

TOWN CENTRE CORE ACTIVITY AREA PILOT STUDY

Report by Service Director Regulatory Services

PLANNING AND BUILDING STANDARDS COMMITTEE

16 July 2018

1 PURPOSE AND SUMMARY

- 1.1 This report seeks approval of a pilot study (Appendix A) in respect of amendments to current planning practice for processing planning applications for proposals within core activity areas within town centres in the Scottish Borders.
- 1.2 The primary purpose of the study is to examine ways to revitalise and reinvigorate the town centres of Hawick and Galashiels by considering options to add more flexibility to policy ED4 (Core Activities in Town Centres) within the adopted Local Development Plan (LDP) 2016 which is aimed at protecting core activity areas within these towns. It suggests a number of options to be considered, identifying potential advantages and disadvantages for each. In essence the study recommends the removal of the core activity area in Hawick. It recommends the retention of the core activity area in Galashiels but proposes a wider and more flexible range of uses which could be supported.
- 1.3 The study also lays down some further criteria guidance relating to policy ED4 to be considered for planning application proposals within other core activity areas within Scottish Borders towns i.e. Galashiels, Peebles, Kelso, Melrose, Jedburgh, Selkirk, Eyemouth and Duns. As this pilot scheme proposes to remove the core activity area from Hawick this will not be relevant to Hawick. The guidance states, with reference to considering the longevity of vacancy of premises, that if premises have been vacant for 6 months and evidence is submitted which confirms it has been adequately advertised for a substantial period of that time, then that will carry much weight in the decision making process. Policy ED4 also makes reference to the need to give consideration of any "significant positive contribution" in relation to proposals within the core activity. The study expands upon examples of what are considered to be factors determining "significant positive contribution". The study also seeks discussion and consideration by members of removing the requirement for Developer Contributions within Galashiels Town Centre.
- 1.4 In order to monitor the impacts of the recommended courses of action it is considered the study should operate as a pilot scheme for a trial period of one year. This will allow the opportunity to draw conclusions as to the

success or otherwise of these amendments and the findings can be brought forward to be considered as permanent actions within the proposed new Local Development Plan.

2 RECOMMENDATIONS

- 2.1 I recommend that the Planning and Building Standards Committee agrees to
 - a) Approve the Pilot study to be implemented with immediate effect for a period of one year.
 - b) Agree to receive a report back following the end of the trial period which makes reference to any relevant issues and outcomes.

3 BACKGROUND

- 3.1 Retailing is a feature of daily life providing jobs and services in the local community. Retail development in particular can act as a catalyst to further investment in addition to creating employment opportunities and associated growth, partly due to the pedestrian footfall and economic activity it generates. The Scottish Government acknowledges that town centres are a key element of the social and economic fabric in Scotland. Scottish Planning Policy (SPP) encourages the improvement of town centres to create distinctive and successful places which are a focus for a mix of uses including retail, housing, leisure, entertainment, recreational, cultural entertainment and community facilities.
- 3.2 The Scottish Government's Town Centre First Principle 2014 asks that government, local authorities, the wider public sector, businesses and communities put the health of town centres at the heart of proportionate and best-value decision making, seeking to deliver the best local outcomes regarding investment and de-investment decisions, alignment of policies, targeting of available resources to priority town centre sites, and encouraging vibrancy, equality and diversity. The adopted SESplan Strategic Development Plan (SDP) 2013 acknowledges that town centres make a significant contribution to the SESplan area as centres for employment, services and a focus for civic activity and identifies a network of centres.
- 3.3 The adopted LDP 2016 follows these principals by allowing a wide range of uses within town centres. To further these principals, at ground floor level within the central core area of these town centres, policy ED4 Core Activity Areas in Town Centres seeks to encourage commercial uses which increase footfall and economic activity which in turn prevents the gradual loss of essential town centre activities which are important to the vitality and viability of the town centres. In order to achieve this policy ED4 seeks to safeguard shop uses and food and drink outlets which are considered appropriate complimentary uses. The policy does however offer a degree of flexibility which can be applied to decision making across

the Scottish Borders for any relevant planning application. This allows consideration of, for example, how the particular town centre is performing, cognisance of current vacancy and footfall rates, opportunities for joint shopping trips and the longevity of vacancy and marketing of the vacant retail unit. If a town centre is performing well there may be little justified need to lose retail premises. However, if there are significant factors which result in town centres underperforming, there may be a case for allowing an alternative use.

