods<sup>4</sup> (the creation of liveable, accessible places with thriving local communities where people and communities can meet their daily needs within a 20-minute walk) for our cities, towns, rural and island communities.

4. Both the National Review of Town Centres and the Town Centre Action Plan were notable for their emphasis on vision, action and deliverability. The Review Group was asked to focus on themes and actions rather than narrative, whilst recognising that towns are unique places requiring flexibility of approaches, best served by local, community-led solutions.
5. In carrying out our task, the Review Group invited oral and written evidence, undertook a public survey and followed up specific issues with further conversations. The details of this work have been collated and will be published on a website, together with key previously published reports that informed the work. In summary, the public survey (1533 useable responses) showed a strong support for Scotland's town centres but sometimes a sense of disappointment with what was on offer in them. The oral evidence sessions were organised via seven structural

themes (28 respondent organisations) to allow sectors and issues to be explored in a convenient way. The written evidence (79 respondents) came from a wide range of individuals and organisations across Scotland, including organisations that also provided oral evidence. Further specific sessions/surveys were organised with selected groups to obtain views from more seldom heard voices, such as with YoungScot, Third Sector Interface and Scottish Inclusion Liaison Committee. Cross membership of the Review Group with the Social Renewal Advisory Board (SRAB) and its Place-Based and Community Led Circle further enabled the social renewal dimension. Scottish Government colleagues provided the Review Group with views regarding the interconnected policy context. We attempted to obtain input from as wide a range of stakeholders as possible but recognise the constraints of doing this in a short timescale and in the middle of a global pandemic. The Review Group met virtually on 11 occasions. Review Group members were asked to use their own, and their organisations' expertise, their engagement with the oral and written evidence and their analysis of the material gathered to inform our debate, direction, recommendations and report drafting.

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4. <https://www.gov.scot/publications/protecting-scotland-renewing-scotland-governments-programme-scotland-2020-2021/>



# Background, Context, COVID-19 and Vision

6. The majority of the Scottish population is resident in towns. Scotland is a nation of towns set in a variety of distinctive rural, island and urban settings. These towns vary enormously in their characteristics and in their situations. Towns are unique and have distinct identities and stories but with a common respect for individual place and identity. Cities, towns, neighbourhoods, villages and communities all intersect to build the social and economic fabric in Scotland. Towns connect and interact with other towns or cities and with their surrounding areas, including in many cases their rural hinterlands. Our larger cities are interconnected networks of neighbourhoods or places, perhaps former distinct villages or centres. Our island and rural locations contain local hubs and places that focus community activity. **Towns and town centres offer a social, cultural and economic heart to a community.** They contain a shared built environment, heritage and spaces that, with the right conditions, provide an inclusive and sustainable centre. They are capable of providing wellbeing in the broadest sense, including positive social, environmental and economic outcomes and of reducing inequalities, for example of access, disability and disadvantage
7. Attempts to draw firm definitional boundaries around towns raise issues around cities and rural communities at either side of the 'towns spectrum'. Defining by population, function, administrative governance or other measures can be excluding and raise artificial boundaries. Towns are broadly understood and we should be able to recognise the relevance or not of specific concepts in local circumstances. There is though perhaps a distinction to be drawn with our major city centres and some concepts and approaches may be more appropriate for particular types or locations of towns. Town centres comprise very diverse places across Scotland, and their exact nature depends on their local communities and local decisions. Island communities and town centres for example have their own distinct challenges.
8. Over history, town centres have been the heart of a town providing shared social, cultural and economic benefit to many citizens through work, residence, municipal and commercial activities as well as civic and other, including green spaces. Over the last 60 years or so the nature and function of towns, and especially town centres, has changed. By the 2000s we had decentralised (focused away from the town centre), disaggregated (separated uses) development, often on new, greenfield sites and failed to look after many of our town centres, both generally and with respect to specific assets. The increase in the use of the car and private journeys, often for singular purposes and to separate



**Town centres are the heart of communities. Pictured is Kempock Street, Gourock**

destination or use sites has altered patterns of movement and behaviours. This is most commonly noted in retailing, but also applies to cinemas, football grounds, schools, commercial offices, housing developments, local government offices and greenspace. Town centres have seen many of their attractors disappear and an increase in various aspects of inequality as a consequence. The onset of recession from 2008 exacerbated an emerging crisis in a number of our towns, town centres and high streets and led to the 2013 National Review of Town Centres. In England the focus was on high streets and seeing the future of our town centres as mainly a retail issue, as in the Portas, Grimsey and later Timpson Reviews<sup>5</sup>. In Scotland we focused on town centres

given the scope for town centres to help meet broader societal national goals and to satisfy more than just a consumerist need (as subsequently pursued in the Grimsey updates)<sup>6</sup>.

9. The National Review of Town Centres promoted Town Centre First, and the better use of improved town and town centre data. The Review was developed around 6 themes: town centre living, proactive planning, digital towns, accessible public services, vibrant local economies, enterprising communities. The Scottish Government's response – the 2013 Town Centre Action Plan – outlined actions and demonstration projects against these themes to show what could be achieved. Scotland's Towns Partnership<sup>7</sup> was asked to play a linkage role in promoting this

5. [https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/6292/2081646.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/6292/2081646.pdf);  
<http://www.vanishinghighstreet.com/the-grimsey-review/>;  
<https://www.gov.uk/government/publications/the-high-street-report>

6. <http://www.vanishinghighstreet.com/wp-content/uploads/2020/06/Grimsey-Covid-19-Supplement-June-2020.pdf>

7. <https://www.scotlandstowns.org/>

agenda, driving and amplifying collective change. COSLA and the Scottish Government signed a non-statutory agreement on Town Centre First<sup>8</sup> to promote town centre development as the primary place of development, and in 2019 adopted the Place Principle<sup>9</sup>. Scotland's approach to town centres has been recognised as being ahead of other countries and has been admired and in part followed by UK, Irish and Welsh Governments.

10. Scotland's Town Centre Action Plan and the consequent actions have provided a route-map and firm basis for the development of town centres<sup>10</sup>. This supportive environment has been utilised by some local authorities and towns to place town centres at the heart of their place activities. Town Centre First, the Place Principle and planning regime changes have provided the policy and approach context and Scotland's Towns Partnership has energised the collective focus on town centres. There remain however gaps in data (e.g. ownership of property remains unclear and difficult to access) and a lack of consistency and comparability of data at a town and town centre level. The six themes have all been the focus of demonstrator projects and local initiatives.

Despite local successes, **towns overall remain relatively underpopulated in terms of town centre living, enterprise and widespread digital provision and use are patchy.** Local economies remain dominated by national operators and/or single sectors in some cases, public services are often not as accessible as they might be and planning is often seen as being reactive in nature. There are great examples of improvements across the country within all of these themes, but inconsistent progress is perhaps noticeable.

11. The context for Scotland and our ambitions have developed further since 2013. The Place Principle and Place have been established as Government policy and place priorities are being increasingly adopted by local authorities. Community Empowerment has become enshrined in law via the Community Empowerment Act (2015)<sup>11</sup>. There has been formal recognition of Climate Change and a declaration of a climate emergency<sup>12</sup> with the establishment of the Climate Emergency Response Group and the requirement for sustainability and Net Zero targets. Health and Wellbeing<sup>13</sup> and the reduction of inequalities have become key priorities for the country.

8. <https://www.gov.scot/policies/regeneration/town-centre-regeneration/>

9. <https://www.gov.scot/publications/place-principle-introduction/>

10. <https://stirlingretail.com/2016/08/16/from-the-scottish-governments-national-review-of-town-centres-to-the-world-towns-summit/>

11. <https://www.gov.scot/publications/community-empowerment-scotland-act-summary/>

12. <https://www.gov.scot/publications/global-climate-emergency-scotlands-response-climate-change-secretary-roseanna-cunninghams-statement/>

13. <https://www.publichealthscotland.scot/our-areas-of-work/improving-our-health-and-wellbeing/scotlands-public-health-priorities/>

12. With the passing of the Community Empowerment Act in 2015, the National Performance Framework<sup>14</sup> became a statutory framework for public authorities and other organisations carrying out public functions. It required them to have regard of the eleven National Outcomes<sup>15</sup>, which in 2018 were then linked to the United Nations Sustainable Development Goals<sup>16</sup>. The ambition of the National Performance Framework is to create a more successful country, to give opportunities to all people living in Scotland, increase the wellbeing of people living in Scotland, create sustainable and inclusive growth and reduce inequalities and give equal importance to economy, environment and social progress. The eleven National Outcomes are purposively designed around the needs of the population rather than sectoral boundaries. Consequently, towns and town centres can play a significant role in contributing towards meeting them. For example four of the National Outcomes have particular relevance to towns (We live in communities that are inclusive, empowered, resilient and safe; we value, enjoy, protect and enhance our environment; we are creative and our vibrant and diverse cultures are expressed and enjoyed widely; we have thriving and innovative businesses, with quality jobs and fair work for everyone).
13. In setting the National Outcomes, the Scottish Government comes under a legislative requirement to consider inequalities. Scotland has an inequalities problem, often focused around place. These inequalities are substantial and systemic and the disparities they reflect are damaging both in social and economic terms. We must become more inclusive in our places and our actions. We have to develop a healthier country based around wellbeing and a more equal, fairer and resilient population and communities. The emergency created by climate change provides a further imperative, compelling us to protect our planet and build a sustainable, resilient and more local society and its economy.
14. Towns and town centres can be an integral part of delivering these ambitions, given their focused resource sharing, provision of common experiences and capacity for fairer access and wellbeing enhancement. **Towns and town centres can be organised to be more resilient, healthier for our population and communities and deliver enhanced wellbeing for all citizens.** Towns and town centres can be positive foci for activities, as through local entrepreneurial innovation and interdependencies and creative and cultural (including heritage) experiences and engagement. Town centres provide for a stronger experiential engagement as they focus on shared experiences and provide settings, including spaces, for people and community to come together, socialise, gather, linger and make connections. These social, cultural and other connections

14. <https://nationalperformance.gov.scot/>

15. <https://nationalperformance.gov.scot/national-outcomes>

16. <https://www.undp.org/content/undp/en/home/sustainable-development-goals.html>





**Towns are a hub for events - including markets such as this one organised by Nairn Connects Business Improvement District - promoting place and producers**

and interactions vary by age, gender, disability, disadvantage and other characteristics reinforcing the multi-faceted nature of, and opportunity for towns and town centres. There is a need to provide more space for people in towns. This will likely involve removal of car-focused space in some parts of towns and town centres and a refocusing on access, movement and spaces for people. The experimentation during the pandemic in this regard was informative and showed what could be done, albeit on a temporary basis. There is a major responsibility to make sure towns and town centres deliver though the exact nature of this in a town or town centre is necessarily dependent on local characteristics, requirements and needs.

