

MINUTES OF CROSS PARTY GROUP ON TOWNS AND TOWN CENTRES

HELD ON WEDNESDAY, 13TH NOVEMBER 2013 AT 13:00

COMMITTEE ROOM 2, SCOTTISH PARLIAMENT

1. WELCOME, OPENING REMARKS AND INTRODUCTION TO MINISTER FOR TOWNS, DEREK MACKAY MSP

- 1.1 Margaret McCulloch (MMcC) welcomed members and thanked Derek Mackay (DM) for attending.
- 1.2 DM started by commending the work of the CPG and continued by briefly identifying key areas of the Government's Response to the Fraser National Review of Town Centres; principles, policies and action that will make a difference.
- 1.3 The Minister highlighted the value of the public and private sector working together to start carrying out the action identified in the Town Centre Action Plan. The Scottish Government has been working closely with COSLA and local planning authorities around the Town Centre First principle and delivering local solutions.
- 1.4 In launching the Plan, Kilmarnock stood out to DM as a good example of a local authority investing in its town centre; and where public and private partnerships are working.
- 1.5 Key highlights in the Plan include proactive planning; the repopulation of our town centres; digital connections; greater use of culture and events strategies; and working with key partners such as Scottish Futures Trust and others to ensure there is a town centre policy and pragmatic consideration across the public sector.
- 1.6 These key aspects will not give all the answers but help to create conditions for improvement in town centres. Government will help through extension of the sequential approach in Scottish planning policy; extension of the Fresh Start Scheme to enhance business rates relief to support those who want to fill empty properties; giving powers to local authorities to support any local relief scheme that they see fit which would also be continued through the Community Empowerment Bill; and in addition to that, to maintain the Small Business Bonus and create a toolbox to create local solutions for local business.
- 1.7 The Plan is just the beginning and will evolve over time and DM looks forward to working with this Group.
- 1.8 Alasdair Morrison (AM) asks about potential flexibility of town centre investment zones. DM explained that although designed nationally, there is flexibility to adjust to local area needs and conditions.
- 1.9 MMcC thanked the Minister for Towns, Derek Mackay.
- 1.10 Before moving on, MMcC thanked the Scottish Retail Consortium for providing refreshments.

2. MINUTES OF THE LAST MEETING & MATTERS ARISING

- 2.1 The Minutes were accepted by Keith Irving (KI) and seconded by Alastair Mitchell (AM) MMcC introduced Professor Leigh Sparks, Professor of Retail Studies and Head of the Stirling Graduate School, University of Stirling

3. THE GOOD, THE BAD AND THE UGLY? PORTAS, GRIMSEY AND FRASER - PRESENTATION BY PROFESSOR LEIGH SPARKS, UNIVERSITY OF STIRLING

3.1 Leigh Sparks' (LS) presentation is available on the [Scotland's Towns Partnership](#) website and also on [LS's blog](#). Some key points highlighted by Professor Sparks listed as follows.

- The Fraser review takes a different perspective than both Portas and Grimsey in their reports. The reactions to Portas – dismissed exceptional sign off on out of town and town teams got embroiled in PR. Grimsey looked to solutions such as tax on large businesses to pay back into towns and rates revaluation. Fraser focus is on government and people at the centre of place; which has generally been embraced but must now consider how that is going to work in practice.
- Portas: Towns should run like a business – easy to say but not so easy to do; get the basics right to let business flourish; landlords; communities; reimagining the high street; but still very much a retail focus.
- Grimsey: Criticised Portas for lack of acknowledgement of change in retail and high street not being purely about a recession blip but rather, it being a transition that has been happening over a long period of time. Grimsey's view is to create a stable high street based on the premise of community and better management.
- The key core themes that come through this whole body of work, i.e. Portas, Grimsey and Fraser. Town centres are dysfunctional, consumers have reacted to changes but the system has not. Space is not being utilised effectively, costs and rates are out of line with trade and business. And lastly, town centre management is not working, LS states that this has been the case for some time.
- The Good. The issues and challenges we face are on the public agenda; town centres are at the heart of Scottish life and communities want to do something. Some towns understand what is required and there is an abundance of talent, creativity and potential to innovate. There is perhaps a lack of opportunity.
- The Bad. LS provided a phrase to summarise those who do not realise the need for town centre development – 'town centre deniers' – for example blaming the recession. There is some negativity around town centres. Are banks and property companies and owners playing the part they should in town centres? We are clear about the problems but in some ways we are not clear about the solutions required. The 'system' is slanted against town centres and money is in short supply. However money is not the only answer or some places would have been sorted out by now.
- The Ugly. Self inflicted wounds – not just physical but lacking confidence in a sense of place. Consumers and operators have caused some of the damage by moving activity away from the town centre. The ever advancing e-commerce has had a strong impact. We know the rates system is broken but we don't have a really good idea about what should replace it. Aspects of VAT are wrong; we need to think about how we can use it effectively. The social value and impact is often overshadowed by economic value or impact. A lack of buy in from councils and others.
- So what to do, when? Short term: Believe in the Town Centre First principle - it is vital and not just for retail. Think about footfall creation; identifying which elements of town centres encourages continued community engagement and get different groups of people thinking about their town in an exciting, interesting way. Medium term: LS states we don't have a rates problem; we've got a public finance problem. We won't solve the rates issue, without thinking about the public finance. The rates burdon has gone up enormously on retailers as a whole and there is imbalance within that, and it

