Scottish Borders COUNCIL

COSLA

South of Scotland ALLIANCE

Scottish
SMALL TOWNS REPORT
2007-2013

Contents

Page

You can get this document on tape, in braille, large print and various computer formats by contacting the address below. Douglas Scott can also give information on other language translations a well as providing additional copies.

Contact us at Douglas Scott, Team Leader - Working with the Borders Community, Chief Executive's Department, Council Headquarters, Newtown St Boswells, Melrose TD6 0SA Tel:01835 825155 Fax: 01835825059 or email: dscott@scotborders.gov.uk

Scottish
Small Towns Report 2007- 2013

Preface

This report makes the case for focused support for Scotland's small towns. It has been compiled by the Scottish Small Towns Task Group which was established following the South of Scotland Alliance (SoSA) Conference on "Small Towns under Threat" held in September 2004. The Task Group has been supported by the Convention of Scottish Local Authorities and is administered on behalf of the SoSA by Scottish Borders Council with the involvement of Dumfries and Galloway Council.
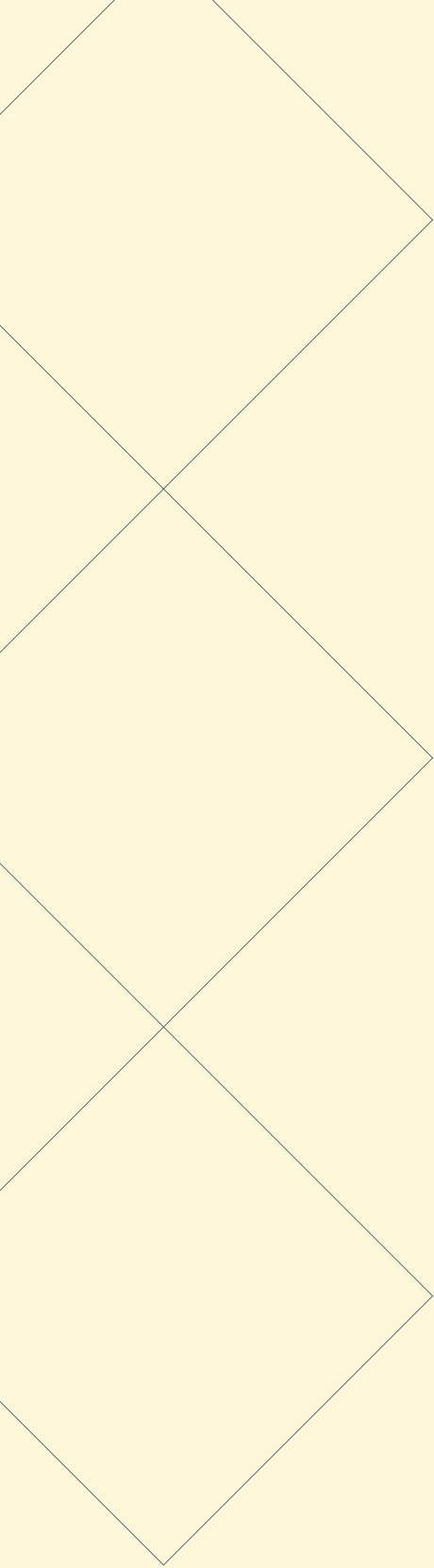
The first meeting of the Task Group was held in May 2005 and it was agreed that its remit would be to prepare the evidence base to:

◆ Highlight the issues and challenges facing Scotland's small towns;
◆ Clarify responsibilities in the Scottish Executive for small towns;
◆ Make the case to the Scottish Executive for a Small Towns Review;
◆ Bring together good practice case studies on the development and regeneration of small towns.

Small towns are very much part of the tapestry of Scotland. However their contribution tends to be underestimated with the current policy focus being on cities and remoter rural areas. This is a loss to Scotland as well as to these small towns. Small towns are the focus of much cultural activity and tourism and are economic drivers for their hinterlands. Many contribute to city-region functions. With 30% of the nation's population, all contribute to the national economy. All have considerable potential as more sustainable communities.

There is a great deal of pride of place in Scotland's small towns and there is a strong will to develop their local economies and to maintain and enhance local services. Resources to tap and unleash the capacity of local communities is limited, and the economic and social potential of most towns is thus under-valued and under-utilised.
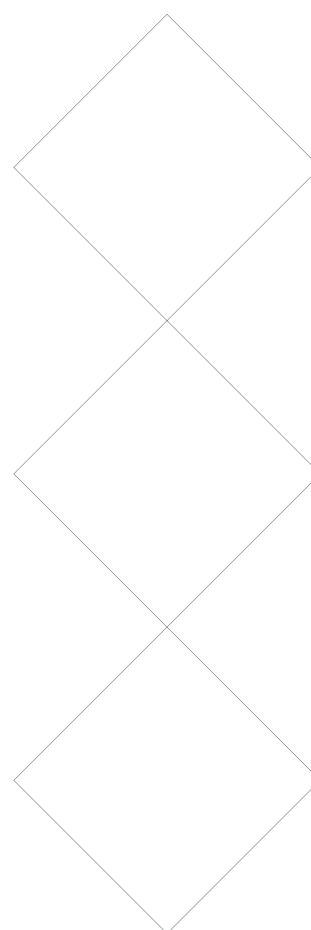
Because of their size, geographical location and the varied nature of their economic, social and environmental conditions, policy instruments for the development of small towns need to be flexible and shaped to be more sensitive to meet their needs. Current programmes designed to assist the overall national economy often do not effectively unlock the economic potential of small towns. The level of disadvantage in small towns is not always recognised, yet many disadvantaged people are increasingly isolated, and there are major gaps in physical regeneration policy which need to be addressed to tackle private property market failure or market depression.

Small towns cannot be seen in isolation and there needs to be a focussed debate on how they relate to city regions/metro-regions and to their rural hinterlands and rural policy. Local authorities and Community Planning Partnerships need resources to be co-ordinated to enable change in cross-cutting agendas, focused on communities of small towns.

Role of this report

This report brings together socio-economic and environmental information together with sample data on the physical condition of buildings and the public realm. Information was gathered using a local authority survey of small towns with a population of between 2,000 and 20,000 which was undertaken between October 2005 and February 2006. Returns were received from 20 local authorities covering 33 towns with a combined population of 297,038 (see Appendices 1-7). Additional information was drawn from publications submitted by the local authorities, together with information provided from the 'Small Towns under Threat' conference; evidence submitted by Scotland's local authorities to the Scottish Parliament's 'Inquiry on Accessible Rural Areas' (8 June 2005); and experience from the Market Towns Initiative in England.

It is intended that this information will form the basis for structured discussions with the Scottish Parliament, the Scottish Executive and other national agencies on the need for policy and resource support for Scotland's small towns.

Recommendations

There is a need for a proactive approach to sustain, regenerate and seize opportunities for Scotland's small towns. This would involve development, with the Scottish Executive, of a focused policy framework.

Strategic Aims of Policy Framework

S1   Provide a policy continuum between cities and remote rural areas.

S2   Better enable small towns to contribute to national priorities, including city/metro regions and rural development.

S3   Enhance co-ordination of cross-cutting issues on Ministerial and Agency portfolios.

S4   Enable improved national agency contribution to the Community Planning agenda in support of the public sector reform agenda by making better use of existing resources, focused at the local level.

S5   Better engage community interests and release latent social capital.

S6   Establish a special public sector funding instrument to support the development and regeneration of small towns.

S7   Provide a robust database and network for exchange of best practice by which to further develop and maintain the policy framework.
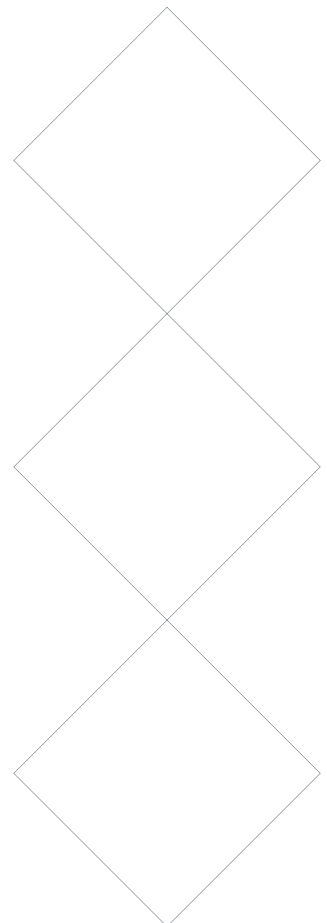
Small Town Definition

The Survey undertaken by the Small Towns Task Group focuses on settlements between 2,000 and 20,000 population (which contain approximately 30% of Scotland's population). The Scottish Executive definition of small towns covers those with a population of between 3,000 and 10,000. It is clearly evident from the Survey that what is important is the role and potential of small towns rather than adherence to strict and inflexible population criteria. There are many settlements which function as small towns with either populations above 20,000 or below 2,000. The Task Group would welcome dialogue with the Scottish Executive on the need both for flexibility within a policy continuum from rural to small town and covering the range of small towns, and on funding arrangements for small towns.

RECOMMENDATIONS	REFERENCE TO STRATEGIC AIMS
1 Discuss with the Scottish Executive the development of a national policy framework to enable a flexible approach to encompass all settlements which function as towns.	S1
2. Discuss with the Scottish Executive the establishment of a special public sector funding instrument to support the development and regeneration of small towns.	S1/S6
3. Clarify the role of small towns in relation to the policy developments in city or metro regions and rural development.	S1/S2
4. Recognise that the development of small towns is a cross-cutting issue across the Scottish Executive.	S1/S2/S3/S4

National Priorities

Successful and dynamic cities can benefit from dynamic small towns within their hinterland, which can contribute to unique, competitive, mutually supportive environments that can attract modern business and enable business growth and retention. Where small towns are situated within city-regions, they should be expected to play a full part in realising the full potential of that region, not simply provide for recreational or dormitory roles.

RECOMMENDATIONS	REFERENCE TO STRATEGIC AIMS
1 Improve support for small scale private retail outlets to better market / re-position their retail offer where the role of small towns is changing.	S2
2 Improve incentives to attract the private sector to invest in small towns through a more coherent set of policy initiatives.	S2
3. Promote changes in the fiscal regime to enable the private sector to better invest in the regeneration of small towns.	S2/S6
4. Using a national template for building condition surveys, proactively address the physical deterioration of the built environment in town centres and which protect and promote the individuality of small towns.	S2
5. Work to improve the integration of public and private sector investment in areas identified in land use plans for development, including transportation, water and energy supply, sewerage infrastructure and waste management and to find ways of tackling the relatively higher costs of providing this in small towns.	S2
6. Support a pro-active approach, as set out in SPP8 - "Town Centres and Retailing". Analysis should be informed by recent research which has studied the economic linkages between small towns and surrounding rural areas and specifically consider support for diversifying small towns.	S2
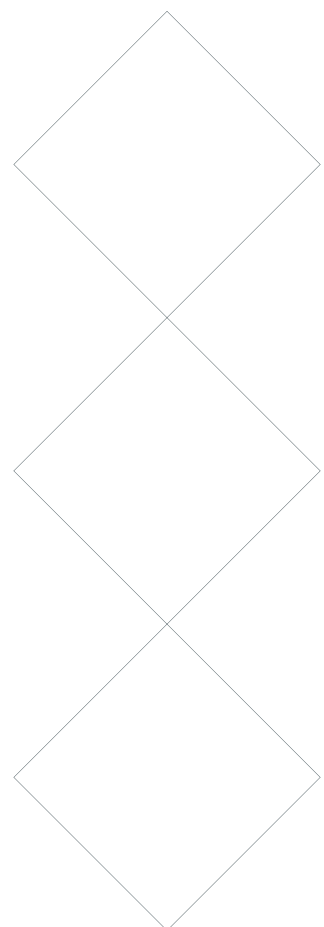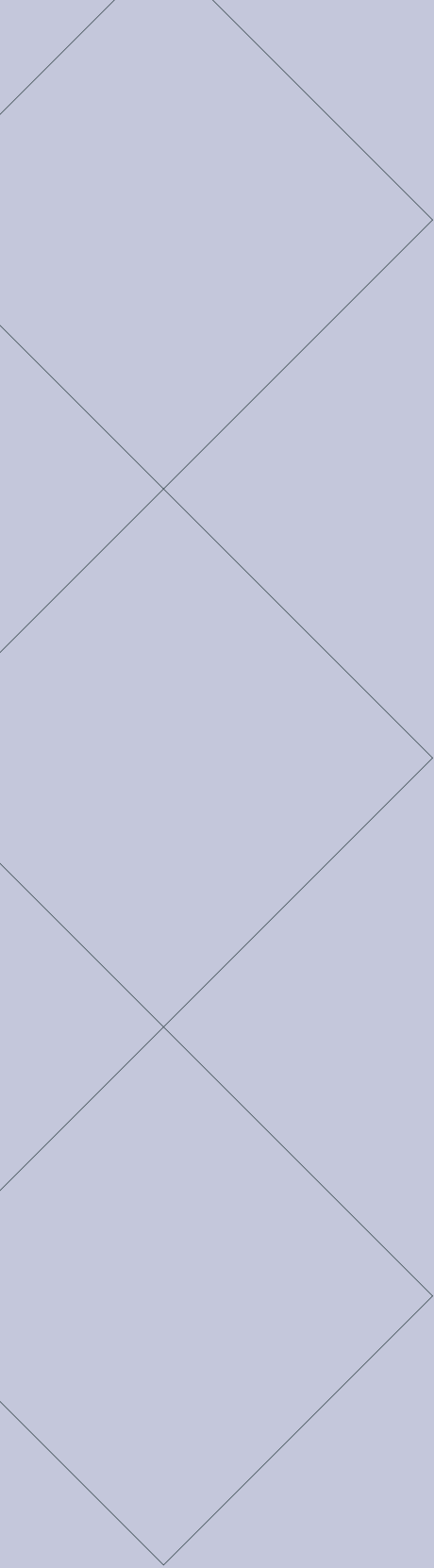
7. Continue work through the Scottish Executive to speed development by better alignment and sharing of common data sets between agencies responsible for environmental protection, water and sewerage, transportation and other service provision (including SEPA, SNH and SW).   **S2/3**

8   Develop a mechanism to supplement the Scottish Index of Multiple Deprivation to identify the needs of rural areas and small towns.   **S6/S1**

9   Develop effective labour market solutions for small towns, particularly in relation to labour and skill shortages.   **S2**

Whole Town Strategies

There is a need to develop whole town strategies for each small town. An extensive range of plans and strategies are prepared by all public sector agencies that affect communities and drive resource allocation. Objectives, timescales and focus are all necessarily different but, locally, access to funds and methods of working are not transparent and there may be duplication of effort. Opportunities for true joint work are not focused at the community level. Small towns offer great opportunity to re-invigorate Community Planning at the local level and to release the capacity of individuals to help themselves. This enabling role needs adequate resources.

RECOMMENDATIONS	REFERENCE TO STRATEGIC AIMS
1 Utilise existing Community Planning Partnerships to engage and enable local authorities / local elected representatives, stakeholder groups, key public agencies, community, voluntary and business interests.	S2/3/4/5/6/7
2 Complement and integrate Community Planning with other statutory planning processes including land use planning.	S5/6
3 Coordinate service planning, investment and delivery by public agencies.	S2/3/4/6
4 Identify local needs, community interests, and business opportunities.	S2/5/6
5 Clarify the role of towns in relation to their rural hinterlands, city region and wider regional and rural contexts.	S1/2
6 Identify opportunities for co-operative / joint working between towns.	S5
7 Focus resource delivery on communities of place to reduce resource duplication between delivery agencies.	S3/6
8 Develop, facilitate and release local skills and capacities of elected representatives, public agency staff, community, voluntary and business groups in an inclusive way.	S5
9 Enable collective community, business sector and public agency action.	S3/4/5/6
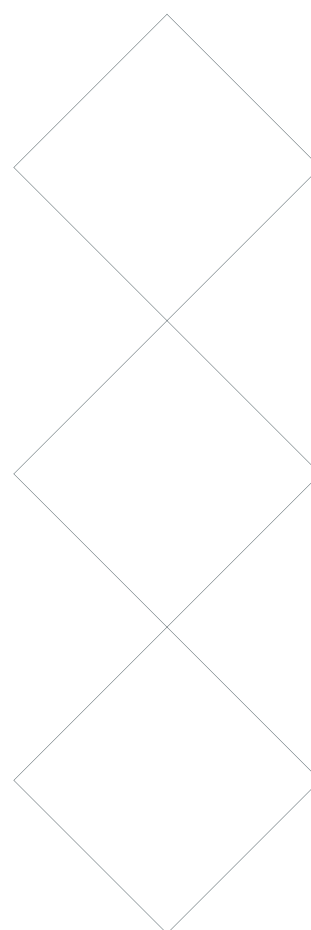
The Role of National Agencies

Considerable experience has now been gained in the planning and daily operation of Local Community Planning (CP) Partnerships. Nevertheless the Task Group agreed that, at present, national agencies cannot effectively address local issues identified in these partnerships and are increasingly directed to national priorities and targets. This increasingly leads to over-reliance on local authorities to deliver action locally, frustrates community / local business engagement, reduces opportunities for developing, releasing and sustaining social capital, saps the value for money for the partner time spent and thus hampers effective public sector partner participation. Audit Scotland (2006) has reiterated these concerns. (Reference 7)

The Indices of Multiple Deprivation are too coarse to register local inequality in small towns. In consequence, few towns enjoy the benefits of Community Scotland's Regeneration Outcome Agreements, and those that can may questions the proportionality of effort for reward.

Inclusive Community Planning should become more central to the role of national agencies in pursuance of national CP legislation and, in association with local Whole Town Strategies, should enable small towns to seize many more local opportunities to benefit the Scottish economy.

Highlands and Islands Enterprise has adopted a proactive and flexible place-based policy response. This enables proportional support and intervention to address a range of needs and opportunities and helps create policy continuity from remote rural to small town.

RECOMMENDATIONS	REFERENCE TO STRATEGIC AIMS
1 Review the regeneration activities of Scottish Enterprise LECs and the widening gap between their focus on national priorities and their ability to assist the economic and physical regeneration of small towns.	S4
2 Review the approach of Communities Scotland to the regeneration of small towns, enabling opportunity, (not simply people and housing-based need or disadvantage), to more closely direct resource allocation.	S4

3 Ensure any review of the Community Regeneration Outcome Agreement (ROA) addresses the needs of many small towns that remain ineligible for ROA monies. This would include the recognition of those communities with low wages, limited access to employment opportunities, an imbalanced population and poor access to services. (See also Recommendation 8 under National Priorities.)

S4

4 Engage Highlands and Islands Enterprise to explore opportunities and lessons learned from their broader role in relation to economic and social development in small towns.

S4

5 Improve the engagement of VisitScotland with small towns which currently retain a high profile in delivering the unique national tourist product of Scotland, to retain and better grasp the tremendous potential for tourist-related economic development. This would Include assistance with managing, re-branding and re-positioning small towns in the market-place, enhancing and creating new services and products, improving customer care and developing existing and new skills within local businesses.

S4
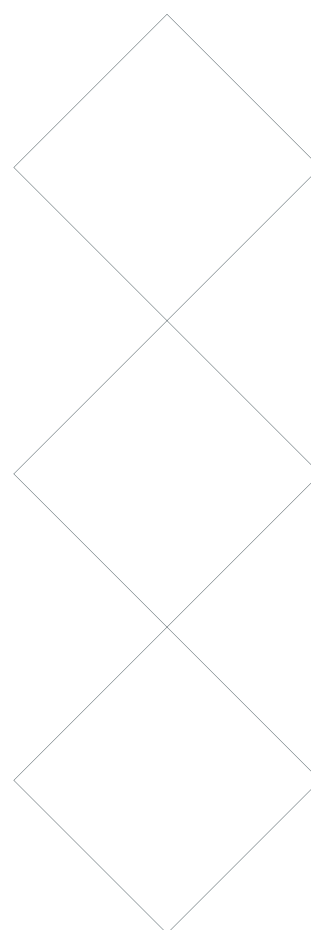
Research, Sharing and Using Good Practice

There is considerable existing good practice in relation to small towns and regeneration across both Scotland and the rest of the U.K. Nevertheless, the Task Group members found that there is no consistent process to share or learn from and build on best practice, or other experiences, amongst local authorities or to monitor in a replicable manner, progress made by a variety of local initiatives. The Task Group would welcome the opportunity to work with the Scottish Executive to facilitate this work.

RECOMMENDATIONS	REFERENCE TO STRATEGIC AIMS
1 Share best practice and agree performance standards for initiatives including regeneration, development, capacity building, enterprise and the release of social capital in small towns.	S7
2 Establish an independent research resource (such as Scottish Universities) to classify towns and undertake longitudinal studies, including socio-economic and economic trends; to review international practice around the role of small towns in wider regional planning; to examine international practice around funding and support mechanisms; and to bring practitioners together to explore and adopt best practice.	S7
3 Undertake comparative analysis of the long-term impacts of both out-of-town and in-town major retail developments, business sector and employment trends / opportunities.	S7
4 Improve understanding and recognition of the role of small towns in relation to city-regions, and assess opportunities to achieve mutually supportive small town 'clusters'.	S2/7
5 Improve data on the current importance to the Scottish economy and the forecasted spends in tourism-related activities in small towns.	S2/7

6 Develop and implement a national template for a **S2**
  nation-wide systematic survey on the condition of buildings
  and the public realm in town centres to inform work on
  'Whole Town Strategies'.

7 Develop measures to show deprivation in relation **S6/S4/S2**
  to small towns and rural areas (see National
  Priorities - Recommendation 8)
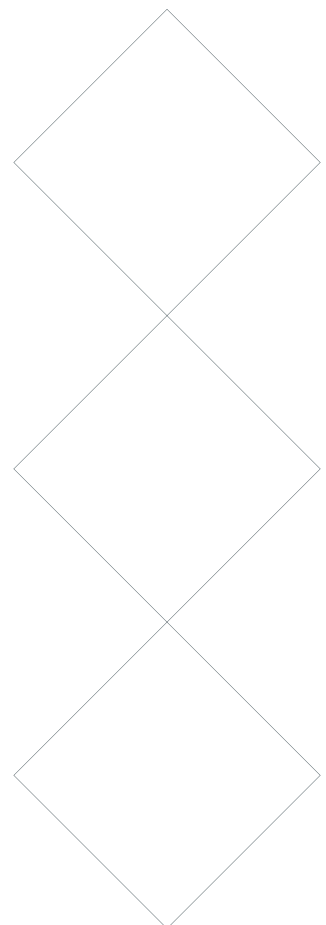
Summary and Conclusions

The key findings of the research are as follows:

General and Population

a)   The population living in small towns within Scotland is significant. It estimated that there are 262 towns of between 2,000 and 20,000 inhabitants which comprises around a third of the Scottish population.

b)   Small towns provide valuable services to local hinterlands and act as drivers for their economies, especially in rural areas.

c)   Four categories of small towns have been identified based on economic and geographic factors related to distance from cities:

1.   Within 30 miles of cities with good transport links and a relatively large commuter population.

2.   Declining traditional industrial towns which are on the edge of cities or relatively remote from city influences.

3.   Relatively beyond the influence of cities and other major towns and performing the main market towns/service centre roles for their surrounding areas.

4.   Seaports and service centres that are located on islands.

d)   Many small towns are key to the delivery of Scotland's unique tourism product and to its tourism-related economy. Their protection, enhancement and success are inextricably linked.

e)   Those small towns that are close to larger urban areas benefit from greater employment choice, more age-balanced populations, and vitality. However, they can suffer congestion, considerable demand for housing, development pressures, predominance of 'dormitory' roles, and loss of local services, identity and individuality.

f)   Declining industrial towns and towns in rural areas can suffer ageing populations and age imbalance, which is occasionally countered by tourism.

g)   Island towns experiencing local population and economic growth whilst in some cases losing population to the UK mainland.

Economic

a)   Small towns have their own local industries and services and wish to sustain and develop these to provide employment and to generate income and wealth that can be spent locally.

b)   Many of the economies of small towns are dependent on a limited range of industrial sectors or businesses. A large number of towns still have a manufacturing component which is in decline, but remains important for their economic well being.

c) Small towns within commuting distance of the major cities (especially around Edinburgh) are able to offer their residents a wide range of employment opportunities.

d) Those small towns outside the commuting areas of cities, located in rural areas and Islands, together with former mining towns and towns that have a declining manufacturing sector, experience particular economic challenges linked to economic diversification and development.

e) All towns are concerned about the need to sustain retailing and services in town centres.

f) Many small towns have a long history and important heritage and cultural assets which makes them important to tourism in Scotland.

g) Business groupings and associations, together with community and voluntary groups, represent considerable potential in assisting towns to take forward regeneration and development programmes and projects.

h) Improved transport links which have served to increase access to cities and larger towns have both increased job opportunities and opportunities in private sector investment, particularly in the residential market. Nevertheless, in a time of rising fuel prices, reliance on access/improvements by road makes such towns vulnerable.

i) Towns are active in exploiting economic opportunities available to them. These relate to renewable energy, tourism, locational advantage, place differentiation and encouraging private sector investment in commercial activity and in the provision of housing.

j) A great deal more effort and resources are required to provide more value-added economic development and diversification and the need to sustain retailing in small towns.

Social

a) Many towns act as key local service centres. Shops and services in many town centres are under considerable pressure from out-of-town supermarkets and the attractions provided by cities.

b) Small towns have pockets of deprivation and there are particular issues of disadvantage in former mining and declining manufacturing towns and towns located in rural areas and Islands.

c) The Scottish Index of Multiple Deprivation does identify some of the areas of deprivation in small towns. However, the Index seriously underestimates the level of disadvantage because of limitations in statistics used and the geographical areas covered. Another mechanism is required to supplement the Index to identify the needs of rural areas and small towns.
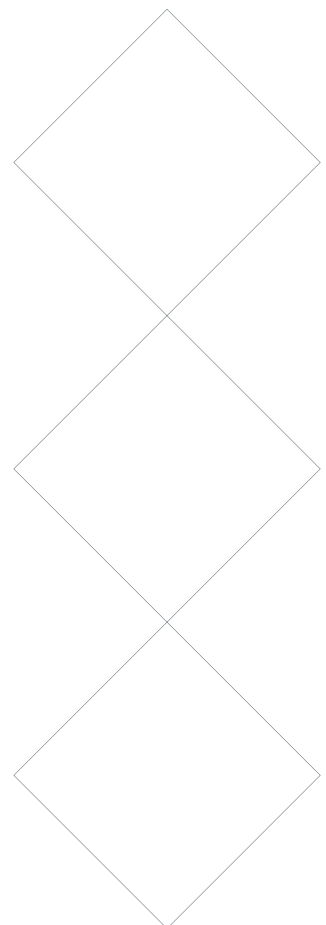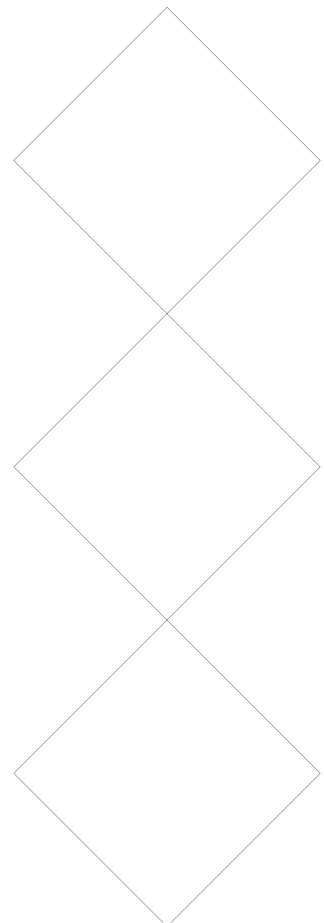
d)   Many of the support service agencies present in larger urban areas do not exist in small towns. Those in need are less well catered for in many small towns.

e)   Voluntary and Community Groups are important and growing in many of the small towns. These are playing a central, often leading role, in tackling economic and social inclusion issues, often in partnership with local authorities and the local business sector.

f)   There is a need to continue to build the capacity of the community and voluntary sectors, to encourage more volunteering and to maintain and enhance funding from the public sector. There is also a need to involve the community and voluntary sectors more strategically in taking forward the development and delivery of services in towns. National agencies are increasingly driven by national priority and may not be able to contribute effectively to local Community Planning Partnerships. This frustrates local community involvement.

g)   The main social challenges facing small towns cover the need to tackle youth issues, (by providing more educational, social and cultural facilities); develop joined-up, town-wide approaches to the delivery of public services; ensuring that areas of disadvantage do not become cut-off and isolated from the more prosperous areas of a town and tackling issues in the more disadvantaged towns such as isolation, poor health, high levels of drug and alcohol abuse, and relatively high unemployment.

