



HISTORIC
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By email to: TCAPreview@lovelocal.scot

Professor Leigh Sparks
Scotland Loves Local

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Our case ID: 300045711

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Dear Professor Sparks,

[Review of Scotland's Town Centre Action Plan](#)
[Call for Evidence](#)

Thank you for seeking our views on the current review of [Scotland's Town Centre Action Plan](#) (2013) and a future vision for the country's towns and communities. We offer the following comments on behalf of Historic Environment Scotland which is the lead public body set up to investigate, care for and promote Scotland's historic environment. We lead and enable the delivery of Scotland's historic environment strategy, [Our Place in Time](#) (2014) and our priorities are set out in our corporate plan, [Heritage for All](#) (2019).

Our Vision for Town Centres

We believe that Scotland's historic environment must play a central role in any new vision for the re-purposing and re-vitalisation of our town centres. Our historic buildings, sites and features are important place-making assets which tell Scotland's story, foster a shared sense of identity and contribute to community well-being. They also underpin the success of our tourism and creative industries and can, in themselves, stimulate economic activity and inspire creative thought. There is also a pressing requirement to make effective use of our historic town centres to meet the challenges of our changing climate. We therefore encourage the sensitive upgrading and adaptation of our town centre buildings into attractive homes, business premises and community spaces. This will be essential in ensuring the future resilience of our town centres, as well as addressing current issues caused by vacancy and neglect.

We therefore welcome the renewed focus given to our town centres and are keen to explore new ways of enabling town centre projects. Our detailed comments on the questions included in the consultation paper are included in the attached Annex.

I hope this is helpful. Should you wish to discuss our comments in more detail, please feel welcome to contact Alison Baisden on 0131 668 8575 or at Alison.Baisden@hes.scot.

Yours sincerely,

Barbara Cummins
Director of Heritage
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Annex: Consultation Questions

We have provided the comments on the below consultation questions and would be happy to provide further information in support of these, or other related matters, should this be helpful.

Q1 What are the challenges and opportunities facing town centres in Scotland and how should these be addressed?

We recognise that there are significant challenges affecting the health and vibrancy of our town centres. Most notably, demand for traditional high street retail and commercial services has dropped-off as these activities have moved on-line. There has also been competition from out-of-town retail parks, many of which have increased their offer beyond retail. This has resulted in the vacation of town centre shops and other commercial premises and an overall loss of footfall and activity in these locations. Vacant premises are often poorly maintained, and this can lead to blight and loss of amenity. We know, for example, that over half of all Scotland's [Buildings at Risk](#) are in urban locations. These forces can combine and result in further adverse effects on our town centre environments, economies and the overall well-being of communities.

Moreover, we have noticed that the recent COVID-19 pandemic has accelerated the shift toward on-line services as people have been required to stay at home. COVID-19 may also influence future demand for commercial office space as people favour home-working.

Our changing climate is placing additional pressure on the performance of our town centres. We know that increases in warmer temperatures and wet weather can accelerate building decay, and extreme weather events can cause catastrophic failure. These changing conditions can also expose longer standing problems caused by town centre vacancy and neglect.

While a pressing requirement still exists for the adaptation and re-purposing of our town centres, we are nevertheless optimistic about the future. Principally, we know that town centres often form the core of our historic settlements and serve as a focal point for the communities they serve. Town centres therefore play an important role in telling Scotland's story, fostering civic pride and underpinning community well-being. Our town centres also contain historic buildings, sites and features which can contribute to their character as high quality, attractive and distinctive environments. We believe that these qualities provide unique opportunities for our town centres to flourish and thrive.

Our historic environment is therefore a critical asset in the re-purposing and re-vitalisation of town centres. Our historic sites and structures are a valuable place-making resource with the capacity to bring together communities and tell positive stories. Our heritage can also, in itself, stimulate economic activity and inspire creative thought. It should be noted that our historic environment underpins the success of both our tourism and creative industries. We know, for example, that on average £3.2 billion is generated every year for Scotland's economy through heritage-related tourism, with over £1 billion directly attributable to heritage itself. This activity already supports approximately 30,900 full time equivalent jobs. Our heritage has also supported Scotland as an attractive location for blockbuster films and artistic projects.

Our historic buildings can also be adapted into attractive homes, business premises and community spaces. There is a long history of the successful adaptation of our historic assets for a variety of uses. We know that the distinctive and characterful spaces offered by our historic buildings attract businesses and contribute to their competitiveness. Similarly, older buildings can offer housing of a higher quality and with space standards exceeding today's new build development. We have already seen several successful examples for the re-use of town centre



buildings ([See Q6](#)) and note that growing expertise in this area exists. This is in no small part due to innovative work undertaken by housing associations and third sector organisations. New opportunities also exist for the transfer of town centre assets into the care and ownership of communities through the Community Empowerment (Scotland) Act (2015), and we are beginning to see an uptake of this. While our own organisation has supported this activity in several ways ([See Q7](#)), we believe that opportunities to capitalise on this positive momentum should be explored and are keen to explore new ways of enabling town centre projects.