is going to increase further. Should other sectors bear some of this and if we're just going to cut, what are the implications for local and national government? People arguing for rates revaluation review or freeze, need to consider the systemic problem in that area. There are things that we could do in terms of VAT and how we use levers in different ways; more imagination in the use of space; and realistic and practical vision development for places and towns.

- Were Portas and Grimsey offering a town team or a town commission. Both beg the question, what is the local authority doing?
- We need to decentralise town centre powers and encourage enterprise back into our towns. Realism is a long way away.
- The Plan has 39 actions; it talks about the journey, the partnership, sets priority for place, focus on community involvement, ownership and use. The most common words used are support, encourage and prioritise – though not much to back that up but hopefully that will become clear. If there was a simple solution to town centres, we would have it by now and it does require different solutions for different places.
- Holding to Account? What should be considered is the short term actions set out – what is expected when, by whom? All bodies have to be engaged – who does/who doesn't? What's missing? There is a role for the CPG in holding to account over the next 12 months. There is also a chance to start this process at the Scotland's Towns Conference - in response to the Minister's speech in which he will lay out his response in more detail.
- The process of engagement starts now and continues over the next 12 months; if we don't play our part in that, we will have missed the opportunity to do good things for Scotland's towns.

4. DISCUSSION

4.1 Graeme Dey (GD) asked if it is critical for politicians at local level to be involved? LS believes so but with realism; and engaging with not just business but different groups of consumers.

4.2 MMcC has been speaking to councils and picking up ideas from local businesses - how do we best share these ideas with other places? MMcC cites example of a large store being bought over and sub divided into small diverse retail units. Is it LS' view that people are looking for an experience, unique purchases and a family day out? LS – at different times, consumers will have different needs; some which are easily met e.g. functional, familiar shopping space. At other times consumers are looking for something distinctive and different, e.g. the artists collective, Made in Stirling. People shop out of town because they can shop, go for coffee, etc. Things that could and should be provided by towns and if towns badge, market and present themselves in that way, consumers can get these offerings from our towns.

4.3 Ian Davison Porter (IDP), emphasised the role of Scotland's Towns Partnership in sharing good practice and supporting towns and would direct people to the website scotlandstowns.org

4.4 Gordon Bell (GB) was delighted to see short term action in the plan as normally it may be five, ten or fifteen year timeline. Experience in working across a range of towns, indicates that we need look to who is managing and steering town centre developments; and develop a team structure to starting making improvements.

4.5 Ojay Macdonald (OM), praised LS' summary of the three reports; observing the key difference as being that Portas/Grimsey are individuals from a retail background and Fraser involved a broad external advisory group. Secondly, research predicted a tax

issue with the growth of multinationals, shifting profit and capital abroad; with a knock on effect on increasing rates, VAT and national insurance – hitting retail sector hardest of all. LS responded saying that Grimsey had a group of consultees also and with the Fraser Review External Advisory Group, agreement was not always reached and so it could still be viewed as a reflection of Fraser as an individual. The big key difference is that Fraser was set up as a town centres not high streets review and this highlights the differences between how Scotland and England see themselves.

LS would fully agree in terms of tax and other things mentioned, it is about public finance as a whole.

4.6 Keith Irving (KI) - what is the realistic expectation of the measure of the success of the Town Centre First Policy?

4.7 Barry McCulloch (BMcC) – what will be the legacy of the Fraser Review and the Government's response to it; and secondly, if LS was writing the Government's response, what would be his key recommendations?

LS believes it is too soon to talk about the legacy. That is why it is important for this Group to hold to account the actions in the next 12 months.

4.8 Returning to KI's point, EAG member, Alasdair Morrison (AM), said we'll know the Town Centre First Policy is successful when we stop the flow of very large public expenditure to new public property assets, spent miles away from the town centre; and instead being channelled into the town centre. KI agrees but adds that the issue will be when there are successes and failures in different parts of the country. KI suggested the Smarter Choices Smarter Places is one of the missing elements; focused on transport outcomes but consequently increased walking levels and supports town centres. Are any of the actions going to capture how other local authority programmes ensure town centres are one of their priorities, whether through transport, health or other programmes.

