

# Town Centre Planning Pilots Programme



## Borders Towns

Gap Analysis

'How To' Guide



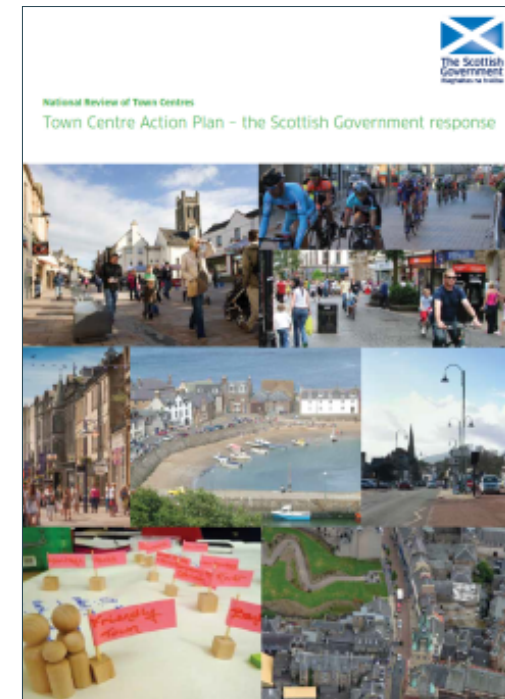
# Town Centres Planning Pilots Programme

Town centres are at the heart of their communities and can be hubs for a range of activities. It is important that planning supports the role of town centres to thrive and meet the needs of their residents, businesses and visitors for the 21<sup>st</sup> century.

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The **Town Centre Action Plan** (November 2014) sets out various actions to bring a focus on town centres.

One of its key themes is **Proactive Planning**. The Scottish Government fully embraces the Town Centres Review recommendation for a simple, encouraging and pro-active planning policy in support of town centres.



Town Centre Action Plan

We committed in the Action Plan that:

**We will identify pilots with interested planning authorities who wish to consider collaboration and test approaches which could help simplify planning processes in town centres.**

The Town Centres Planning Pilots Programme is working with **10** planning authorities and Heads of Planning Scotland (HOPS) supporting **15** pilots based around **7** key areas, as shown on the map.

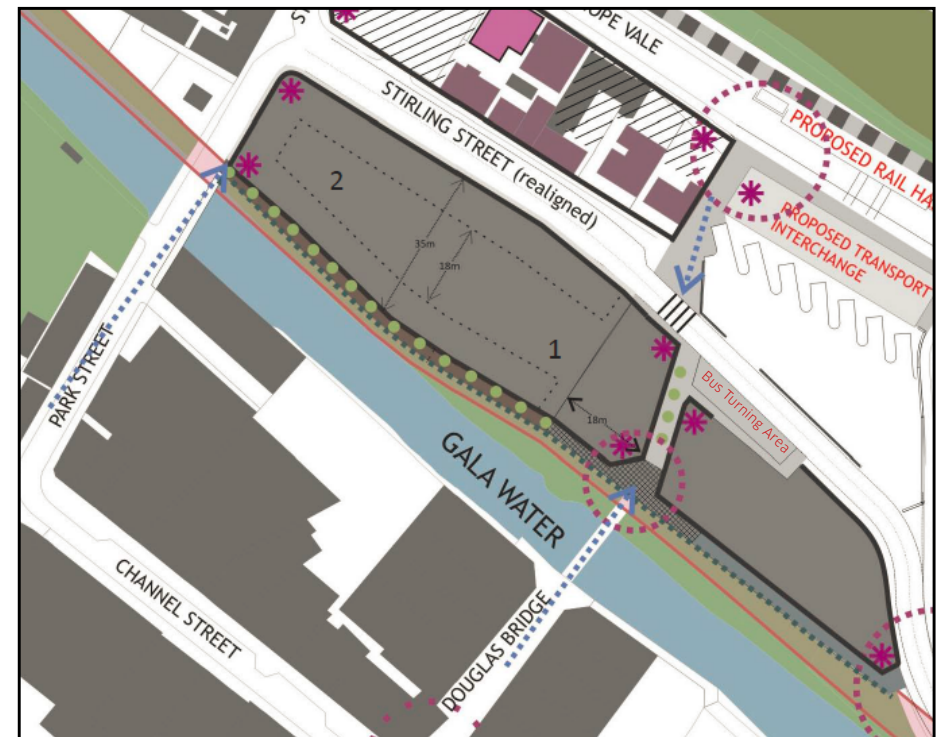
➔ Scottish Borders Council is piloting a market led assessment of how a town's property assets are perceived by investors and operators so this can inform property investment strategies.