There is also a pressing requirement for our historic structures to be maintained and upgraded to ensure the future resilience of our town centres. In addition to addressing existing issues caused by vacancy and neglect, these works are required to meet the challenges of our changing climate and current target of net zero emissions by 2045. It should be noted that the carbon costs used in the construction of our existing town centre assets have already been spent. Our traditional buildings are also constructed in inherently sustainable ways and have the capacity to be further upgraded to meet energy efficiency standards. We have produced a [Guide to Climate Change Impacts](#) (2019) and, also, [technical information](#) on the sensitive and effective upgrading and adaptation of our historic structures.

We know that the maintenance, repair and upgrading of our historic buildings also has the capacity to support local economies and skills development. In 2019 we estimate that £1.29bn was spent on the repair and maintenance of our historic buildings. This activity supported just over 10,000 full time equivalent jobs in construction. The additional supply chain required for these works through the acquisition of equipment and materials can double this effect. It is often the case that traditional building works require locally sourced materials and skilled labour that can be developed at a local level. We have recently commissioned research with the Fraser of Allander Institute on the effects of traditional building maintenance and repair on local supply chains and skills development. We would be pleased to share the findings of this as soon as it is available.

Attractive town centres may also have the capacity to provide safe spaces for socialising, entertainment and leisure in future pandemic situations. During the current COVID-19 pandemic we have seen greater emphasis placed on our local centres and community networks as people have been confined to their localities.

Q2 [What are the barriers to developing town centres suitable for their communities and how can these be removed?](#)

We have noticed several barriers to delivering the re-purposed and re-vitalised town centres our communities need. Most notably, there is an overall lack of resource for the delivery of town centre projects at a local level. In our view, current legislation and guidance offers the tools necessary for the creative re-use of our historic assets, however we have noticed that there is limited resource and capacity to use them. Skilled local authority heritage officers, for example, can ensure that our historic town centres are fully understood, maintained and safeguarded in management decisions. They can also play a key role in facilitating community engagement with their heritage and helping to develop community projects. Access to our CARS funding, for example, requires the appointment of a dedicated project manager. This is because we recognise the essential role played by local heritage expertise and resource when bringing forward regeneration projects. A similar project officer role for the rejuvenation and management of town centres would therefore be welcome.

Aligned to this, we have noticed that successful actions for the regeneration of our historic places have often involved collaboration between different local authority functions. We therefore



consider that dedicated resource and capacity also needs to exist within local authority planning, housing, regeneration and legal services to deliver effective results. RTPI [research](#) (April 2019), for example, has demonstrated that planning services have suffered most severely from local authority budget cuts. The successful regeneration our town centres will therefore require committed and sustained investment in these areas.

We also consider that the current 20% rate of Value Added Tax (VAT) for building repair, maintenance and refurbishment works offers a significant disincentive to owners, investors and developers wishing to work with historic town centre buildings. This is especially the case given that new build developments are tax free. We know, for example, that development within town centres may have additional costs and restrictions over and above greenfield development. The 20% VAT charge therefore places our town centres at further disadvantage and, additionally, plays against wider priorities for environmental sustainability. We recommend that these charges are reviewed.

The cost of business rates for town centre properties can also be a major issue. There are currently opportunities to offer reductions, including the Fresh Start scheme, which offers a rates holiday for previously long-term unoccupied buildings and those with lower rental values. There are also reduced rates for empty buildings and unused listed buildings currently have 100% relief from rates. Unfortunately, when buildings are left empty there is often less motivation for owners to repair and maintain them. This can make their eventual repair and reuse more expensive and more complicated. Reduced rates should therefore not support buildings being left empty for long periods of time.

We have also noticed a lack of transparency around the ownership of many town centre buildings, and this has often proved a significant barrier to their re-use. It can be difficult and time-consuming, for example, to secure the reuse of town centre buildings in instances where building owners are disengaged or difficult to trace. Vacant buildings in poor condition can cause blight and create a disincentive to wider town centre investment. It is therefore critical that existing processes for enforcement against the neglect of town centre assets and their compulsory purchase should be encouraged and supported through dedicated local authority resource.

Q3 To what extent has the Town Centre Action Plan (TCAP) delivered against its stated ambitions? In what areas has delivery been successful? In what areas is there room for progress and/or barriers to overcome?