15. Town centres are concrete examples of place. Place-based working takes account of the unique characteristics of every place, including town centres, and directs activities to a place so as to maximise combined

impact. The Place Principle notes that place is where people, location and resources combine to create a sense of identity and purpose and places are at the heart of addressing the needs and full potential of communities. A collaborative, equality-focused participative approach across all sectors of a place and community enables better outcomes for everyone and increases opportunities for people and communities to shape their own lives. Communities, third sector, local authorities and other organisations (including commercial ones) need to work and plan together to help people improve their lives, support inclusive and sustainable economic activity and create more successful, healthier and greener places. Town centres can be the physical space where much of this can come together, enabling people to live well locally.

16. The scope of the current Town Centre Action Plan is possibly limited in addressing these

greater challenges and ambitions we now face. The actions from the Town Centre Action Plan have had local impacts, improving the local position. The themes have real potential but have perhaps been constrained by aspects of the wider context and variable adoption and investment. Where they have been endorsed and used by local authorities, partnerships and communities progress has been, and is being, seen. The overarching aims and the themes thus appear to remain appropriate, though their execution can be accelerated and there could be useful additions or amendments, reflecting our National Outcomes and the requirements for better, healthier, greener and more sustainable town centres, organised around all in our communities.

17. Arising from the Place Principle, the 2020 Programme for Government committed to establishing a Place Based Investment Programme<sup>17</sup>, linking and aligning place-based funding initiatives and ensuring that all place based investments are shaped by the needs and aspirations of local communities. This is a significant and welcome step forward. This programme will impact through four specific over-lapping and inter-connected areas:

**Community Wealth Building:**

Places where community can shape their own future. Where interventions and investments support local businesses, and decisions are taken for the benefit of the whole community.

With anchor collaborations acting as local agents of change, making their collective financial power work for their local places. Places that are not only successful in retaining and attracting population but also in attracting and retaining wealth within their communities.

**Community Led Regeneration:**

Places where communities take coordinated action to respond to local challenges and opportunities. Places that are physically changing to reflect the concerns and aspirations of the people who live there. With strong, local controlled, enterprising community organisations owning and developing land and buildings to meet local priorities. Places where local people are making local change happen.

**20-Minute Neighbourhoods:**

Places that provide easy, convenient access to most of the services and facilities that you need in your daily life. Being able to live and work locally, pursuing opportunities, learning and wellbeing in your own neighbourhood. Being supported and cared for locally in a place that offers quality of life in nurturing and sustainable surroundings. With local infrastructures, active travel networks, and the connections which make it possible to bring together essential activities from across the sectors, located at the heart of communities.

**Town Centre Action:**

Healthier, greener and more sustainable urban and rural centres, where social renewal

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17. <https://www.gov.scot/programme-for-government/>



and economic recovery is evident on the ground. Remade places which directly respond to the specific needs of their local communities. With reimagined high streets where public, third, community and business sector activities are clustered – generating footfall, social interaction, economic activity and a shared purpose, Town centres which are lived in and enjoyed by the whole community.

18. Other strands of change also impact on town centres. The Scottish National Investment Bank (SNIB)<sup>18</sup> is focused around driving the move to net zero emissions, promoting inclusive growth and addressing demographic change and enabling people to flourish. The Vacant and Derelict Land Taskforce<sup>19</sup> has identified how we can better use our physical land resources and a new Vacant and Derelict Land Investment Programme will be available in 2021 as part of the Climate Change Plan update<sup>20</sup>. Improving and integrating transport and increasing public and active travel are parts of the National Transport Strategy<sup>21</sup>. Carbon conscious places<sup>22</sup> have linked

many of these strands together into a new way of thinking about development. Greenspace generally, but specifically in towns, has become a focus of improving the environment for people. The Infrastructure Investment Plan<sup>23</sup> and the City Region and Regional Growth Deals<sup>24</sup> will have an impact on place through major focused investment. Digital concerns over smart towns and cities and providing appropriate digital connectivity, access and take-up for businesses, organisations and individuals have become increasingly important (Connecting Scotland<sup>25</sup>). All of these add to the narrative that town centres can help deliver major benefits and advance attainment of our national priorities.

19. There are also particular requirements for our islands<sup>26</sup>. In December 2020 Island Communities Impact Assessments (ICIA) Guidance was published and the Review of Decisions Regulations, as detailed in the Islands (Scotland) Act 2018 will be brought into force. By undertaking an Island Communities Impact Assessment, all relevant authorities will, in

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18. <https://www.gov.scot/policies/economic-growth/scottish-national-investment-bank/>

19. [https://www.landcommission.gov.scot/downloads/5f73555fbfe93\\_VDL%20Task%20Force%20Recommendations.pdf](https://www.landcommission.gov.scot/downloads/5f73555fbfe93_VDL%20Task%20Force%20Recommendations.pdf)

20. <https://www.gov.scot/publications/securing-green-recovery-path-net-zero-update-climate-change-plan-20182032/>

21. <https://www.transport.gov.scot/our-approach/national-transport-strategy/>

22. <https://www.ads.org.uk/wp-content/uploads/Carbon-Conscious-Places-Main-Report.pdf>

23. <https://www.gov.scot/publications/national-mission-local-impact-draft-infrastructure-investment-plan-scotland-202122-202526/>

24. <https://www.gov.scot/policies/cities-regions/regional-growth-deals/>;  
<https://www.gov.scot/policies/cities-regions/city-region-deals/>

25. <https://connecting.scot/>

26. <https://www.gov.scot/policies/community-empowerment/empowering-our-island-communities/>

essence, be ‘island proofing’ legislation, policy, strategies and services where those are considered likely to have an effect on an island community which is significantly different from its effect on other communities, including other island communities.

20. In early 2020 the COVID-19 pandemic struck with unimaginable consequences, which are still playing out. The pandemic has had a clear impact reinforcing and increasing pre-existing inequalities across Scotland, and has generated new forms of inequality as well as introducing new barriers to equality. It has had major effects on people, businesses, organisations and places. Resilience, including in town centres, has become a major concern. This, together with the increasingly recognised need to address issues around community and climate, has further focused attention on the need for a social and economic renewal as we rebuild and reorder, both coming out of the pandemic crisis and as we address the National Outcomes. The Advisory Group Report on Economic Recovery<sup>27</sup> and the Social Renewal Advisory Board Report<sup>28</sup> provide an overarching agenda for these two areas and in building the recovery we require. The latter in particular focuses on the radical steps needed to address disadvantages and inequalities of all forms in Scotland and to embed equality-focused participation in our

actions, including place based actions.

21. The COVID-19 pandemic has had a major impact on Scotland’s towns and town centres. The move to working from home and the lack of commuting and recreational visiting has changed the pattern of movement and footfall. This has been most keenly felt by businesses (retail and hospitality especially) in city centres (the lack of commuters and visitors), town centres (where many businesses have been closed during lockdowns) and visitor attractions and cultural, creative and entertainment venues. People have tended to stay local, relied on local facilities and community and have begun to reassess their priorities and what is important to them. This could have far-reaching effects enhancing the role of local neighbourhoods and small town centres, but adversely impacting on city centres. How and when things will settle down remains unknown at this time. For many the pandemic has caused significant hardship. During the pandemic the incredible partnership response across communities, the third sector, Scottish and local government delivered, including at a hyper-local level, the emergency help people needed. A lot of this partnership working was a result of simply getting on and doing things with finance focused on the point of delivery. The sense of local, community and neighbourhood generated was a strong theme

27. <https://www.gov.scot/publications/towards-robust-resilient-wellbeing-economy-scotland-report-advisory-group-economic-recovery/>

28. <https://www.gov.scot/publications/not-now-social-renewal-advisory-board-report-january-2021/>



## Covid-19 has had a major impact on businesses and in shaping the future

during the pandemic. It is one on which to build, as demonstrated further in the retail and town centre context by the very well received and supported Scotland Loves Local<sup>29</sup> campaign of 2020 and the Towns and Business Improvement Districts (BIDs) resilience and recovery funds<sup>30</sup>.

22. In summary, the Town Centre Action Plan has produced progress and remains a clear statement of actions and objectives. The significantly altered context, and latterly the impact of the COVID-19 pandemic however have accelerated the need to extend the vision for Scotland's towns. From the National Outcomes, the change of context and the evidence provided, we believe towns and town centres must

be more focused around people, the planet and our economy.

**We need town centres to meet the needs of all local people, in a local and sustainable way**

and provide a variety of opportunities for local inclusive economic and social activity, including increased local community and entrepreneurial ownership, services and assets to help build local resilience. The vision for towns and town centres the Review Group adopted therefore is:

“Towns and town centres are for the wellbeing of people, planet and the economy. Towns are for everyone and everyone has a role to play in making their own town and town centre successful.”