## Project Details: The story behind it all...

After an extended period of investment in public infrastructure in Galashiels and the opening of the Borders Railway in September 2015, Scottish Borders Council decided to undertake a gap analysis of Galashiels and Hawick. This identified, through a benchmarking exercise, those retail, leisure and commercial market sectors and specific operators which are present in comparable towns, but which are missing in the target areas.

The Council gathered insights into operators' investment decision making, and matched this market potential with supply-side (land and existing buildings) opportunities in Galashiels and Hawick.

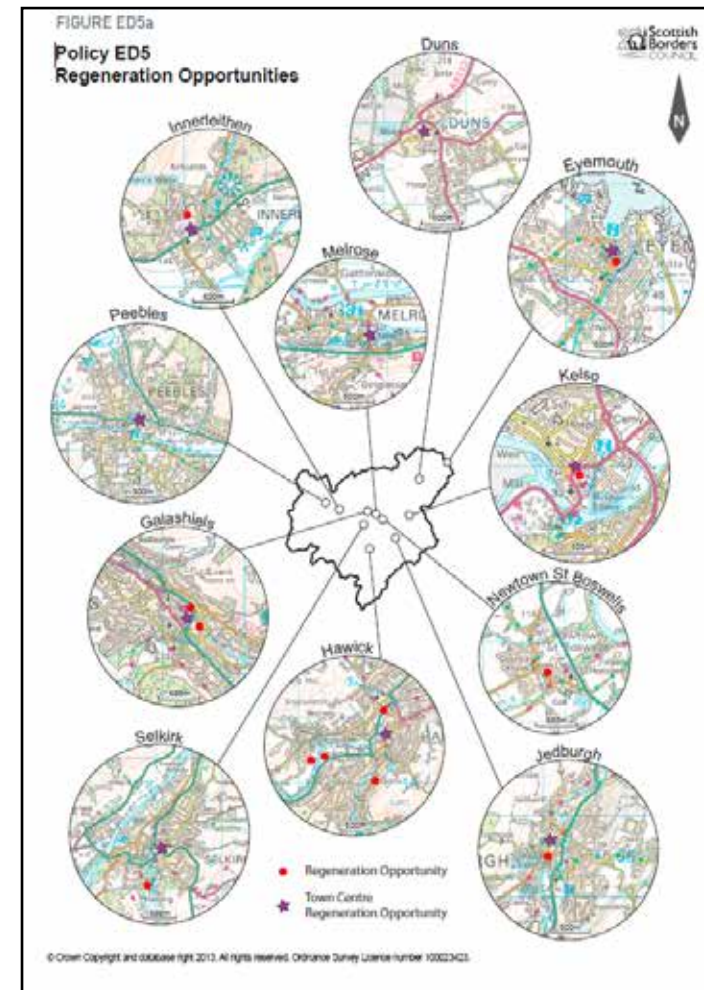


Extract from the Galashiels Stirling Street Supplementary Planning Guidance

# Baseline/Before

Major public sector investment made in Galashiels in recent years highlights the local market potential which may not be apparent to investors. Hawick has recently experienced further industrial restructuring with local job losses compounding the national negative trend for market towns.

Investment by high street operators has favoured cities, destination malls and retail parks. More mobile and wealthier consumers now travel further for a wider range of goods and services. The 2008 recession simply accelerated this trend by provoking dis-investment by failing or contracting retailers. Market towns now tend to have rising vacancies, more convenience shopping and more leisure uses, but at the expense of core comparison shopping such as clothing, footwear and household goods.



## What was done...

Scottish Borders Council has long monitored vacancies and footfall in its town centres but wished to add to this a deeper understanding of investor perceptions.



Ryden – an Independent firm of commercial property consultants and chartered surveyors – was engaged to assess the baselines, trends, industry perceptions and market barriers to investment.

***“This work builds on our raw data view of the towns and adds a market view and assessment of the quality not just the quantity of different types of floor space.”***

Town Centre Toolkit p124 ‘Information and Data’