The approaches included within the Town Centre Action Plan (TCAP) have formed an important basis for the positive regeneration initiatives we have seen in recent years. The emphasis on maintaining town centre assets and the championing of collaborative, placed-based approaches, for example, remains critical to maintaining positive momentum in this area.

There has, however, been some loss of focus on our town centres in recent years. We consider that this is, in part, due to a lack of weight afforded to the 'Town Centre First Principle' at a strategic level. While we note that the 'Town Centre First Principle' was successfully integrated into [Scottish Planning Policy](#) (2014) and local development plans, we have seen strategic investment and development decisions that have favoured out-of-town locations. We are, for example, unsure about the alignment between current funding for City Deal projects and the 'Town Centre First Principle'.

There has also been a notable lack of buy-in from private sector stakeholders. Private sector housing delivery models, for example, remain oriented towards the development of greenfield



sites. We therefore consider that the TCAP has been unsuccessful in incentivising town centre refurbishment and redevelopment opportunities to private developers. The public sector therefore needs to take a leading role in the re-use of our town centres for housing and community development. Models of [public interest led development](#) (PILD), for example, should be advanced where the financial risks of town centre development are shared. We also suggest that greater practical support, advice and funding should be offered to restoring developers.

We have also noted a lack of clarity around the delivery of specific actions included in the TCAP. The Plan does not include any specific measures of success, for example, and also was not subject to monitoring following the publication of two annual reports. Linked to this, we note that there is an overall lack of data on our town centres. We note that no clear definition is given to 'Town Centres' within the Action Plan and we are unsure to what extent that data on town centres was collected at a local level.

Q4 To what extent are the stated objectives and policy challenges TCAP seeks to address relevant for the new challenges for our towns?

Many of the objectives and policy challenges identified in the TCAP (2013) remain critical to the future success of our town centres. We particularly welcome the recognition of our town centres as key infrastructure assets that should be subject to collaborative approaches for their maintenance and revitalisation. The Scottish Government's recent adoption of the [Place Principle](#) has highlighted a continued requirement for collaborative approaches focussed on specific place-based outcomes. We therefore support the multi-stranded and strategic nature of the initiatives set out in the TCAP.

The 'Town Centre First Principle' also remains a necessary aspiration to ensure that investment and resource is targeted towards the sustainable regeneration of our towns. This recognises that town centres often have a core of historic and characterful building and streetscapes, which are of importance to our communities and have the capacity to stimulate economic growth.

The delivery of town centre housing also remains critical to regeneration efforts. We know that this is key to promoting footfall and economic activity within our towns, and also can play an important role in promoting sustainable patterns of living and working which are less reliant on car-based travel. It is important, however, that the delivery of town centre housing should be managed creatively in a way which maintains the heritage value of our places and supports a variety of housing types and tenures. There may, for example, be a demand for live/work units following the COVID-19 pandemic. Careful attention should also be paid to the Agent of Change principle to ensure that opportunities for enhancing the evening economy in our town centres are not lost.

Stimulating local entrepreneurship and supporting our communities also remain highly important areas of focus. We consider that, to some extent, the loss of high street retail chains can be replaced by a mix of service sector businesses that cannot be easily replicated online. These may include smaller retailers, food and drink offers, local produce, galleries, gift shops, beauty and hairdressing salons. In addition to small businesses, local communities also play an active role in ensuring the creative and cultural life of our town centres. This is key to their attractiveness and securing future investment opportunities.

Many of the objectives included in the TCAP have, however, been addressed in more recent initiatives. Measures for supporting 'Pro-Active Planning', for example, have been superseded by the Scottish Government's on-going planning reforms. The Planning (Scotland) Act 2019 allows for the creation of Masterplan Consent Areas (MCAs) which aim to simplify planning



procedures in town centres. We consider that MCAs offer greater opportunities to streamline the consenting processes for works to listed and conservation area buildings than the Simplified Planning Zones (SPZs) proposed in the TCAP. Additionally, we consider that 'Local Place Plans' will allow communities more opportunity to direct development in their places. The current reforms also propose the extension of permitted development rights for the delivery of telecommunications infrastructure amongst other things.

Similarly, we note that measures for promoting digital infrastructure included in the TCAP have been superseded by the Scottish Government's 'Digital Strategy' (2017).

Q5 If TCAP were to be revised, what additional or replacement areas and objectives would you recommend should be included and how should these be addressed?

Any revised TCAP should ensure the future resilience of our town centres. Town centre resilience objectives should consider current issues caused by building vacancy and neglect, as well as responding to climate change and preparing for events such as the COVID-19 pandemic.