29. <https://lovelocal.scot/>

30. [https://www.scotlandstowns.org/towns\\_and\\_bids\\_resilience\\_and\\_recovery\\_fund\\_2020](https://www.scotlandstowns.org/towns_and_bids_resilience_and_recovery_fund_2020)

# People, Planet and the Economy; the Issues for Town Centres

23. The goals of wellbeing of people, planet and the economy may well be mutually reinforcing, but this cannot be assumed. Advancing economic outcomes without regard for social and environmental outcomes leads to inequalities and unintended consequences, which in the case of climate change may be irreversible. Similarly, economic growth per se does not address inequalities of place and amongst and between groups in society. The challenge is to identify where this is the case, understand the consequences and interactions and take informed decision to promote the best overall wellbeing outcome, through the potential of a new future for Scotland's towns and town centres. Town centres should be delivering better outcomes for people through access to opportunities, goods, services, facilities, social- cultural-, creative- and green- spaces. They should be the heart of a local, resilient, entrepreneurial economy, increasingly enabled digitally, which reduces inequalities and promotes inclusivity and enriches the wellbeing of all in the community. Town centres should be accessible places people want to go to for a variety of reasons, opportunities and interactions.
24. Not all towns currently meet the needs and ambitions of their communities and the country in these ways. There is of course a range of practice across Scotland as each town is a unique place. There are many local circumstances and issues. Overall however we know that many individuals and communities across Scotland suffer poor health, adverse social outcomes and inequalities, in part due to the places they live in, and can access. Those with the worst outcomes in society tend to live in those places that have some of the poorest physical and social environments. These communities and citizens often lack access to necessary resources and support to improve their quality of life. Evidence shows that if we can improve the quality of these environments (including town centres) we can improve the wellbeing of the people living there and contribute to a reduction in health and other inequalities (whether from gender, disability, race, poverty or age for example).
25. In the Review Group's evidence gathering a range of common factors affecting towns was consistently identified and can be summarised via our people, planet and economy constructs:
- People:**  
Whilst there are many examples where people are working to turn their towns around, this does take time and for some there remains a sense of 'distance' or 'disappointment/disillusionment' with some towns and town centres. This is a function of the issues of access(ability) and lack of activities and attractiveness which produce a lack of

compelling reasons to visit, and also to an incomplete sense of engagement with, or 'ownership' of the town centre. Some people and communities felt adrift from their town centre, the businesses, organisations and spaces it contains, and the decision-making around it. For some, the town centre could be people unfriendly with an incoherence and/or lack of streetscape, design and functions and often competing uses for spaces (e.g. traffic and pedestrians). Their local town sometimes had little to offer them, both commercially, but also socially, environmentally e.g. green space and culturally. Safety issues around gender or night-time activities are also concerns.

26. Some local communities (and especially groups within, whether on the basis of race, disability, gender, ethnicity, poverty or age for example) felt a lack of engagement in decisions over the town centre and its future. Engagement could be seen to be partial, limited and often not carried out effectively, accessibly or sustainably. Some decisions were often done to people and not co-produced with people. The reality for local authorities, having to focus on statutory functions more than on places (town centres) due to budgetary constraints, also led in some cases to a sense of lack of place-based engagement. Demands on these statutory services have increased over this period. Local authorities have also often seen a reduction of skills, confidence and capacity over the last decade or more as resources have reduced and requirements risen. Even where local authorities (and indeed communities

themselves) wanted to focus on town centres and engagement, they could be hindered by this lack of capacity, skills and confidence. Town centres can be difficult to "manage" especially where there is limited local involvement. Whilst there are examples of excellent practice across Scotland, inconsistency of approach remains an issue. There may therefore be a need for greater focus on developing skills, capacity and confidence, but also a need for a better understanding of what has worked, where, and how this may be transferable.

27. Some groups have particular access requirements when it comes to being involved in meaningful engagement and can therefore easily end up being excluded, regardless that this may not have been deliberate. Consequently, decisions are not informed by those perspectives and this can compound their exclusion. It can result in the often unwitting introduction of new barriers to using town centres including accessing shops, facilities and services. This has been seen in the proliferation of signage and other impediments in pedestrian spaces and in some of the temporary COVID-19 transport and road space adjustments. Community engagement and organisational infrastructures are also therefore important. Anchor organisations that reach out and connect with marginalised people within communities, can provide a focal point for connections. Organisations that are citizen-led, such as centres for inclusive living and access panels, led by people who are marginalised are also significant. There is



**Considering people, place and planet is vital. Pictured is Biggar town centre**

a key role for the third sector and community organisations, with expertise in engagement methods including co-production, accessible processes, community development, and with networks that go deep into communities to reach and support those marginalised.

28. Some of the distance people felt to town centres was also due to the nature of the organisations present and their linkage or not with local society at a more than an economic transactional level. This may be less of a feature in smaller and more rurally located towns. **There is a need for more community centred ownership and/or management of space in town centres** (and not just for commercial operation reasons) and a focus on the development of opportunities for local entrepreneurship and creativity, including for example opportunities for specific age, gender or disability cohorts. Some of this activity may be commercial but some needs to be creative, cultural and otherwise

life-enhancing, and also include health, education and other public services. Decisions about locations of such facilities are very important to people and town centres.

29. **Planet:** Without radical change Scotland's ambitious climate change targets are not going to be met, and certainly not within the statutory timescales. The current system is unsustainable and meets neither local nor national needs. There are a number of broad national aspects to potential responses to climate change being developed and these will bring in fundamental changes that would likely impact on people and towns. This is clear in infrastructure (housing, digital and transport sectors for example), where we have to consider operating and living very differently to protect scarce resources. Town centres are a natural ally to such national changes, being in a position to focus and reduce resource requirements. It will



though be important in this to ensure that action to mitigate climate change does not inadvertently make town centres less inclusive for some people. Such changes are however insufficient on their own, as given the decentralisation and disaggregated development of the last 60 years, we probably need to limit and then reverse some activities to become more sustainable and meet agreed targets.

30. The decentralisation and disaggregation of functions, combined with and driven by the rise in reliance on private transport in the form of the car, has resulted in a hollowing out of activities from town centres and the construction of off-centre mono-format developments, not prevented by a planning regime and fiscal imbalances that have encouraged such developments. This is evident in retailing but is not restricted to that sector. Such development has left local services, assets and centres being insufficient to meet local needs. Too often the “local” services are located on separate, disaggregated, often comparatively inaccessible (without a car) sites. Many services and activities have been moved away from town centres, increasing distance to travel and privileging one mode of private transport. When developments e.g. housing have occurred at the edge or away from towns they are not often building in the appropriate local services or transport variety and become car-dependent neighbourhoods. This has resulted in excess and less active travel and issues around sustainability of public transport services. The current

system can be environmentally damaging, impacting negatively on many people’s lives and on town centres.

31. Within some town centres, vacancy and dereliction has become more common and is most obvious in vacant premises and buildings especially, but not only, above ground floor. There is a considerable amount of vacant and unoccupied space in and around town centres. Each space may often be in the hands of distant organisations and individuals (and there can be issues in identifying ownership). Even where buildings are occupied, many of the wealth creating impacts are not felt locally due to the nature of the ownership and/or occupied use.

**A lack of local ownership and limited sense of local community and economy can impact the sense of place and reduce its interdependence and resilience, adversely affecting general social and economic wellbeing.**

Flows (wealth, profit, decision-making) out of the local town and town centre add to the sense of waste and distance. There is often only a limited locally focused circular economy, again increasing unsustainable activities, and reducing local resilience to external shocks such as Brexit and COVID-19. Cultural and creative activities are often marginalised as not being commercial enough. All this adds further to the sense of “distance” or disinterest people can feel from the town centre. It also reduces attractiveness to visitors.

32. Whereas in the past town centres were the sustainable, equitable, entrepreneurial, cultural, social, creative,



commercial, environmental and local focus of a town, the current situation has developed in some places into one which has produced systemic unfairness, is unsustainable in environmental and climate terms and where decisions are made seemingly irrespective of the local needs and requirements and are not based around local sustainability, equitable wellbeing, resilience and wealth-building. Towns can thus struggle to meet our climate and wellbeing goals, despite their natural advantages.

33. **Economy:**

The current state of town centres often does not deliver a fairer and healthier society which is an aim of the Scottish Government. The changing nature of economy/practice through the rise in online activity has pointed up the cost (and tax) structures of operations and places (e.g. Airbnb and Uber). This is most clearly felt again in retailing, but is true in other sectors as well (e.g. general businesses, hospitality and some commercial and public services). Out-of-town operations (well beyond retailing) benefit from operating and development costs cheaper than in town centres, and their ease of operation on purpose built sites also reduces costs and improves corporate or organisational performance. The wider societal cost in terms of wellbeing of planet and people remains unconsidered. Town centres have become too expensive in comparison to such other spaces. The tax system and the rates, rents, charging and other costs have all impacted on this and in many ways actively generated and supported these damaging effects. This has driven out or

restricted many entrepreneurial, community and local enterprises and initiatives and in some places community and local ownership and innovation can be difficult to introduce and sustain.