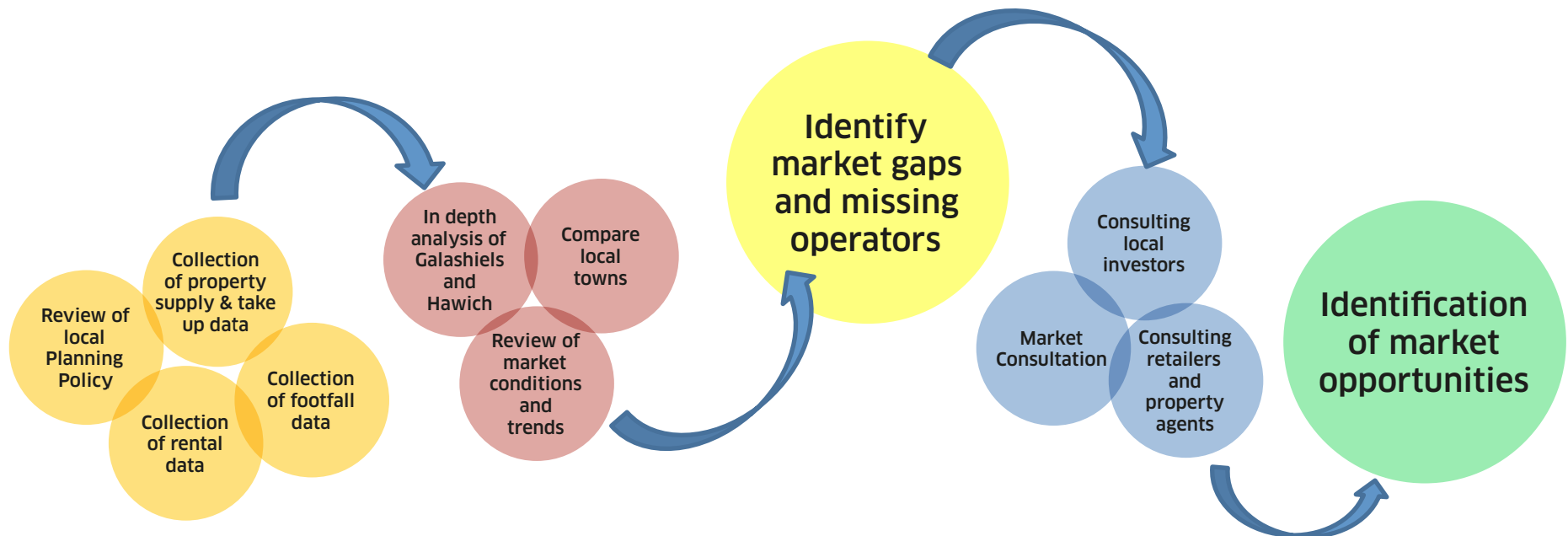
This assessment looked at both landlord and tenant viewpoints and how these may have changed since long-term vacancies first occurred.

It is recognised that landlords may face restructured finance limitations as bank lending matures and loan to value ratios adjust. It is at these pivot points in a property’s management history that decisions on future use and investment may take place.

# What was done...

The project delivered detailed analysis informed by market trends and individual investor viewpoints and took a proactive approach to landlord and tenant engagement in relation to vacant premises.

The full timeline shown here included both collection of factual data and more qualitative, perceptions-based information.



# What was done...

Headline national indicators gave a starting point and trends were identified which are also recognised in the National Review of Town Centres: Scottish Government Action Plan and the Town Centre Toolkit:



Regional Market Conditions for the Scottish Borders were overlaid on these national trends:





# What was done...

...Leading to local market analysis for Galashiels:



...and for Hawick also:

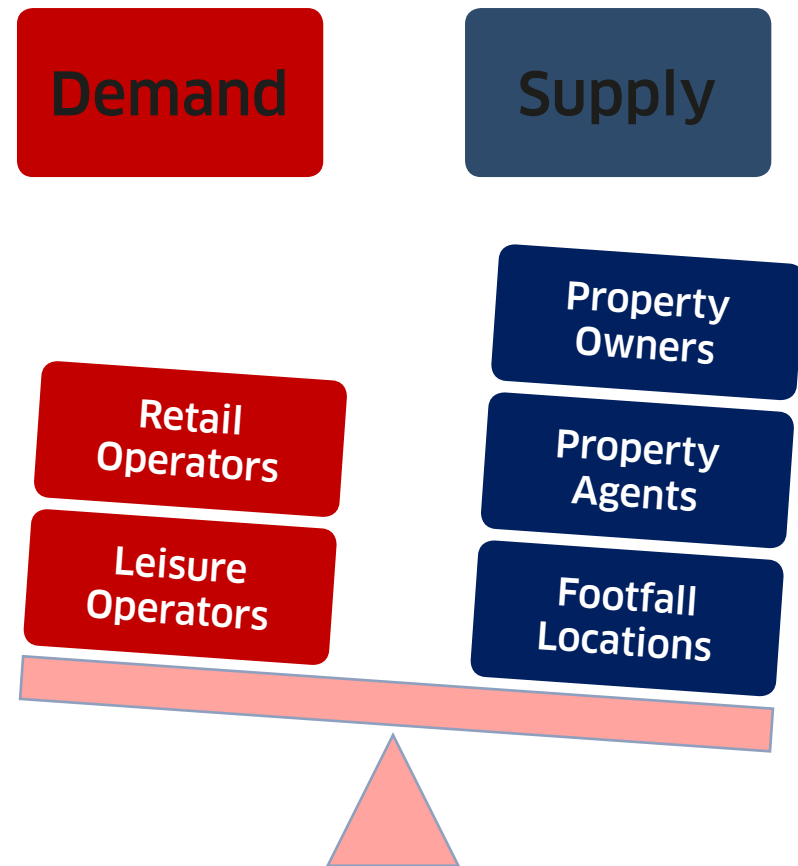


## What was done...

Following the collection and analysis of data on the towns, the work moved onto interpreting this to identify key operators that could be approached with a degree of knowledge regarding the markets they worked in and their requirements. This phase of work aimed to raise awareness of the towns to these operators and to understand their current perceptions of the towns as a place to invest and grow.

The project provides *“a study into investment drivers for properties and marry these to specific market demand and commentary”* as highlighted in the Town Centre Toolkit.

## Who We Spoke With...



## What was done...

The project then moved onto a gap analysis of comparing what other, similar towns offer in terms of retail and leisure operators and assessing these against Galashiels and Hawick. 246 businesses were considered across these towns. This extensive market trawl and prioritisation exercise identified retail, service and leisure operators which are either already represented or are targeting similar towns elsewhere.

Consultations were undertaken with retailers and their agents to explore their understanding of and potential interest in Galashiels, Hawick and Scottish Borders generally; and with local public sector and business representatives to understand the particular characteristics, challenges and opportunities in each town.

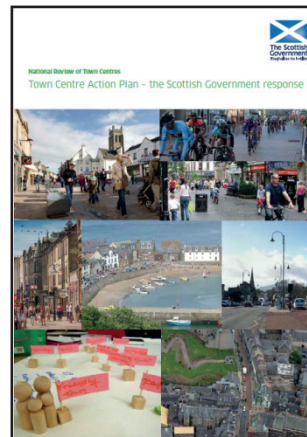


The commercially confidential report resulting from the gap analysis provides a list of 46 operators that represent short- to medium-term targets for Galashiels. There are 53 targets for Hawick. These are represented in comparable towns and could, in the view of the consultants, reasonably be approached with a marketing pitch for the town.

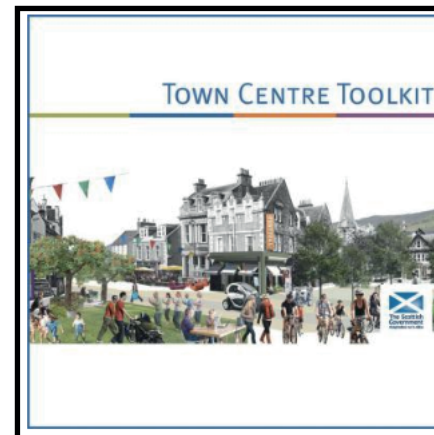
# Policy links (National)



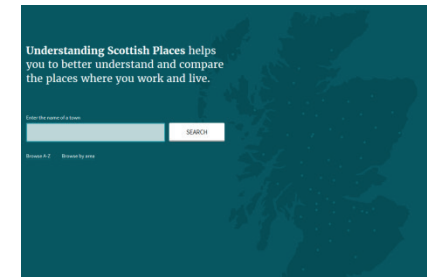
[Scotland's Economic Strategy](#)



[Town Centre Action Plan](#)

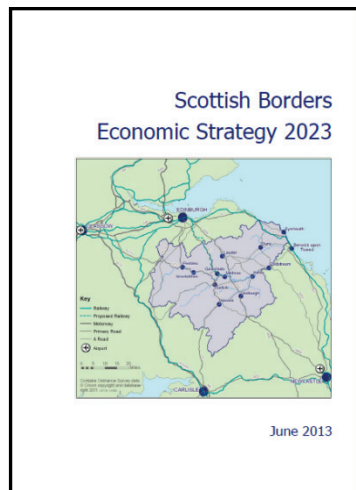


[Town Centre Toolkit](#)



[Understanding Scottish Places Health Check Guidance](#)

