
NORTH AYRSHIRE COUNCIL

28th January 2020

Audit and Scrutiny Committee

Title: Town Centre Regeneration

Purpose: To provide an update on footfall data in town centres and on planned activity to promote their regeneration

Recommendation: That the Committee notes:

- Recent trends in footfall in the main town centres of Irvine, Saltcoats and Largs;
- Activity to promote investment and regeneration in town centres including the expenditure of town centre funding in 2019/20;
- Future plans to increase the impact of investment from other budgets on town centres, including from the Social Housing Investment Programme; and,
- Plans for a new regeneration framework in early 2020 which will provide a strategic approach to the regeneration of North Ayrshire's town centres.

1. Executive Summary

- 1.1 The November 2019 Audit and Scrutiny Committee received an update on town centre footfall trends and requested further information on how this may be addressed.
- 1.2 The report confirms a trend of declining footfall in Irvine, Saltcoats and Largs town centres where data is gathered. While this decline reflects a national trend, the rate of decline is higher in North Ayrshire than the national average. In a majority of towns vacancy rates are also now above the national average of 12% of units.
- 1.3 Consumer behaviour is in a process of change over a long period and this continues to result in the growth of online rather than retail shopping, as well as a transfer of traditional town centre services such as banking online.
- 1.4 A range of recent and proposed activity has and will benefit town centres, and new Scottish Government Town Centre funding has been made available to secure improvements focused on Dalry and Stevenston within the financial year 2019/20. The paper also sets out the intention to develop a regeneration framework for North Ayrshire which will include a focus on town centres, and some of the issues that this will seek to address.

2. Background

2.1 The Audit and Scrutiny Committee of 12th November 2019 received an update on trends in town centre footfall. Discussion took place around the trend of decreasing footfall in town centres across North Ayrshire and the different factors contributing to this. The Committee requested that a report on town centres in North Ayrshire be brought to a future meeting by the Head of Service for Economic Development and Regeneration.

2.2 Levels of footfall are recorded for the major North Ayrshire town centres of Irvine, Saltcoats and Largs. Appendix 1 provides details on footfall counter locations and footfall data trends. In summary, this information suggests a decline in the overall number of visits to town centres. For the main towns where information is recorded:

- **Irvine** saw a decline of 8.9% in 2018/19 on the previous year and an 8.7% reduction over a three-year period. This overall drop in numbers is despite the development of the Portal Leisure centre which saw over 800,000 additional visits to the town centre in its first year of operation, and an increased headcount within town centre located Council buildings. Many of these visits to the town centre may not however be recorded given the location of the counter at the corner of Bridgegate and Irvine High Street. Anecdotal evidence on parking demand would suggest a shift in demand to the west of the town centre at the Rivergate and Riverway Retail Park car parks.

Retail vacancy rates in Irvine have been recorded at 13.9% in 2019, a rise from 7.9% in 2016 and above the Scottish average (12%).

- **Largs** saw a decline in footfall of 5.5% in 2018/19 on the previous year, representing a decrease of 11.4% over three years.

Vacancy rates in Largs have been recorded at 6.5% in 2019, a rise from 5.6% in 2016 but below the Scottish average.

- **Saltcoats** saw an increase in footfall of 1% in 2018/19 on the previous year, but a decrease of 9.8% over three years.

Vacancy rates in Saltcoats have been recorded at 11% in 2019, remaining unchanged since 2016 and slightly below the Scottish average.

2.3 Further information on vacancy rates is included at Appendix 2. Town centres are undergoing a process of change given changing consumer behaviour. Over a long period of time town centres have been affected by trends including increasing car ownership, increasing levels of travel to work, by operator demand for larger out of town retail units with accessible and free parking, and by the move towards online shopping which continues to increase.

Town Centre Audits

2.4 To inform the development of Local Development Plan 2 and further understand the performance of our town centres, 11 town centre healthcheck audits have

been produced. The audits assessed town centres in Ardrossan, Beith, Dalry, Irvine, Kilbirnie, Kilwinning, Largs, Millport, Saltcoats, Stevenston and West Kilbride. They provide an information base upon which the success of town centres can be measured, and capture the views of local communities on towns' accessibility, activities and attractiveness.