3.4 It is acknowledged that the role of town centres is changing due to a number of factors, most notably completion from online shopping. Whilst this will be more fully addressed via the process for producing the next LDP, given particular issues in Galashiels and Hawick in terms of reduction in footfall and higher vacancy rates it is considered an alternative policy practice should be adapted with immediate effect for these 2 towns via this one year pilot study

4 Pilot Study

- 4.1 In order to consider the most appropriate means of taking forward the pilot study for Hawick and Galashiels 4 no options for each town were considered. Retaining the current status quo was not considered to be a realistic option given the desire to implement some type of alternative option as part of the pilot scheme. The 4 options are:
 - Reduce the size of the core activity area
 - Retain the core activity area but allow a more flexible approach to potential uses
 - Amalgamation of above options
 - Remove the core activity area completely
- 4.2 Advantages and disadvantages for each of these options were considered separately for both Hawick and Galashiels, taking cognisance of a range of matters including relevant footfall, vacancy rates and any other material issues. It was considered Hawick required a radical approach. However, in Galashiels there was concern that if the pilot scheme was too flexible in allowing uses which would reduce footfall and economic activity in the town centre this could have serious impacts on the ability to maximise the economic opportunities the Borders Railway and the Tapestry will offer.
- 4.3 It is concluded that the core activity area in Hawick should be removed. The core activity area should be retained in Galashiels but a wider range of uses should be allowed. These uses are identified within Appendix 3 of the study. It is also considered there should be a general presumption in both Hawick and Galashiels against anti social uses within this area which may have detrimental impacts on the amenity of residential properties and other uses. In order to encourage redevelopment in Galashiels, consideration should be given to removing the requirement for Development Contributions within the town centre. This would relate to affordable housing and education provision. Contributions towards the Borders Railway must remain as they are a statutory requirement. There are no current Development Contributions required within Hawick Town centre.
- 4.4 The study also gives further guidance to policy ED4 relevant to towns within the Scottish Borders in respect of information to be provided in support of

proposals within core activity areas which would not normally be supported. This includes if premises have been vacant for at least 6 months adequate marketing must have taken place within this period for a substantial period of time, detailed evidence of marketing publications and interest to be provided, and an independent valuation must confirm the selling or lease price was reasonable (this is to ensure instances where no third party interest was lost due to unrealistic overpricing).

4.5 The study also gives further clarity to policy ED4 text which refers to the need to give consideration to the *significant positive contribution* a planning application may have to the core activity area. This includes consideration of matters relating to the economic benefits of the proposal, the footfall it is likely to generate and how active the frontage is in terms of how it can help improve the public perception of successful town centres in terms of safety, comfort, sociability and liveliness

5 IMPLICATIONS

5.1 Financial

Either

There are no cost implications arising for the Council in respect of the pilot study. However, members will discuss the option of removal of the requirement for Developer Contributions within Galashiels town centre for the one year trail period.

5.2 **Risk and Mitigations**

- (a) Risk of not producing pilot scheme
 Galashiels and Hawick town centres would continue to underperform which would be a major concern given the key strategic economic roles these towns have within the Scottish Borders
- (a) Risk of producing pilot scheme
 Allowing uses even for a one year trial period which may not
 generate significant footfall or economic activity may have a longer
 term impact on the vibrancy of the town centres.

5.3 **Equalities**

An Equalities Impact Assessment has been carried out on this study and it is not anticipated there will be any adverse equality implications.

5.4 **Acting Sustainably**

(a) Economic Growth

The proposed pilot study will assist in promoting stronger more vibrant town centres

b) **Social Cohesion**

The proposals contained within the proposed pilot study will help to meet the diverse needs of people in the local communities.

c) **Protection of the Environment**

There will be no adverse impacts on the environment. There is no requirement to carry out an Environmental Report

5.5 **Carbon Management**

It is not considered the study brings any impact on the Council's carbon emissions.

5.6 Rural Proofing

It is anticipated the study will have a neutral impact on the Council's carbon emissions

5.7 Changes to Scheme of Administration or Scheme of Delegation

There are no changes to be made

6 CONSULTATION

- 5.1 The Chief Financial Officer, the Monitoring Officer, the Chief Legal Officer, the Chief Officer Audit and Risk, the Chief Officer HR, the Clerk to the Council have been consulted and any comments received have been incorporated into the final report.
- 5.2 The Chief Officer Economic Development, the Depute Chief Executive Place, the Corporate Transformation and Services Director, and the Service Director Assets and Infrastructure have also been consulted and any comments received incorporated into the final report.

Approved by

Service director Regulatory Services Signature

Author(s)

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Background Papers: None

Previous Minute Reference: None

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