# Policy links (Local)



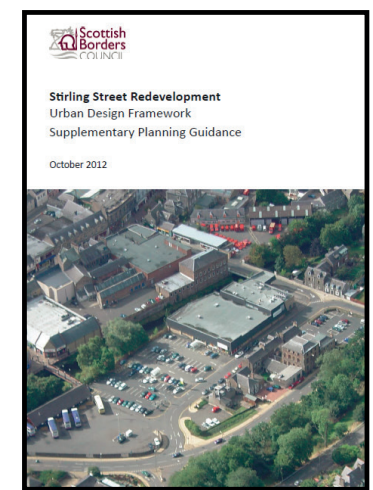
[Scottish Borders Economic Strategy](#)



[Scottish Borders Local Development Plan](#)

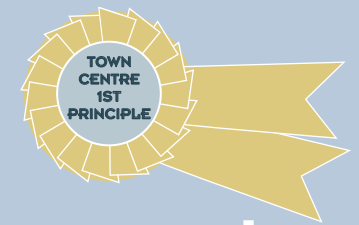


[Ambitions for the Borders](#)



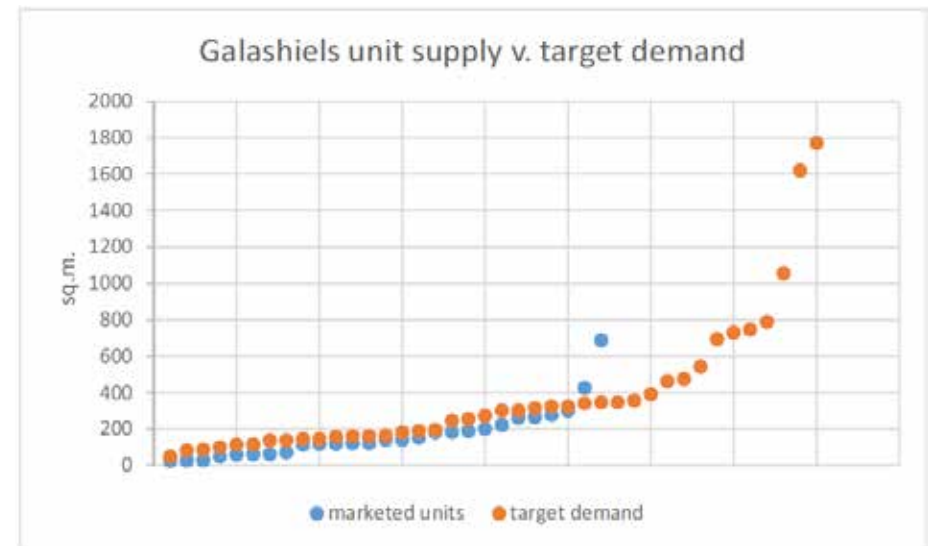
[Stirling Street Redevelopment Supplementary Planning Guidance](#)

# Achievements



The project has given a greater insight into the property investment drivers and decision processes made in small-to-medium towns in Scotland and guides future property resizing options.

- The project gives an indication of market perceptions of major Borders towns and raised the profile of Borders towns in the eyes of some potential investors and key influencers such as agents.
- An inward investment prospect list of specific potential retail, commercial and leisure operators it can target through inward investment channels and the use of a town prospectus.
- A quantitative analysis (see right) of the size requirements of potential operators against existing premises stock for the towns.



## Next Steps...

The task now is to take this deeper understanding of the towns' marketability and draw in interest from investors through developing a clear investable vision for the towns.

Having already mapped Galashiels town centre environment in the past 12 months we are now going to map assets in the town in a way which will highlight functional blocks and where assets could be managed in groups for improved performance. See Town Centre Toolkit p12 & 13.

In addition to marketing-based activities, the report suggests a masterplan for Galashiels investment sites, proposals for better links between the traditional town centre and the newer retail developments. For Hawick, the report suggests an options review for a second anchor adding to the Heart of Hawick but located near the Town Hall.

Consideration will be given to how the towns cores might be adjusted to account for the fundamental change in the property markets made clear by the Gap Analysis and how these relate to the functional blocks. The end product will in due course be a clearer vision presented to potential investors.

## Key learning points

Initial leaning points are captured here but as the project is leading on to other actions there will no doubt be more to follow.

- Property industry intermediaries are able to obtain independent perceptions of local markets from national operators. These can then inform the marketing of towns.
- Local Authorities can assess the attractiveness of their town centres in a commercial sense by benchmarking key property variables across similar towns and setting these against national trends in the retail economy.
- Securing the most appropriate property professional is key and may require some knowledge of the specialisms available in the marketplace before going out to tender.

We welcome your interest and are happy to hear from you with queries regarding this work.



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