2.5 The town centre audit documents are available to view on the Council's website at <https://www.north-ayrshire.gov.uk/planning-and-building-standards/ldp/land-use-audits.aspx>. In summary the town audit information identifies the following main issues:

- The level of vacant retail or residential property. Some high profile and long-term vacant buildings are a major issue for local communities, examples being the Forum in Irvine, former Metro in Saltcoats (now undergoing improvement works), 2 Main Street in Kilbirnie and Townhead in Beith;
- There is a lack of business involvement or groups driving forward physical improvements and events, an approach which has been successful in other towns in Scotland;
- Parking availability is seen as generally adequate, although there are pressures in the three major towns; and,
- There is under representation of non-retail services such as leisure uses to attract people into centres throughout the day. An example referred to is the lack of a cinema in Irvine.

2.6 The Scotland Towns Partnership recommend that audits are updated at least every 3 years to ensure that they are responsive to current issues and highlight opportunities to enhance vibrancy and vitality of our town centres. The updates also report and monitor performance. Updated audits are currently being drafted and will be published on the Council's webpage early 2020, adding to the information available to aid decision making. Provisional figures showing vacancy rates are available and are shown in Appendix 2.

Current or Recent investment in Town Centres

2.7 A number of interventions to improve town centres have been delivered in recent years as summarised below:

Town	Intervention
Irvine	Development of the Portal Leisure centre
	Improvement of Bridgegate House and public realm
	Ongoing improvement of High Street public realm
	Development of The Circuit/ the Quarry Road Business and Sports hub
	Opening of Irvine Active Travel Hub within Trinity Church
	Provision of additional parking at Caledonian Car Park
Saltcoats	Redevelopment and reopening of Saltcoats Town Hall
	Improvement of Countess Street public realm

	Shopfront improvement scheme
Largs	Improvement of public realm at Gallowgate Square and Largs Promenade
	Shopfront improvement scheme
	Support for Largs Business Improvement District
Kilwinning	Improvement of Kilwinning Main Street public realm
Millport	Ongoing implementation of Millport Conservation Area Regeneration Scheme
Kilbirnie	Kilbirnie Conservation Area Regeneration Scheme

- 2.8 There is currently no specific Council budget for town centre regeneration, with a previous capital budget expiring in 2016/17. The above activity was funded by a combination of that previous capital budget, the leverage of additional external funding, and the Irvine Bay Regeneration Company
- 2.9 In the current financial year, the Scottish Government has made one off capital funding allocation of £1.418M available to town centres in North Ayrshire. The Cabinet of 14th May 2019 agreed to focus £1M of this expenditure in Stevenston and Dalry. Local Members and community groups have been provided with regular updates on the expenditure of these funds, which are allowing a combination of public realm improvements, building repair/shopfront improvements and in some cases the purchase of problem properties.
- 2.10 There are also a number of other regeneration programmes being developed by the Economic Development and Regeneration Service which will have a positive impact on town centres, including:
- Ardrossan Harbour, the North Shore campus, and marina. Each of these will bring additional footfall to Ardrossan and a positive effect on the town centre. Another aspiration is to develop a hotel within a central area;
 - Irvine Great Harbour which seeks to bring tourism activity through the creation of a new link between the train station and beach, establish a new maritime visitor attraction and find a new use for the former Big Idea building;
 - COIG, which is a series of five tourist route destinations across the Clyde Coast and Islands designed to showcase natural beauty, history, food and drink and activities on offer; and,
 - Lochshore regeneration proposals including the creation of a visitor/community hub and outdoor leisure and play facilities which will attract visitors to the benefit of adjacent towns.

Future Approach to Town Centre Regeneration

- 2.11 Town centres have seen a major focus of public policy/strategy in recent years, which recognises both the accelerating decline of retail and services such as banking, and the importance that town centres are to placemaking and their contribution to social wellbeing. The national response in recent years has included:

- A National Review of Town Centres (July 2013);
- A Town Centre Action Plan (November 2013), which suggests a focus on 6 key areas of town centre living, digital towns, proactive planning, enterprising economies, vibrant local economies and accessible public services;
- The Town Centre First principle June 2014 which asks that government, local authorities, the wider public sector, businesses and communities put the health of town centres at the heart of decision making. This has been implemented through our recently Adopted Local Development Plan 2.
- The Place standard which recognises the importance of places and their design, and provides a tool to assess the quality of a place. It can assess places that are well established, undergoing change, or still being planned. The tool can also help people to identify priorities for a particular place; and,
- The distribution of funding of £50M for town centres within the 2019/20 financial year, with the North Ayrshire Council allocation amounting to £1.418M (as referred to at para 2.9).