34. Some of the reasons behind this adverse differential for town centres lie in the nature of ownership and operation. The complexity and legacy of town centres and their shared provision drive some of the cost structures. In comparison, other formats have few constraints. We see this starkly in the issue of car parking in and out of towns and the differential costs and charges. The impact of ownership is also seen in the difficulty on occasions of getting things done (who owns it/resistance to be involved) and often reflects the lack of local stake holding in the local town centre. The rise of Airbnb in some (city) centres has compounded this lack of local community. Independent and small businesses, and community and co-operative operations, are all more locally embedded and inter-dependent, enhancing local resilience and wellbeing, but are currently marginalised in many town centres.
35. The net result of this has been the flight of many activities from town centres and a resultant lack of diversity and over-reliance on some sectors or uses. This lack of variety of attraction in turn reduces town centre footfall and reasons to visit. Despite decades of discussion, progress on more people living in town centres is painfully slow. The lack of diversity of uses reduces attractiveness and some town centres have become a mixture of disorganised, sometimes

vacant buildings with limited uses and variable streetscapes often dominated by car borne traffic. Some parts of town centres can be hard for people to access and navigate, may not encourage interaction and are not necessarily pleasant or safe spaces, with a lack of greenspace and other more social settings. Town centres (especially larger ones) are comparatively difficult and more complex and expensive places in which to operate either commercially or non-commercially.

36. All of this has been said before. The issues have been recognised for some time and some steps have been taken to address some of them. Some towns and some councils have done very positive jobs, but overall the problems remain, often not helped by short term or piecemeal funding for projects and local authorities. Some of the steps taken have involved projects funding specific buildings or spaces in town centres.

These can have a beneficial impact at the specific local and site levels. Often though it is based on short-term funding that is limited in comparison to the scale of the problem. Even then most such opportunities are capital-only projects and organisations often struggle due to the lack of revenue to get going and survive the initial years. This is particularly the case for community and volunteer based projects, where the lack of revenue, time and expertise can restrict their potential. Those that succeed often do so despite the situation and system, rather than because of it. Focused attention on communities and place has in the past been too piecemeal and partial; it is thus positive to see much of this being brought together under the Place Based Investment Programme. More can then perhaps be done to ensure alignment of, and length and type of investment across all initiatives.



# The Policy Framework and the Town Centre Action Plan

37. Since the National Review of Town Centres and the development of the Town Centre Action Plan there has been significant improvement in the position of towns and town centres in the policy frameworks of Scottish Government and local authorities. A range of policy and approaches have been introduced and championed. A positive policy framework is in place, tools to use this framework have been developed and place based initiatives (of which town centre renewal is one) have been placed at the heart of Government. This is welcome, significant and important. Maintaining and driving such policy forward across Scotland and embedding across all local authorities and other organisations and partners will assist town centres and their communities deliver against their, and our, ambitions.
38. We can point to examples where local authorities have as a whole or in specific towns focused their attention on the town centre(s) and on strong support for the town centre(s), including town centre management in the specific and broad senses. The work on Town Centre First in Aberdeenshire, the East Ayrshire Vibrant Communities programme, Falkirk, Dumbarton and Kilmarnock all focusing council offices at the heart of towns in key buildings, the Paisley vision and the North Ayrshire piloting of Community Wealth Building are illustrations of what has been possible. Lessons from these are being learned and more local authorities are moving towards such focus and implementation. At a community level there are many good examples of community focused developments which have made a difference in their local town centres, including many Development Trusts and the well-regarded Midsteeples Quarter in Dumfries. The issue therefore is about accelerating and spreading such developments more widely and making it easier to achieve these local and national goals.
39. A different form of town centre partnership is the Business Improvement District (BID) and we have now had almost 15 years of learning about BIDs in Scotland<sup>31</sup>. By pooling and sharing resources, local businesses, working with other private, public and third sector partners, take a leading role in improving local economic conditions by delivering an agreed package of investment and initiatives over and beyond that delivered by local and national government. The revised model developed in Scotland in recent years is a more innovative, flexible and holistic approach, which leverages greater corporate-community-public partnerships, to deliver the ambitions of local businesses and communities. This has encouraged more diversity within the Improvement Districts

31. <https://improvementdistricts.scot/>

project with the development of Maritime, Food and Drink, Tourism, Cultural, Innovation, Energy and Community Improvement Districts to sit alongside traditional City and Town Centre Improvement Districts. Improvement Districts to be successful often need scale and so may not always be suited to smaller towns and communities.

40. The policy framework, deriving from the National Outcomes attempts to improve places and town centres for all people and in a variety of ways. This attempt at broad impact requires engagement and co-production with communities, but also demands that the benefits are felt by those communities. This points to the need for more local community based opportunities, an equality-focused participative approach, strengthening of resilience at the local level and a concerted focus on place and all components of its community.
41. Two significant questions emerge though for the Review Group's work:
  - (a) What is stopping such developments in many town centres?
  - (b) What would encourage further and more rapid development of this form?
42. The National Review of Town Centres called for an enhanced policy framework. This has been delivered through Town Centre

First, the Place Principle and the recent steps in the Place Based Investment Programme. It also called for action on data provision at the town and town centre level. Slower progress has been made on widespread, routine data on towns and town centres. The development of Understanding Scotland's Places<sup>32</sup> has provided a consistent and comparable baseline for towns but none exists for town centres and data is routinely published at local authority or other (dis) aggregated administrative levels. **The lack of accurate, consistent, comparable and timely data remains a hindrance to the understanding and targeted improvement of our town centres** (and often towns). Given the focus in national and local policy and planning this remains a major gap. There is also a need to broaden our understanding, collection and use of data to focus on issues that matter in town centres and to communities. These include routine consideration of lived experience and other qualitative inputs, data on ownership and occupancy of property and the inclusion of new measures linked to National Outcomes such as in environmental, social inclusion and wellbeing dimensions.

43. The Town Centre Action Plan focused on six themes. These six themes have been progressed in a variety of ways. Many of these demonstrator and local projects are successful in their own right and provide valuable lessons. Of the six themes in the Town

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32. [www.usp.scot](http://www.usp.scot); Findlay A, Jackson M, McInroy N, Prentice P, Robertson E & Sparks L (2018) Putting Towns on the Policy Map: Understanding Scottish Places (USP). Scottish Affairs, 27 (3), pp. 294-318. <https://doi.org/10.3366/scot.2018.0245>



## **Tourism and attracting visitors is vital to the future of many towns like Oban**

Centre Action Plan enterprising communities has perhaps had the least attention and shown the least progress. This may be due to the lack of community and local involvement in decision-making and opportunities. Across all the themes and projects however the same two questions re-emerge; why are these examples not followed more widely and how can we get more rapid and broader development?

44. This becomes important when we consider the concept of the 20-minute neighbourhood. In its frequently understood form, the 20-minute neighbourhood is perhaps viewed as being more suited to larger towns and cities. The key though is not to focus on the number of minutes, but to focus on the lifestyle and lived behaviour where people choose to travel less, move more and increase connection with people and nature. The nub of the 20-minute neighbourhood is that we will choose to travel less when our

local areas offer us more; when we have a purpose in stepping out of the door; when our homes are at a density and mix of housing types that provides the critical mass for local services and amenities to thrive; when we embrace the transforming opportunity for every town centre in Scotland to lead the need to retrofit our existing built environment's impact on our choices and behaviours. Seen in this way the concept has wide applicability but allowing for local variation. In examining the 20-minute neighbourhood for its applicability for Scotland, the Review Group asked if there were any barriers to its being implemented? This misapprehension of local fit or appropriateness appears to be one barrier, but it is not a real one in the sense that the concept can be adapted to the local circumstances. A town centre may be a 20-minute neighbourhood, but a larger town may also have several other such neighbourhoods. A

further barrier was identified as a need for stronger national policy support to enable a consistent and comprehensive policy framework that can be more confidently applied to the 20-minute neighbourhood.

45. Town Centre First is not a statutory requirement. There is a need to further formalise the position and the priority for towns and town centres in the planning process. The development of the National Planning Framework permits an opportunity to do this and to make towns and town centres (and where appropriate the 20-minute neighbourhood) a core part of the planning process for the local area. This is not to be prescriptive but to ensure that towns and town centres are seen as the place in which development and activity will be focused. The nature and shape of that will depend on the local community and its needs.

46. Whilst there are good examples of place focus and development, we need a wider take-up of such approaches. As noted earlier though, there is a capacity and skill gap at many levels. It is evident in the lack of consistent transfer of policy into practice around town centres across local authorities and elected members. The policy framework is not being translated consistently into actions, and where it is, the impact may be diluted. There may also be unresolved tensions and conflicts over policy and its impacts that require clarification and resolution. **Resources have been constrained over at least a decade and many community and place focused positions have been removed or unfilled.** We

recognise as well that towns, local authorities and community and other local volunteer, representative and association groups, as well as a range of other partners or structures (e.g. BID) exist in a multi-agency, multi-layer system. There is enthusiasm and often no little skill, but they are forced to navigate a complex landscape, including that for funding, which as well is often short term. Related to this, engagement with local communities and community groups (and this can also be a complex landscape) as well as other stakeholders does not seem to be working everywhere across all groups. If the aim is to build a fairer, more sustainable and inclusive country, then this will need to be addressed on a consistent basis. We need to be clearer about what the barriers are that prevent this and seek to remove them.