LS suggests there has been a lot of cross departmental engagement within Scottish Government and that programmes will be aligned; if not, we will not set out what we hoped to achieve.

4.9 Sunil Varu (SV) believes there is an issue about the function of the management of centres and the finance available. How does that equate to the management of towns centres going forward and with reference to STP, who are the advisors available to help. IDP indicated that STP field a range of relevant people.

4.10 Phil Prentice (PP), on SV's point, emphasised that there isn't a one size fits all approach and would reiterate what IDP has said in that STP is developing a bank of information, case studies and expertise to share; is about to launch the new Benchmarking+, with the pilot publications now available and working on town typology. There will be a lot of good practice examples showcased at the Scotland's Towns Conference.

4.11 MMcC thanked Professor Leigh Sparks for his presentation and members for their attendance.

5. ANY OTHER BUSINESS

5.1 Following a successful study visit to Paisley, further visits are to be planned.

5.2 A paper on 'Access to Services in Scotland's Towns' was circulated – this refers to the Smarter Choices Smarter Places programme mentioned by KI and notes that the paper's author, Derek Halden, will appear at the Scotland's Towns Conference Fringe and Exhibition.

6. DATE OF NEXT MEETING

6.1 The next meeting will be held on 19th February 2014 from 1.00 - 2.30pm, in Committee Room 2.

APPENDIX 1 – AGENDA

Cross Party Group on Towns and Town Centres

**1 pm – 2.30 pm, Wednesday 13th November 2013
Committee Room 2, Scottish Parliament**

Agenda

1. Lunch & Scotland's Towns Week 2013 Photocall
2. Welcome & Opening Remarks – Margaret McCulloch MSP, Convener
3. Minutes of Previous Meeting & Matters Arising
4. *The Good, the Bad and the Ugly? Portas, Grimsey and Fraser*
Professor Leigh Sparks, Professor of Retail Studies and Head of the Stirling Graduate School, University of Stirling
5. Discussion
6. Any Other Business
7. Date of Next Meeting

APPENDIX 2 – APOLOGIES AND LIST OF ATTENDEES

APOLOGIES

Kevin Belfield, First Group
Maggie Broadley, Craft Town Scotland
Leigh Brown, Perth City Management
Viv Collie, Vivid Ideas and Solutions
Kirsteen Currie, Scottish Parliament
Annabelle Ewing MSP
Malcolm Fraser,
Eric Guthrie, TACTRAN
Andy Kennedy, Stirling Council
Stephen Leckie, Crieff Hydro/Scottish Tourism Alliance
David Martin, Scottish Retail Consortium
Ross Martin, SCDI
Ian McLelland, East Kilbride Shopping Centre
Jim Metcalfe, Carnegie Trust
Maggie Mitchell, Dumfermline Delivers
Fiona Moriarty, Scottish Retail Consortium
Alexander Nicoll, ATCM
Dennis Rodwell, Dennis Rodwell Architecture and Planning
Karen Whitefield, USDAW
Jane Wood, Scottish Business in the Community

ATTENDEES

Margaret McCulloch MSP (Convener)
Graeme Dey MSP (Deputy Convener)
Gordon Bell, The Retailer Group
Elaine Bone, Scotland's Towns Partnership and Economic Development Association
Scotland
Raymond Boyle, New Consensus Communications
Colin Brown, McClure Naismith
Sheena Cleland, Scottish Parliament
Alex Close, Federation of Master Builders
Scott Davidson, CH2M HILL
Ian Davison Porter, BIDs Scotland
Joe Fagan, Scottish Parliament
Robert Ferguson, Fife Council
Vicky Ferrier, Alliance Boots
Ian Fowell, Scottish Small Towns Group
Keith Geddes, Central Scotland Green Network
Colin Howden, Transform Scotland
Keith Irving, Living Streets Scotland
Tom Johnston, Colliers
Rebecca Mather, Scotland's Towns Partnership
Barry McCulloch, FSB Scotland
Ojay McDonald, ATCM
Alan McMaster, McMaster Media

Nikola Miller, RTPI Scotland
Alastair Mitchell, Falkirk Delivers
Alasdair Morrison, GVA Grimley
Carol Noble, Keep Scotland Beautiful
Phil Prentice, East Renfrewshire Council
Dr Beria Rodwell
Douglas Scott, Scottish Borders Council
Tom Sneddon, Development Trusts Association Scotland
Professor Leigh Sparks, Institute for Retail Studies, University of Stirling
Sunil Varu, Paisley BID and ATCM
Ross Williams, Pagoda PR