2.12 While recognising the general aims of the policy and action planning advice available, interventions to support town centres require a response specific to each town. It is proposed that a North Ayrshire Regeneration Framework is developed from early 2020 which will provide recommendations on town centre regeneration. It is considered that the issues set out below will be a focus of this work.

Vacant and Derelict Land/Property

2.13 North Ayrshire Council benefits from an allocation of Scottish Government funding of around £1.5M per annum from the Vacant and Derelict Land fund. In line with Cabinet approval and the criteria set by that fund, this is directed to priority sites including Ardrossan North Shore, Irvine Enterprise Area, Irvine Harbourside and Lochshore. In addition, there are a number of empty buildings or sites which blight our town centres but which cannot be addressed through the Vacant and Derelict Land funding given its requirement that sites are over 0.1 ha in size and have been vacant for a 20 year period.

2.14 Empty properties or sites can occur for a variety of reasons for example due to the loss of tenants, the lack of a financial case for redevelopment, or absentee owners. There have been some recent examples where the Council have intervened including through the Millport Conservation Area Regeneration Scheme, and the Scottish Government funding allowing the recent purchase of no.2 Main Street, Kilbirnie. The scope for further interventions is limited by finance and the often unrealistic value expectations of owners.

2.15 It is considered that an increasing focus on this issue is required. This could include:

- The development of a problem building or site register;
- Additional planning or building standards enforcement action against owners;
- Offers to purchase and/or compulsory purchase problem properties;
- Analysis of the use of budgets such as the HRA/empty homes budgets; and

- Analysis of the business case for improvement works being carried out by the Council to allow sale and reuse.

Town Centre Housing

- 2.16 One of the strategic aims of the Council's Social Housing Investment Plan (SHIP) is the regeneration of North Ayrshire. The 2020-2025 SHIP provides an increased focus on town centre sites, with examples including developments at:
- Irvine Harbourside, facilitating the demolition of the five multi storey blocks within Fullarton, Dickson Drive and Bank Street, Irvine;
 - Friars Lawn and St Michaels Wynd, Kilwinning;
 - Afton Court and Caley Court, Stevenston;
 - Parkend Gardens and the Springvale development in Saltcoats;
 - Watt Court in Dalry; and,
 - The redevelopment of St Colm's Place in Largs.
- 2.17 These sites are in addition to recently completed or ongoing developments such as Vennel Gardens, Irvine, Main Street, Kilbirnie, Kyleshill Court (formerly Canal Court), Saltcoats and the Victoria Hotel on Largs shorefront. Analysis is also being undertaken of a number of privately-owned town centre sites, to determine whether agreement can be reached on the purchase of land to facilitate future housing investment.
- 2.18 As town centres move away from retail use, in some areas a transition to residential use could be encouraged. This may require support in terms of parking, waste management solutions and improvements to the public realm. Financial support mechanisms could be used, such as grant assistance for conversion from retail to residential use in non-core retail areas. Private housing development of high quality product on key sites such as Ardrossan North Shore and Irvine Harbourside can also help to attract and retain people, and change perceptions of places.

Parking

- 2.19 As identified at the November Audit and Scrutiny Committee, the availability of parking influences the likelihood of people undertaking visits to a centre. The town centre audits referred to at 2.5 concluded that in most towns parking availability is seen as adequate, however in the three major centres of Irvine, Saltcoats and Largs there are capacity issues. In these cases there is also evidence that capacity issues are caused by those parking all day for work purposes, and this limiting turnover and availability. A business case for decriminalised parking enforcement has been considered by the Cabinet and if implemented would commence in Spring 2022.

Facilitating private sector investment

- 2.20 Change cannot be delivered by the Council alone and wherever possible investment by the private or community sectors needs to be encouraged. The SG funding for 2019/20 will in some cases assist with private sector proposals that would otherwise not be financially viable.