47. There is a further aspect to answering the two questions above. If the policy framework is sufficiently broad, though could be strengthened, and we can show some local authorities, community and third sector groups doing good things and that demonstrator projects are working at the local level, then why is it that more town centres are not in a better place to meet our national goals? Some of this is beyond the remit of this Review Group but would likely make substantial differences to particular groups with consequential effects on communities and town centres e.g. changes in social care support so that people who require it can fully participate, revised national and local

transport policy, enhanced national living wage or basic income to better support individuals and families. The larger point though is whether town centres (and local authorities, community groups and partner organisations) are constrained by the system as a whole? There would for example appear to be activities that we permit or indeed support that are damaging to town centres. It is a valid question to ask therefore

**(c)** What activities should we stop supporting or doing?

48. In the town centre context this is clearly related to the imbalance in the cost structures between town centres and non-town centre activities. If town centres are potential solutions to meeting many of our social, economic and climate challenges then we need to support them more

strongly. However doing this alone is not enough and there will never be enough money to meet all needs, especially in a post-COVID-19 world. It is therefore as important to stop supporting those activities which are not helping us meet these goals. This suggests a need to reconsider aspects of planning and fiscal policy to ensure we are supporting the right things. Why for example is there a financial benefit to greenfield and off-centre site development? Why is use of such sites cheaper than equivalent uses in town centres? Why are digital services e.g. internet shopping so privileged and why are many of these businesses paying so little corporate tax? Why is it more difficult to develop and operate in town centres than elsewhere? The Town Centre Action Plan currently says too little about such issues.



# Recommendations

49. The changing context for town centres compels action to be taken to deliver radical change. If we simply continue as we are then there can be no reasonable anticipation of town centres either contributing fully to meeting National Outcomes or having a sustained recovery from the current position some of them are in. We need to work assiduously and continuously to improve them. Many local authorities are altering their focus to enable a renewed emphasis on and improvements in town centres. We also however need to address the context in which they operate and the challenges (notably climate change, Brexit, wellbeing and health and inequalities exacerbated or created by COVID-19) we, and town centres face. **There are opportunities around a new emphasis on localism and community and a sense of optimism that we should and can rebuild our communities and town centres better.** We also have to be realistic though. We have spent decades bringing town centres to this point, and elements of the current system are structured against them. Reinventing and rebuilding town centres is not easy and may not be quick, but we must accelerate the process.
50. There is a lot of interest in and work going on around the subject of place into which town centres can fit. We welcome many of the recent developments from the Scottish Government as for example on planning, climate change response, island communities, housing, transport, infrastructure and rural agencies and especially the sense that these are aligning more closely. We have tried to be aware of this work and link to ideas emerging from it. We ask that our recommendations are considered carefully by this and other work as it emerges over the coming months.
51. Our recommendations are of three forms.
- First we aim to **strengthen the existing national policy context**, which whilst positive towards place and town centres, needs to provide more formal and structured prioritisation, support and encouragement.
  - Secondly we have recommendations **around the need to consider stopping supporting or advancing aspects which cause harm to town centres**, our vision for them and our ambitions for tackling climate change and other issues.
  - Thirdly, **we focus on activities and initiatives where building on and extending current approaches to renewed town centres would accelerate progress.** A key dimension will be better learning from such activities to provide the lessons and actions for other town facing similar issues.

## 36. **Recommendation 1: Towns and town centres to be included in NPF4 with a requirement to create and implement town plans**

There are three components to this recommendation. The aim is to improve and encourage the stronger focus on town centres which is emerging in many local authorities and areas, ensure this is carried out in partnership with all elements of the local community and accelerate the enhanced and focused use of data on towns and town centres, derived from an expanded variety of data. The need for this recommendation stems from the desire and requirement to focus on towns and town centres more formally, and further strengthen their position, to try to ensure that local communities are fully engaged and that appropriate evidence is used in decision-taking and impact monitoring.

### 53. **(a) *Towns and town centres to be included and prioritised in National Planning Framework 4 (NPF4)***

There is a general agreement about the role of place, the Town Centre First concept and the Place Principle. We have seen considerable steps to using this as a framework for planning and decision making. In some instances though there may be a need to improve inclusive practices with communities. We need to further embed town centres as central aspects of social and economic development so as to

cut through the complexity of the current situation. The most appropriate ways to do this are to refocus and reemphasise Town Centre First and place towns and town centres at the core of NPF4, prioritise and direct resources to them and to require that town centre plans be produced and implemented. Many authorities are moving in this direction but the added focus and encouragement this recommendation provides will help embed place and town centres more fully. This recommendation should usefully encompass the consideration of the local potential for 20-minute neighbourhoods (see Recommendation 3).

54. The recent Scottish Government Position Statement on NPF4<sup>33</sup> is a positive step forward and can be developed further as progress on NPF4 is made. The Position Statement underlines the importance of city and town centres, signals that support for development in town centres will be strengthened and sets out a commitment to applying the 20-minute neighbourhood concept through revised planning policies. It also signals that to support town centres and reflect climate change commitments, there may be a need to restrict out-of-town retail and leisure to help us transition away from

33. <https://www.gov.scot/publications/scotlands-fourth-national-planning-framework-position-statement/>



## Active Travel Plans will be central to the design of future communities as well as enhancing existing ones

car-dependent developments. The Position Statement confirms that the Scottish Government will build on this review and apply the Place Principle to re-imagine city and town centres, promote them as live-able places and diversify and balance the use of land and buildings in town centres so they benefit all people and stimulate investment. This is a positive and helpful basis and our three recommendations clearly align with this, but we suggest developing some ideas further.

55. By placing towns and town centres (and 20-minute neighbourhoods) in NPF4, legitimacy for them is generated from national to strategic regional through to local levels. Town and town centre plans should be developed and co-produced with a range of local agencies and the community. It will be important for local authorities and partners (community, public, private, third sector) to ensure that this is

done at the appropriate level and embedded within the appropriate existing plan frameworks e.g. local development plans, community planning partnership plans, regional economic plans, rural and island plans, transport and active travel plans. They will need to be fluid and dynamic. **The National Planning Framework provides the steer to embed town centres at the local level, by asking for a critical focus on delivering town centre change.** When this is allied to the adoption of other place dimensions, as outlined in the Programme for Government, there should be greater security for town centres from unthinking adverse development and a more structured positive focus on town centres across the country. The development of NPF4 should also consider whether aspects of our other recommendations e.g. Recommendation 3: a possible moratorium on aspects of out of town development or the actions to respond to climate change should be included or could

be enhanced by actions within NPF4.

56. The centrality of towns and town centres in NPF4 also raises a number of implications and consequences. **Transport to and from, and movement within, town centres requires to be more closely integrated with planning decisions from the outset.** This could be usefully integrated further via the development of NPF4. There is also an opportunity to consider the relevance of the Use Classes Order for town centres and the desirability of a revision perhaps to a more general Town Centre Use Class. This could be utilised in connection with a wider take-up of other measures such as Simplified Planning Zones, Permitted Development Rights and Masterplanning Consents to ease development in town centres, including a focus on conversion and bringing into use the upper storeys of buildings where appropriate. This is needed to ensure more rapid adaptation to changing circumstances than is currently the case. Care however must be taken in design of these measures to avoid potential unforeseen consequences (mono-culture, lack of variation and viability) from such measures and to maintain quality standards of development.

57. **(b) Town Centre Plans need to be developed and implemented with the local community and with a focus and commitment on the wellbeing of people, the planet and the economy.**

There is nothing stopping the development of town centre plans prior to any formal adoption, suggestion or guidance

via NPF4. Indeed the urgency of the situation we face demands that as the direction we are going to take has been set out in the Position Statement on NPF4, action to begin to construct and deliver this at a town level should start now. Many of the tools needed at the local level to develop town plans are already in existence and in some authorities and communities in use. It has been demonstrated that those towns that develop a shared strategic vision and a plan for the town and especially the town centre have a stronger sense of place and management and are more likely to develop more strongly. This though is dependent on the plan's development with the community and its implementation with monitoring and evaluation being inclusive, transparent and publicly accountable.

58. There is an opportunity to align these town plans with the National Performance Framework (in addition to NPF4) to ensure a greater consistency of outcomes. National guidance on the development of strategic development of town plans could usefully sit alongside the revised (2021) "how to" Towns Toolkit. Town centre plans need to be developed in association with all elements of the community and other partners and deliver on the vision outlined nationally but articulated locally. This will require focus on the structure and function of town centres, on the access to and wellbeing of the place and the community in the broadest sense and on the economic development and especially local businesses and community operations in the

town centre. Aspects of housing in, transport to, opportunities in, the services, functions and spaces provided and the ownership and local linkages present and desired, all need to be considered and included where appropriate. Local service accessibility will also be critical.

59. In many authorities, areas and partnerships exiting attempts to do this are sometimes thwarted by a lack of skills and resource. It is also not necessarily a simple or a straightforward matter and is becoming more complex in terms of the context. There are statutory duties for such processes and the development of any town and town centre plan must address the Equality Act, the Public Sector Equality Duty, the Fairer Scotland Duty and utilise the National Standards on Community Engagement. There is a massive, positive opportunity to be inclusive and to ensure that voices are heard that have been previously often marginalised. Embedding this (and especially the lived experiences of these groups, and for example Access Panels) from the outset, having an equality-focused participative approach throughout and maintaining involvement, is critically important (though not a new “ask”) and is a key component of the Community Empowerment (Scotland) Act 2015 and the report of the Social Renewal Advisory Board.
60. Developing a plan or vision for the town or town centre is an important step, but it needs to be fully engaged with the local community and bring together different stakeholders. Communities should not only

“have a say” but be integral to this process. We have learned from the experience of community development, culturally-led regeneration and the local response to COVID-19 that locally owned and rooted solutions are much more effective than projects driven by organisations from outside the area. We have seen in the response to the COVID-19 pandemic that to encourage participation in decision-making communities need to see they have been given permission and authority to act, both through local authorities cutting red-tape to make it easier to participate, and through the provision of flexible funding. It is no longer enough for a single community representative to be asked to join a decision-making board, but rather community participation should be planned and budgeted for from the start. COVID-19 has shone a light on existing inequalities – income, health, gender, race, employment and education. It has exacerbated the challenges faced by many people already living in poverty. People living on low incomes are more likely to rely on public services than other sectors of society and to be more affected by the climate emergency. Therefore, it is vital their voice is heard in planning the town and town centre focused response we need to meet our national challenges, including climate change.