Physical

a)   Small towns have all experienced, to varying degrees, a detrimental physical impact caused by retailing changes from out of town centres, or retail outlets in nearby major towns or cities, together with transportation changes, changed economic conditions, and a growth of residential development pressure.

b)   The biggest physical common challenge facing small towns is the deteriorating fabric of town centres. This is shown by features such poorly maintained buildings (including landmark buildings), chaotic street signage, varying quality of street furniture, 'tired' streetscapes, shop fronts in poor condition, a great deal of undistinguishable infill and some gap sites.

c)   The market depression and failure aspects of physical deterioration are intensified in former mining and declining manufacturing towns and towns in rural areas and Islands.

d)   Small towns have many assets with notable architecture arising from their history.

e)   There have been no nationwide building-condition surveys undertaken for town centres to ascertain the exact scale of the physical decay in buildings, or to cost repairs and regeneration.

f) In the Scottish Borders it is estimated that over £300 million of works in the private sector realm are needed for Border towns to arrest further decay, whilst over £1 million per Border town of public sector investment is also needed at 2004 prices. Extrapolating these costs estimates to other Scottish towns suggests a huge investment requirement from both the public and private sectors.

g) The problem of physical decay in towns is exacerbated by escalating building repair costs due to a shortage of affordable traditional building materials; shortage of skilled tradesmen; and the parabolic increase in speed of deterioration for affected buildings. Other issues include:

  ◆ Local authority difficulties in serving statutory repairs notices/fear of picking up unknown costs/complexity of organising 'back-to-back' deals;

  ◆ Difficulties in sourcing sufficient public sector finance for any public realm 'conservation deficit' or for providing grant assistance for building restoration;

  ◆ Many traditional properties being too small for modern commerce and constrained by listing or intermediate stair access;

  ◆ Lack of revenue for maintenance of a high quality public realm.

h) The approaches to many towns need attention.

i) Local government powers to tackle physical deterioration are wide but local authorities are constrained by a lack of both financial and staff resources. Moreover, use of Building Acts does not ensure appropriate maintenance of buildings, and can lead to the removal of features of architectural merit, creating safe, but unattractive (boarded/shored) buildings and, at worst, require the removal of structures, so creating 'safe' but unsightly 'gap' sites.

j) There is no requirement on owners of prominent non-Listed buildings, even in Conservation Areas, to ensure the proper maintenance of their sites. Existing Planning, Environmental Health and Building Acts' legislation provides only slow, staff-intensive recourses to often inadequate actions.

k) The quality of the natural environment in and around towns has been shown in many cases to be very high and is seen as an asset. The challenge is to maintain and enhance this, which has proven difficult in towns where there are considerable development pressures.
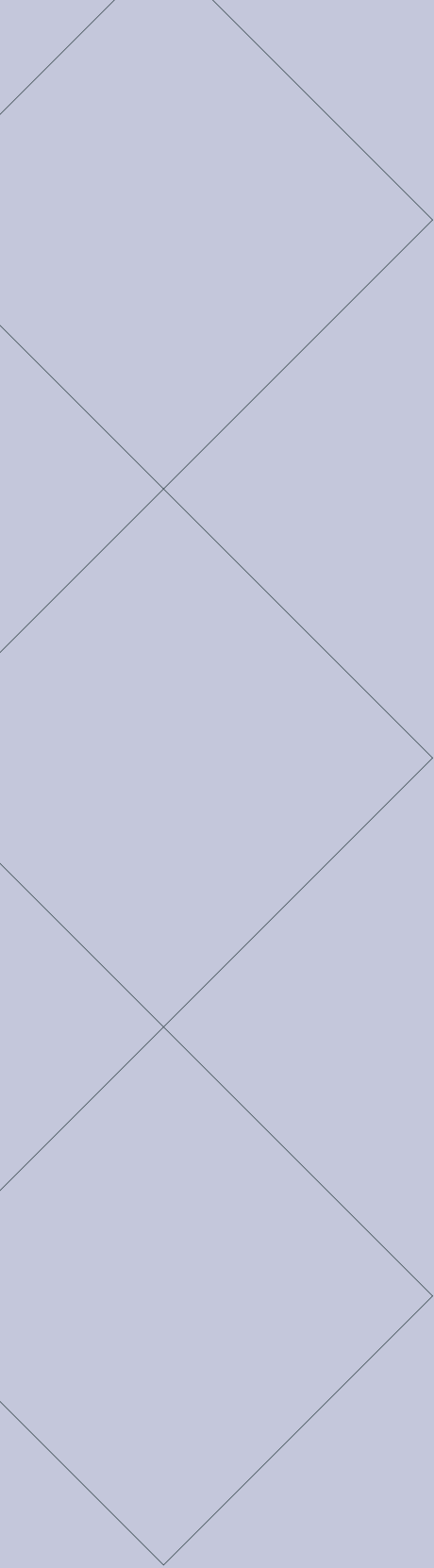
Development and Regeneration Initiatives

a) All towns are or have carried out initiatives aimed at physical, economic and social regeneration.

b) There is no structured process in place across Scotland to systematically learn from such initiatives or for using them for benchmark comparisons.

c) Successful initiatives have often been carried out in partnership and have involved local authorities, local enterprise companies, business, community and voluntary groups.

d) In many cases development and regeneration initiatives have tackled only a small part of the problem and a considerable amount of further work is required.

e) The best practice contained in these initiatives points to the need for each town to develop a master plan that would cover the next 10/15 years. This would link into the statutory planning process, but would have as its emphasis a Community Planning approach and identify a programme of investments.

f) There is a major lack of resources to undertake further work sufficient to address the economic, social and physical challenges of many small towns. This problem is worsening with the pending reductions in support from the European Union's Structural Funds, National Regional Aid, the changing role and responsibilities of key national bodies such as Scottish Enterprise and Communities Scotland (see below) and the increasing restrictions on the budgets of local authorities.

g) In a significant number of the surveyed towns, the Lottery's Heritage Fund has been an important source of funding for town centre renewal and for the refurbishment of key buildings. The success of this funding has meant that there is now greater competition for limited funding.

h) It is evident that there needs to be a fund more specifically dedicated to Small Town Re-generation that would permit a more rational and strategic approach to regeneration.

i) There is a lack of knowledge of funding sources for development and regeneration, outwith the mainstream sources such as the National Lottery, Communities Scotland, Scottish Enterprise, Highlands and Islands Enterprise and the Scottish Executive.

Scottish Executive and National Agencies

a) The Scottish Executive has recently focused on cities through the "Building Better Cities" policy. This has been complemented by the creation of a City Growth Fund to support development of Scotland's six cities together with remoter rural areas.

b) The Cities Review only made a passing reference to the contribution of towns to urban policy. With the evolution of spatial policy thinking now on city regions and metro-regions it is crucial that the contribution of small towns is understood and developed. The Scottish Executive has no portfolio focus or champion for small towns.

c) SPP8 (Town Centres and Retailing) recognises the need to retain town centres as part of a successful urban development strategy and advocates partnerships and town centre strategy approaches. In advocating 'health checks', town centre strategies, management programmes and multi-sector partnerships in a scenario of limited and declining public resources and skills, there is, of course, scepticism as to how much can be achieved across the vast majority of Scotland's small towns.

d) The Scottish Executive, with the assistance of the Scottish Agricultural College, has recently carried out research into the economic linkages between small towns and surrounding rural areas. The findings highlight the importance of small town linkages to their hinterland, of local economic development and added value, of encouraging local retailing initiatives, and of improved public transport linkages. There has been no indication as yet by the Scottish Executive that any policy changes or actions have been taken on the basis of this research.

e) Scottish Enterprise's Local Enterprise Companies (LECs) have been involved in a range of partnership regeneration projects in small towns throughout their administrative area.

f) A recent review of Scottish Enterprise has been undertaken and this is resulting in a focus of investment on key industrial sectors and city regions as the drivers of economic growth which has reduced the priority economic and physical development and regeneration interventions in small towns.

g) Scottish Enterprise is prioritising economic development and is reducing its role in the physical aspects of regeneration.

h) Such demarcation has resulted in a gap in resource support for physical and economic regeneration as it affects small towns, because Communities Scotland focuses on people-based community regeneration, assisting socially excluded groups in areas of deprivation.

i) Support for the retail sector is difficult for Scottish Enterprise to address because of displacement issues and because of its change in policy priorities.
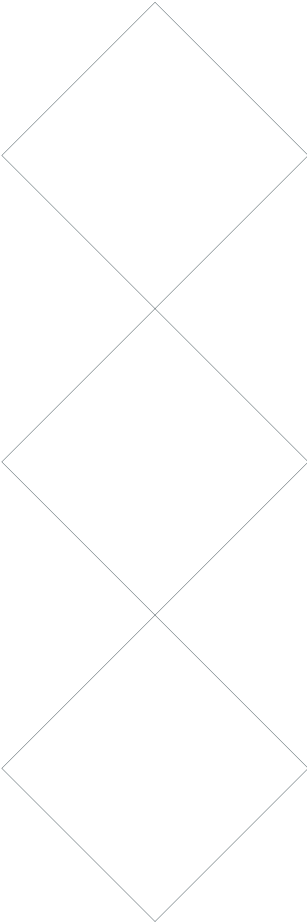
j) Highlands and Islands Enterprise (HIE) has, however, successfully practiced an economic and social remit and has more of a policy focus on rural development.

k) In its 'Smart Successful Highlands and Islands' policy document, HIE has indicated that it is giving priority to '5Ps' which includes 'Place'.

l) Despite the priority given to place, HIE does not have a strategic policy focus on towns. However, at the local level, its Local Enterprise Companies give towns prominence. This is assisted by HIE being able to carry out both economic and community regeneration (unlike Scottish Enterprise).

m) HIE recognises that it is vital that there is a shared vision on small towns and that this can be achieved through the Community Planning process, and that there is a need to recognise the economic reality of the role of towns and the limited amount of investment funding available.

n) HIE recognises that there is potential to relocate both businesses and smaller Governmental offices to small towns such as Moray, using the opportunities arising from information technology and broadband, together with the proximity of air transport links such as Dalcross, Inverness.

o) HIE believes it is important to provide a welcoming environment for migrant workers as part of economic development and to increase population, and that small towns have an important part to play in this.

p) Communities Scotland now has the main remit for regeneration in Scotland outside the Highlands and Islands. Its main regeneration instrument is the Community Regeneration Outcome Agreement. However this funding is restricted in practice to people-based social exclusion support in the worst areas of deprivation, as defined by the Scottish Index of Deprivation.

q) For some towns, Community Regeneration Outcome Agreement (ROA) monies from Communities Scotland have been available to assist in tackling social inclusion issues, but this is focused on social housing areas and not the regeneration of town centres which are main meeting place for the community as a whole. Many small towns are not eligible for ROA monies, despite having low wages, limited access to employment opportunities, an imbalanced population and difficulties of access to services.

r) VisitScotland (VS) does not have a specific policy for small towns. However it recognises that small towns have an important part to play in the overall tourist product in Scotland.

s)   In order to ensure small towns play their part in contributing to developing tourism in Scotland, VS considers the following actions are required:

   ◆ Clarify the role of small towns, their purpose, defining qualities, services, attractions, unique events/products;

   ◆ Assess the quality of product being offered in order to ensure high standard, including person-person, service delivery, multi-media information availability and quality visitor accommodation;

   ◆ Identify potential opportunities such as local events/ attractions throughout the year, the promotion of traditional culture and heritage, business tourism (eg conferences), and the development of an overall theme for attractions;

   ◆ Consider opportunities to restyle Tourist Information Centres as Information Centres with other services such as internet cafes, libraries and Council information/service centres;

   ◆ Support the development of local integrated web sites (as exemplified by the island of Colonsay);

   ◆ Provide person-person skills-training for tourism providers and business/retail operators and seek greater engagement from retailers with special events and provision of 'bespoke' services, and demonstrate advantages to retailers;

   ◆ Assess possibilities for links to other towns and the formation of clusters of local small towns, by working together to address town centre management, promotion etc;

   ◆ Work with VisitScotland in the provision of annual data on town vitality/viability, ensuring that local and regional Tourism Action Plans highlight the role of small towns.
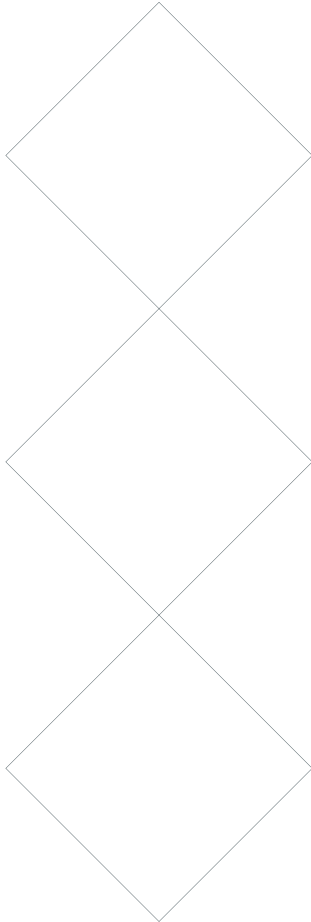
1   Introduction

1.1   Small towns are a key element of the economic, social and historical tapestry of Scotland. There are several definitions of Small Towns (Reference 1). There are 262 with a population of between 2,000 and 20,000 inhabitants which constitute around a third of the Scottish population.

1.2   The aim of this paper is to present evidence on the challenges and issues being experienced by small towns in Scotland and to make recommendations on how they can be better supported by the Scottish Executive, national agencies and local Community Planning partnerships.

2   Background
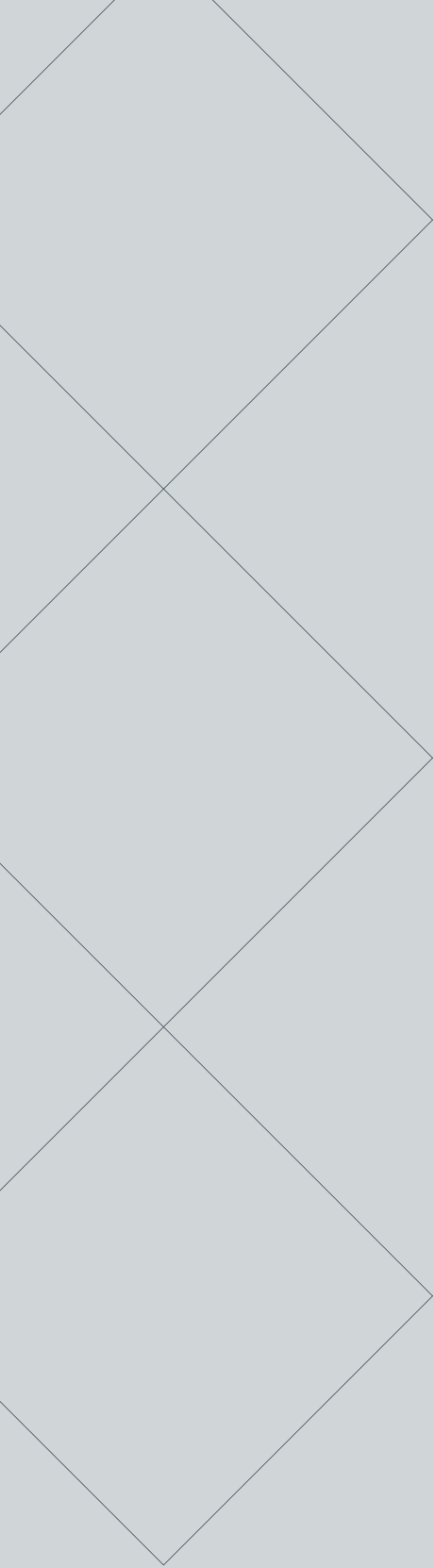
2.1   In recent years the challenges facing Scotland's small towns have been highlighted by a number of bodies including the Association of Small Towns in Scotland (ASTIS) and the Historic Burghs Association. On 17 September 2004 'The Small Towns under Threat Conference' was held at Tweed Horizons, St Boswells. This was organised by the South of Scotland Alliance with the support of the Convention of Scottish Local Authorities. The event attracted around 100 participants from across Scotland and the North of England. Delegates heard from a range of speakers about issues, challenges and the community initiatives designed in response.

2.2   The conference concluded:

- There is a backlog of investment needed in the public realm of our small towns;
- Vulnerability and fragility is a threat facing many small towns;
- We should learn from the Market Towns Initiative in England;
- A robust evidence base is needed to highlight the issues and challenges facing small towns in Scotland;
- There is a need for Scottish Executive commitment and funding to the development of small towns;
- Communities need to fully engage to ensure local support and to help guide local aspirations as well as taking account of the strategic dimension;
- Linkages should be developed with other small town networks across Europe.

2.3   As the result of the SoSA Conference on Small Towns, a Scottish Small Towns Task Group was established. The Task Group is supported by COSLA and is administered on behalf of the SoSA by Scottish Borders Council with the involvement of Dumfries and Galloway Council. The Task Group is chaired by Ian Lindley, Director of Planning and Economic Development, Scottish Borders Council.

2.4   The first meeting of the Task Group was held in May 2005 and it was agreed that its remit would prepare the evidence base to:

- ◆ Highlight the issues and challenges facing Scotland's small towns;
- ◆ Clarify responsibilities in the Scottish Executive for small towns;
- ◆ Make the case to the Scottish Executive for a Small Towns Review (similar to the Cities Review) ;
- ◆ Bring together good practice case studies on the development and regeneration of small towns.

3   Methodology

3.1   As the work of the Task Group progressed it became clear that there was a need to bring together socio-economic and environmental information on small towns and to specifically gather information on the physical condition of buildings and the public realm. This information would then form the basis for structured discussions with the Scottish Parliament, the Scottish Executive and other national agencies on the need for policy support and the resource requirements.

3.2   The Task Group agreed that evidence should be gathered through use of a questionnaire survey of Scottish Local Authorities. The survey required each local authority to complete a pro-forma for two small towns each with a population of between 2,000 and 20,000 in each local authority area. The pro-forma (see Appendix 1) covers information on the type and origin of each town, its population, economy, social aspects, the built and natural environment and recent and current town-based initiatives. In addition to completing the pro-forma, local authorities were asked to send relevant reports on small town initiatives in their areas.
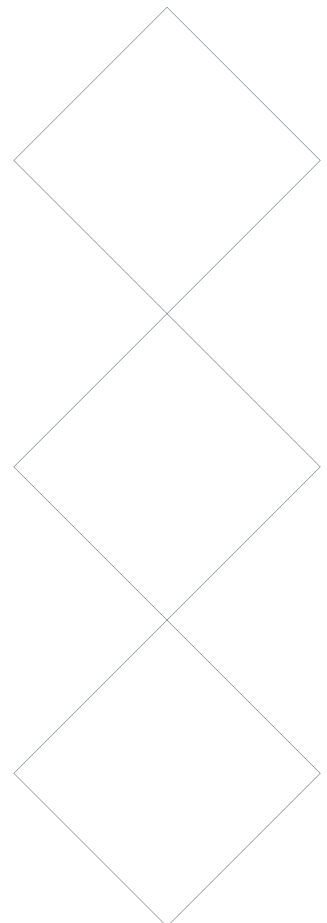
3.3   The questionnaire survey was undertaken between October 2005 and February 2006 and returns were received from 20 local authorities covering 33 towns with a combined population of 297,038.

3.4   The Task Group agreed that this survey would be supplemented by information from fact finding meetings with the Scottish Executive, Communities Scotland, Scottish Enterprise, Highlands and Islands Enterprise, and Visit Scotland, which were also undertaken between October 2005 and February 2006.

3.5   Additional information has been drawn from publications submitted by the local authorities, information provided from the 'Small Towns under Threat' conference, evidence submitted by Scotland's local authorities to the Scottish Parliament's 'Inquiry on Accessible Rural Areas' (8 June 2005) and experience from the Market Towns Initiative in England.

3.6   This report has been compiled and structured around the results of the questionnaire survey. It is recognised that each town will have specific issues which arise from its origins, location, economic activity and social concerns. This report highlights the issues common to all the surveyed towns.

4   Small Towns in Scotland

4.1   Small towns serve their surrounding hinterlands to varying degrees through the provision of services and employment. Research (Reference 2) confirms that small towns are drivers of the rural economy and their success is critical to the success of their hinterland. Within this context, the Task Group's survey results can be categorised according to the location of small towns in relation to economic activity and distance from cities. This general model is supplemented by local data to define the unique attributes of each town, (see Appendix 4).

4.2   The four categories include towns:

- within 30 miles of cities with good transport links and with a relatively large commuter population (such as Queensferry, Bo'ness, Haddington, and Lanark);
- with declining traditional industry which are on the edge of cities (such as Barrhead, Denny, and Alexandria) or relatively remote from city influences (such as Auchinleck, Newmilns, Wick and Hawick);

◆ relatively beyond the influence of cities and other major towns and which act as the main market towns/service centres for their surrounding areas (such as Newton Stewart, Campbeltown, Girvan, Brechin, Kirriemuir, Crieff and Lockerbie). A number of these towns also act as tourist centres;

◆ which are both seaports and service centres, located on islands (such Kirkwall, Stromness, Stornoway and Lerwick).

4.3 Many small towns have a long history and have important heritage and cultural assets which are valued as social, tourist/economic and investment centres. Their continued protection and enhancement is the key to their success as desirable places in which to live, work and visit.

> The Royal and Ancient Burgh of Queensferry was established in the 11th century and in 1576/7 was made into a 'burgh of regality'; Dumbarton dates from before the 12th century and Kirkwall and Stromness have exceptional historic centres, designated as Outstanding Conservation Areas.
>
> Kirkwall is an outstanding example of a Norse-derived medieval street layout. Contemporary buildings have been erected on the Norse village that developed in the 11th and 12th Centuries around St. Magnus Cathedral.

Conclusions

4.4 Four categories of small towns have been identified based on economic and geographic factors related to distance from cities. Small towns provide a valuable range of services to their hinterlands and are drivers of the rural economy. Those with stronger relationships to larger urban areas provide labour, services and housing choice for commuters and city dwellers. Many small towns are valued for their historic/cultural identify and are key to Scotland's positive tourist image and economy. Small towns have a vital role to play in the social, historic/cultural, economic and environmental functions of the nation.
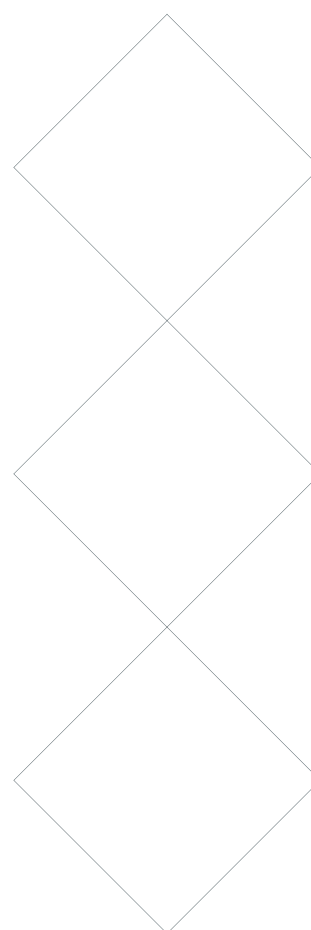
5   Population of Small Towns

5.1   The analysis of population levels in towns is complicated by expanding town boundaries, which makes their comparison complex. Indeed, the varying definitions of small towns (Reference 1) change the population they encompass from 17% to at least a third of the Scottish population. Further analysis of small town population/boundaries is required to understand the economic and social trends of Scotland.

i   Towns Within 30 Miles of Cities

5.2   Based on the Task Group's survey findings a large number of towns which are close to cities are distinguished by having high levels of commuting, and a relatively young, more balanced and growing population, compared with other towns. This is exemplified in the cases of Queensferry, Haddington, Bonnyrigg and Helensburgh. Here the option of relatively easy commuting provides more employment opportunities to often higher value/income jobs, and leads to a relatively higher proportion of economically active people.

5.3   In these towns, pressure for development raises a number of challenges, including the need to maintain the sense of cultural/historic identity to balance any dormitory role, with the need to encourage and support/exploit niche market roles for the rich mix of commuter town population, whilst maintaining service roles for local people.

> Bonnyrigg's population is set to increase by 2,700 over the next 13 years. The population in 2018 is estimated at 17,200.

ii   Traditional Industry Towns

5.4   Declining traditional industrial towns on the outer edge of city influence and beyond, feature falling and ageing/ age-imbalanced populations. Examples of these include Lesmahagow, Hawick, Girvan, Auchinleck and Newmilns. They also include fishing ports such as Wick.

> Girvan suffers from a population pattern that is ageing and emigration of younger and more economically active people. The 2001 show that the percentage of residents over the age of 60 was 26.54 compared to the Scottish average of 21.07 (i.e. more than 26% higher than the Scottish average).

iii   Towns Beyond the Influence of Large Urban Areas

5.5   Towns which are relatively outside the influence of cities and other major towns act as important service and employment centres for their surrounding areas but they tend to have a static or declining and ageing population, such as Campbeltown, Newton Stewart and Brechin. Exceptions to this are towns which are considered to offer a high quality place for retirement and also act as tourist centres, such as Crieff and Kirriemuir.