- 2.21 In Ardrossan, analysis is ongoing into the identification of suitable hotel development sites that are within the Council's ownership in or around the town centre. While there is operator interest in the town, this is likely to require assistance in terms of site promotion and financing, however it would be a significant benefit in bringing additional visits and expenditure to the town centre. A cinema development in Irvine would also be a major benefit in bringing visits and activity throughout the day.
- 2.22 Securing new commercial opportunities that bring investment and jobs in addition to widening the range of leisure options available within town centres is associated with our wider land and property transformation plans, community wealth building and municipalisation work programme. Further analysis is to be undertaken on what opportunities there are within town centres and how this could be delivered.

Community projects

- 2.23 Another means of encouraging and delivering change is through community groups who can provide additional capacity, ideas and in some cases access to funding not available to the Council. Recent examples of projects delivered by or being developed by community groups include Saltcoats Training Station, Fullarton Centre, Millport Town Hall, and the Stoneyholm Mill Community Development Trust.
- 2.24 The forthcoming development of a Community Wealth Building Strategy and a new regeneration framework will promote a place based approach to economic development and identify proposals for each area and associated resource implications.

3. Proposals

- 3.1 It is proposed that the Committee notes:

- Recent trends in footfall in the main town centres of Irvine, Saltcoats and Largs;
- Activity to promote investment and regeneration in town centres including the expenditure of Town Centre funding in 2019/20;
- Activity to increase the impact of investment from other budgets on town centres, including from the Social Housing Investment Programme; and
- Plans to prepare a regeneration framework in early 2020 which will provide a strategic approach to the regeneration of north Ayrshire's town centres.

4. Implications/Socio-economic Duty

4.1 Financial:

There are no financial implications arising from the report.

4.2 Human Resources:

There are no Human Resource implications arising from the report.

4.3 Legal:

There are no legal implications arising from the report.

4.4 Equality/ Socio-Economic:

There are no equality/socio economic implications arising from the report.

4.5 Children and Young People:

There are no implications at this stage.

4.6 Environmental and Sustainability:

The report refers to the impact of vacant buildings or sites within town centres which can significantly detract from the local environment. The improvement of town centres will have a positive impact on the local environment.

4.7 Key Priorities:

The improvement of town centres will support the Council Plan themes of:

- Growing our economy, increasing employment and regenerating towns
- Working together to develop stronger communities
- Helping all of our people to stay safe, healthy, and active
- Protecting and enhancing the environment for future generations

4.8 Community Wealth Building

Community Wealth Building has five pillars for harnessing existing resources to enable local economies to grow and develop: Procurement; Employment; Land and Assets; Financial Power; and Democratic Ownership of the Local Economy. There are opportunities for developing more sustainable futures for our town centres across a number of these pillars that will be explored as we develop our CWB strategy and action plans. These are likely to feature most prominently within the priority on Land and Assets workstreams.

5. Consultation

- 5.1 The forthcoming development of a regeneration framework will involve consultation with the Local Members.

RUSSELL McCUTCHEON
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For further information please contact **Alasdair Laurenson, Senior Manager, Regeneration**, on **01294 324005**.

Background Papers

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Appendix 1 – Town Centre Footfall Information