61. These town plans need to be focused on people, the planet and the economy and in delivering the vision of the Town Centre Action Plan adapted for local circumstances. They need to begin with people, as above, and be based around people, their

needs and aspirations, not only the built infrastructure. A range of tools, including the Place Standard and Towns Toolkit are available to help in this, but they need to be used in collaboration with all components of the local community. **Aspects of inclusion, equality, accessibility and wellbeing will be critical to future success.** In terms of wellbeing, the soon to be published Public Health Planning Themes for Wellbeing and Place could be a good starting point and should be incorporated and measured against at the town level. Climate change needs to be addressed via a focus on the green aspects of development and movement and on the potential for the enhancement of local and circular economies. Town centres need to be designed to be accessible, both to and from but also within the town centre. This raises questions of the mode of travel and transport, but the starting point needs to be in building up active and public travel and limiting/reducing car borne travel where appropriate. The overall economy needs to consider aspects of digital infrastructure and development, the scope for housing, of a variety of forms, including accessible housing and homes in the town centre, and on the need to develop local, small business and community enterprises and businesses to build resilience and engagement. The role of community organisations and local ownership to drive local entrepreneurship and resilience will be significant. Local businesses and community enterprises provide economic and social “glue” to their communities.

62. It is recognised that the approach outlined here will need to be detailed. It comes at a time when local authorities and community groups are struggling with resources and often lack the time, capacity and sometimes skills to cover all this ground. However with the renewed prioritisation for towns and the steps many local authorities are already taking, we believe that this can be delivered by partnership. Strategic development plan teams can be supported by existing bodies such as Scotland’s Towns Partnership, Planning and Architecture Service and RTPI Scotland to achieve this focus. Support for community engagement and building local capacity will be important in this and mechanisms for funding this will need to be developed. Some of this will be achieved via the emerging refocusing in local authorities and areas but funding streams under other government initiatives could be used to enhance and focus provision.
63. A key element of the successful delivery of town centre plans will be the engagement across the various communities and users, and not just traditional economic user concerns alone. Integration with other levels e.g. local and community planning and regional planning will be important. The intention in aligning this recommendation with NPF4 is to ensure there is both focus, but also no duplication in town centre plan production. This is not intended as an additional level and planning for town centres and 20-minute neighbourhoods need to be linked in with other strategic



## The Midsteeple Quarter project in Dumfries - an excellent example of community innovation

planning documents. **Plans in themselves can be significant drivers of change, but only if the partners deliver on the shared goals**, so it is vital the plan once developed is implemented and public accountability and monitoring is embedded from the outset.

### 64. (c) *Develop a revised and enhanced focus on measurement and data for towns and town centres.*

Local authorities are very used to measuring and reporting data at the local authority level and in some cases at administrative sub-divisions of their area. Scottish Government also is used to using the local authority as the measurement and reporting unit. This does not really help either towns or town centres as data is rarely reported at this level and, often when it is, is on an inconsistent and non-standardised basis i.e. how is the boundary drawn? It is also generally the case that the data that are collected are focused on

traditional economic measures of activity and not on the emerging concerns such as inclusive growth, environmental measures, equality, wellbeing and social value. It is clear however that steps to improve the range of measures are beginning to be taken, and there is work on this in a number of national bodies and local authorities. There is an opportunity to embrace a wider range of data types and sources ranging from the lived experiences in communities and towns to new digital streams of behavioural and other data, and to have these focused and reported at the town and town centre level.

65. As a consequence of the Town Centre Action Plan, Understanding Scottish Places (USP) was developed to provide comparable and consistent data on Towns. This has developed into a sound platform, but to be more useful needs to have more data captured more regularly at an agreed town, but also town

centre level. For some data, this might be a technical data reporting issue rather than a redesign of the data collection itself. **If we are to focus on towns and town centres, then data will be vital to understand the starting point and progress/change.** A national approach to this will aid local authorities, communities and town/place managers and allow a degree of national comparison i.e. consistency, transparency, comparability, accountability of data. Very local targeted data could be added to this platform at the town or town centre level for aspects not covered nationally.

66. The USP consortium could be tasked with bringing forward proposals for such developments. The current consortium could

usefully be expanded for example to include membership from COSLA, Ordnance Survey, Scottish Government Statisticians and wellbeing, environmental/ climate and health economists to capture the breadth required. This broader group should be tasked with establishing what needs to be measured in a town centre context and as a baseline against which progress can be considered. Key measures need to reflect the changed priorities and requirements we place on town centres and go beyond current “traditional” or easy measures. Lived experiences and the impacts of changes on people’s lives need to be embedded. A stronger link of this consortium with the digital transformation programme in Scottish Government would be beneficial.



## 67. **Recommendation 2: Scottish Government should review the current tax, funding and development systems to ensure that wellbeing, economy and climate outcomes, fairness and equality are at their heart**

The first recommendation concerns national level policy enhancements to better position town centres and the development of local town centre plans and data. Given the context, the state of town centres, the urgency to tackle critical, complex issues such as climate, equality, wellbeing, fairness and social and economic renewal, it remains questionable however whether positive town centre measures and additional limited funding alone, as has been attempted thus far, will be sufficient. A range of ideas and proposals is therefore presented within this recommendation to address this broader picture. They all stem from the proposition that the balance between town centre costs and other (mostly out of town and digital) transactional and channel costs are out of kilter with the overriding national ambitions for carbon reduction and net zero, transport and congestion reduction, wellbeing improvements, social and economic renewal and new models of place resilience. If the aim is to see town centres at the heart of communities, providing more equitable provision for all, and a leading driver to meeting our National Outcomes then they need to be prioritised within a fairer overall system.

68. Some of these proposals may be viewed as controversial and may well be opposed by a range of organisations. Indeed a couple of these ideas have been suggested in the past but have not gained traction. The situation however has continued to deteriorate and our imperatives have been accelerated. These ideas therefore need to be reconsidered. We recognise that there are businesses and jobs which will be affected (both positively and negatively) by some of these proposed recommendations. There could therefore be a consideration of the timescale and possible transition of some of these actions and the need to smooth what might initially be negative impacts of others, in order to achieve important longer-term national goals and as well as actively support town centres. These ideas are proposed to reflect the changing nature of our economy and its impact on society and to ensure a sounder fiscal base for Government at all levels, whilst addressing the fundamental issue of improving our town centres and meeting our National Outcomes. The prior expectation of simply expecting local authorities to forego income e.g. local rates relief or reducing car parking charging, particularly at this point after a decade or more of budgetary constraints,

in order to try to ameliorate the impact of other activities is neither realistic nor sustainable. There may also be a need for encouragement to repurpose some of the decentralised sites as they may be ending their useful lives, possibly accelerated by the impact of the pandemic and the measures more widely being taken to respond to climate change. These issues are all ones the Scottish Government needs to consider as part of a review of policy and practice in this area.

**Our view is that not addressing such issues will condemn our town centres to a more difficult future and make it difficult to meet our ambitions for wellbeing and climate change response.**

69. Not all of the actions proposed here though are with the remit of the Scottish Government. Where they are, the recommendation is clearly directed at the Scottish Government; where the powers are not devolved the Scottish Government should consider how best to engage the UK Government in taking or permitting the actions. We also note that the Scottish Land Commission has established a Working Group on Land and Property Tax<sup>34</sup>. Whilst its initial scope is for devolved competency of property tax the group has a clear priority to look at town centre regeneration and taxation and local authorities. Components of Recommendation 2 should therefore be explored in detail by that more expert tax group in 2021. A balance across the measures is probably needed. Care would also be needed to

avoid unintended consequences on some activities e.g. hospitals, developments meeting climate and carbon reduction ambitions. They might also look at the creation of a more permissive risk-based environment to try new approaches to funding and the use of taxation and levies and to consider the role of Non Domestic Rates (NDR), levies and other mechanisms (e.g. TIF, community bonds) to fund focused development opportunities in town centres. Scottish Government should formally ask the Working Group to consider our broad proposals in this area and come up with concrete proposals and timescales for a package of measures.

70. **(a) Amendments to Non Domestic Rates (NDR):**

The NDR system is widely perceived to be operationally broken and unfair, but some form of property use tax makes sense. It needs an overhaul and aspects of the Barclay Review<sup>35</sup> should be revisited and reconsidered. **The rates system should be amended so as to reduce rates for town centre uses and increase them elsewhere including for out-of-town uses.** The scope of the NDR system should be reconsidered in terms of the rateable value and chargeable rate on all uses and particularly those that serve the final customer, so as to ensure modern channels are reflected properly in the NDR system. This recommendation would apply to all out-of-town activities, and not simply to online retail. Town

34. [https://www.landcommission.gov.scot/news-events/news/changes-to-the-land-and-property-tax-system-could-support-scotlands-recovery-and-renewal?p\\_slug=news](https://www.landcommission.gov.scot/news-events/news/changes-to-the-land-and-property-tax-system-could-support-scotlands-recovery-and-renewal?p_slug=news)

35. <https://www.gov.scot/publications/report-barclay-review-non-domestic-rates/>



## Why should new build development have a lower VAT rate than redevelopment?

centres have been deserted by many uses and the intention is to rebalance the situation and thus help reduce inequalities of access.

### 71. **(b) Amendments to VAT:**

Consideration should be given to the chargeable VAT rate by location and by development type. In particular it would be beneficial to be able to zero-rate developments and/or operations in a town centre, or even a high street. It would also be sensible to reverse the perverse incentive that has a lower VAT rate on new build than on redevelopment. There is a potential role for whole life cycle carbon assessment as a mechanism to help with this where appropriate.