> Newton Stewart has experienced a decline in the number of young people and an increase in the elderly population. There is a trend of out-migration among the young and talented.
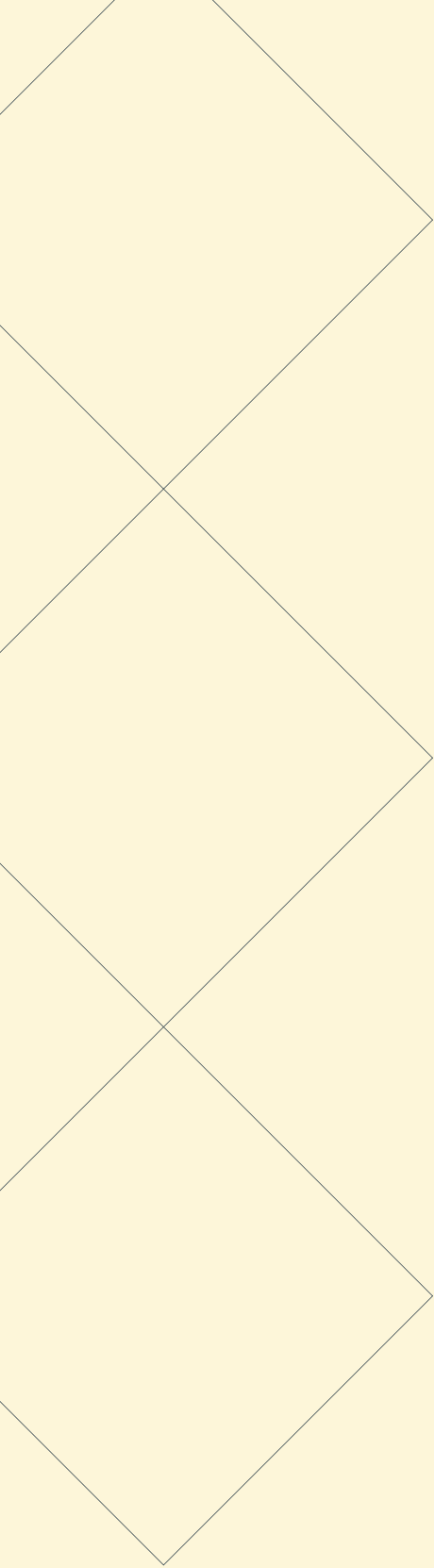
iv   Island Towns

5.6   Island towns have been expanding due to population moving in from more remote areas and many have experienced improved economic activity. This is exemplified in Lerwick, Kirkwall, and Stromness. Stornoway is notable in experiencing both in-migration from surrounding rural areas and continuing out-migration, primarily to the UK mainland, because of the particularly fragile nature of the economy of the Western Isles.

Conclusions

5.7   Expanding commuter towns/those based on the edge of cities enjoy a more affluent population with opportunity to exploit niche markets, especially (but not exclusively) where historical/cultural factors support tourism. These towns need to balance demand for them to act as dormitory towns with the need to continue to provide local services for less mobile/less affluent local people.
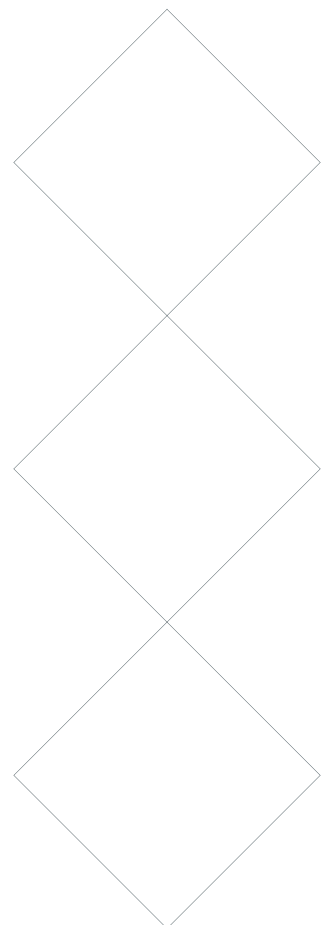
5.8   Declining towns and more remote towns suffer ageing populations and age imbalance, which is occasionally countered by tourism. Island towns can grow with rural depopulation whilst the island as a whole still loses population to the UK mainland. Small towns, therefore, cannot be lumped into one category; local circumstances create variety and any policy support needs to be sensitive to that variety.

6   Economy of Small Towns

6.1   All towns featured in the survey have a local economy to a greater to a lesser degree, (see Appendix 5) and the continued development of their local economy is therefore important for their future prosperity. Even in those towns that are close to cities, there is a strongly held view that a thriving local economy is important for their vitality. If towns are to succeed in terms other than purely dormitory roles, they need to provide a vibrant service function for their visitors, investors, commuters and their own hinterland.

6.2   Many of the economies of small towns are dependent on a limited range of industrial sectors or businesses. A large number of towns still have a manufacturing component which is in decline but remains important for their economic well being. This is exemplified in Hawick, Girvan, and Campbeltown. There is also a large dependence on public sector jobs in many towns as shown in Helensburgh, Campbeltown, Newton Stewart, Kirriemuir, Barrhead, Haddington, Kirkwall, and Alexandria.

6.3   Towns which are dependent on manufacturing are concerned about the prospects for their companies, which are governed by external and global markets and ownership factors. Such towns are often vulnerable to job losses and the loss of complete businesses.

6.4   Towns that are relatively close to cities have more job opportunities. The strength of the city economy is particularly important to these towns, but it is evident that the economy of Edinburgh is much stronger than the economies of Glasgow or Dundee. This is reflected in the employment opportunities available to the inhabitants of towns which surround them.

6.5   Improved transport links, which have served to increase access to cities and larger towns, have both increased job

opportunities and opportunities in private sector investment, particularly in the residential market. This is highlighted by Haddington, Dunbar, Denny and Bo'ness, and in places such as Lockerbie, Newmilns and Lesmahagow, where improved transport links are increasing interest in the private housing market. Nevertheless, in a time of rising fuel prices, reliance on access/improvements by road can make towns more economically and socially vulnerable.
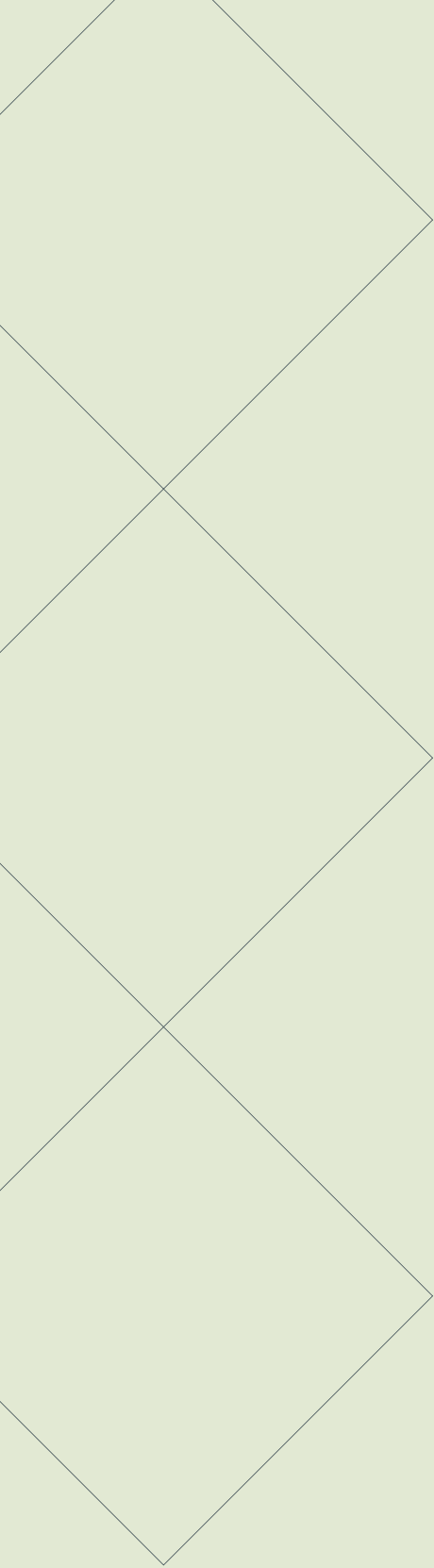
> Employment is helped in Lockerbie by commuting to Dumfries and M74 corridor to Carlisle and Glasgow.

> Lesmahagow lies adjacent to the M74, making it an attractive location for commuters to Hamilton and Glasgow as well as a role as a local centre. In recent years there has been a major expansion of private housing.

6.6   Although economic development and diversification is proving difficult, there is evidence that small towns are active in exploiting economic opportunities that are available to them. These relate to:

- **Renewable energy.** Campbeltown has a manufacturer of wind turbines; Lockerbie is home to the Eon Bio-mass power station; and renewable energy has become an increasingly important employer for Stromness in Orkney. Wick has started to pursue the development of renewable energy through a proposed district heating scheme utilising an innovative wood fired combined heat and power system based on the Pulteneytown Distillery.
- **Locational advantage.** Queensferry has started to capitalise on its strategic location at a key point in Scotland's communication network, with good links to the economic growth areas of Edinburgh, West Lothian and Fife.
- **Tourism potential.** Alexandria is looking to take advantage of the spending power of tourists and day visitors to the Loch Lomond area. Newton Stewart is developing nature and outdoor tourism in its surrounding area. Kirriemuir is looking to exploit its linkages to the Angus Glens and Cairngorms National Park, and Hawick is developing a genealogy centre to
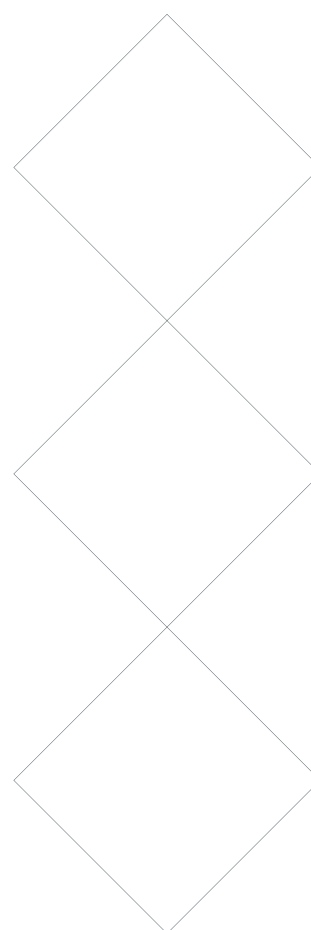
attract visitors tracing their family history - a rapidly expanding area of tourism.

◆ **Place differentiation.** There is a recognition that many towns need to differentiate themselves in terms of distinctiveness and quality in order to attract both tourists and private sector investment. Some of these towns have taken a themed approach. Wigtown, Scotland's 'book town' in Dumfries in Galloway, has transformed a small declining town that had suffered from the closure of its largest employers into a vibrant town with a positive outlook. This 'themed' approach is being followed by other towns in Dumfries and Galloway with the themes of 'food' in Castle Douglas, 'arts' in Kirkcudbright and 'health' in Moffat.

◆ **Encouraging private sector investment.** New investment in commercial activity and in the provision of housing is exemplified in Helensburgh, with the work on the harbour redevelopment, and Newmilns in terms of the encouragement of private sector housing.

6.7   Most of the towns surveyed had strong business groupings and associations and many are active in the regeneration of their towns. These business groupings and associations, together with community and voluntary groups, represent considerable potential in assisting towns to take forward regeneration and development programmes and projects.

> Alness Business Association is extremely active, marketing the town as a business centre and working to offset the pulling power of Inverness.

6.8   The main economic challenge facing small towns can be summarised as the need for more value-added economic development and diversification and the need to sustain retailing in their town centres. The scale of this challenge depends on the typology of the town (see paragraph 4.2 above). The greatest problems are in former mining and declining manufacturing towns and towns in rural areas and Islands which are less accessible to cities.

Campbeltown's isolated location means many businesses depend primarily on the local market with low margins and low productivity enterprises. It is a fragile economy with low employment, low average wage and susceptible to shocks from redundancies which can have a larger multiplier effect than in other locations. There is a lack of managerial/professional jobs and training and business development are keys to future success.

Auchinleck - As with other towns in the former coalfield, Auchinleck is facing an uncertain future. It has lost its major employers (the mines), whilst the population is ageing, as many young people move away to find jobs.

Dalkeith - The town centre faces the twin threats of out-of-town shopping centres and Edinburgh city centre. A supermarket development mid way between Dalkeith and Bonnyrigg has depressed Dalkeith town centre which has subsequently lost its supermarket. There has been a considerable decline in the range and quality of shopping provision in Dalkeith since 1990.

6.9 A small number of towns are dealing with considerable development pressures. Examples are located mainly around Edinburgh and include Queensferry, Haddington, and Dunbar which are very attractive to commuters. The challenge facing these communities is to avoid congestion, loss of unique historical/cultural/architectural qualities and the need to serve a local hinterland, including the less economically active or mobile.

In Dunbar the population since 2001 has risen by an estimated 15% due to new housing which has also required reorganisation of medical facilities, an expanded secondary school, and has created pressures on primary schooling.
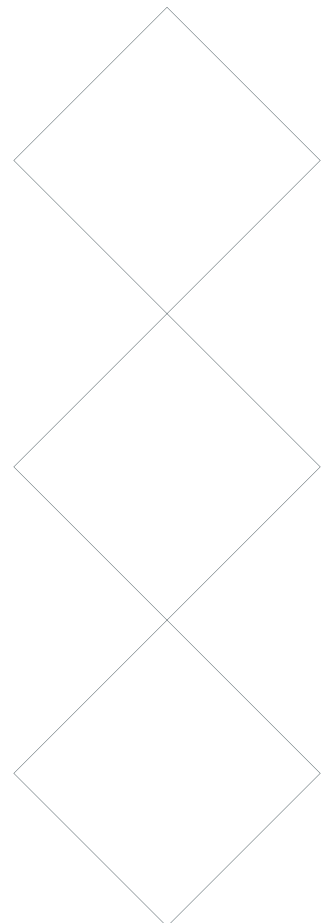
Conclusions

6.10   The development of the local economies of small towns is important for their future prosperity. Even in those towns that are close to cities, there is a strongly held view that a thriving local economy is important for their vitality. In towns close to urban areas, and those with stronger commuter roles, there is considerable demand from local communities to protect local service provision and sense of local identity.

6.11   Many of the economies of small towns are dependent on a limited range of industrial sectors or businesses. A large number of towns still have a manufacturing component which is in decline but remains important for their economic well being. The greatest problems are in former mining and declining manufacturing towns and towns in rural areas and Islands which are less accessible to cities.

6.12   Towns are responding to the decline of traditional economies by supporting existing businesses and diversification into new areas such as renewable energy. They are developing niche markets linked to tourism and adding value to natural and cultural assets which demand place differentiation, a celebration of unique quality and support for success.

6.13   Despite this work, a great deal more effort and resources are required to tackle the economic challenge facing small towns which can be summarised as the need for more value-added economic development and diversification and the need to sustain retailing in their town centres. Many small towns serve a local hinterland but, for the less mobile, pressures from nearby urban areas/out of town retail centres have reduced local quality and choice of service provision.

6.14   Business groupings and associations, together with community and voluntary groups, represent considerable potential in assisting towns to take forward regeneration and development programmes and projects.

6.15   Improved transport links, which have served to increase access to cities and larger towns, have both increased job opportunities and opportunities in private sector investment, particularly in the residential market. Nevertheless, in a time of rising fuel prices, reliance on access/improvements by road can make small towns more economically and socially vulnerable.
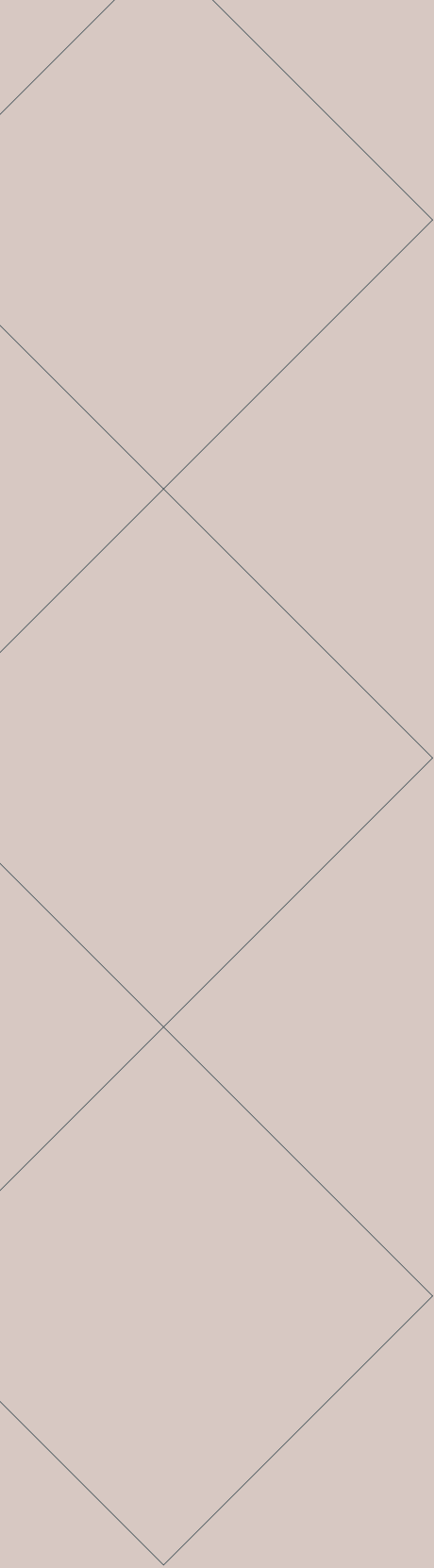
7 Social Aspects of Small Towns

7.1　Many of the towns act as key local service centres. Shops and services in town centres are under considerable pressure due to out of town supermarkets, large retail stores and the attractions provided by cities. In some towns (such as Helensburgh and Dalkeith) there is a need for considerable investment to update public services.

> In Helensburgh the Clyde Centre, a once valued resource for sports clubs and other groups is in such a poor state of repair that is no longer in use. The swimming pool is a 1970s building and is in need of replacing.

7.2　There are pockets of deprivation and disadvantage to a greater or lesser degree in all the small towns surveyed. It is evident there are particular issues of disadvantage in former mining and declining manufacturing towns and in more remotely located towns. This is shown by the incidence of low wages, lack of employment opportunities, an ageing population with a loss of young people, and accessibility to services issues.

7.3　The Scottish Index of Multiple Deprivation (SIMD), which is used by the Scottish Executive (principally Communities Scotland as its main regeneration division) and other agencies to allocate additional resources, does identify some of the areas of deprivation in small towns, especially in the former mining communities. However, SIMD seriously underestimates the level of disadvantage in small towns in more rural areas by omitting factors such as population, wages, and access to economic opportunities and underplaying access to services. Whilst deprivation exists, therefore, its presence is masked whilst many of the support service agencies present in larger urban areas do not exist in small towns. Those in need are less well catered for in many small towns. The nature of datazone boundaries used to define SIMD areas includes areas peripheral to urban areas in small towns and can encompass large rural hinterlands. As such, it is difficult to identify statistics relevant to small towns. Another mechanism is required to supplement SIMD to identify the needs of rural areas and small towns.
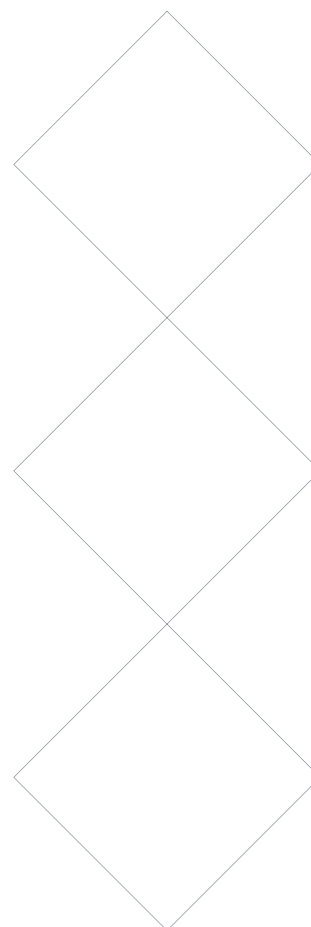
7.4 Voluntary and Community Groups are important and growing in many of the small towns. These groups are involved in a wide range of initiatives, often in partnership with local authorities and the local business sector. There is evidence to show that a strong sense of place encourages community and voluntary participation as evidenced in both Hawick and Lanark.

The community and local voluntary sector is healthy in Girvan with a wide variety of groups. Community regeneration activity has assisted local groups to access funding and this has led some groups to become more sophisticated and able to tackle larger scale projects. Girvan Youth Trust and Girvan Community Developments Ltd are two such examples.

In Haddington there is interlinking and partnership working between the Council and community based groups, trusts and voluntary organisations.

Lanark has a rich array of community groups. Lanimers Day has been held in the town for over 800 years. While there are a few individuals who are members of more than one organization, the groups in the main do not suffer from a lack of members.

The Alness Initiative has overseen the regeneration of the town over the last decade becoming involved in environmental improvements and heritage led projects. In 2003, the town won a Dynamic Place Award and the commendation below summarises the success of the local community.

"The transformation of this Highland town is the result of an extraordinary sustained effort by the whole community. Under the guidance of the Alness Initiative, numerous local groups and organizations, supported by the local authority, businesses in the area and funding from many sources, have enhanced the town with innumerable planting, streetscaping, parkland and construction projects, transforming the town's somewhat negative reputation to that of a community where people and businesses want to settle. In the process Alness has also become a much visited tourist attraction."

7.5   Within the towns, however, there is a need to continue to build the capacity of the community and voluntary sectors, to encourage more volunteering and to maintain and enhance funding support. There is also a need to involve the community and voluntary sectors more strategically in taking forward the development and delivery of services in towns, (Reference 7).

In Lanark the main issues for community groups are coordination and capacity building. Improving community capacity would improve outputs and enable more to be delivered for less. Groups are competing for resources, both in terms of direct financial support and for operational/logistical support from South Lanarkshire Council. Whilst this initiative has merit in its own right, there has been no overall assessment of the social or economic impact of these initiatives on the town, and there is no overarching strategy for delivery of the various events and initiatives. An overall strategy would help address issues of coordinating resources to ensure better value, and would also increase the likelihood of successful funding applications.
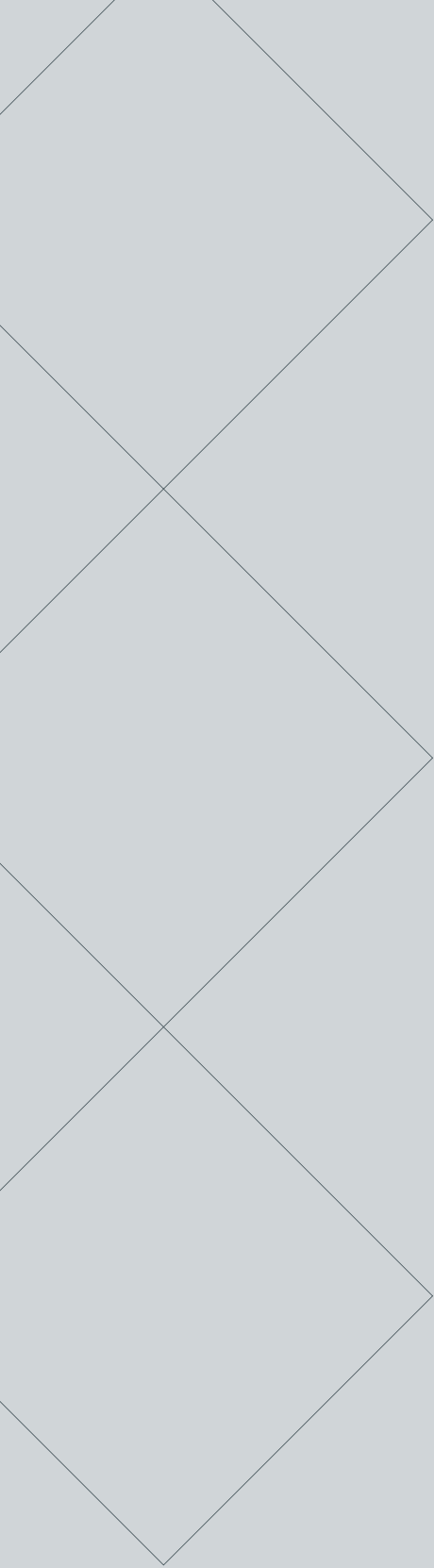
7.6   The main social challenges facing small towns identified from the Task Group's survey can be summarised as follows:

◆   Tackling youth issues by providing more educational, social and cultural facilities;

◆   Developing joined-up town wide approaches to the delivery of public services when these are often currently delivered in fragmented and compartmentalised way;

◆   Ensuring that areas of deprivation do not become cut-off and isolated from the more prosperous areas of the town particular in more affluent towns;

◆   Tackling issues in the more disadvantaged towns such as isolation, poor health and high levels of drug, alcohol abuse and relatively high unemployment.

Conclusions

7.7   In some towns, ageing public facilities need to be urgently updated to serve a local population and to support civic pride in communities. Where towns have suffered economic decline, their future success demands positive investment and support. In many small towns, disadvantage exists but
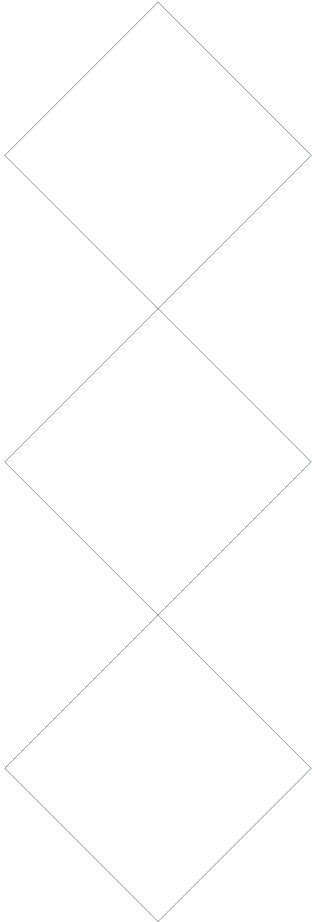
is masked by use of current Indices of Deprivation in the Scottish Index of Deprivation. Small towns, with a percentage of higher earning, highly skilled individuals such as commuters, fail to trigger support for their disadvantaged population who are left behind by new developments. Those suffering disadvantage are not as easily recognised or catered for as in larger centres of disadvantage. Another mechanism is required to supplement the Index to identify the needs of rural areas and small towns.

7.8   Despite economic decline, many communities retain a strong sense of identity and pride and have very active voluntary/community sectors. With support and direction, there is considerable potential to tap that energy and to enable community engagement with repositioning small towns and in carrying out some of the actions needed.

8   The Built Environment

8.1   Small towns have many assets with notable architecture arising from their history. They have all experienced, to varying degrees, a detrimental physical impact caused by retailing changes from out-of-town centres or retail outlets in nearby major towns or cities, together with transportation changes, changed economic conditions, and a growth of residential development pressure. Fine historic structures are being lost, damaging the unique qualities of many small towns and removing many of the features that visitors enjoy and that underpin forecasts for Scottish tourism-related economic success.

8.2   A common physical challenge facing small towns is the deteriorating fabric of town centres. This is shown by features such poorly maintained buildings, including landmark buildings, chaotic street signage, varying quality of street furniture, 'tired' streetscapes, shop fronts in poor condition, a great deal of undistinguishable infill and some gap sites.

8.3   This deterioration in the built environment has a number of origins and causes, including historic construction techniques used in many Scottish towns; complex building ownership arrangements; long-term cost-avoidance by public and private sector interests; competition from out-of-centre sites; market depression/failure; and perceived legal disincentives of sub-dividing under-used property. All affect a large number of small towns, including Hawick and Haddington to name but

two. The market depression and failure aspects are intensified in former mining and declining manufacturing towns and towns in rural areas and Islands.

8.4   There have been no nationwide building-condition surveys undertaken for town centres to ascertain the exact scale of the problem, or the costs of repairs and regeneration. Instead, a number of local authorities have carried out their own more limited surveys and cost assessments. In the Scottish Borders, using a sampling technique set out in Appendix 9, it is estimated that over £300 million of works in the private sector realm are needed for Border towns, whilst over £5 million for Border town public sector investment is also needed at 2004 prices (Appendix 10). East Lothian Council has estimated that in Haddington about £6 million worth of repairs are required in the medieval triangle alone. Extrapolating these costs estimates to other Scottish towns suggests a huge investment requirement from both the public and private sectors.