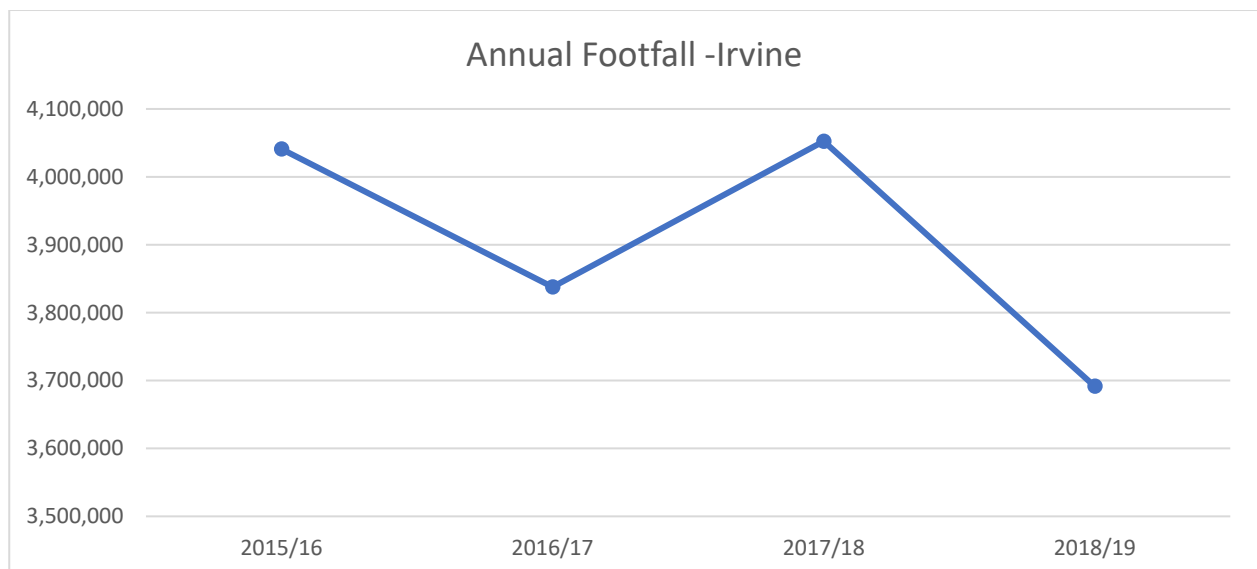
The Council monitors town centre footfall through counters located in Irvine (corner of Bridgegate and High Street), Largs (junction of Mainstreet / Gallowgate Street / Ferry Slipway) and Saltcoats (corner of Countess Street and Dockhead Street). Measurements are taken automatically using people counters.

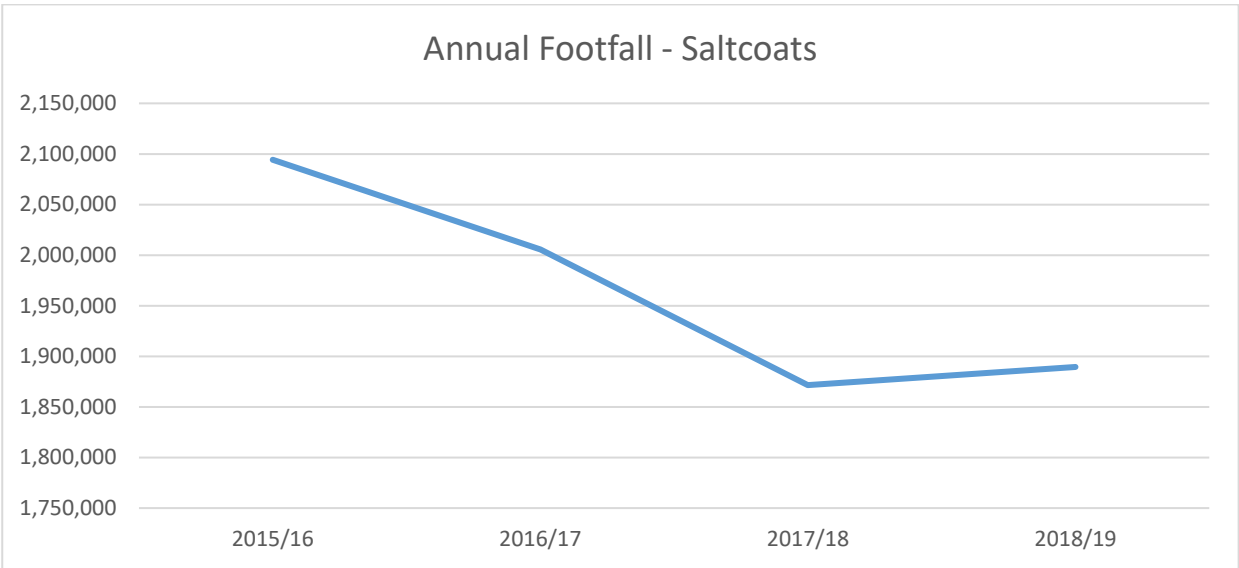
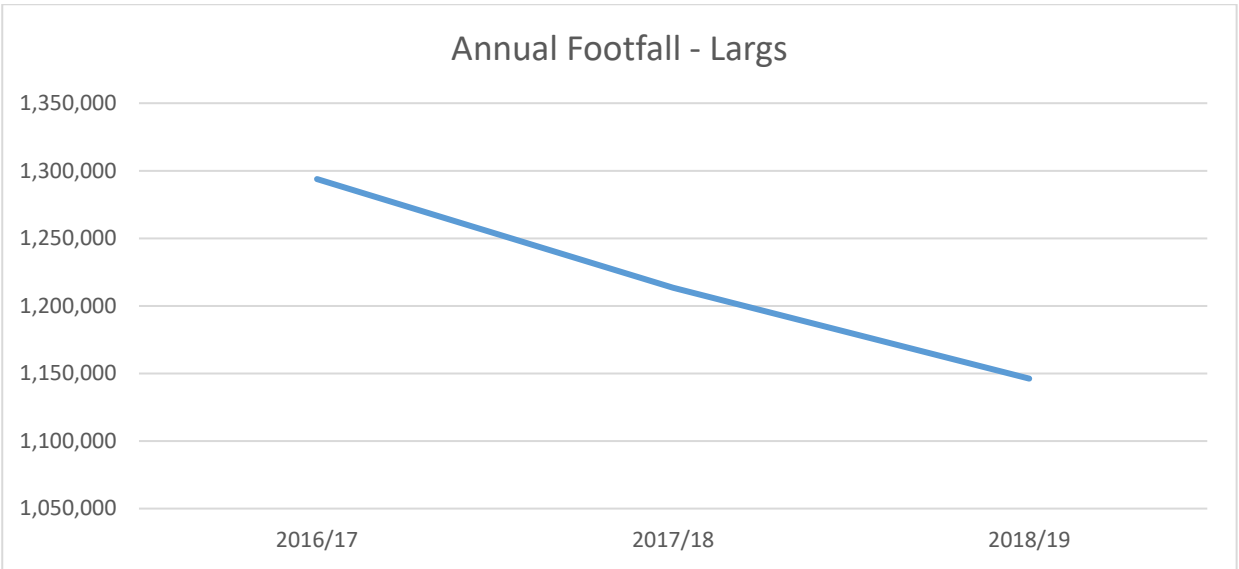
Footfall is seasonal and weather dependent and the summer period sees an increase in footfall. Similarly, in all towns footfall in January is lower and higher in December compared to other winter months given Christmas shopping and festivities.