### 72. **(c) Introduce a digital tax:**

The rates system is no longer suitable as the main way of raising local government finance from local economic activity (though this link is now more tenuous than before). Channels and behaviours have altered

and whilst major operators e.g. Amazon have grown enormously, online services have also become vital to many smaller businesses. A digital tax has been discussed for some years but has not materialised. The increase in online sales and home delivery during the pandemic has produced a further shift in channel behaviour and patterns of fulfilment (vans to the home). This shift has increased inequalities and probably added to our carbon emissions and congestion. It has benefitted particular firms, some of which pay limited tax in the UK. These two issues are separate but not unrelated. Common comments against a digital tax are that either the firms are doing nothing illegal or that a digital tax penalises innovation. Both comments miss the fact that we have seen a revolution in this area which has impacted existing businesses and town centres and made taxation streams less reflective of economic activity, generally and locally.

**If we want to have public transport systems, education, social and health care for example and deliver services for all, we need to protect, retain and reposition government revenue streams.**

Allowing digital operators or specific firms to either not be included or to effectively opt out increases the burden on existing and responsible (often smaller) businesses. Taxation needs to reflect the society we are now and not what we were. Various models of digital tax thus need to be explored as a matter of urgency (though we recognise care needs to be taken over small businesses and innovative local developments), ideally linked to reducing carbon emissions. Taxation systems generally need to catch up with international operations.

73. **(d) Introduce an Out-of-Town Car Parking Space Levy:**

The current context for car parking massively favours out-of-town locations over town centres, whether that is business, office, leisure, health, education, retail or other space users. With congestion, pollution and climate issues, a reduction in car borne travel and a switch in energy source for vehicles are both necessary to meet our goals. An annual levy on all out-of-town centre car parking spaces (not just retail) would provide local authorities with a revenue stream which could be used to enhance public transport and other active travel modes. In introducing such proposals care will need to be given to not disadvantaging users who use private transport from necessity e.g. some older or disabled people. There are

also particular concerns in rural and island areas over potential restrictions on car use and so this will require care and consideration at the local level e.g. Island Communities Impact Assessments. It will be important to recognise that such a proposal will likely be unpopular with some and resisted, as previously seen in the suggested workplace parking levy and in some reactions to space repurposing on roads during the pandemic. Nonetheless if we are serious about reducing emissions and congestion, and improving wellbeing, then there is a need to move in this direction either for workplace parking or as here for wider out-of-town parking (for business and other sectors). It will be necessary to monitor the impact on town centres as there is a desire, where possible, to reduce car transport into and within many town centres as well.

74. **(e) Introduce a Moratorium on Out-Of-Town Development:**

Despite Town Centre First and the Place Principle, out-of-town development proposals can continue to obtain permission by local authorities, thus maintaining support for activities that damage town centres, the climate and exacerbate inequalities. There is a large supply of vacant and derelict land and under-used buildings that could be utilised for more sustainable development. There could also be a more strongly positive presumption in favour of mixed use developments on brownfield sites. **In many cases the out-of-town option is chosen for ease and cheapness; our recommendations are meant to help to rebalance this.** It might also be appropriate

to reinvigorate Town Centre First and reinforce that it is meant to be considered by all organisations. Strengthening this by reference in NPF4 and town centre plans would also help. Even then however it seems perverse, given the potential opportunities available and adverse impacts felt, that we continue to allow out-of-town development (including offices, leisure, hospitality, housing, as well as retail and other commercial) by both private and public bodies. The Town Centre First principle has perhaps not fully achieved its goals, though with some of the recommendations here and further re-emphasis it may do so in time.

75. However to bridge that gap a moratorium on out-of-town development of the form that involves large volumes of car parking should be considered for a period of 5 years. This might be seen as too draconian or too blunt an approach given the likely need for some regionally or nationally important developments on new sites. Nonetheless **a moratorium should be the starting point with exceptions permitted only for nationally important exceptional reasons** (which could be defined and could for example include major national investments and climate change response actions). Decisions on developments are local matters, but there are overarching National Priorities to be considered. Developments need to be focused away from out of

town car dependent sites where possible and a moratorium is a sound starting point.

76. There are some difficult considerations in this. Not least is enabling and empowering local authorities to resist severe business pressures from developers and others, often on appeal. Strengthened support needs to be considered not only for this moratorium proposal but also for the current situation and the pressures already felt. There is also an issue of the edge-of-town sites and where the “lines” of a moratorium could be drawn. There is much to debate here but the principle needs to drive these decisions and answers to these questions. This would also apply to any (incentivised) repurposing of off-centre sites to redevelop them as sustainable non-car dependent mixed developments.
77. The components of recommendation 2 need to be considered in their entirety. They will however not necessarily be able to be delivered on a simple timescale and there may need to be managed transitions. The Scottish Government needs to tackle the systemic inequalities that are holding back our town centres and these measures go some way to doing that. Overall they will rebalance towards and enhance town centres, providing a stronger shared and more equal experience for all groups in society. Detailed consideration of the exact measures by other more expert groups is required urgently.

## 78. **Recommendation 3: Expanded and Aligned Funding of Demonstration Projects in Towns and Town Centres.**

The first two recommendations provide for a changed context for town centres. They point to an inclusive shared approach to towns, town centres and communities, the need to measure in new ways how towns and town centres meet our changed needs and the requirement to rebalance cost, taxation and development structures to reflect our altered realities and priorities. If they are adopted then the landscape for towns and town centres will be altered positively. One of the components of the Town Centre Action Plan has been the use of targeted demonstration projects to focus investment to test and to show what might be possible in selected (and then adopted more generally) places and situations. These projects have been developed from the local requirements of towns and local activities and needs and have in some cases leveraged private money through partnerships.

79. There are two aspects arising; first the need to have both an increased number and different/extended approaches. This would provide a broader set of demonstrator activities to test new ideas and approaches. It would continue focused investment building on where it has been shown to be beneficial. Secondly there is a need for the learning on existing and new projects to be clearly disseminated amongst, and

then used by, local authorities and others for potential wider implementation. The funding for such demonstration projects has been primarily the responsibility of the Scottish Government. The Place Based Investment Programme has been allocated a multi-year funding stream to continue this type of activity. This is welcome and significant. Non-governmental funding and wider investment could also be drawn in for specific proposals to build on this. There are also a range of programmes and funds within Scottish Government that have expenditure that is focusing on activities beneficial to town centres. There are quite a number of these often in the areas of some of the demonstrator projects' interests. This provides additional opportunities for communities, local authorities and others.

***We have an overall request that the Scottish Government continues to seek to expand and ensure further alignment of the funding available.*** Funding for town centre activities has to be substantial, multi-year and cover revenue and capital spend. This is already the direction in which the Scottish Government is moving with the Place Based Investment Programme, but the ambition could be expanded. It would be helpful if the Place Based Investment Programme drew together the funding possibilities to assist in focusing developments.



**The uniqueness of each town centre needs to be recognised - like in Melrose**

80. Recognising the uniqueness of towns and the different circumstances they face, demonstrator projects need to encompass a range of different settings including rural and island places and towns and be developed with the local community and its needs. Ideally they develop as part of the town centre plan process. They need to be ambitious and meaningful and need to have knowledge exchange and transfer and learning built in from the outset. Such knowledge exchange and transfer would encompass social and environmental aspects as well as traditional economic ones. There is a need to focus on the towns and places suffering the largest inequalities, as the pandemic has pointed up the significance of these. Projects could also be located in the Scottish Government's Community Wealth Building pilot areas, or the City and Regional

Growth Deal locations to build on these approaches to economic development and community support. A key component for investment would be the engagement and co-production with the local community allied with the scale of the need in the town or town centre to be tackled, as identified in the town centre plan.

81. The Town Centre Action Plan had six themes. Proactive planning has been considered under recommendation 1 and it is also significant in terms of activities in support of the recommendations below e.g. land assembly and asset purchase. Accessible Services also fits in that recommendation, but also is considered with 20-minute neighbourhoods below. The projects under this recommendation thus focuses directly on the other original themes (vibrant local economies

have been combined under enterprising communities). They extend the ideas developed over the last seven years and introduce new emphases, approaches and concepts. Finally a new series of specific interventions are developed under the theme of climate change responses. The intention here is to suggest project areas and ideas that will address issues that have been identified for town centres and the resolution of which will assist at a local level. They should also hold wider learning possibilities. The aim is to improve town centres at the local level but within the wider direction of national town centre improvement by showing the most appropriate ways to do this. Local conditions, assets and needs will always be significant for the exact implementation at the local project level.

## 82. (a) **Town Centre Living Expansion:**

Whilst there have been demonstrator projects arising since the Town Centre Action Plan and some investments have been made in town centre housing and living, progress remains relatively small-scale. Some of this limited progress is due to the perverse incentives against such development discussed elsewhere in this report but there appear to be other barriers. We need to show how some of the obstacles could be overcome and how to build local mixed tenure systems. For example:

- (i) The housing sector could be incentivised to prioritise town centre living, both to increase the volume (potentially setting

proportion of housing in town centres and support 20-minute neighbourhoods) and the mix (social, affordable, mixed tenure).

- (ii) Local authorities could be given enhanced ability to use more flexible funding to enable town centre living schemes – this should include mixed and intergenerational schemes and development of schemes attractive to a range of users.
- (iii) Collaborative projects with public, social and private partners could be designed and incentivised to reuse currently vacant space.
- (iv) Consideration should be given to enhancing Empty House grants/loans to incentivise individuals to do up long-term empty housing in or adjacent to town centres. These could be aligned with existing schemes such as the Conservation Area Regeneration Scheme where appropriate. Council tax rebates for housing reuse of older buildings might be trialled to incentive further in this area.