42% of properties in Hawick were built prior to 1901. An in-depth survey was carried out on a small sample (7%). Of these, 82% had high priority defects. It was calculated that £1.15 million would need to be invested to repair buildings and enhance the streetscape.

51% of properties in Coldstream are older than 1901; a detailed survey on a small sample (20%) revealed that 83% of these have high priority defects. It is anticipated £450,000 would need to be invested to improve the town's built environment.

8.5   The problem of physical decay is exacerbated by escalating building repair costs due to a shortage of affordable traditional building materials; shortage of skilled tradesmen; and the parabolic increase in speed of deterioration for affected buildings. Other issues include:

◆   Local authority difficulties in serving statutory repairs notices/fear of picking up unknown costs/complexity of organising 'back-to-back' deals;
◆   Difficulties in sourcing sufficient public sector finance for any public realm 'conservation deficit' or for providing grant assistance for building restoration;

◆ Many traditional properties being too small for modern commerce and constrained by listing or intermediate stair access;

◆ Lack of revenue for maintenance of a high quality public realm.

8.6 The approaches to towns are also in need of attention in a significant number of towns. Issues include poor signage and the poor condition of buildings and the physical environment.

> The approach to Campbeltown is through bedraggled industrial sites and bleak housing schemes, which create an uncompromising first impression. The focus of recent community attention has been on the entries and exits to the town and the potential that landscaping changes could make to render the approaches to the town more attractive.

8.7 There is a duty of care on all property owners to ensure that any building under their ownership is:

◆ Fit for purpose in terms of everyday occupation and use, such that dangerous conditions do not arise, or if they do they are immediately addressed;

◆ Adequately maintained to avoid actual or potential areas of serious disrepair.

Nevertheless, the complexities of shared ownership can thwart even well intentioned individuals from tackling building decay and discourage construction trades from becoming involved.

8.8 Local authorities have powers to deal with dangerous buildings and buildings in disrepair where the 'duty of care' has been ineffective. Councils are empowered to:

◆ Require owners of property to remove dangerous conditions within a building in order to bring any building into a reasonable state of repair;

◆ Eliminate any actual or potential risk to property owners/ to the building users, or to the public generally;

◆ Require owners of property to rectify defects within a building in order to bring buildings into a reasonable state of repair having regard to their age, type and location;

◆ Extend discretionary grants to include works in buildings in common ownership.

8.9 Whilst these powers are wide in carrying out these duties, local authorities are constrained by a lack of both finance and appropriate skills. Moreover, use of Building Acts does not ensure appropriate maintenance of buildings, and can lead to the removal of features of architectural merit, creating safe, but unattractive (boarded/shored) buildings and, at worst, require the removal of structures, so creating 'safe' but unsightly 'gap' sites.

8.10 There is no requirement on owners of prominent non-Listed buildings, even in Conservation Areas, to ensure the proper maintenance of their sites. Existing Planning, Environmental Health and Building Act legislation provides only slow, staff-intensive recourses to often inadequate actions.

8.11 The quality of the natural environment in and around our towns is in many cases very high and is seen as a positive asset, as exemplified by Newtown Stewart and Crieff. The challenge here is to maintain and enhance this, which is proving difficult in towns where there are considerable development pressures such as Queensferry, Haddington and Dunbar.

Conclusions

8.12 Whilst no nationwide building condition survey has been conducted, evidence suggests that in many Scottish small towns the construction, ownership and maintenance issues have created a time-bomb of physical decay in the private sector. Under-investment in the public realm reinforces the image of decay. Few effective incentives are available. Legal powers of recourse are slow, staff-intensive and ineffective for the vast majority of the building stock when seen against the resources available to regulatory bodies. Appropriate skills in the historic refurbishment businesses are in short supply. In a vicious circle, skills training is needed, yet current support discourages construction trades from offering many work-training opportunities. The capacity of small local firms to grow skills sets and compete for larger jobs remains limited. This reduces potential employment and local spends when development opportunities do emerge. Combined with poor or deteriorating approaches to many small towns, there is a real concern that the overall image and reality of decay
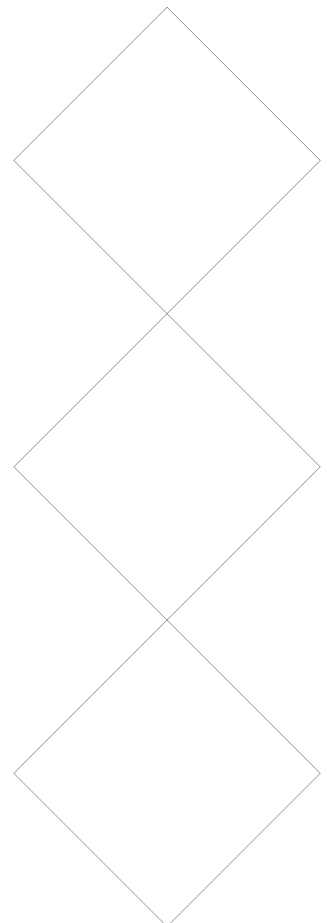
will quickly mushroom. Fine historic structures could be lost at an increasing rate, damaging the unique qualities of many small towns and removing many of the features that visitors enjoy and that underpin forecasts for Scottish tourism-related economic success.

9 Development and Regeneration Initiatives

9.1 Much is being done to tackle the economic, social and physical problems, issues and challenges highlighted above (see Appendix 7). Indeed regeneration and development projects are or have been carried out in all towns surveyed. In many cases these have tackled only a small part of the problem and a considerable amount of further work is required. Many of these initiatives build on a town's assets. For example in Helensburgh, opportunities arise from an urban form which connects the town centre with the waterfront, beautiful suburbs and surrounding hills.

9.2 Every town has a niche or some strength that can be developed. This can be seen in the themed approach to the development of towns in Dumfries and Galloway mentioned in paragraph 6.6 above. The approach involves the clarification of the role of towns by examining their purpose, defining qualities, services, attractions, and unique events/ products. To do this there is a need to understand the relationship of towns with their wider regions, particularly with cities, and to find out how towns can work with other neighbouring towns in a co-operative and complementary way.

9.3 Development and regeneration initiatives in small towns are mostly being carried out in partnership and have involved local authorities, local enterprise companies, businesses, community and voluntary groups. In many cases they have tackled only a small part of the problem and a considerable amount of further work is required.
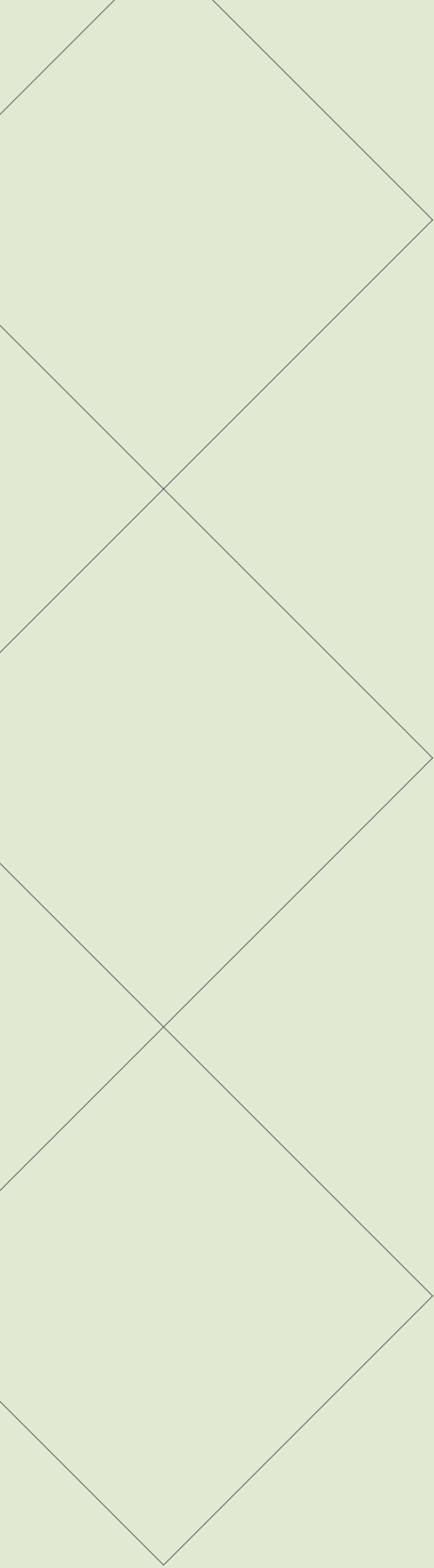
In the Aberdeenshire Towns Partnership, the focus of the first stage of this initiative was on the towns of Ellon, Macduff, Stonehaven, Peterhead, Fraserburgh and Inverurie. This had sought to build on their strengths through community based town action partnerships.

The Highland Council is involved in a Small Towns Network project supported through the European Union's Northern Periphery Interreg IIIB project which links communities in the Highlands of Scotland with those in Iceland, Finland, Sweden, Norway, Greenland and the Faroes. The project had been able to provide 'intelligent interventions' in towns, which were suffering from a downward spiral of decline. Examples include the Inner Moray Firth communities of Dingwall, Alness, Invergordon, and the Kyle of Sutherland in developing visions and development programmes for each area.

9.4   It is evident, though, that there is a major lack of resources to undertake further work and to meet the sheer range and scale of economic, social and physical challenges currently facing small towns. There is no structured process in place across Scotland by which to learn from such initiatives or for using them for benchmark comparisons.

9.5   The best practice contained in these initiatives points to the need for each town to develop a 'Whole Town Plan' that would cover the next 10/15 years and that could provide the basis of a longer term investment plan. The plan might aim to increase the population and/or employment and/or improve social conditions and/or the physical and natural environment. A Plan should complement both the statutory land use planning and the Community Planning processes.

9.6   This 'Whole Town Plan' approach is similar to the Market Towns Healthcheck list used in England, which provides support to English market towns in developing themselves through:

◆   Using a 'Health Check handbook' to identify a town's economic, environmental and social conditions;
◆   Developing an action plan to set out objectives and tackle such conditions;
◆   Providing funded support to employ co-ordinators and manage posts to engage communities with undertaking health checks and action planning, and to assist with the implementation of the resulting action plans.
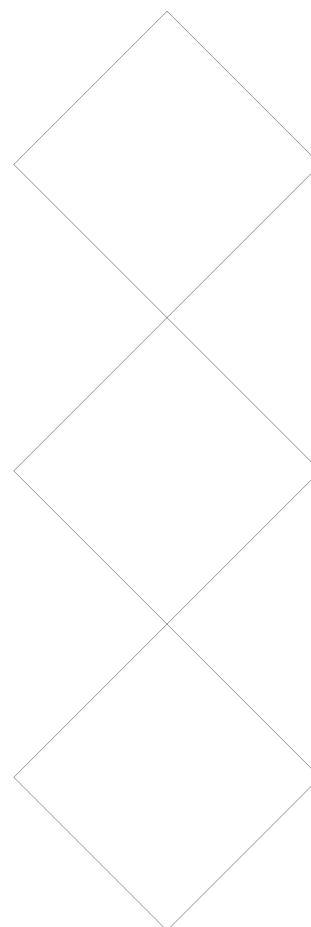
9.7   A Whole Town Plan would identify a range of 'holistic' interventions, including those that could be carried out by the community and business sectors with a minimum of resources. Others would require co-ordination between agencies, whilst others could require significant support and new interventions to address gaps in current funding.

'Quality Retail Scheme' run by the Aberdeen Towns Partnership (ATP) in Peterhead provides grant aided improvements for buildings, their frontages, fascias and signage, but on the basis that applicants commit themselves to a Business Improvement Programme aimed at enhancing the performance of business areas such as customer care, IT, training and marketing.

9.8   Whole Town Plans or health check approaches will only work if there are clear routes to adequate resources to take forward initiatives and tackle market failure. Key findings from Countryside Agency research (Reference 3) demonstrate that access to Government funding was crucial to the success of the English Market Towns Initiative. The lack of such support in Scotland is a cause of concern and is worsening with the pending reductions from the European Union's Structural Funds after 2006, the changing role and responsibilities of key national bodies such as Scottish Enterprise and Communities Scotland (see below) and the increasing restrictions on the budgets of local authorities. In a significant number of the surveyed towns the Heritage Lottery Fund has been an important source of funding for town centre renewal and for the refurbishment of key buildings, including Hawick and Newmilns. The success of this funding has meant that there is now greater competition for this limited source of funding.

Stornoway demonstrates the ability of agencies to work cohesively given the right support. Agencies involved in rural areas are able to specifically express how a vision can be delivered. In order to implement national strategy, national government must be willing to invest time, skills and resources into the process.

9.9   There is a lack of knowledge of funding sources for
        development and regeneration beyond the mainstream
        sources such as the National Lottery, Communities Scotland,
        Scottish Enterprise, Highlands and Islands Enterprise and
        the Scottish Executive. This is caused by the large number of
        possible funding sources in Trusts which are often of quite
        limited amounts with different application deadlines and
        guidance, together with a lack of skilled and dedicated staff to
        carry out the search for funds.

> In the Outstanding Conservation Areas in Kirkwall and
> Stromness, there have been limited Town Scheme grants
> available towards repair and maintenance costs, funded
> jointly by Historic Scotland and Orkney Islands Council.
> These grants are capped at a level which has remained
> unchanged for a number of years, and which no longer
> makes a significant contribution to anything more than
> minor repairs.
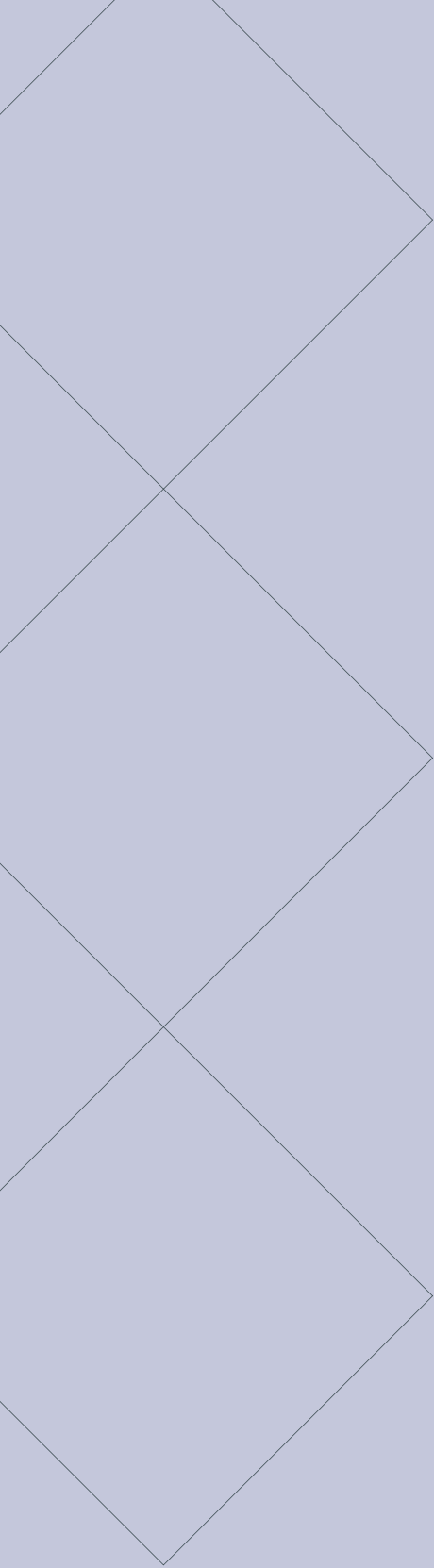
9.10   It is evident from respondents to the Survey that there
        needs to be a fund more specifically dedicated to Small
        Towns Regeneration which would permit a more rational and
        strategic approach to regeneration, including pump-priming of
        private sector involvement in key sites.

Conclusions

9.11   The scale of decay and under-investment in the public and
        private realms of Scottish small towns demands co-ordinated
        action by all sectors and a concerted effort to learn from
        best practice between Scottish, UK and European experience.

9.12   Scotland has never benefited from an equivalent to the
        Countryside Agency Market Towns Initiative in England. Yet
        the success of that scheme relied on resource availability
        to assist with initiating town survey work, assessments,
        community engagement, action-planning and implementation.
        At a time when community planning could begin to embrace
        and actively engage local people in a new expression of civic
        pride and in re-invigorating local democracy, resources are
        drying up. National agencies, such as Scottish Enterprise and
        Communities Scotland, do not give priority to small towns,
        their potential is largely overlooked, and their problems
        remain largely unaddressed.
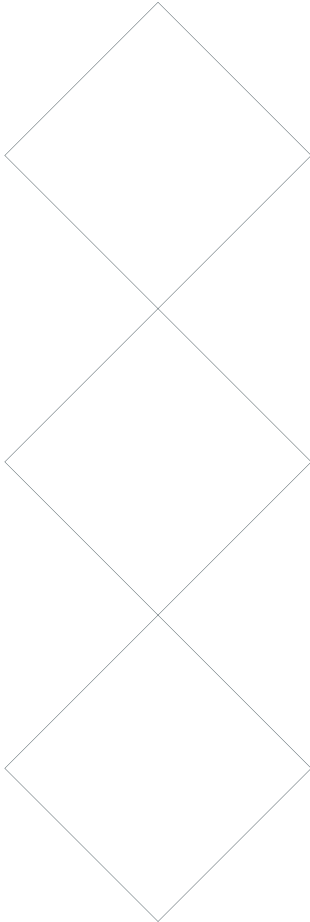
10 The Role of the Scottish Executive and National Agencies

10.1 The following section outlines the findings from meetings with national agencies held between October 2005 and February 2006.

A. Scottish Executive

10.2 The Scottish Executive has recently focused on cities through the Scottish Executive's "Building Better Cities" policy. This has been complemented by the creation of a £90 million City Growth Fund to support development of Scotland's six cities (Glasgow, Edinburgh, Stirling, Dundee, Aberdeen and Inverness), together with remoter rural areas. The Cities Review only made a passing reference to the contribution of towns to urban policy. With the evolution of spatial policy thinking now on city regions and metro-regions, it is crucial that the contribution of small towns is understood and developed to support national objectives and city-regions.

10.3 In discussion with Scottish Executive officials it is evident that responsibilities for policies relating to small towns are spread across a number of departments and that there is no one portfolio or section that has responsibility for small towns. To ensure effective resourcing and policy development by the Scottish Executive, there is a need for clarity within the Scottish Executive as to who has the lead responsibility for small towns.

Planning Policies

10.4 Planning guidance on small towns has been provided through National Planning Policy Guidelines NPPG 8 1998 ('Town Centres and Retailing') and Planning Advice Note 59 ('Improving Town Centres') 1999. The replacement Scottish Planning Policy Guidance SPP8 ("Town Centres and Retailing" - August 2006) recognises the importance of vibrant, thriving town centres as a focus for communities. It refers to wider goals under social justice, health improvement and environmental quality of life. All Small Town Task Group authorities recognised the importance of actively supporting proactive work under SPP8. Nevertheless, it is evident that

the guidance has been only partially implemented by local authorities across Scotland due largely to insufficient resource allocation / political will. Accepting that the public sector alone can never address the total resource requirements of small towns, there is nevertheless great urgency to raise political awareness of the policy issues affected, from which sufficient resources could sustain concerted cross-sector partnership work. Task Group members felt that a policy vacuum at the Scottish Executive level surrounding small towns reinforces their isolation from political support and resource allocation. This further limits their potential to grow the national economy, improve quality of life, and tackle social inclusion. Insufficient resources, together with a lack of capacity and appropriate skills within national and local agencies, difficulties in tackling market failure and depression, inappropriate development mechanisms and a lack of vision and leadership, all reduce the extent and impact of this policy guidance in practice.
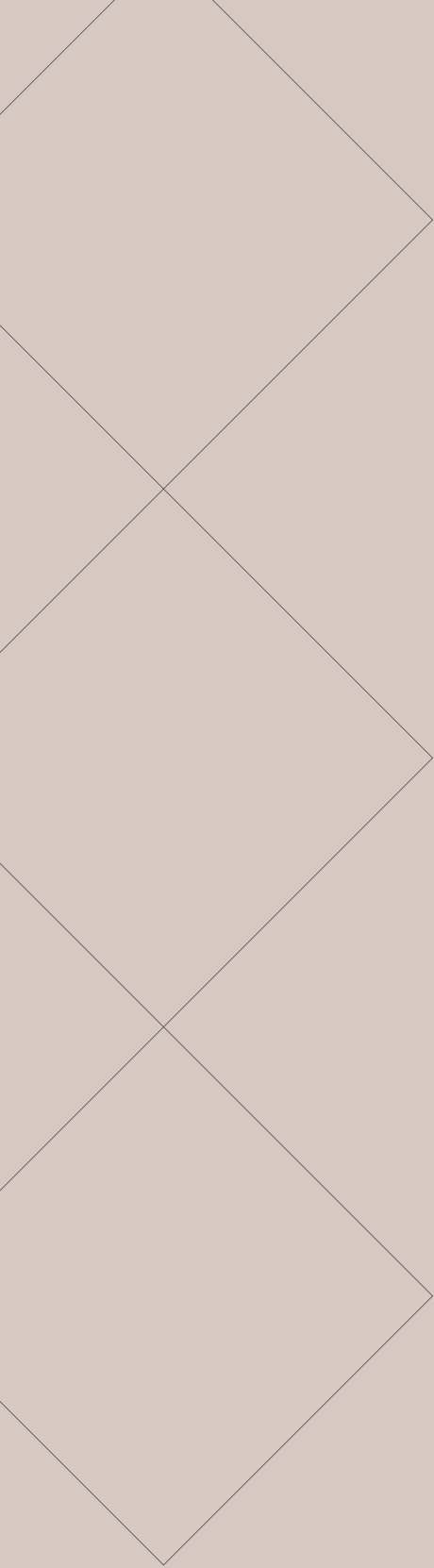
10.5   SPP8 identifies six 'Policy Principles' including:

◆   The identification of a network of centres looking beyond the isolated role of individual towns towards their collective energy. It addresses investment and accessibility needs, sense of place and broader quality of life/choice issues;
◆   The need for town centre strategies to deliver improvements;
◆   The use of 'healthchecks' to establish and monitor vitality and viability indicators.

Research on Small Towns and Surrounding Rural Areas

10.6   The Scottish Executive, with the assistance of the Scottish Agricultural College (SAC), has undertaken research that studied the economic linkages between small towns and surrounding rural areas (Reference 4). The context for carrying out this research included the strong economic linkages that exist between small towns and their surrounding countryside (as identified during the Foot and Mouth Disease outbreak in 2001), the future changes to EU rural development support being planned after 2006 and opportunities to provide support to small towns. A number of case study areas are included in the study, including Selkirk and Kelso in the Scottish Borders, Buckie in Moray and Campbeltown in Argyll and Bute.
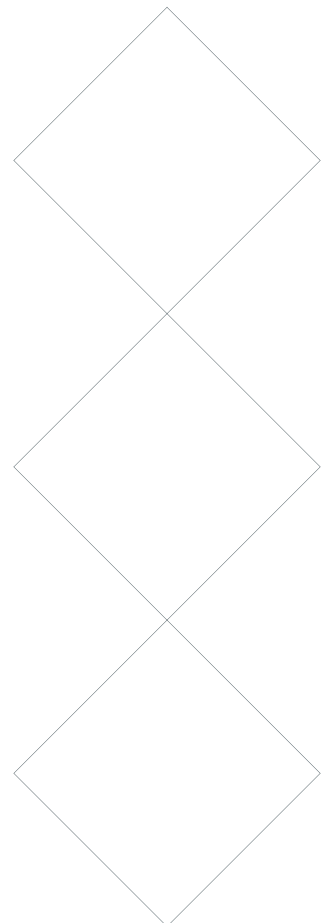
10.7   The main conclusions of the SAC research were:

◆   Small towns have the ability to generate economic
     growth in surrounding rural areas and further potential if
     policies are targeted at the appropriate areas or sectors;
◆   More isolated towns are likely to generate greater
     spill-over effects in rural hinterlands than those close to
     urban centres, but the ability of small towns to generate
     economic growth is not simply determined by relative
     accessibility to urban areas;
◆   Development within towns is likely to be important to
     sustaining economic growth in small towns as within-
     town linkages are stronger than town-hinterland linkages;
◆   To ensure sustained economic growth in rural areas a
     balance needs to be struck between town and hinterland
     development, but the provision of employment in small
     towns for hinterland residents is an important issue;
◆   National retailers could be of greater benefit to town
     economies if they not only continue to provide local
     employment opportunities, but also sourced more of
     their supplies locally;
◆   Adding value to local produce and its marketing, both
     locally and non-locally, may be a useful way of stimulating
     economic growth;
◆   There is a need for adequate public transport provision
     in rural areas to improve accessibility of towns for
     hinterland residents, and not just for those living furthest
     from the town;
◆   Higher occupational groups are a potential target group
     in town centre marketing strategies;
◆   Combining residential and business development in
     towns and wider rural areas may help create more
     sustainable communities by containing income earned by
     local residents and reducing the need to travel.

10.8   These findings complement the information provided by
        the Task Group's survey of small towns in terms of the
        importance of small town linkages to their hinterlands, local
        economic development and added value; encouraging local
        retailing initiatives; and improved public transport linkages.
        There has been no indication as yet by the Scottish Executive
        that any policy changes or actions have been taken forward
        on the basis of this research.
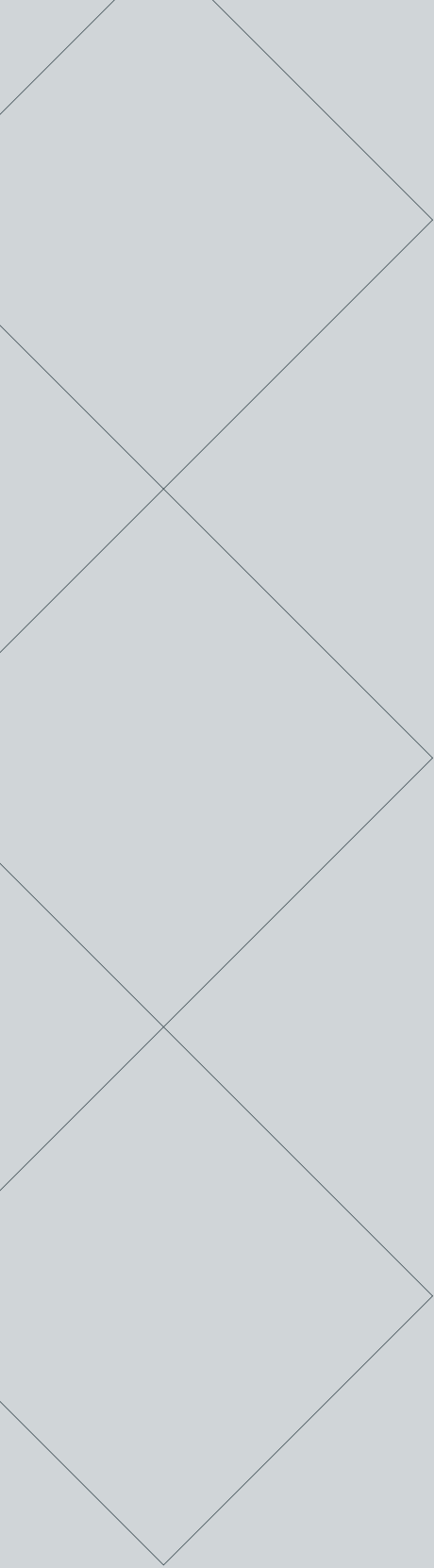
Conclusions

10.9 The Scottish Executive has recently focused on cities through the "Building Better Cities" policy. This has been complemented by the creation of a City Growth Fund to support development of Scotland's six cities together with remoter rural areas. The Cities Review made passing reference to the contribution of towns to urban policy. With the evolution of spatial policy thinking now on city regions and metro-regions, it is crucial that the contribution of small towns is understood and developed. Successful and dynamic cities also require and to benefit from dynamic small towns within their hinterland, all contributing to the importance of place competitiveness. The Scottish Executive has no portfolio focus or champion for small towns.