A key strand of this work must include initiatives for the maintenance, re-use and upgrading of our historic structures and places. We recommend that resources are allocated at a local level for this work. In particular, we suggest the appointment of dedicated officers with the capacity and expertise to bring forward projects for the upgrading and re-use of our historic town centres. Practical support for repair and maintenance works should also be offered to owners, alongside new incentives for the repair and reuse of existing buildings that are standing empty. These could include reduced rates of VAT and grants for repair and enhancement. We are keen to highlight that important work is already occurring across the heritage sector for the maintenance, re-use and upgrading of our buildings and would welcome further dialogue on how this can be supported.

Q6 Can you provide details and contacts of any examples of excellent practice in town centres which you believe have wider potential?

Our [Conservation Area Regeneration Scheme](#) (CARS) has been particularly successful in bringing forward town centre regeneration. Since 2007 CARS funding has awarded almost £50M to 65 different areas throughout Scotland, repairing over 1000 buildings. We have seen this funding being utilised to great effect for the re-use of vacant buildings, the establishment of businesses and the creation of jobs and investment. Most notably, the Campbeltown CARS project in Argyll and Bute combined heritage and housing initiatives have combined to resolve and bring back into use a number of empty and poorly maintained houses. We also understand that Argyll and Bute Council have promoted the re-use of homes through providing grant funding to people moving into the area for work. We are undertaking a fresh review of our CARS programme to better understand its overall impact, successes and potential areas for improvement. We would be pleased to share our findings with the Review Panel.

We also sponsor a RIAS award for best practice in conservation and climate change and have been pleased to commend and profile town centre projects. These have included local authority led projects for the re-use of town centre buildings. Notably, the [Spiers Centre](#) in Alloa involved the conversion of a Category A listed swimming baths into the town's library, archive, Registrar's Office and council hub. Another leading example is West Dunbartonshire Council's new [offices](#) built behind a retained listed façade in Dumbarton's town centre. We have also offered awards to the [South Beach Medical Centre](#) in Ardrossan and a commercial [Whisky Distillery](#) in Hawick. These have all provided valuable employment opportunities and increased vitality and footfall within town centres with specific problems.



Our highly successful [Scotland's Urban Past](#) programme offered direct support to communities as they engaged with and celebrated their town and city heritage. The programme delivered assistance to over 60 groups from across the nation on projects for the understanding and recording of their heritage and allowed over 10,000 people to gain new skills. This allowed community groups to add information to the National Record of the Historic Environment, inspired them to undertake creative projects and gave them input into on-going regeneration projects. Our Girvan group, for example, were supported as they developed ideas for a new town centre visitor experience. This programme was underpinned by a £1.65 million National Lottery Heritage Fund grant and completed in 2019. We remain committed, however, to supporting communities as they maximise on opportunities provided by their local heritage.

We are also keen to highlight the work of Shelter Scotland's Scottish [Empty Homes Partnership](#) which is currently pursuing excellent initiatives for the re-use of empty homes. The [STOVE Network](#) in Dumfries have pioneered work for the re-use of town centre buildings for creative and community uses. We have also welcomed exemplar housing association projects for the conversion of buildings in [Tranent](#), East Lothian.

Q7 Is there anything you would like to add?

Significant expertise on the regeneration of our town centres exists across the heritage sector. As lead body for the historic environment, we undertake extensive work in support of this. This includes the publication of [policy](#), [guidance](#) and [technical information](#) on approaches for the upgrading, use and adaptation of historic buildings. We have also produced a [Buildings at Risk Toolkit](#) which offers solutions for property that is vacant or at risk, and a series of best practise [case studies](#). Aligned to this, we have also developed [on-line resources](#) for community groups seeking to take on heritage projects.

Our officers have also been providing practical assistance and advice to planning authorities and developers in support of individual town centre strategies, projects and buildings at risk. Additionally, we have been pioneering collaborative approaches to place-making with other public bodies forming part of the [Key Agencies Group](#) (KAG).

Further to this, we have offered significant funding to town centre projects through our [Conservation Area Regeneration Scheme](#) (CARS) programme and our [Historic Environment Repair Grant](#). CARS has been particularly successful in stimulating a broad range of regeneration activity. Similarly, our Historic Environment Repair Grant has enabled the repair and reuse of many town centre listed buildings including Dalkeith's [Former Corn Exchange](#) and the [Rockfield Centre](#) in Oban.

We are also a major funder and partner to intermediary and third sector organisations that provide invaluable support, financial and knowledge-based, to people and organisations looking to preserve, conserve, reuse and regenerate buildings and places. These include, for example, civic and city preservation trusts, the Architectural Heritage Fund (AHF), Scotland's Urban Regeneration Forum (SURF) and Arts & Business Scotland.

We are nevertheless keen to explore new ways of enabling town centre projects and would welcome new initiatives for joint working in this area.

Historic Environment Scotland

21 August 2020