Care will have to be exercised at a local level to ensure the suitability and affordability of the development, but also to maintain a sufficient balance of housing, public services, social, cultural and economic activity and general town space (including green space) for town centre vibrancy. Scottish Government has produced a draft vision and principles for Housing 2040 which include a



principle on the role homes in town centres play in achieving stronger communities. Policy options to achieve this vision are being developed to ensure that the important role housing plays in tackling societal issues including child poverty, homelessness, climate change and inclusive growth is actually delivered. Rejuvenated town centres with more people living in them with accessible and affordable housing is a central part of this overall ambition.

83. **(b) Digital Skills and Use in Towns:**

There has been considerable interest in various concepts around improving digital connectivity, capacity, capability and access at the town and individual levels. Some steps have been taken but in this changing context more could be done to show just what is possible. Equity of infrastructure across Scotland's towns is a critical element for town centre improvement for both business and community purposes. Ability to access (skills and financially) also needs to be addressed, especially in the context of low income households. It might be appropriate to focus such demonstration projects on the smaller and least resilient towns in order to show the true potential for change.

This could usefully build on existing work, as in community centres and libraries, which are building understanding and networks around community digital activity. Links to digital transformation activities in government at all levels and to Connecting Scotland would also help. Suggestions include:

- (i) Focused digital skills and inclusion programme at town level using the Job Guarantee for young people and other COVID-19 recovery mechanisms. Local expertise needs to be developed for effective support and delivery and to aid recovery in hard-hit places. This will also help build local resilience and business competitiveness and potentially enhance entrepreneurship. Such a programme should seek to link to local businesses and enhance local business digital capacity.
- (ii) Extended use of smart technology (internet of things and consistent data capture) to measure against local town centre priorities (for example movement, air quality, energy use).
- (iii) Further development of town based service solutions such as town digital platforms and local gift/loyalty cards rewarding local uses, spend and activities (including possibly public transport; bike rental schemes, local work hub usage). This needs to be preceded by the collection and dissemination of current good practice in this area.

The digital space has become increasingly important but is riven by unequal access and capabilities. The proposals here are designed to help overcome personal and business variability and encourage local, collaborative working. Addressing the national roll-out, standard of, and access to overall

digital provision is beyond the scope of this review, but is hugely important in ensuring fairer access to services for all and needs to be a central consideration for the government response: this is essential for delivering digital equality.

84. **(c) Enterprising Communities:**

The distance felt by communities from their town centres in many cases is often created by a lack of stakeholding locally within them. We see this in the types of ownership and the vacant properties in many town centres. The ownership pattern of many of the assets diverts sales, profits and interdependencies away from the local community. They tend to produce longer and non-local supply chains. Owning more assets locally and in different ways is one plank of Community Wealth Building. This though has to be about more than owning buildings and has to focus on their strategic use and operation. One use for such community or local authority owned sites can be to develop community and local capacity by introducing opportunities for local start-ups and entrepreneurs and adding to local and circular economies e.g. local services and repair hubs. Community enterprises and businesses can also take-up such opportunities, which could be focused on the social infrastructure to help deliver wellbeing and possibly public sector services, as well as to advance equality. By creating the spaces and the support mechanisms then innovation and entrepreneurship can be accelerated, all the while focusing on local skills, assets and needs. A number of actions can be suggested:

- (i) The establishment of a Strategic Acquisition Fund, which given the likely distress in the property market in many town centres, could acquire land and buildings where they have strategic worth to the local town and town centre. The resource could come from local authority borrowing but also from other budgets and investment vehicles, including the Scottish National Investment Bank, the Scottish Land Fund and the Vacant and Derelict Land Fund. It would be useful to have such funding held as locally as possible, and it might be appropriate to focus initial attention on town centres in the Community Wealth building pilot areas. It will also be important to ensure upfront support for initial feasibility and development studies and to ensure some initial establishment and running costs.
- (ii) These assets could be combined with buildings already owned (and operated) by local authorities and community organisations to provide centres for innovation and entrepreneurship or co-working and other community and collaborative spaces, including creative and cultural activities. A central resource providing expertise around purchase and operation support could be developed to assist in this, operated by collaboration through a range of partners such as



DTAS, Scottish Futures Trust, Enterprise agencies and local authorities. It will be important to ensure that community ownership (continues to) enhance participation and wide involvement.

- (iii) Inclusive entrepreneurship could be developed as part of this through a focus on targeted investment into such towns and town centres with the greatest need. Building local, more resilient and sustainable economies in these towns around energising local ideas, start-ups and businesses, including social enterprises, will enhance wellbeing to the greatest extent. Specific strands here might target specific groups that have currently unequal opportunities or have not been adequately involved in the past e.g. women, disabled people, Black and minority ethnic entrepreneurs.

85. **(d) Climate Change Response:**

Climate change is the major threat to our society and economy and requires system wide change in behaviours and practices. This is being taken forward by the Scottish Government's Climate Action Plan. This was not explicitly in the Town Centre Action Plan, though the National Review of Town Centres began from the proposition that existing towns and town centres are true "eco-towns". The recognition of the climate emergency has increased interest in the potential for town based action helping our response on climate. We need

to build on initial steps and push the scope and scale of what is possible, using as wide a range of partners as possible. Climate change response cannot solely be about incentives over time to exhibit positive change. There will be a need (as in recommendation 2) to alter patterns of activity and behaviours more dramatically and fundamentally. There are many partners working in this arena and there is already action agreed within Scottish Government; the task is to join them up, focus on rapid change in town centres and to bring this all together. In doing this we need to ensure that proposals are inclusive (as for example in travel to town centres). Potential aspects to this for town centres include:

- (i) Demonstrator climate action towns to be developed with funding from Lottery, Scottish Government (Climate Action Towns Programme, Place Infrastructure Fund), Zero Waste Scotland and Corporates to show the cumulative effect of change in a place - this aligns with already agreed programmes.
- (ii) Look to roll out new community owned micro-generation sites to provide local sustainable energy and heat sources. Some of this could be based around historical aspects (water power) and some around new forms of development (wind and solar power) to provide power/energy sources for community use and income.

- (iii) Programme to build skills and incentivise the retrofit of existing buildings to meet modern requirements for energy efficient and heat use. Focusing these skills in town centres could enhance the local and circular economy. Repurposing and retrofitting older town centre buildings in this way can enhance energy efficiency but also lead to local “green jobs” and skills in local, small businesses. This aligns with the Climate Emergency Skills Action Plan.
  - (iv) Develop schemes to switch space from car access to town centres to public and active travel modes, building in some cases on temporary changes in response to COVID-19. Rebase space priorities to privilege people not vehicles in town centres, whilst working with local businesses to ensure supply and distribution solutions.
  - (v) Rethink the amount of space provided for social and green settings so as to improve the environment (including safety) of town centre spaces. Removing some derelict buildings to reuse as green space and providing more dwell-type settings and green infrastructure will further enhance wellbeing. Development of town centre pocket forests using biodiversity challenge funds may also be relevant here.
  - (vi) Build on existing research (and research currently being undertaken in Scotland) into the scope for 20-minute neighbourhoods to test the potential in selected (by the community) and different types and sizes of towns for provision of local services and different ownership, density and access.
  - (vii) Consider ways to enhance the capacity of town centres themselves to adapt to climate change and aid mitigation effects, as for example by the development of green spaces to aid cooling and to absorb rainfall. Carbon conscious place design can assist in this.
86. In putting forward these demonstration projects the intention is to be illustrative and not prescriptive. There is already a lot of activity in these areas; the issues are about enhancing and expanding this, building the learning and knowledge exchange and focusing the activity in towns and town centres of greatest need and potential. Existing programmes of Community Wealth Building, Place Health and Wellbeing, Active and Sustainable Travel, Climate Action and emerging 20-minute neighbourhood work can all be built upon, reinforced and amplified, adapted as appropriate for the needs of the entire community and town/town centre.

## Concluding Remarks

87. Town centres are a core part of Scottish life. They vary considerably in form, character, function and performance. Town centres are a sustainable heart of a community providing opportunities to live, work and enjoy on a more equitable and socially fair basis, enhancing wellbeing and a sense of community and place. Over the last 60 years though we have focused on a decentralised, disaggregated car-dependent model for many of our developments. This has increased inequalities and has been damaging for people, the planet and the economy. Cost and operating structures have disadvantaged town centre locations.
88. In Scotland we have been attempting to alter this through Town Centre First, the Place Principle, planning change and demonstrating the potential of targeted investments, all stemming from the National Review of Town Centres and the Town Centre Action Plan. This route map has been admired and adopted in part by other governments and authorities. The last decade has seen a sharpening of National Priorities, the recognition of a climate emergency, legislation enhancing community empowerment and a focus on health and wellbeing. Town centres can help deliver on these priorities. They can also be a key contributor to social and economic renewal from COVID-19 and help build a fairer and more resilient society in a post-Brexit world. To make this happen we have to rethink, extend and develop further some of the ideas in the Town Centre Action Plan to take account of these changed circumstances.
89. The current narrative is too often about the decline or death of the town centre. This is not the case in many of our towns but we can do more and better for all towns and all in their communities. Decline is overstated and it is not inevitable. Many town centres are providing valuable functions and people and communities value and identify with them. We have to allow towns to achieve their full potential to deliver a modern, sustainable, equitable, inclusive, fairer, healthier and greener Scotland. This requires hard choices and a high level of commitment from communities, local and national governments and from our business, third sector and community organisations. Above all it requires people to collaborate and work together for their town and town centre. Towns can and should be the heart of the community, delivering for people, planet and the economy. We need to make this happen. We believe our recommendations, if implemented, can help do this.

Further background documents and evidence can be accessed at  
[www.futuretowns.scot](http://www.futuretowns.scot)





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