10.10 SPP8 recognises the need to retain town centres as part of a successful urban development strategy and advocates partnerships and town centre strategy approaches. In advocating 'health checks', town centre strategies, management programmes and multi-sector partnerships in a scenario of limited and declining public resources and skills, there is, of course, scepticism as to how much can be achieved across the vast majority of Scotland's small towns.

10.11 SAC research highlights the potential of small towns to generate economic growth in rural areas, to create more sustainable communities, private employment and housing choice. It shows the potential of local area promotion and local supply chain enhancement but, in a policy vacuum within current resources, only limited success is possible with such initiatives.

B. Scottish Enterprise

10.12 Scottish Enterprise's Local Enterprise Companies (LECs) have been involved in a range of partnership regeneration projects in small towns. Examples include the Dunbartonshire Town Centres Limited and Scottish Enterprise Dunbartonshire (which form the Town Centres Partnership) and Scottish Enterprise Borders' close involvement in the regeneration initiative of Hawick.
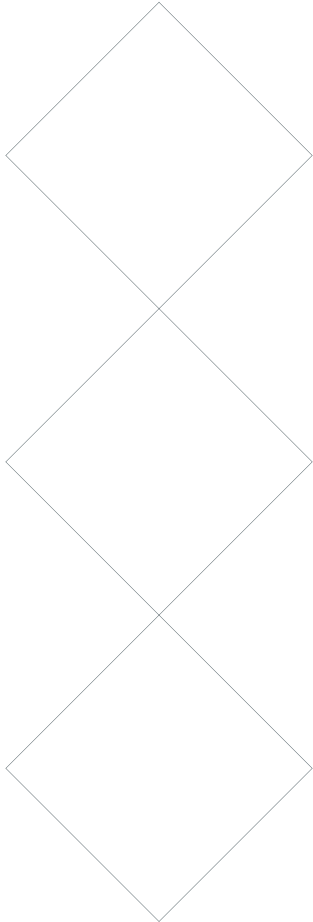
10.13   The review of Scottish Enterprise has focussed investment on key industrial sectors and cities as the drivers of economic growth within so called metro-regions. However, Scottish Enterprise does recognise the need for small towns and rural areas to maximise their links into metropolitan regions and to make the most of their strengths in sectors such as energy, land, tourism and food and drink. It is also recognises that there is market failure in the business property market in many small towns, especially former mining and declining manufacturing towns and towns in rural areas.

10.14   Demarcation of responsibilities for regeneration has been agreed between Scottish Enterprise and Communities Scotland (Reference 5). Scottish Enterprise is prioritising its resources on nationally important economic development and regeneration efforts linked to metro-regions, and it has reduced its role in economic and physical regeneration outside of these. Responsibility for general regeneration activities has been transferred to Communities Scotland. In the future, projects which are to receive support from Scottish Enterprise and its Local Enterprise Companies will need to have demonstrable and measurable economic impacts.

10.15   This demarcation has created a gap in resource support for physical regeneration as it affects small towns with Communities Scotland focusing on people-based community regeneration and assistance to socially excluded groups in areas of deprivation. As noted in paragraph 7.3 above priority given by Communities Scotland to the Scottish Index of Multiple Deprivation does little to address the vast majority of small town issues. Another mechanism is required to supplement the Index to identify the needs of rural areas and small towns.

10.16   Scottish Enterprise can offer only limited support for the retail sector due to displacement issues. In many small towns, with a high number of independent retailers there is, nevertheless, great need for advice and support to help retailers to adapt their market offers in the light of the changing roles of small towns. Whilst this would be of direct benefit to sustaining town centres, there is limited evidence that such retail analysts currently operate from local Business Gateways.

Conclusions

10.17   Scottish Enterprise is focusing increasingly on cities, whilst Communities Scotland is focusing on people-based deprivation, as identified by the Scottish Indices of Deprivation. Neither directly addresses the needs of most small towns. Whilst successful businesses in the priority food, drink, energy, and tourism sectors may benefit from support, other key local enterprises could benefit from help to enable small towns to reposition their roles and to adapt more successfully to change. There appears to be limited recognition that some small towns can contribute more than a workforce and housing choice for city employees. It was not possible to identify any assessment / priority given by the national agencies to furthering the role of clusters of towns (as described by SPP8) to cities or city / regions, or the wider economy.
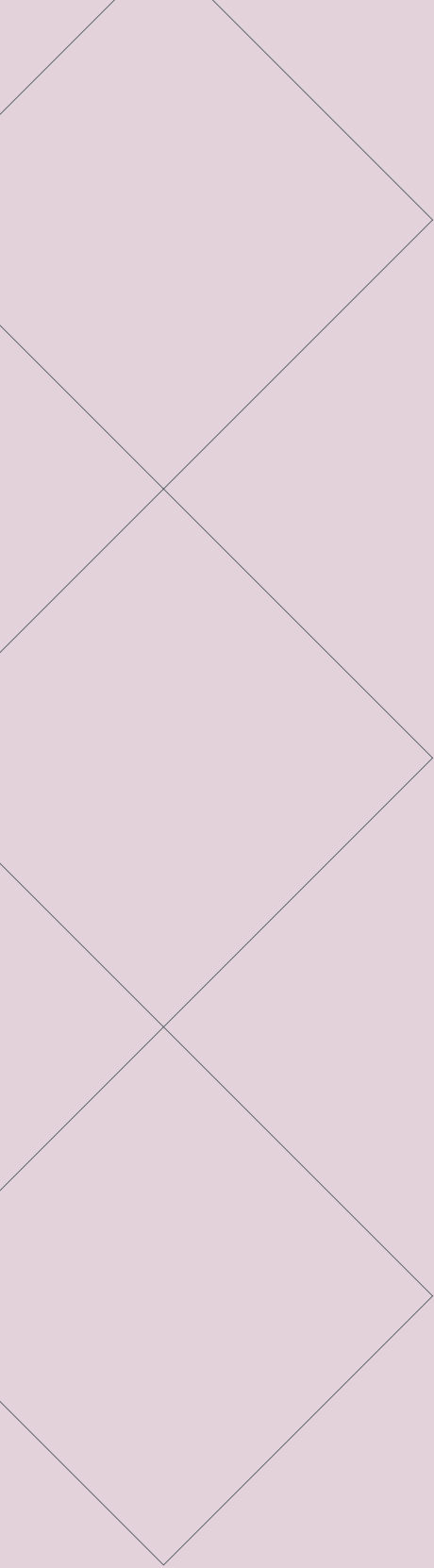
C.   Highlands and Islands Enterprise

10.18   Highlands and Islands Enterprise (HIE) differs from Scottish Enterprise by having an economic and social remit and has more of a policy focus on rural development. HIE recognises that there is a need for further debate on the role of small towns and economic development. In the Smart Successful Highlands and Islands (Reference 6), HIE has indicated that it gives priority to '5Ps' which includes 'Place'. HIE wants to grow its city/towns and rural areas.

10.19   Despite the priority given to 'Place', HIE does not have a strategic policy focus on small towns. However, at the local level, their LECs give towns prominence. This is assisted by HIE being able to carry out both economic and community regeneration, unlike Scottish Enterprise.

10.20   HIE recognises that it is vital that there is a shared vision on small towns and that this can be achieved through the Community Planning process. Moray Economic Forum, for example, plays a key role in this. The diversification of the Moray economy is at the heart of the Community Planning Partnership, which is looking to progress a coherent strategy for small towns, as laid out in the Moray Towns Development Study.
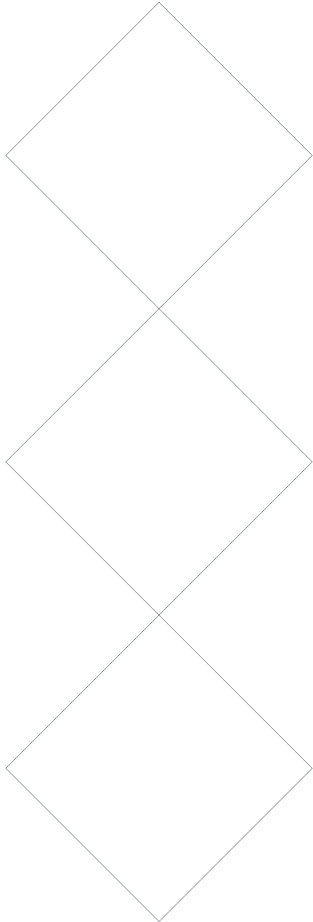
10.21 HIE emphasises the importance of recognising the economic reality of the role of towns and the limited amount of investment funding available. HIE recognises that a town like Beauly is becoming a commuter town to Inverness. HIE therefore strategically invests economic activity on Inverness, whereas towns such as Invergordon, which are outside the sphere of Inverness, require more local economic drivers to be actively supported.

10.22 HIE recognises that there is potential to relocate both businesses and smaller Governmental offices to small towns such as those in Moray, using the opportunities arising from information technology and broadband, together with the proximity of air transport links such as Dalcross, Inverness. With current developments in data links there are real advantages in re-location to small towns. HIE works to ensure the right infrastructure, reasonable data services and local attractions can pull key people away from cities. To this end there have been investments in office developments in Keith and business parks in Buckie and Forres. Policy is driven by contextual analysis at the local level.

10.23 HIE believes it is important to provide a welcoming environment for migrant workers as part of economic development and positively seeks to increase population, with small towns playing an important part in this strategy.

10.24 The importance of transport links to towns is highlighted, particularly in the islands.

Conclusions

10.25 Highlands and Islands Enterprise (HIE) has a greater economic and social remit than Scottish Enterprise and has more of a policy focus on rural development. HIE recognises 'Place' and towns as a priority especially outside the Inverness 'city region' and has the ability to adapt policy to the conditions pertaining in individual towns through its LECS. It sees that there are opportunities arising from information technology and broadband, together with air transport links to relocate and develop innovative and growing businesses in small towns. Furthermore, HIE recognises the potential of local 'vision' and the invigoration of Community Planning.

D.   Communities Scotland

10.26   Communities Scotland (CS) now has the main remit for regeneration in Scotland outside the Highlands and Islands (see paragraphs 10.14 and 10.15 above). Its main regeneration instrument is the Community Regeneration Outcome Agreement (ROA). This funding is restricted in practice to people-based social exclusion support in the worst areas of deprivation, as defined by the Scottish Index of Deprivation.

10.27   For some towns (such as Hawick) ROA monies are available from CS to assist in tackling social inclusion issues in a small part of the town. This initiative is focused on social housing areas and not the regeneration of town centres.   Many small towns are not eligible for ROA monies, despite having low wages, limited access to employment opportunities, an imbalanced population and access difficulties to services.

Conclusions

10.28   Communities Scotland focuses 'regeneration' on people, as prioritised through the Scottish Index of Multiple Deprivation, with an emphasis on housing areas rather than town centres. The relevance of this approach to most small towns is limited. There is a need for CS to extend its regeneration remit to include economic and physical regeneration activities and to expand its narrow geographic focus on defined areas of deprivation.

E.   VisitScotland

10.29   Tourism presents a major economic opportunity for small towns. Whilst VisitScotland (VS) does not have a specific policy for small towns, it does recognise that they have an important part to play in the overall tourist product in Scotland.

10.30   In order to ensure small towns play their part in contributing to developing tourism in Scotland, VS considers the following actions are required:

◆   Clarify the role of small towns, their purpose, defining qualities, services, attractions, unique events/products;
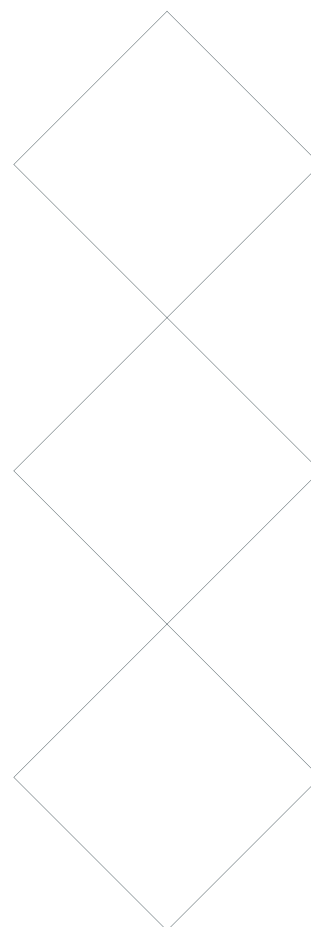
- Assess the quality of product being offered in order to ensure high standard, including person-person, service delivery, multi-media information availability and quality visitor accommodation;
- Identify potential opportunities such as local events/attractions throughout the year, the promotion of traditional culture and heritage, business tourism (i.e. conferences), and the development of an overall theme for attractions;
- Consider opportunities to restyle Tourist Information Centres as Information Centres with other services such as internet cafes, libraries and Council information/service centres;
- Support development of local integrated web sites (as exemplified by the island of Colonsay which includes what to visit/what's on, where to shop, how to book accommodation, meeting space, pre-booking food deliveries, etc);
- Provide person-person skills-training for tourism providers and business/retail operators and seek greater engagement from retailers with special events and provision of 'bespoke' services, and demonstrate advantages to retailers;
- Assess possibilities for links to other towns and the formation of clusters of local small towns, by working together to address town centre management, promotion etc;
- Work with VS Scotland in the provision of annual data on town vitality/viability;
- Ensure that local and regional Tourism Action Plans highlight small towns.

Conclusions

10.31 VisitScotland recognises the potential of small towns and their importance to the tourism industry and Scottish economy. Any such proposals dictate the need for a coordinated approach as part of a pan-Scottish strategy to integrate tourism, economy, place, people and environment.

11 The Way Forward

A.   What needs to be done?
B.   Who should be involved and what policy changes
        are required?
C.   What resources are needed?

A.   What needs to be done? - based on analysis of conclusions

11.1   The Task Group findings indicate that new focus and
        improved support for Small Towns is required to help them
        meet the challenges of economic, social, environmental and
        physical development.

11.2   The research highlights that every town has a niche or
        some strength that can be developed. There is considerable
        local support for retention of local identity and celebration
        of unique quality offered by small towns. The role of
        individual towns needs to be clarified by examining their
        purpose, defining qualities, services, attractions, and unique
        events/products. There is also the need to clarify a town's
        relationship with the wider region, particularly with cities,
        and to find out how a town could work with other
        neighbouring towns in a co-operative and complementary
        way. The European Spatial Directive (1999) acknowledged
        the relevance of collaborative working between specialised
        networks of towns and this has relevance in both the rural
        and metro-city regional hinterlands.

11.3   Each small town would benefit from a longer term business
        plan or 'Whole Town Plan', which is holistic and covers
        economic, social, physical and natural environmental factors,
        opportunities and need. This would position the town in the
        wider economy and provide direction. The Plan would cover
        the next 10/15 years and that would provide the basis for
        investment and a series of action plans to successfully adapt
        small towns. It would be regularly updated. The Plan might
        aim to increase the population and/or employment and/or
        improve social conditions and/or the physical and natural
        environment.

11.4   Whole Town Plans would be carried out within the
        Community Planning framework and should complement the
        statutory land use development plan process. Plans would
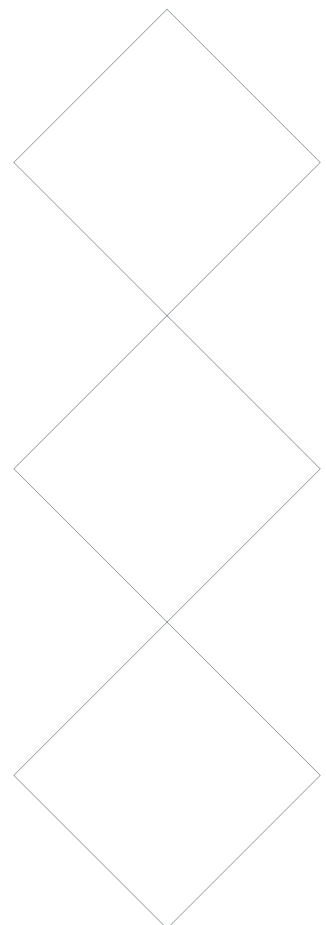
have the potential to create new vision and dynamism for local communities, reinvigorate local democracy, and drive Community Planning forward. Small towns can form the focus for real community planning success.

11.5 The development and implementation of the Whole Town Plan could be the responsibility of a grouping of stakeholders led by the local authority and would include representatives of key public agencies and representatives of the community, voluntary and business sectors. It is vital that the Plan is owned by local people and businesses, together with local agencies. Effective engagement with the local community and businesses will be required within the context of a realistic and pragmatic view of the available resources to implement projects. Some of the projects will be able to be carried out by the community and business sectors themselves with few resources. Others will require coordinated action between agencies. Others still could require significant support and new interventions to address gaps in support from agencies such as Scottish Enterprise and its LECs and Communities Scotland.

11.6 Economic development is key to the creation of a successful small town which necessarily depend heavily on the development and support of the existing economic base. If small towns are to grow, local businesses need help to adapt to change and to meet the challenges of regional, national and global competition. Alongside the more basic policies of providing facilities and land, lies a wide range of economic development-based policy approaches. These involve:

◆ partnership between public, private and community organisations;
◆ a sound understanding of the local economic base, recognising the importance of supporting small to medium sized enterprises;
◆ promoting entrepreneurship within developing and existing businesses;
◆ highlighting and encouraging the use of IT technologies;
◆ promoting and facilitating cross-firm collaboration and investment in developing the long-term capacity of the available labour pool;
◆ maximising economic opportunities, such as those arising from renewable energy and tourism; locational advantage/place differentiation;
◆ encouraging private sector investment in commercial activity and the provision of housing.
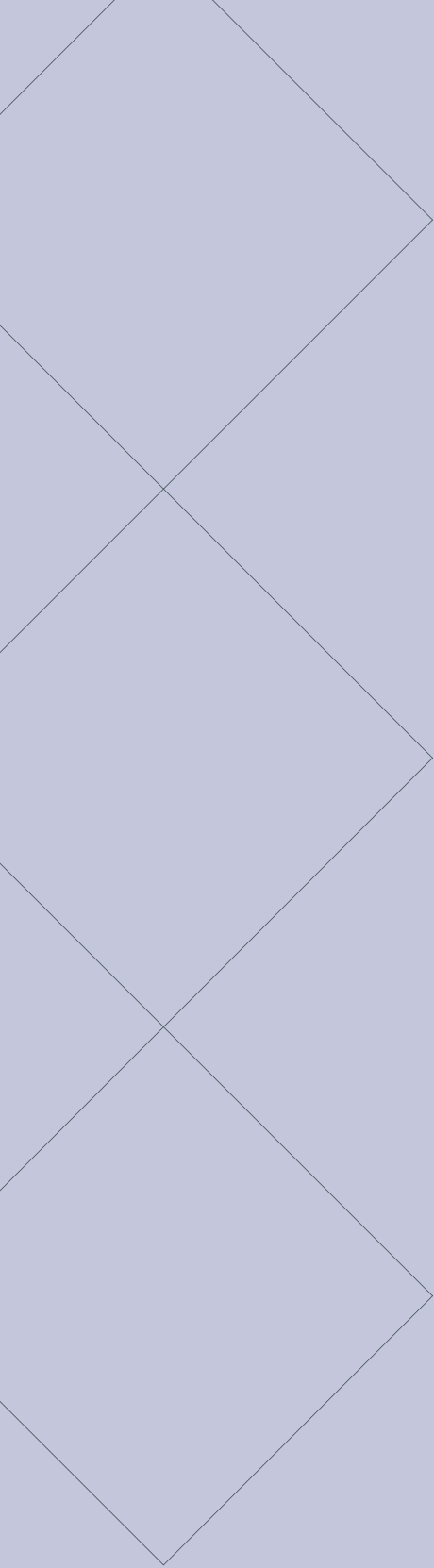
11.7 Tourism and retailing are key elements in the economic development of small towns. Tourism promotion and development therefore needs to be part of any approach. The actions that might be taken are set out in paragraph 10.30. Place differentiation can be enhanced through the use of community websites which can provide an internet presence for the businesses of an area. To support retailers it is recommended that a Quality Retail Scheme should be established in towns. Such schemes have been put in place elsewhere with one model being the 'Quality Retail Scheme' run by the Aberdeen Towns Partnership (ATP) in Peterhead.

11.8 All small towns experience social deprivation, but may lack many of the support services necessary to help those most in need. There is a need to provide ways of maintaining and enhancing such services and engaging the community and voluntary sectors in these efforts. In all towns there is a need for particular measures to tackle youth issues by providing more educational, social and cultural facilities; to ensure that areas of disadvantage do not become cut-off and isolated from the more prosperous areas of towns, particularly in more affluent areas, and to tackling problems associated with isolation, poor health and high levels of drug, alcohol abuse and unemployment.

11.9 Physical development relates closely to economic and social development; by improving the appearance of towns it gives confidence to local and wider business investment communities. Improvements to town centres are vital as they are at the heart of the community's image and self image and provide much of the tourism 'product' that visitors come to see. To complement this work there is a need to raise the importance of small towns in the opinion-forming parts of the media. Councils need to be given more support in terms of resource-efficient powers, staff and resources to:

◆ Require owners of property to remove dangerous conditions within a building in order to bring any building into a reasonable state of repair;
◆ Eliminate any actual or potential risk to property owners/ to the building users, or to the public generally;
◆ Require owners of property to rectify defects within a building in order to bring buildings into a reasonable state of repair having regard to their age, type and location;
◆ Extend discretionary grants to include works in buildings in common ownership.
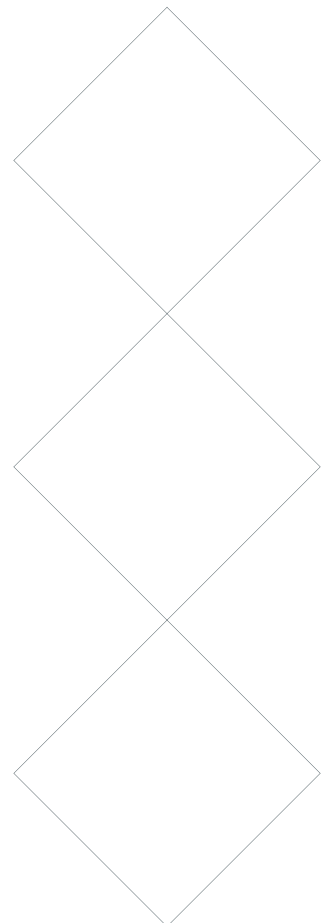
11.10   There is a need for improved two way relationships between small towns, larger towns and cities. These links can be improved significantly using improved connectivity through transportation and IT broadband links. The provision of effective transportation infrastructure, linking small towns into the wider city region (with renewed focus on public transport), is essential to ensure that residents of an area are involved in the social and economic life of a city region, and to ensure that the area is attractive to potential residential and business investment.

11.11   There is a need for more research and data collation from benchmarking into the economic, social, environmental and physical development processes that help make successful towns. There are many examples of best practice throughout Scotland and beyond that need to be collated and disseminated. There is also a need to develop closer relationships with small town networks in England (such as the Market Towns Alliance) and internationally to discuss best practice and innovative development instruments.

B.   Who should be involved and what policy changes are required?
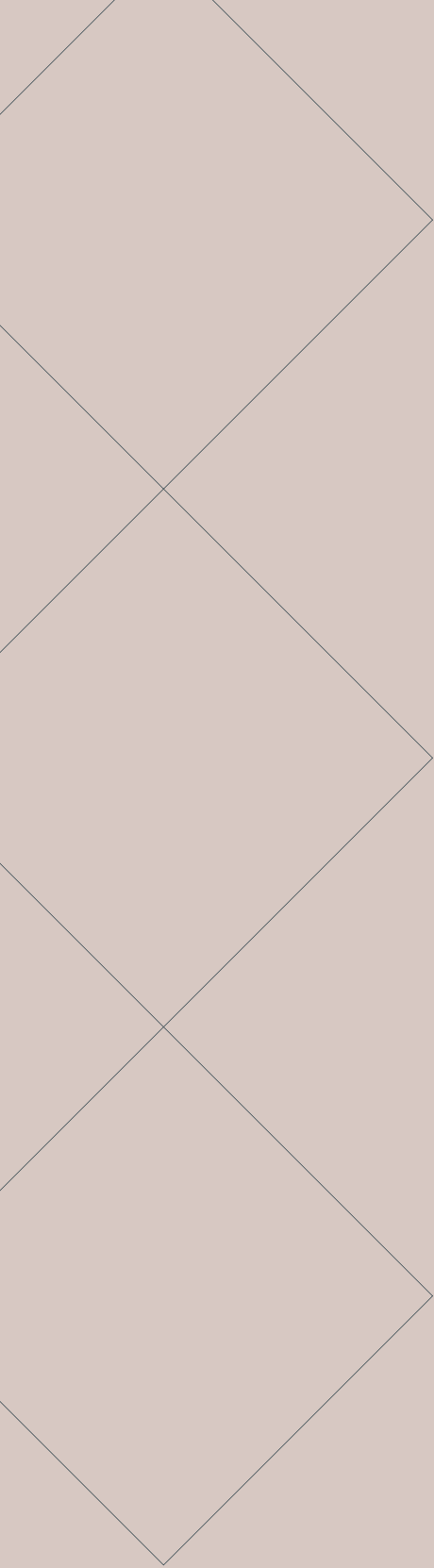
11.12   It is essential for successful development and regeneration to engage community and business interests. Small towns regeneration cannot rely on public agencies alone. The sheer cost of tackling the private realm of small towns, (as indicated by the Border Towns Condition Survey alone), highlights the need for multi-sector engagement. There is a key role for local authorities in bringing people, businesses and organisations together to undertake this task. Community Planning represents the key vehicle to focus and coordinate activity as it brings organisations together to focus on key issues. For small towns, the interrelatedness of issues needs to be dealt with in a multi-agency way.

11.13   To provide this leadership role there needs to be a proactive approach by local government with the support of local partners and the Scottish Executive. Whilst national agencies are expected to contribute towards Community Planning, their activity at the local level is limited. A greater proportion of agency activity needs to be demonstrably delivered through local Community Planning Partnerships.

11.14   Many small towns have strong business, community and voluntary sectors. There is a need to encourage and develop these groups by building capacity, encouraging more volunteering and by maintaining and enhancing funding from the public sector. The community and voluntary sectors must be involved strategically in taking forward the development and delivery of services in towns. This requires public resources which are beyond the means of local authorities to provide in a comprehensive way. Whole Town Plans must identify private sector opportunities and be enabled by supportive legislation to focus interest into action.

11.15   To support local authorities there is a need for support from other key public agencies, particularly Scottish Enterprise's LECs and Communities Scotland. To maximise their support there is a need to ensure that the present gap in physical regeneration responsibilities between these bodies are addressed and that both Scottish Enterprise and Communities Scotland give a higher priority to small towns, albeit whether in relation to rural policy and/or within a city/region context.