Physical works such as the Irvine High Street public realm works can reduce footfall due to temporary road closures or diversions which can lead to pedestrians taking an alternative route. The Irvine counter is located on the junction of High Street and Bridgegate and the ongoing public realm works may contribute to the recent reduction in footfall seen in Irvine.

There is little doubt that online retail in combination with the range of retail and recreational offerings in locations is having an impact on footfall in all Scottish town centres. At a national level footfall appears to be decreasing. As at June 2019, Scottish footfall is showing a year to date decrease of 1.9% compared to the previous year, a lower rate than in 2018 when a decrease of 4.3% was recorded.

There was a year to date decrease of 8.9% for Irvine and 5.5% for Largs, and an increase of 1% for Saltcoats compared to 2018. However, the monitoring and management of footfall needs to be viewed over several years in order to get an accurate understanding of the environment and the impact of regeneration our town centres.





Appendix 2 – Town Centre Vacancy Rates

The table shows vacancy rates for North Ayrshire's Town Centres for 2016 and 2019. It should be noted that the 2019 figures required to be further verified as in some cases it can be difficult to determine if a shop/unit is actually vacant (for example, it is difficult to determine if a fast food takeaway shop is open if visited during the day). Given that a number of our Town Centres contain much less than 100 units, a decrease (or increase) of a small number of vacant units can make a significance difference to the overall vacancy rate.

Once these figures have been verified they will be included in the Town Centre Audit Reports which are due to be published in early 2020.

	2016: Source Your Town Audit 2016	2019: Source: Officer Site Visits
Ardrossan	15%	16.2%
Beith	12%	18%
Dalry	17%	15%
Irvine	7.3%	13.9%
Kilbirnie	16%	16%
Kilwinning	12%	13%
Largs	5.6%	6.5%
Millport	3%	4%
Saltcoats	11%	11%
Stevenston	6%	13%
West Kilbride	10%	12%

National averages (Scottish Retail Consortium-Springboard Footfall and Vacancies Monitor, January 2019):

- Scottish average: 12%
- UK average: 10%