11.16   The Scottish Index of Multiple Deprivation is increasingly being used to allocate national resources for social policy purposes. Although the Index does identify some of the areas of deprivation in small towns, it seriously underestimates the level of disadvantage by omitting factors such as population, wages, and access to economic opportunities. Communities Scotland needs to adapt its approach to regeneration in relation to small towns and to enable the regeneration of town centres where low wages, limited access to employment opportunities, an imbalanced population and access difficulties to services are experienced. A new partnership with Communities Scotland is needed through the development of Whole Town Plans for small towns which can focus Community Planning at the local level.

11.17   Dialogue with HIE on the role of small towns in relation to economic development is recommended.

11.18   Visit Scotland recognises that small towns have a high profile in the overall tourist product of Scotland, and there needs to be much more engagement with this body to ensure that this becomes a reality. In particular there is a need for assistance for rebranding/positioning of small towns, enhancing and creating new development products within them, improving customer care, developing existing and new skills within local businesses.

11.19   The recent focus of the Scottish Executive itself has been on cities through the Scottish Executive's "Building Better Cities" policy document and the creation of a City Growth Fund to support development of Scotland's six cities together with remoter rural areas. To ensure effective resourcing and policy development at the Scottish Executive level there is a need for clarity within Scottish Executive as to who is responsible for small towns. There is also a need for more understanding and recognition of the role of small towns within the city/region.

11.20   The Scottish Executive needs to take a proactive approach to implementing the recommendations contained in SPP8 'Town Centres and Retailing' (2006) together with those contained in recent research (Reference 4) that identifies economic linkages between small towns and surrounding rural areas.

11.21   Case studies and the sharing and analysis of best practice on small towns initiatives needs to be better orchestrated and updated. There are many case study examples of partnership initiatives and projects in support of the regeneration of small towns throughout Scotland. There is a need to know what is working or not working and to establish performance measures through benchmarking. It is considered that the Scottish Executive has a major role in facilitating this work. It might also be possible to undertake best practice pilots in small towns' regeneration which would bring together a range of funding partners.

11.22   A regular high profile Small Towns Conference would help to raise the challenges and to share issues facing small towns whilst highlighting best practice in terms of sustainability, aiding benchmarking and measurement of success stories.

11.23   There is a need for improved research capability/capacity to identify the research needs of small towns focus and to undertake, longitudinal studies of small towns (as this survey only provides a snapshot of the issues and challenges facing small towns). This could be a role for the new Scottish Academy of Rural Policy. Subjects of research could include socio-economic trends, evaluation of initiatives, comparative study between Scotland, England and other countries on funding and support. Other possible subjects are set out in Appendix 10.

C.   What resources are needed?

11.24   A new focus is urgently required for resources to meet the development and regeneration needs and potential of small towns, whilst addressing the decline of accessible resources from existing sources (ie EU, Scottish Executive, CS, and Lottery). To tackle this major resource gap there is a need for a fund which is specifically dedicated to Small Town Regeneration that would permit a more rational and strategic approach to re-generation. It is possible that funding already exists, but needs to be better directed. The Task Group would welcome discussions on this.

11.25   There is a need to develop more corporate and financial vehicles based on tax incentives and higher rates of pubic support to help in regeneration of small towns, particularly in involving the private sector. Such incentives need to allow private developers the prospect of a reasonable return on investments.

11.26   There remains a lack of knowledge about existing funding sources for development and regeneration, especially those outside the mainstream sources such as the National Lottery, Communities Scotland, Scottish Enterprise, Highlands and Islands Enterprise and the Scottish Executive. This needs to be rectified through targeted information and training sessions.

11.27   To take forward our proposals, learning from best practice and other research findings, there also needs to be considerable investment in the capacity and skills of elected members and officials in local authorities and local agencies as well as the representatives of business, community and voluntary groups.
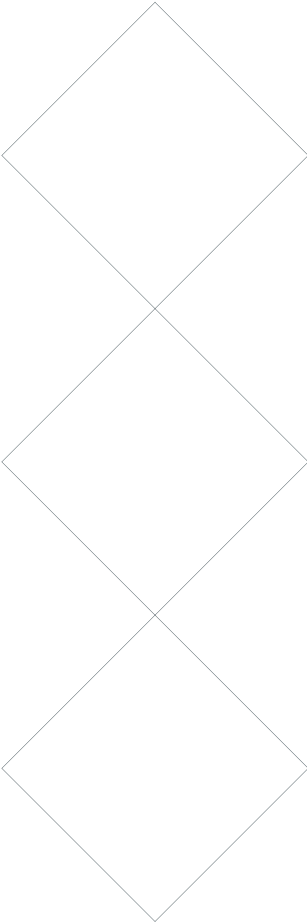
References

Reference 1   Roland Hahn and Steven Bayne (2005): Scotland's Towns and the Forgotten Challenge

Reference 2   Roger Tym and Partners (2002): Dynamic Small Towns - Identification of Critical Success Factors - Final report to National Assembly for Wales

Reference 3   Entec (2004): Countryside Agency Assessment of the Market Towns Initiative

Reference 4   Scottish Executive Rural Affairs Department (2005): Economic Linkages between Small Towns and Surrounding Rural Areas

Reference 5   Scottish Enterprise, Communities Scotland (2006): Communities Scotland-Scottish Enterprise Framework Agreement

Reference 6   Highlands and Islands Enterprise (2005): Smart Successful Highlands and Islands

Reference 7   Audit Scotland (2006) Community Planning: An Initial Review

Glossary

CROA/ROA
(Community) Regeneration Outcome Agreement - a Scottish Executive policy of Communities Scotland (CS) to address primarily areas of high socio-economic deprivation.

City/Metro Region
Scottish city area of economic/ social influence. (applies to Edinburgh, Dundee, Glasgow, Aberdeen, Stirling and Inverness)

COSLA
Convention of Scottish Local Authorities.

Community Planning Partnership
Established under the Local Government Scotland Act 2003 to improve national agency and local authority service delivery to communities and to engage people in decision-making.

CS
Communities Scotland - a Scottish Executive national agency to address socio-economic issues, including regeneration and housing.

HIE
Highlands and Islands Enterprise - a body similar to Scottish Enterprise covering the Highlands and Islands but has both an economic and social development remit (see below).

LEC
Local Enterprise Companies - such as Scottish Enterprise Borders - part of the national Scottish Executive agency network to address economic issues.

Market Towns Initiative
Established in England by the Town and Countryside Agency to identify and support good practice for the regeneration and success of small towns.

SOSA
South of Scotland Alliance (Scottish Borders Council, Dumfries & Galloway Council, Scottish Enterprise Borders and Scottish Enterprise Dumfries and Galloway).

SPP
Scottish Executive Planning Policy - supplementary policy under the Scottish Town and Country Planning Acts to detail specific issues (including SPP8 'Town Centres and Retailing').

SEPA
Scottish Environment Protection Agency.

SNH
Scottish Natural Heritage.

SW
Scottish Water.

(S)IMD
(Scottish) Index of Multiple Deprivations - a mix of measures to identify areas of social and economic need derived by Communities Scotland.

ROA
See CROA.

VisitScotland (VS)
A Scottish Executive Agency responsible for tourism and visitor services.
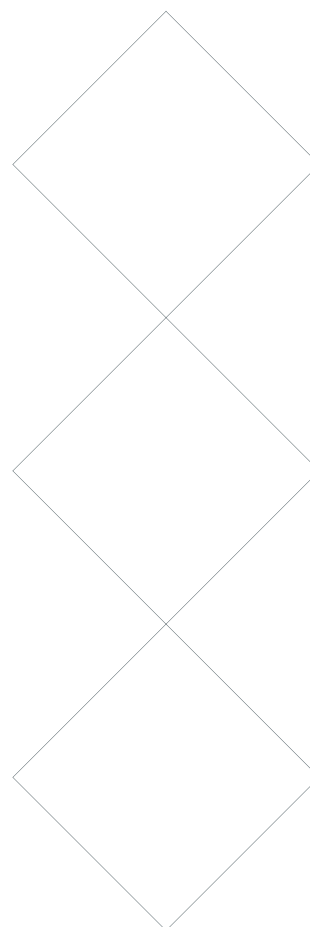
City Growth Fund
A Scottish Executive funding regime for the benefit of Scotland's cities (see paragraph 10.2).

Clusters
Groups of settlements (not necessarily neighbouring) with complementary roles, possibly severally coordinated.

Conservation Area
Declared under the Town and country Planning Acts to protect and enhance an Area of Special Architectural character.

EU/European Union Structural Funds
European funding support to support economic need.

Listed Building
A protected building of national architectural and/or historic interest.

Lottery Heritage Fund
A grant scheme run by the National Lottery to support architectural or historic features.

IT
Information technology - includes Broadband, web, email and other electronic information/transfer communications technology.

Cities Review
A Scottish Executive assessment of the need and potential for special funding/policy support for Scotland's cities/metro regions (see paragraph 10.2).

PAN/Planning Advice Note
Scottish Executive Town and Country Planning Advice Note to support/detail supplementary policy (see SPP).

UK
United Kingdom.

EU
European Union.

SAC
Scottish Agricultural College.

Business Gateway
A Scottish Enterprise supported service for advice to businesses (see LEC).

Multiple Deprivation
A geographical area suffering a higher than Scottish average concentration of social/economic problems.

European Spatial Directive
An EU geographic area-based plan to pursue coordinated and strategic planning and development of the Union's key development areas.

Tourist Information Centre
VisitScotland/local authority information/advice outlet for visitors.

Appendix 1
Scottish Small Towns Task Group
Questionnaire Pro Forma

The Scottish Small Towns Task Group is supported by the Convention of Scottish Local Authorities and is administered by the South of Scotland Alliance.

We would like your local authority to complete this questionnaire for two representative towns in your area with a population between 2000-20,000.

Name of Town ....

Location

Describe the geographical type of the town - e.g. market town, former mining/industrial town, seaport, town on periphery of a city etc.

....
....

Historical Origins

Describe the historical origins of the town e.g. royal burgh, burgh of the barony, planned settlement by estate, mining town, etc.

....
....
....

Population

Indicate the Census populations of the town in 1981, 1991 and 2001 and the age structure of the population according to 2001 Census (i.e. 0-19, 20-44, 45 -64, 65+)

....
....
....
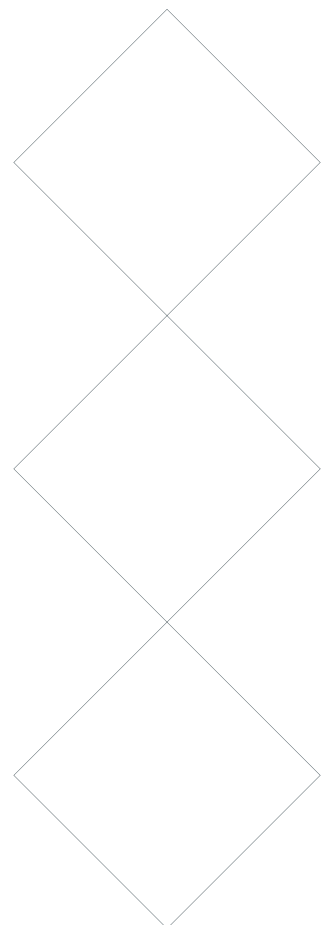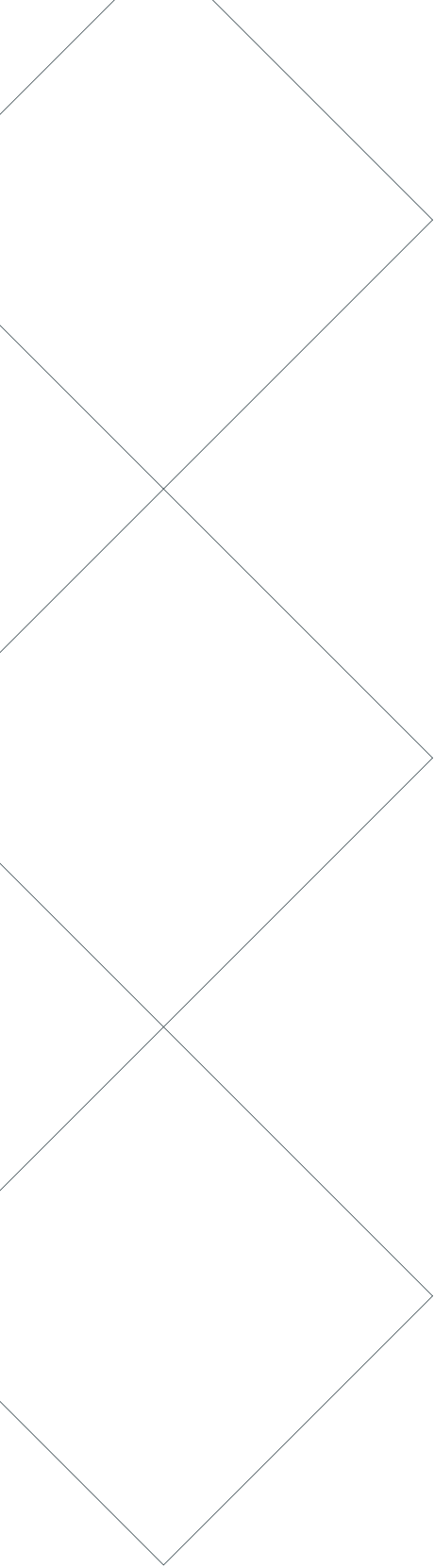
Briefly outline the population related issues and challenges which the town is facing.

....

....

....

Economy

Describe the economy of the town - industrial structure, main companies, changes in employment and unemployment, and economic trends.

....

....

....

Outline the main business associations, which are active in the town and the nature of their activities.

....

....

....

Briefly indicate what economic challenges and issues are facing the town.

....

....

....

Social Aspects

Set out any evidence of changes in the provision of public and private services and facilities in the town since 1990.

....

....

....

Briefly outline levels of relative disadvantage and deprivation in the town.

....

....

....

Indicate the strength of the community and voluntary sectors in the town and outline what challenges are facing them

....

....

....

Briefly outline the social challenges and issues facing the town.

....

....

....

Built and Natural Environment

Outline in general terms the state and conditions of buildings, the public realm, and the built environment in the town. Please set out or attach any recent evidence you have including any information on costs of undertaking remedial work.

....

....

....

Briefly indicate the challenges and issues facing the built environment in the town.

....

....

....

Briefly outline the challenges and issues facing the natural environment in the town.

....

....

....

Initiatives and Projects

Indicate any significant public and/or private initiatives and/or projects undertaken since 1990 to improve and enhance well-being of the town (capital or revenue).

....

....

....
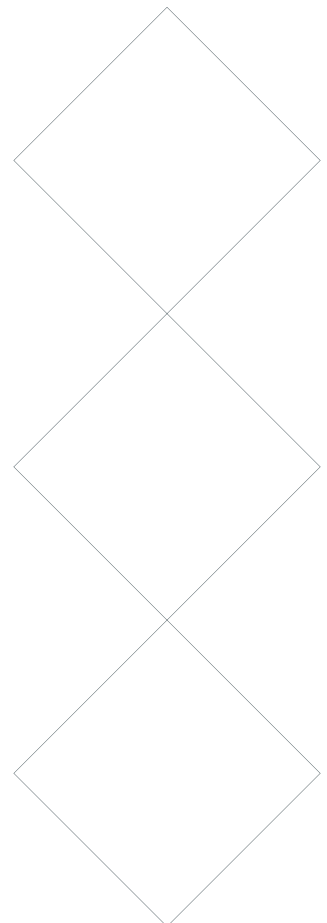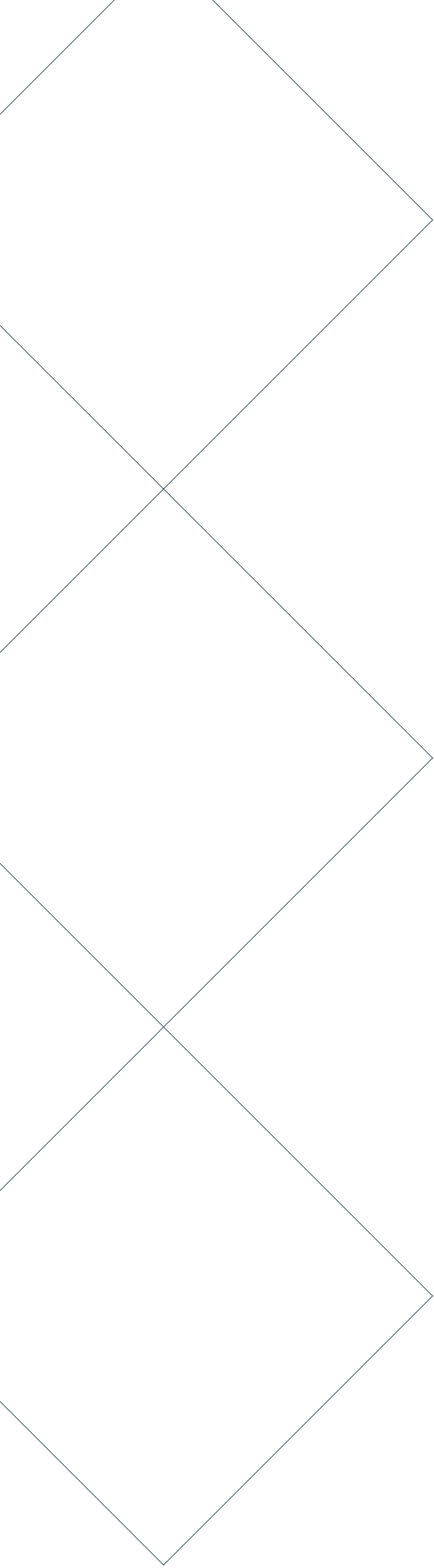
Briefly outline any future plans for any public and/or private initiatives and/or projects to improve and enhance the well-being of the town (capital or revenue).

....

....

....

Person completing pro-forma ....

Title of Person ....

Organisation ....

Date ....
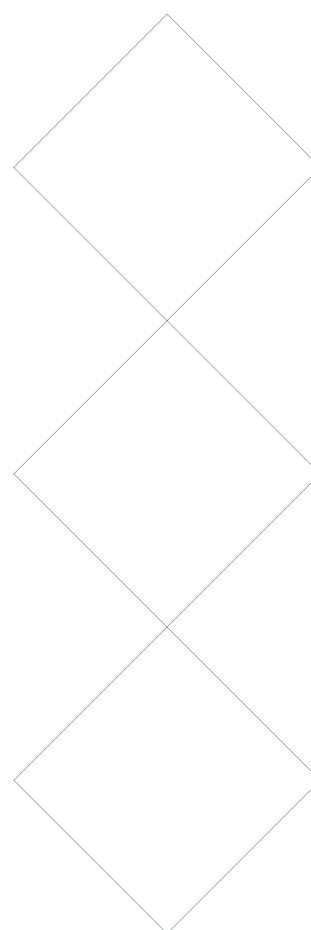
THANK YOU FOR YOUR HELP

Please return form to dscott@scotborders.gov.uk or send it to Douglas Scott, Chief Executive's Department, Scottish Borders Council, Newtown St Boswells, Melrose TD6 OSA
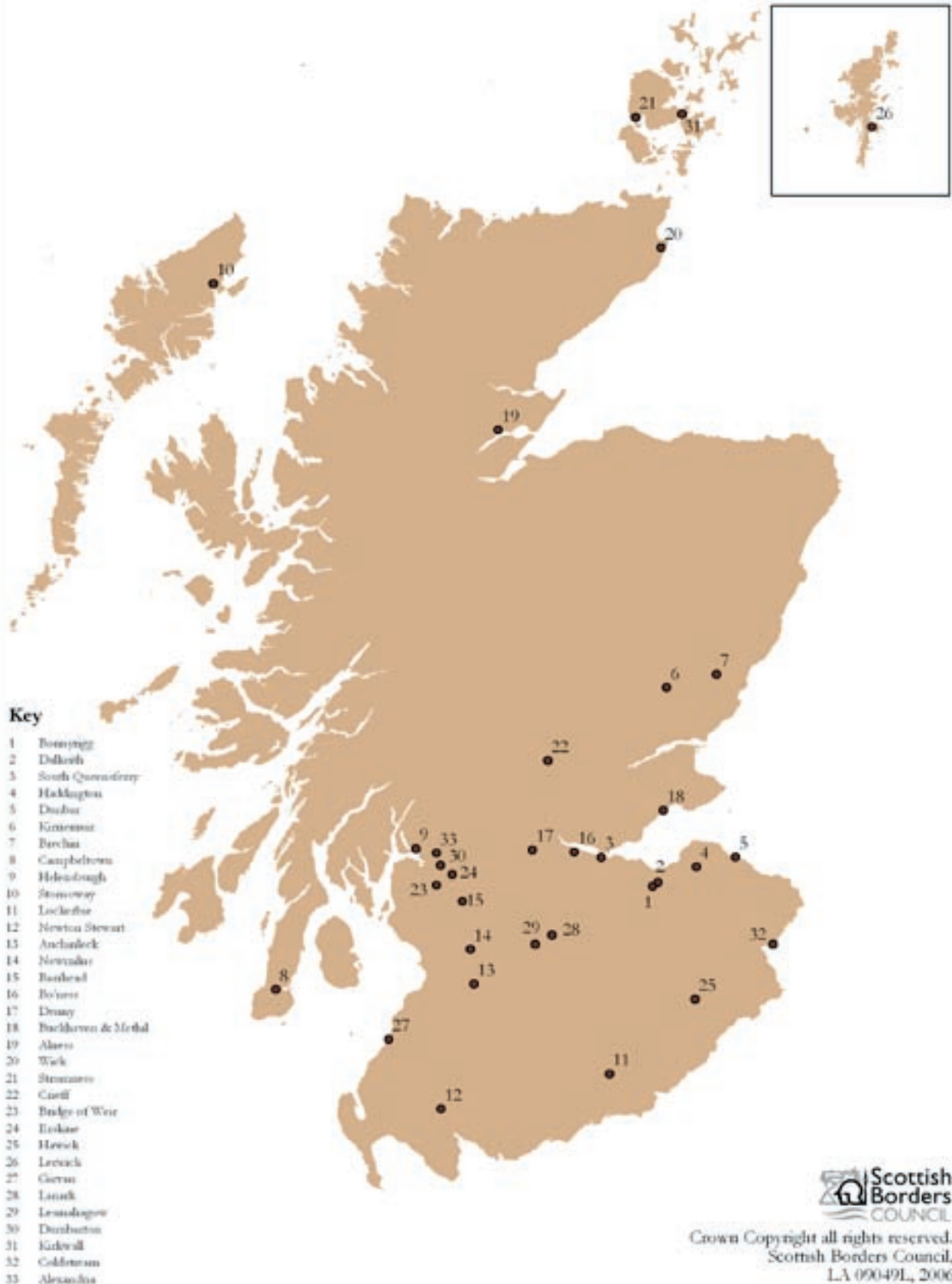
Appendix 2
Towns in Survey

COUNCIL	TOWN	POPULATION
Angus	Brechin	7,199
	Kirriemuir	5,963
Argyll and Bute	Campbeltown	5,144
	Helensburgh	14,626
Comhairle Nan Eilean Siar	Stornoway	8,000
Dumfries and Galloway	Lockerbie	4,009
	Newton Stewart	3,573
East Ayrshire	Auchinleck	3,512
	Newmilns	3,301
East Lothian	Dunbar	6,354
	Haddington	8,851
East Renfrewshire	Barrhead	17,000
Falkirk	Bo'ness	13,961
	Denny	13,414
Edinburgh City	South Queensferry	9,035
Fife	Buckhaven and Methil	16,391
Highland	Alness	5,186
	Wick	7,333
Midlothian	Bonnyrigg	14,457
	Dalkeith	11,566
Orkney Islands	Kirkwall	7,615
	Stromness	2,124
Perth and Kinross	Crieff	6,579
Renfrewshire	Bridge of Weir	4,770
	Erskine	15,347
Scottish Borders	Coldstream	1,846
	Hawick	15,000
Shetland Island	Lerwick	6,830
South Ayrshire	Girvan	6,992
South Lanarkshire	Lanark	16,216
	Lesmahagow	3,821
West Dunbartonshire	Alexandria	10,000
	Dumbarton	21,023
Total - 33		**297,038**

Appendix 3
Map of Survey Towns

Key

1	Bonnyrigg
2	Dalkeith
3	South Queensferry
4	Haddington
5	Dunbar
6	Kirriemuir
7	Brechin
8	Campbeltown
9	Helensburgh
10	Stornoway
11	Lockerbie
12	Newton Stewart
13	Auchinleck
14	Newmilns
15	Renfrew
16	Bo'ness
17	Denny
18	Buckhaven & Methil
19	Alness
20	Wick
21	Stornoway
22	Crieff
23	Bridge of Weir
24	Erskine
25	Hawick
26	Lerwick
27	Girvan
28	Lanark
29	Lesmahagow
30	Dumbarton
31	Kirkwall
32	Coldstream
33	Alexandria

Crown Copyright all rights reserved.
Scottish Borders Council,
LA 09049L, 2006.

Appendix 4
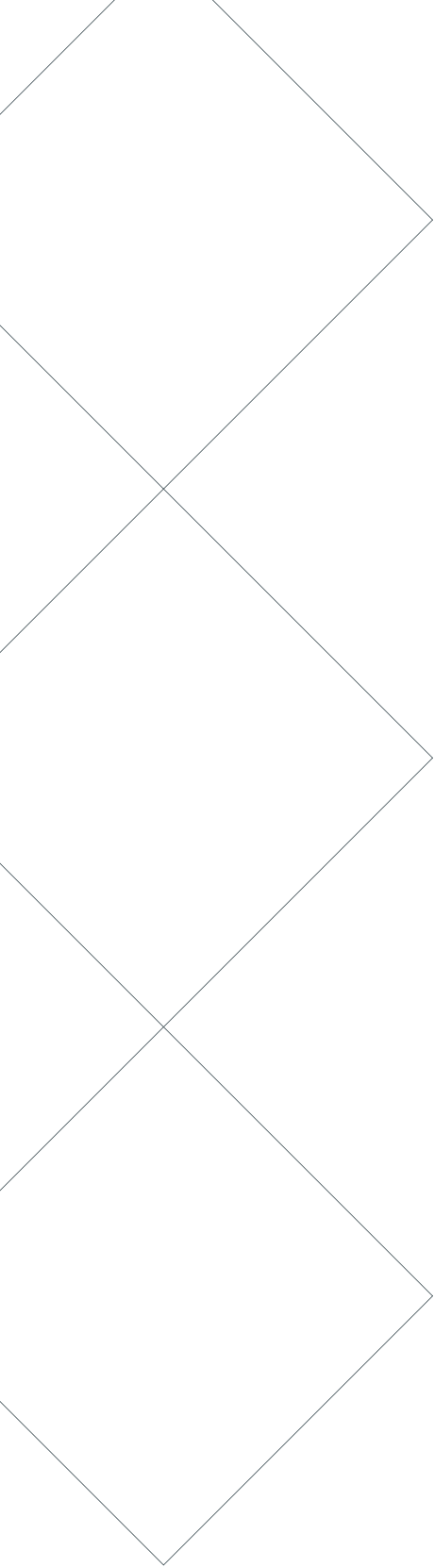## Type and Location of Survey Towns

TOWN	TYPE	LOCATION
Helensburgh	Local service centre with large commuting population	Close proximity to Glasgow
Campbeltown	Seaport and significant service centre	Located some distance from major population centres
Lockerbie	Service centre	On major north/south transportation route
Newton Stewart	Market town and service centre	Located some distance from major population centres
Barrhead	Former industrial manufacturing town	Close proximity to Glasgow
Auchinleck	Former mining town	Relatively remote
Haddington	Market town	Close proximity to Edinburgh
Dunbar	Seaside town and local service centre	Close proximity to Edinburgh
Queensferry	Former ferry port now local service centre with large commuting population	Close proximity to Edinburgh
Dalkeith	Former market and industrial town now local service centre with a large commuting population	Close proximity to Edinburgh
Bonnyrigg	Former market and industrial town now a local service centre with a large commuting population	Close proximity to Edinburgh
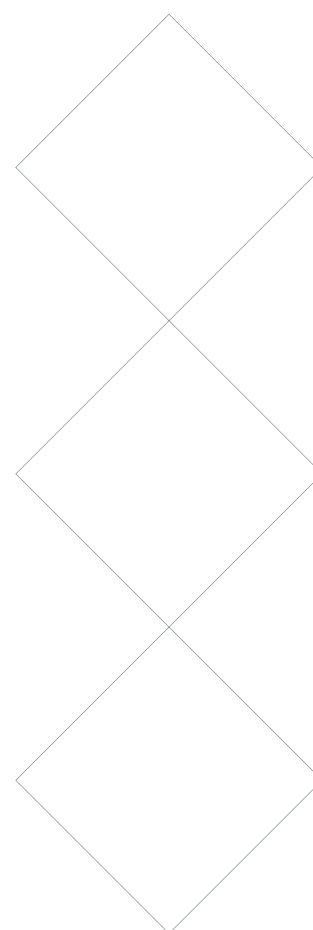
TOWN	TYPE	LOCATION
Stromness	Seaport and local service and employment centre	Island location
Kirkwall	Seaport, market town and employment centre	Island location
Girvan	Fishing port, tourist resort and local service centre	Main route between Glasgow and
Lesmahagow	Former mining town and local centre with growing commuter population	Relatively close proximity to Hamilton and Glasgow
Lanark	Market Town	Relative close proximity to Glasgow
Dumbarton	Service Centre and former industrial settlement with large commuting population	Relative close proximity to Glasgow
Alexandria	Former industrial settlement and commuting population	Relative close proximity to Glasgow
Stornoway	Seaport and main service centre	Remote and island location
Hawick	Declining manufacturing town and local service centre	Relatively remote
Coldstream	Local Service Centre	Relatively remote
Newmilns	Declining manufacturing (textiles) town	Relatively remote
Lerwick	Seaport	Island location

TOWN	TYPE	LOCATION
Crieff	Market/Tourist Town	Relatively remote
Buckhaven & Methil	Former fishing and mining villages	Relative close proximity to Edinburgh
Alness	Manufacturing and service centre	Relative close proximity to Inverness
Wick	Fishing port, manufacturing and service centre	Relatively remote
Brechin	Market Town and service centre	Relatively remote
Kirriemuir	Manufacturing town and service centre	Relatively remote
Bo'ness	Manufacturing town and local service centre	Relative close proximity to Edinburgh and Grangemouth
Denny	Declining manufacturing town and local service centre	Relative close proximity to Glasgow and Falkirk
Bridge of Weir	Commuting town and local service centre	Relatively close proximity to Paisley and Glasgow
Erskine	Residential and Commuting town	Relative close proximity to Glasgow
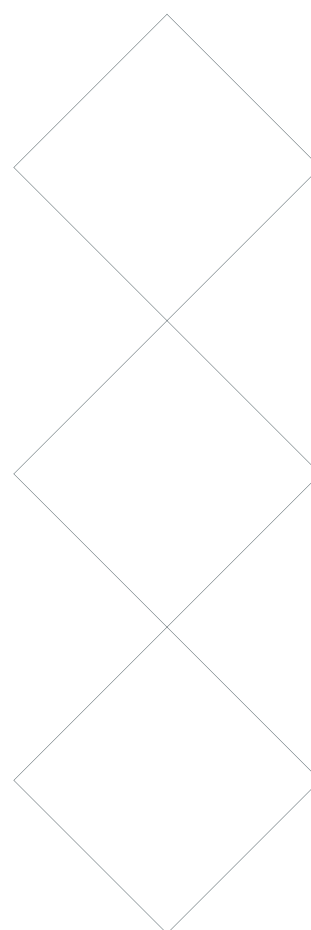
Appendix 5
The Economy of Survey Towns

Helensburgh - The town has a high dependence of employment in public administration, defence (Faslane Naval Base) and social security.

Campbeltown - Previously thriving industries of boat building, coal mining, fishing and whisky have dramatically declined. Main employers are now Vestas-Celtic (manufacturing wind turbines) and a large call centre at Kintyre Business Park. The main employment sector is the public sector which employs 35% of the working population. This is 5% higher than the average in rest of the Council area.

Lockerbie - Food and timber processing are major employers.

Newton Stewart - The public sector, including the Council, Health Board and Forestry Commission, is the largest employer. There are no major employers in the private sector, which is dominated by micro businesses in the service and tourism sectors.

Stornoway - The town is the administrative and commercial centre of the island. Over 30% of Stornoway's employed population work in the public sector and around 20% work in the retail, trade, and hotel and restaurant sector.

Barrhead - A sizeable percentage of East Renfrewshire Council's employees are located in the town centre.

Haddington - The main employers are East Lothian Council and the Heath service. No large private businesses only small ones trades, services and shops. All retail units in centre are occupied and demand exists for more space.

Dunbar - Current economy based on three major employers: Lafarge (formerly Blue Circle) Cement; Belhaven Brewery; and British Energy.

Hawick - The town has experienced a major decline in its textiles industries and the main employers remain in textiles, together with the public sector, services and a number of other manufacturing companies.

Coldstream - The town relies almost wholly on service employment and on employment outlets in towns close by.

Queensferry - Despite being separated by about 3 miles from the main urban area of Edinburgh around 28% of workers who live in the settlement also work there. The town is a significant source of commuter journeys. Tourism plays a significant part in the local economy. The largest employer is the Agilent Technologies plant (part of Hewlett Packard), located on the edge of the settlement, which produces telecommunications testing equipment. This has 'downsized' its workforce in recent years, in response to changing market conditions, although it still employs over a 1000 people.

Dalkeith - The town economy is largely service based, with agricultural supplies and other retail outlets. There are peripheral industrial estates where some decline has led to unemployment.

Bonnyrigg - The town economy is largely service based. At one time the town was a well-known carpet manufacturing centre but this has now ceased. There is a small industrial estate close to the town centre.
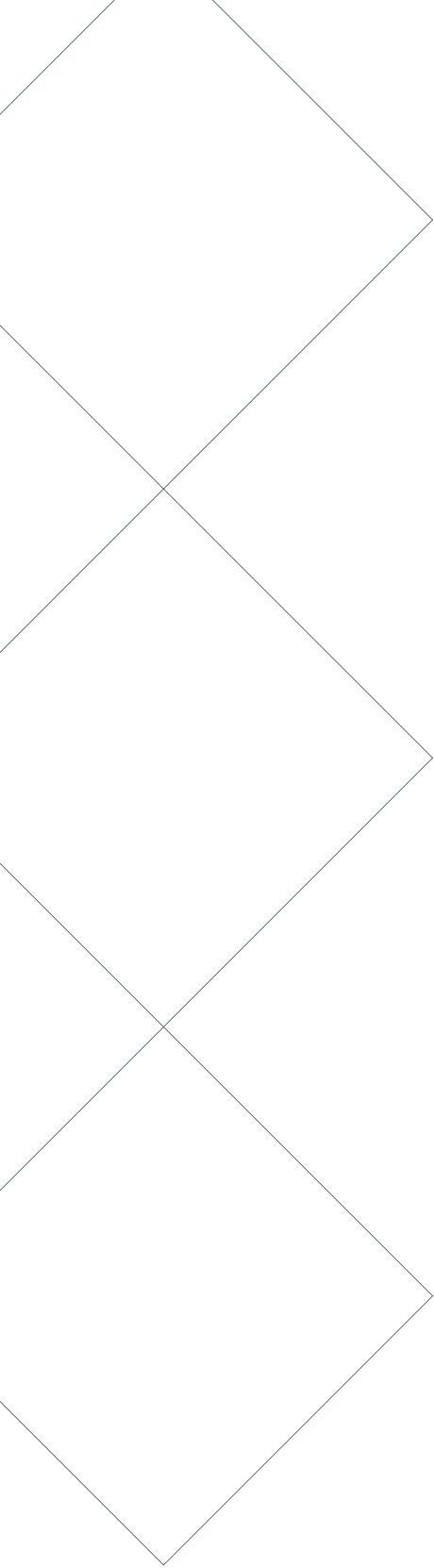
Alness - The town is a major employment centre for Easter Ross with a relatively wide industrial/business base with manufacturing, retail and the public sector the main employers.

Wick - Wick is a sub regional service and shopping centre providing the main administrative and medical functions for Caithness. The public sector is a major employer through both the Highland Council and the National Health Service. The other significant areas are manufacturing and retailing and construction.

Stromness - It is difficult to isolate Stromness from the rest of mainland Orkney. The town does however contain the Garson Industrial Estate, where the Orkney Herring Company Ltd, Environmental & Resource Technology Ltd are located. Renewable Energy has become an increasingly important employer based in Stromness.

Kirkwall - The town is the administrative and commercial centre of the islands, Kirkwall has seen steady growth in the recent period of years, as the Islands Council has expanded Kirkwall-based employment, and as retailing becomes more concentrated, for example by the expansion of supermarkets in Kirkwall. The town is an employment centre for those residing on the Mainland of Orkney (and even the nearer islands) and commuting to work in the town.
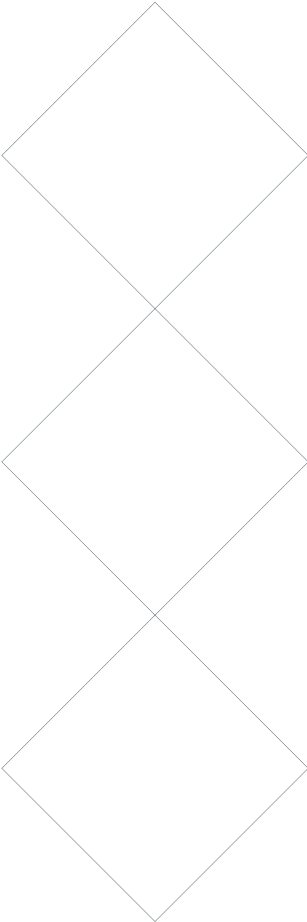
Girvan - The fishing industry has contracted substantially in recent years and the fleet operating in Girvan reflects this change. The main companies currently based in and around the town are now a specialist ship builders and repairers, manufacturer of medical gowns and related products, manufacturer of electrical switching components, processor of food product from seaweed, Nestle UK - multi national company that uses its Girvan factory to produce chocolate crumb, which is a base for confectionery manufacture, W Grant and Sons - internationally renowned whiskey distiller. There are also smaller companies involved in the industries of barrel production, wood products, and fish farming.

Lesmahagow - Services are the main employing sector, accounting for 74% of all jobs, which was significantly above their 67% share of all jobs in South Lanarkshire.

Lanark - Services are the main employing sector, accounting for 88% of all jobs, which was significantly above their 67% share of all jobs in South Lanarkshire. Non-agricultural employment fell by 4% in Lanark in the period 1998-2001. This compares with a 15% increase in South Lanarkshire as a whole.

Dumbarton - The quality of Dumbarton's town centre retail offer is in a state of decline. This has been partially caused by the growth of competing centres including Clydebank and Braehead.

Alexandria - There is an over reliance on public sector employment - 51% of all employment.

Auchinleck - The main employers are producers of aerosol cans and chipboard; a bus company; several haulage companies and Tesco's supermarket.

Newmilns - The economy is highly dependant on manufacturing with 26.23% employed in manufacturing against a national average of 13.23%. Vesuvius - Valve production. A declining manufacturing sector, and in particular a failed textile industry.

Lerwick - Local authority and the National Health Service are the two main town employers. Many other employers in service and transport sector.

Crieff - Tourist-related employment is important and also education, with two private schools in the town in addition to local authority schools. Main companies include Crieff Hydro Hotel.

Buckhaven and Methil - In the 1960s and 70s the rapid decline of mining was reflected in reduced economic activity and population, which has not yet been fully re-dressed, with a resultant degree of decay in the physical fabric of the communities. The areas main companies are MGt (Call centre); Balfours (Heavy engineering); Silberline (light engineering & manufacturing); and Diageo (manufacturing & bottling plant).

Bo'ness - The town is increasingly dependent on commuting (to Grangemouth, Edinburgh and Falkirk) with less than a third of workers resident locally being employed locally. There is still a significant manufacturing/ distribution presence on the eastern foreshore and even one of the iron foundries (Ballantines) is still operating.

Denny - The town's industrial base has largely disappeared - the last paper mill closed recently. Over two thirds of working residents commute out with the town for work (to Falkirk and Glasgow particularly). The remainder are employed in local service industries mainly.

Kirriemuir - The town's industrial base is very narrow with a significant dependence on one group of companies. By far the biggest employer within the town, which accounts for two of the top six employers, is involved in manufacturing. Its main companies are J&D Wilkie (manufacturing); Rowan House Residential Home (care); James Meffan Ltd (transport); Lisden Nursing Home (care); Lothian & Borders Co-op (retail); and Stewart Pinned Products (manufacture).

Bridge of Weir - With the closure of all but the Bridge of Weir Leather company, Bridge of Weir has lost its main employers. In addition, the closure of retail and commercial businesses in the town has limited the amount of local employment opportunities. However, the role of town has now changed to that of 'commuter town'.

Erskine - Erskine was a planned new community developed from 1967 and it is now largely a commuter town. There are several employers in and around Erskine including Hewlett Packard - Manufacturing; Be Cogent - Call Centre; Hotels - Erskine Bridge Hotel and the Five Star Mar Hall Hotel; Erskine Hospital; Bridgewater Shopping Centre including a Morrison's store; and Bridgewater Housing Association have offices in Erskine.
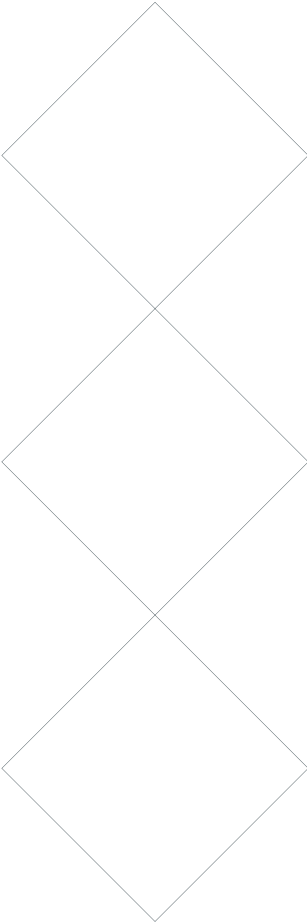
Appendix 6
The Built Environment of Survey Towns

Helensburgh - The town centre is dilapidated and in urgent need of redevelopment so as to meet the needs of a burgeoning town' poor quality of public realm and environment manifested in badly maintained buildings, ugly shop fronts and a great deal of undistinguishable infill. There is also a poor pedestrian experience with poor surfaces, narrow crowded pavements and a car dominated regime.

Campbeltown - It has many assets and positive qualities which counterbalance obvious evidence of dereliction and decline. It is a handsome town in a fine landscape setting and has some notable architecture. There are a number of landmark buildings which are visual focal points, However there are some gap sites, insensitive interventions and tracts of derelict land caused by shrinking industry. Also the public realm needs high quality and durable improvements to overcome quick fix remedies previously used to resolve problems.

Lockerbie - Condition of key buildings in the town centre is poor. The town centre suffers from a generally poor presentation, chaotic street signage, varying street furniture and many street front properties are not in good condition.

Newton Stewart - The local perception is that the fabric of the town, particularly the main shopping area, looks run down, an indication of a declining level of prosperity.

Barrhead - The town centre (located along Main Street), which is the main focus for retail activity in Barrhead, currently offers a very limited range of goods and services. The area is served by a Tesco supermarket, but this is located just outside the main core of the town centre and as such, draws people away from, rather than into, the main shopping area.

Auckinleck - The main street has seen shops close and has vacant buildings and sites that create a poor physical environment and first image of the town.

Haddington - The town has many slowly deteriorating listed buildings despite being one of the most highly regarded examples of burgh architecture in Scotland. An estimated £6 million worth of repairs required in the medieval triangle alone.

Stornoway - The character and amenity of Stornoway is under threat from under investment and superficial repair. The effectiveness of the town centre is very much dependent upon character and a good quality public realm. This is difficult to achieve when confidence is low. Significant improvements in the appearance of buildings and the general environment / public realm are required to make Stornoway a destination in its own right and create a vibrant and lively town centre where people wants to visit, live and work.
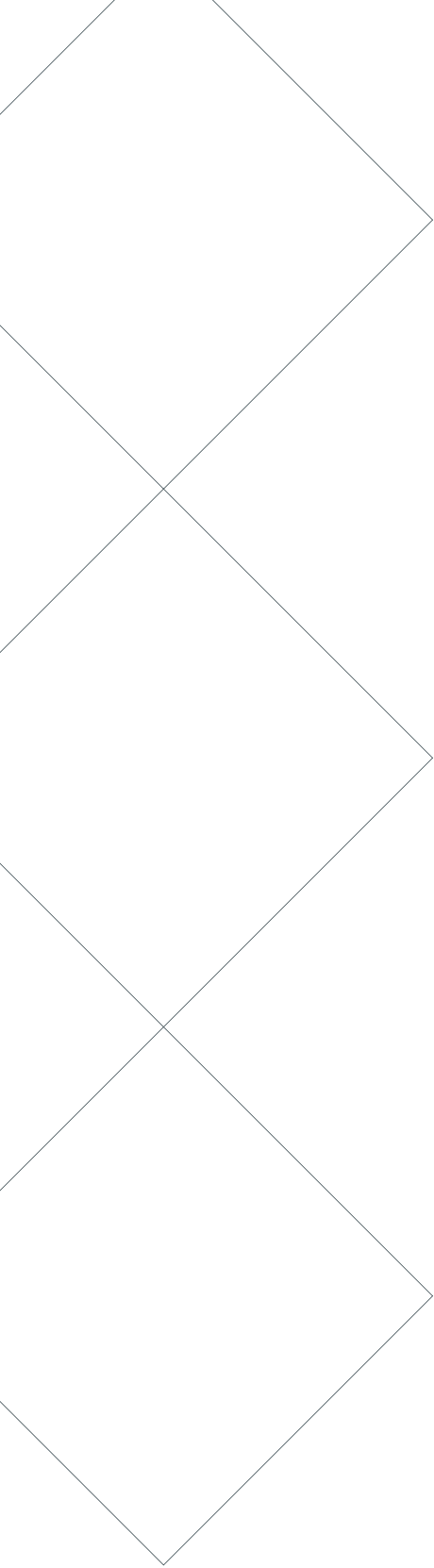
Dunbar - Legacy of lack of private investment in 1980s and 1990s in the town affected the heritage with many derelict historic buildings only now being tackled as property value rises. High Street shop occupancy rate at highest since 1990 but threatened by an out of town Asda. In 'backland buildings' there is major problem of crumbling, derelict old stores, artisans' houses etc. Many are listed - all are part of the rich architectural character of a historic burgh.

Queensferry - The bulk of the buildings in the centre are in private ownership and whilst there is no research available, the condition of buildings appears reasonable. The public realm in the centre of the town has been upgraded to a high quality in the 1990s, but requires some remedial work due to traffic impact. The main issue is the divergence of opinion amongst different sections of the local community regarding the future roles of the traditional centre of the town (the old High Street) and the emerging edge-of-town hub at Ferrymuir. Some people are supportive of the new hub, with its modern facilities, and are happy for commercial units on the High Street to convert to other uses (e.g. residential), while others still see the High Street as being at the heart of the community as well as a focus for visitors.

Dalkeith - Condition of the buildings is generally fair although some are in poor condition and the 1960s town centre is showing signs of age. The main issues and challenges facing the built environment are the improvement of buildings and the public realm and finding a suitable use for empty buildings, especially the Dalkeith Corn Exchange.

Bonnyrigg - The condition of buildings is generally fair although the town centre, which was altered in the 1960s, now requires a facelift. Environmental improvements are now being carried out in the town centre. The challenges and issues facing the built environment are the improvement of buildings and further improvements to the public realm.
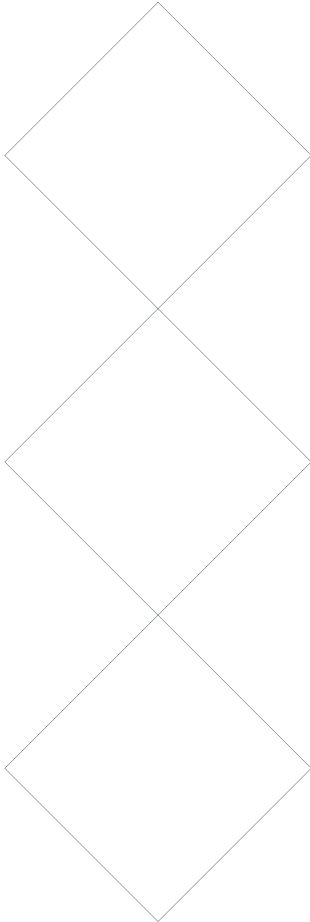
Stromness - In general terms it is felt that the overall general condition of the built environment is fair with only a few examples of derelict/underused buildings.

Kirkwall - The town does experience urban development problems, mainly on the edge of the town centre, where a variety of industrial and commercial premises, which located there in the past, are no longer appropriate land uses. For example, the Kirkwall Mart, which handles sales of most of the island's cattle and sheep, was located in this area, until it built new premises near the town's industrial estate some years ago. Orkney Islands Council purchased its site and built a new Library (cost £5m) as a first step in the regeneration of the area.

Girvan - Due to the economic decline of the area, the town has in recent years, suffered from neglect and has had a very run down look with a number of shops closing and not being successfully leased out. There are one or two buildings in the town which have had and continue to have considerable importance in the town. These buildings require significant upgrading to ensure their continued use and to encourage tourists to visit them to discover the rich and diverse culture that was once present.

Lesmahagow - Lesmahagow Village Centre is a conservation area with some buildings suffering from under investment over a prolonged period of time and now requires significant investment to be brought back to a suitable standard.

A town centre study has recently been completed for the town with proposals to enhance key buildings and the public sector. The most popular forms of improvement for the village centre included: improved appearance of streets/buildings; more/better quality shops; better maintenance/cleanliness; and an outdoor meeting space.

Lanark - The older buildings along High Street, the main shopping street, give Lanark its traditional character as a market town. The age and design of the buildings and the narrowness of the streets and vennels limit the scope for extending and modernising shops. Improvements have been made through redevelopment and facelift schemes. More can be done to maintain and increase Lanark's attractiveness as a shopping and visitor destination. South Lanarkshire Council completed a £2.4 million programme of streetscape works in November 2005. This improved traffic flow through the centre of the town allowing front service access for shops while broadening pavements and improving the general environment.

Dumbarton - A large number of regional and local development plans/strategies have highlighted the importance of tackling issues in Dumbarton Town Centre.

Alexandria - There is a need to encourage improvements in the appearance and fabric of those areas of the town centre redeveloped in the 1960s and 1970s i.e. Mitchell's Way. These buildings are deteriorating in appearance and condition require substantial improvements to ensure better protection from the weather and to enhance their appearance using better finishes etc. Poor quality of town centre. Dangers of discouraging traffic which might result in a loss of trade.

Auchinleck - The town centre has suffered from a lack of recent investment. In recent years 8-10 retail businesses have closed, not helped by the new Tesco store. There are more than 15 vacant buildings/gap sites on Main Street. There is no real town square or public space near the Main Street. The built environment is generally run down and in need of investment.
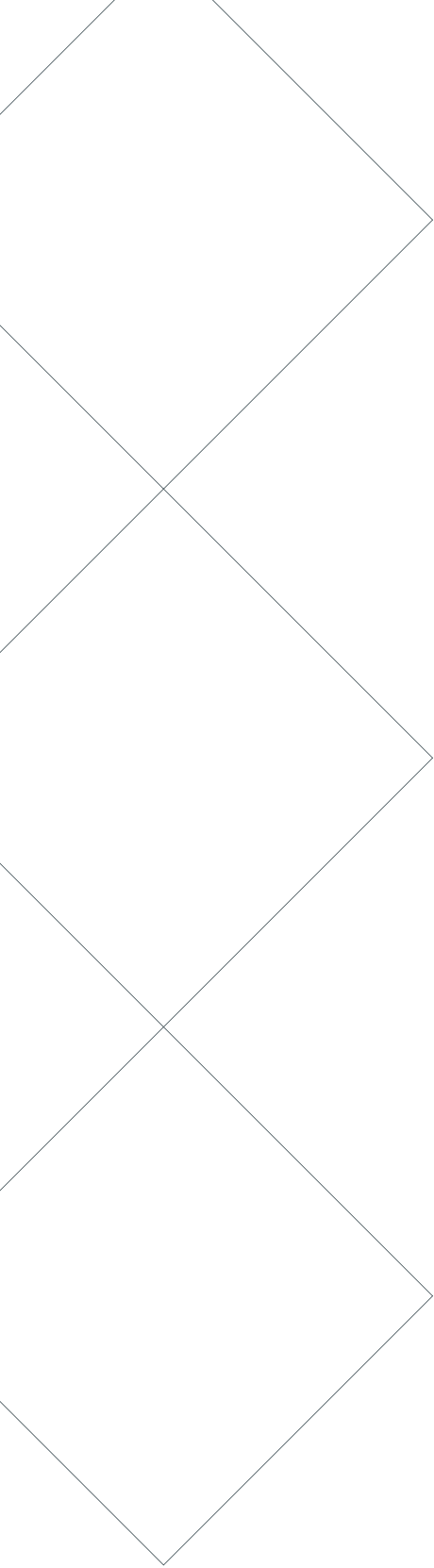
Lerwick - There are two conservation areas in historic town centre, where investment over the past two decades has made significant improvement to buildings. The area now a desirable place to live. Grant aid available for improvements and this has been successful but more money needs spent, especially on town centre shops. Town centre shops need to invest in their buildings to stop decline in condition.

Crieff - In the town centre there is some evidence of deterioration the further away you get from the main retail core. The designation of part of the town as a conservation area is under investigation. Finding alternative uses for redundant - and sometimes listed - buildings. Pressure for the development of open spaces within the town.

Bo'ness - There are problems with building condition, dereliction, gap sites etc in and around the town centre. The public realm has received little investment over recent decades, although rehabilitation of foreshore in the 1980s/90s did much to improve the environment of the town.

Denny - Town centre is problematic with a large and unattractive 1960s block dominating the townscape and bringing both social and environmental problems.
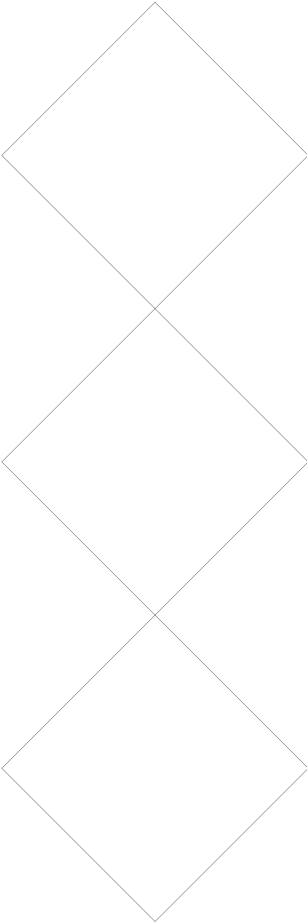
Alness - The buildings in the town are generally in a sound condition with few derelict or vacant premises. The public realm has seen major improvement over the last 10 to 15 years, particularly in the town centre. A scheme of streetscape improvements was completed by the Highland Council with funding from the Local Enterprise Company.

Wick - There are issues in relation to building conditions in both the town centre and around the Lower Pulteneytown area, both of which have seen very limited investment in recent years. Vacant and neglected properties contribute to a poor environment, which is not attractive to visitors and residents alike.

Kirriemuir - The town centre contains a number of historical buildings and a number under private ownership - most in a generally good state of repair but there are a few identified as being at risk such as Glengate Hall. Since 1999 further development within the town has been restricted due to issues at the Waste Water Treatment Plant. There is a need to resolve these problems, which constrain development in the town and other settlements within the sewerage catchment area is a key challenge.

Bridge of Weir - The physical environment and public realm of the town centre is relatively poor, reflecting a lack of funds and limited investment in the area. The centre has also suffered from a decline in retail and commercial functions in recent years.

Erskine - Service and retail functions are provided within a town centre which suffers from decentralisation and poor pedestrian and transportation linkages to the settlement which it serves. The condition of the built environment and public realm within the town is relatively poor, reflecting a lack of funds and limited investment since initial development. In particular, considerable areas of underdeveloped and unmaintained land exist adjacent to the town centre.

Hawick - 42% of properties in Hawick were built prior to 1901. An in-depth survey was carried out on a small sample (7%). Of these, 82% had high priority defects. It was calculated that £1.15 million would need to be invested to repair buildings and enhance the streetscape.

Coldstream - 51% of properties in Coldstream are older than 1901; a detailed survey on a small sample (20%) revealed that 83% of these have high priority defects. It is anticipated £450,000 would need to be invested to improve the town's built environment.

Appendix 7
Initiatives in Survey Towns

Helensburgh - In January 2004, Argyll and Bute Council and Scottish Enterprise Dunbartonshire commissioned a consultants team led by Yellowbook to prepare a strategy and action plan for the regeneration, revitalisation, redevelopment, management and promotion of Helensburgh town centre and waterfront. An initiative to be known as Helensburgh Partnership has recently been established and an independent chairperson is about to be appointed. This will take forward, in particular, the redevelopment of the pier head area and formulate a master plan for the town centre east. It is intended that there will be a design guide produced for the town and conservation area appraisal carried out.
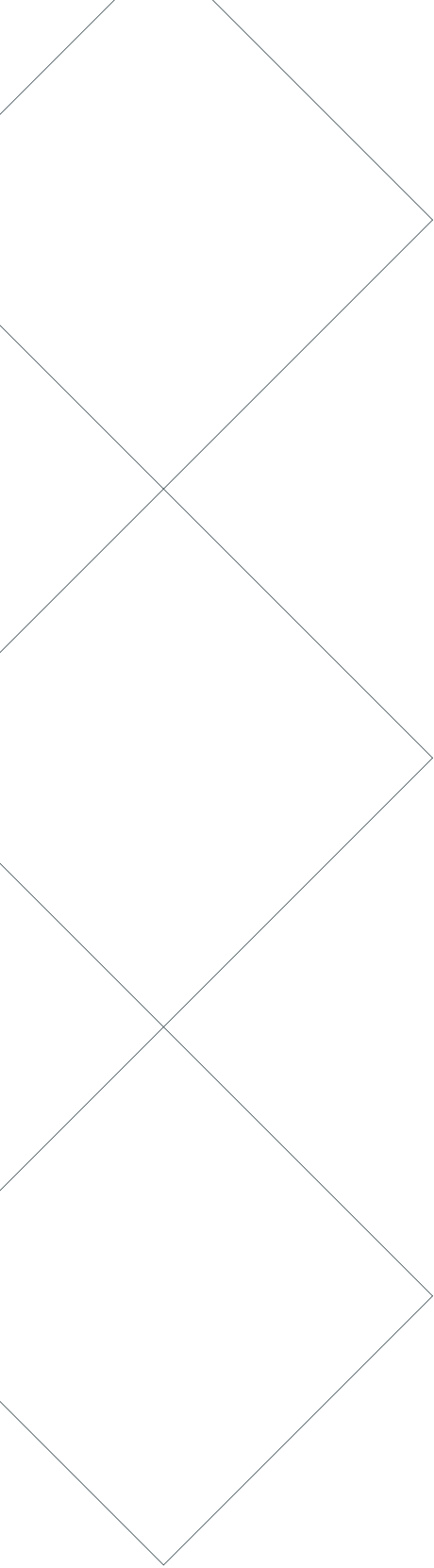
Campbeltown - In February 2005 a consultant team led by Yellowbook was appointed to carry out the Campbeltown regeneration study. Commissioned by the Council, on behalf of a client group including Argyll & Islands Enterprise and Communities Scotland it will review in a comprehensive manner the socio-economic issues and produce a place competitiveness and regeneration strategy. There has been a recent bid to the Historic Environmental Regeneration Fund totalling £400,000 for work on a conservation area regeneration scheme. The local swimming pool is closed but is being replaced by the £6 million 'aqualibrium' which is due to be opened within the coming months.

Lockerbie - A Lockerbie Community Initiative has been active over the last few years working for social focused projects to raise the profile of the town. The Gretna Lockerbie Annan Regeneration Strategy linked to the closure of Chapelcross could bring inward investment developments and other investments to the town over the next 10 years but this is not assured yet.

Newton Stewart - Capital investment in the local school swimming pool, in the creation of a Council Service Centre and upgrading of the Community Hall, in the creation of a riverside walk and foot bridge across the river Cree, 3 picnic areas and a high street face lift scheme have all undertaken by Newton Stewart Initiative (Community regeneration group).

Barrhead - East Renfrewshire Council is currently embarking upon an ambitious programme of physical regeneration projects within the town. These projects include the physical renewal of dilapidated housing stock, the development of business/industrial sites that are
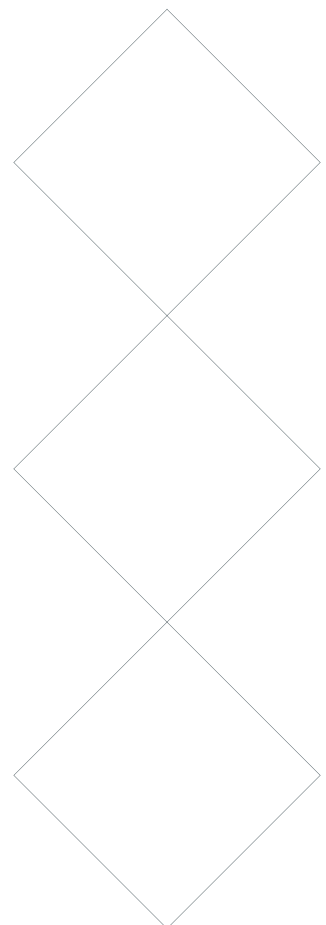
capable of supporting modern businesses, the re-location of business to modern facilities and the extensive re-development of the town centre.

Auchinleck - There has been a Town Appraisal. In relation to the demolition of derelict buildings, plans are advanced for the demolition of 115-125 Main Street using monies from the Derelict Property Revolving Fund.

Haddington - A Cultural Centre is planned (library, museum, stores, archives, small performance space) subject to external match funding. Bid submitted to Historic Scotland for Conservation Area Regeneration Scheme.

Alness - The public realm has seen major improvement over the last 10 to 15 years, particularly in the town centre. A scheme of streetscape improvements was completed by the Highland Council with funding from the Local Enterprise Company. The local voluntary organisations, spearheaded by Alness in Bloom, have worked extremely hard to improve the local environment through an extensive flower and shrub planting scheme. The town has now won a variety of national and international awards on the back of all this work.

Wick - A Townscape Heritage Initiative developed in 2003 has begun to address the problems. Some £2.8m (of a total £5.4m) has been spent to date on bringing buildings back into use and upgrading the public realm. Former fishery buildings have been converted to affordable housing and new office premises opened. The area has recently been the beneficiary of a £1.5m grant from Historic Scotland under their Historic Environment Regeneration Fund. With match funding, the total investment will be £4m covering around a dozen projects. However, this is only a small fraction of the investment needed to turn these areas around.

Stornoway - Over the last decade the standard of new developments has risen markedly and good examples of sensitive infilling and reuse of redundant or gap sites has improved the appearance of the town markedly and is beginning to pay dividends for the growth of the economy. There is a proposed Townscape Heritage Initiative (THI) which is part of the overall Stornoway Regeneration strategy and aims to facilitate regeneration by using conservation of the historic built environment as the main driver.

Dunbar - There was the Dunbar Initiative (to 1998). Recent investments include a Leisure Pool £5.8M; High Street landscaping £1.2M; Rebuilding parish church after a fire £0.5M; Conversion

of A-listed Lauderdale House to flats for Housing Association £1.7M; Public realm and small grants £1M; John Muir Birthplace Project £0.5M); and the Dunbar Townscape Heritage Initiative underway.

Queensferry - Major investment have been made in the public realm in the mid 1990s to the historic centre of the town, involving the introduction of high quality materials to roads and footways. Investment was around £750,000 at 1996 prices through the Council and LEEL (now Scottish Enterprise Edinburgh and Lothians). An orientation and signage strategy was implemented in part in 1999 at a cost of £78,000. Future plans for Future Plans for Newhalls Road, Port Edgar Marina and Ferry Glen.
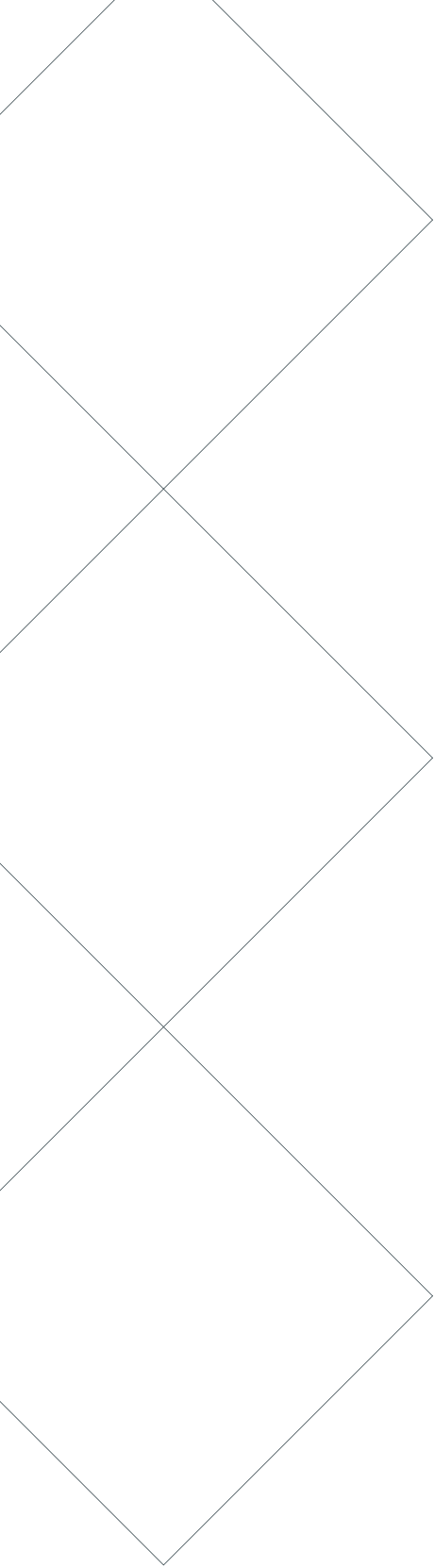
Dalkeith - Town centre environmental improvements have been undertaken over a number of years. The current Developing Dalkeith project seeks to redevelop part of the town centre with new shops, offices, housing and leisure facilities. The Developing Dalkeith project has yet to enter its implementation stage.

Bonnyrigg - Environmental improvements (£1.6m) are being undertaken within the town centre. Improvements to building facades are being considered.

Stromness - A pierhead redevelopment scheme is being formulated to use a key site at the centre of Stromness that is currently underused. The Old Academy in Stromness was redeveloped into office space/craft units for the Orkney Renewables Forum and Small Business. This has led to a certain amount of dereliction in the town centre. The Town Centre Partnership in Stromness has developed a Regeneration plan, which proposes the renovation of a number of historic properties in the town centre, and the clearance of one obsolete building to make way for a covered area which could be used for events, markets, etc. The cost of this plan is estimated to be around £5m. The Council recently committed in principle to a first stage of this plan, to be spread over the next three years. The Council needs some external support for this plan to be fully implemented. There is no possibility of the private sector undertaking this task, although it is anticipated that regeneration would encourage consequent private sector investment in the area.

Kirkwall - The Council has been concerned about edge of edge of town centre regeneration of the edge-of-centre site to a private sector use would provide the funds to allow existing uses to re-locate to new premises on the industrial estate. In a small town this process cannot be undertaken by the private sector, because the values of edge-of-centre sites are generally insufficient to fund new
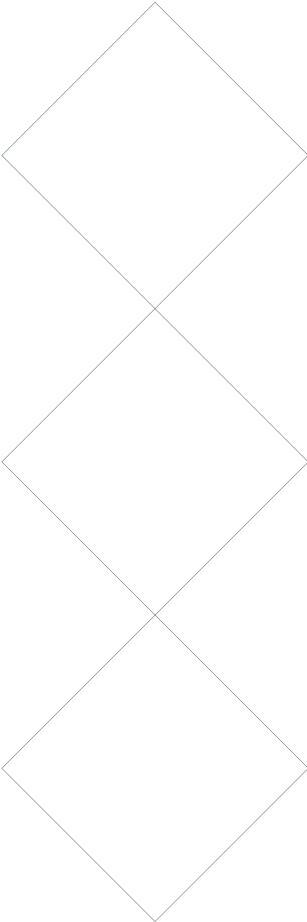
premises required by a re-locating business, but they are too high for private businesses which might wish to redevelop an edge-of-centre site. The Council has had to get involved in site assembly and purchase in all three cases, and in two cases has itself used the sites for new public buildings.

Girvan - Since 1990, there have been a number of small scale projects by Ayrshire Housing to improve the Registered Social Landlord (RSL) housing stock in the area. The former Social Inclusion Partnership (SIP) also funded through Girvan Horizons a series of projects such as the Harbour Stores improvements, North Coal Dock, Southern Approaches Roundabout (The Puffer) and other smaller projects from a small 'Girvan Image Fund'. A Living Landmarks Lottery application is being submitted in partnership between Girvan Community Developments Ltd, South Ayrshire Council and the RSPB to create a new visitor centre and community facility overlooking Ailsa Craig. If successful in the stage one bid the group will submit an application for approx. £24 million by January 2007 for completion of building works by 2009.

Lesmahagow - The 2005 Lesmahagow Village Centre Study was undertaken. The first stage of the study was to carry out a 'health check' of the village centre to assess the economic vitality of Lesmahagow. This work was and encompassed desk based economic baseline analysis, consultations with local businesses and a resident's survey. The second part of the commission sought to propose a number of viable, prioritised projects based on the first stage of the study and an examination of the potential for consolidation/improvement in Lesmahagow.

Lanark - New Lanark, Lanark Moor and Lanark Racecourse provide major opportunities to develop the town's visitor attractions. Development of the housing sites identified in the local plan will help support services and facilities in the town. The Council will seek opportunities to improve coach parking for visitors to the town to complement other improvements. There are residential developments underway on the edge of the town and, in the autumn of 2005, a Retail Park with 60,000 square feet of retail space was completed on the edge of town.

Dumbarton - Scottish Enterprise Dunbartonshire, West Dunbartonshire Council and the West Dunbartonshire Town Centres Initiative Ltd commissioned a consultancy team, led by EDAW to prepare a Town Centre Action Plan for Dumbarton. The Final Report produced in January 2001. The aim of the study is to produce an Action Plan, incorporating a strategic vision , covering the next 10 years that will lead to the revitalisation of the town

centre'. Projects delivered so far include - Regenerating Dumbarton Waterfront Master plan, refurbishment of College Way shopping precinct, development of Old Academy Building site, Shop fronts Improvements and guidance, public realm improvements, traffic management and car parking improvements.

Alexandria - The Dunbartonshire Town Centres Limited and Scottish Enterprise Dunbartonshire (which form the Town Centres Partnership) commissioned a consultancy team to prepare a town centre Action Plan for Alexandria in July 2003. The plan requires a considerable amount of resource input (human and financial) over a 10 year period to deliver these projects. It has resulted in Shop front Improvements, Smollet Fountain Lighting, new Christmas Illuminations, town centre gateway signage, improved street lighting.

Auchinleck - The demolition of vacant and derelict properties has been carried out by East Ayrshire Council through its revolving fund for demolitions. A Property Improvement Scheme has been ongoing in the town for two years, helping to tackle the quality of the environment.

Newmilns - The Irvine Valley Regeneration Partnership (IVRP) are currently doing a lot to encourage tourism in the area through improvements to a path network and a Walking Festival. The Newmilns THI a partnership, a partnership between the IVRP and East Ayrshire Council has managed to successfully start the regeneration of Newmilns.

Lerwick - A range of projects have been carried out. These have involved the regeneration of derelict industrial areas throughout town to provide new sites for offices/industry; an ongoing programme of house building - social housing and 'first time buyer' properties by local housing association; re-flagging of main shopping street, and introducing pedestrianisation; grant aid for property improvement in conservation areas; a play areas review; the establishment of a public art group with emphasis on producing community art works in town, and an oral history group working to gather information on the town's recent history (1960s) and to raise awareness of attraction of town to others; a new secondary school; and an examination of the feasibility of a cinema/mini venue in central location.

Crieff - There has been the refurbishment of the town square (James Square).
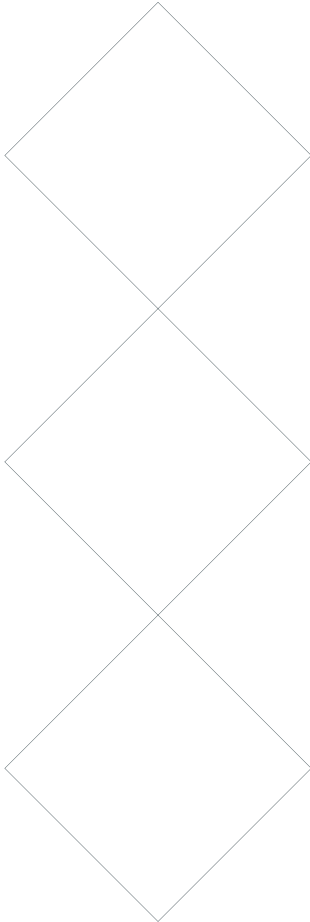
Buckhaven and Methil - There are a variety projects including the development of the Fife Intermediate Labour Market to deliver environmental improvements whilst offering training and employment for local projects; a feasibility study into a Levenmouth access road; Alsherra Investment Ltd worked in partnership with Scottish Enterprise Fife and Fife Council to create 11,000 square ft of top quality office space at Methil No 3 Docks in Methil; redevelopment of Hawkslaw Industrial Estate into a new retail park; auditing and seeking alternative uses of marginal retail properties and vacant sites across Methil and Buckhaven to allow remedial and environmental work to be carried out as necessary; promoting employment uses (e.g. renewable energy projects) at Kvaerner Yard, Methil with possible long-term uses to include business/ commercial uses; encouraging alternative uses of the redundant Methil Power Station particularly within the residential/leisure/ tourism fields; and supporting the continuing development of the Levenmouth Communities Regeneration Group (LCRG) as a key to involving the wider community in the process of regeneration.

Bo'ness. - Current projects include: foreshore environmental improvements; the development of Bo'ness station and Scottish Railway Exhibition; restoration of west pier; a new secondary school/social work centre; and the restoration of Dymocks building (National Trust restoration of landmark historical building in the town centre). Future plans include foreshore regeneration proposals (including dock/ harbour restoration, 750 houses, dockside commercial development); Bo'ness Townscape Heritage Initiative (THI) - public realm works, restoration of priority buildings, tenement repairs and shop front grants and a flood prevention scheme.

Denny - The main regeneration project was the Denny/Bonnybridge project which predated 1990. Since 1990 the main initiatives have been the; construction of a new Social work/Business Centre on the edge of the town centre; a new community centre in the southern part of the town (secured through planning gain); and an award-winning Countryside Access Initiative. Future Plans include the Denny Town Centre Regeneration Initiative; the new Denny high school - to be built as part of the current Falkirk Schools Replacement Project; and the Denny eastern access road which is a proposed new road to alleviate congestion within the town centre.

Kirriemuir - There have been a number of initiatives including town centre environmental improvements including new housing and craft units at Crofthead; the conversion of the former town house to the local 'Gateway to the Glens' museum; the opening of a further education outreach centre in the town; Webster's High School and provision of new sports Centre; the opening of a further education outreach centre in the town; tourism projects linked to the Angus Glens Walking Festival 2004 and the 100th birthday of Peter Pan; and a youth awareness project

Hawick - Various initiatives have been developed, including a regeneration scheme to assist businesses and community groups. Objective 2 European Funds worth over £2.45M and Heritage Lottery Funds has also been invested in Hawick to regenerate the streetscape and develop the Heart of Hawick Initiative. The latter is an ongoing project that will house a genealogy centre, artists' workshops, a cinema and café.

Coldstream - The town has had a regeneration officer assigned to the town for a short time. This has encouraged local groups to seek funds from other sources (e.g. LEADER+) as well as targeting existing budgets to benefit key areas.
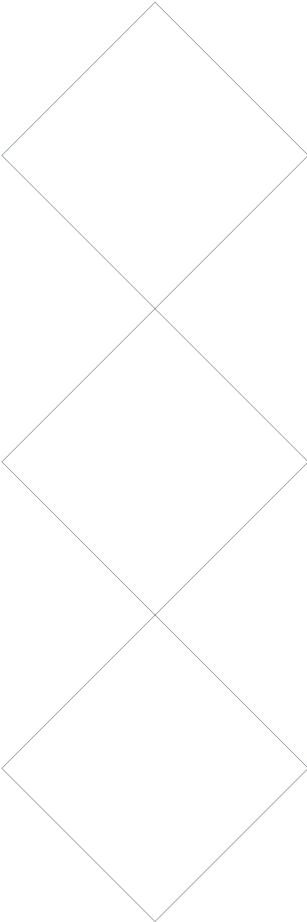
Appendix 8
Other Research Questions

Question 1:
What is the role of a small town, in terms of economic, social and administrative functions, within a city region?

Question 2:
What is the most sustainable relationship, in terms of social and economic functions, between a small town and its hinterland?

Question 3:
Should a small town adopt an aggressive stance towards drawing investment and retail footfall away from the core areas, or accept a more passive role, whereby it meets the service and employment needs of its resident population and is capable of accommodating any surplus investment or retail footfall that may spill over from the core of the city region?

Question 4:
Some towns are affected by problems of a negative perception of the quality of life and the desirability of the area as an investment and housing location. How do these small towns overcome the 'chicken and egg' quandary that these negative perceptions create?

Question 5:
Is there a greater role for cross boundary co-operation between Councils containing small towns in an attempt to foster more cohesive responses to the prevailing economic and social conditions?

Question 6:
What role does the cultural industry have to play in the development and life of small towns?

Question 7:
What role does tourism, both in terms of visitors to a town, or visitors utilising any countryside based recreational facilities nearby, have to play in the development and life of small towns?

Question 8:
Anecdotal evidence has suggested that the retail provision in small towns would be better served by a mix of basic shops that meet the needs of the resident population and a selection of niche retail outfits capable of drawing in footfall from other areas within the

city region. Is this a viable policy, or, as is more likely, is this merely an option available to a few select areas with a fairly wealthy resident market and strong links to the surrounding areas?

Question 9:

What role does housing investment have to play in the regeneration and sustaining of small towns? Does it bring in new investment and new residents thus providing a boost to deflated neighbourhoods, or does it merely increase the potential for settlements to become commuter towns and for new housing to become 'walled estates' cut off from the original communities?

Question 10:

What role does transport play in ensuring that small towns are linked into the activities of a city region, and what scope is there for the development of a more co-ordinated, cross-boundary response to the transport needs of these areas?
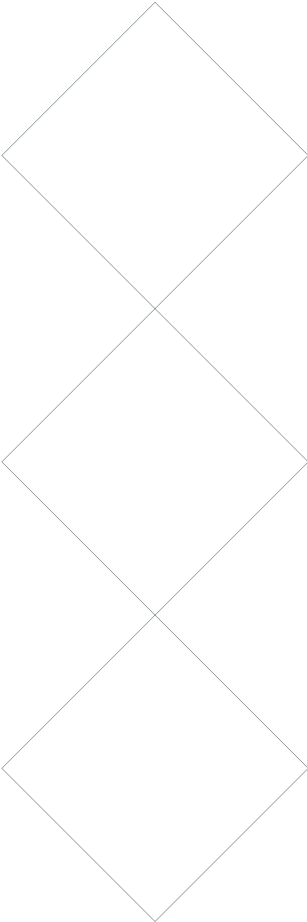
SBC BORDER TOWNS CONDITIONS SURVEY

EXECUTIVE COMMITTEE   **ITEM   [insert Item No.]**

---

15 MARCH 2005

JOINT REPORT BY DIRECTOR OF PLANNING AND ECONOMIC DEVELOPMENT AND DIRECTOR OF SOCIAL WORK

RESULTS OF SURVEY OF BUILDING CONDITIONS IN BORDER TOWNS

---

1   PURPOSE

    1.1   To report the outcomes from a building condition survey which was approved by the Council in December 2003, commenced in March 2004 and completed in October 2004.

    1.2   To seek approval to the recommendations by the Director of Planning and Economic Development and the Director of Social Work arising from the survey.

2   BACKGROUND

    2.1   The forces driving the survey were:

        a)   **Historical Building Control Enforcement Cases** where the evidence of poor conditions and a lack of investment in buildings were all too apparent.

        b)   **Edinburgh FAI – Ryan's Bar Fatality** where the consequences of failures in the condition of building elements were stark indeed.

        c)   **Market Burgh Review and Small Towns Initiative** where the impetus for "doing something" was necessary to contribute to the debate on the level of assistance and level of need in "small towns" as against city assistance and rural aid.

        d)   **Private Sector Housing Grants** where the allocation of additional funding required assessments to be made on where the need lay and where the maximum impact could be made.

    2.2   As well as identifying the nature of the problem in the "built environment" there was a need also to identify:

        a)   the opportunities for improvement, and
        b)   the constraints in the solutions offered.

    2.3   There was a need to take cognisance of the current level of assistance available within the repair and maintenance activity [£241,000 PSHG funding] administered by a small team in Social Work and Planning and Economic Development [circa 2/3 FTE]. One of

the main purposes of the survey was to identify the scale of the problem throughout the Borders and, thereafter, to identify the effect/impact on:

a)   current operations within the Council,
b)   the construction industry,
c)   potential further funding bids to the Scottish Executive, and
d)   how best to assist property owners.

2.4   The aim of the survey was to provide a statistical database of the condition of buildings in the Borders based on first hand knowledge through site inspections. The survey model comprised:

a)   typical elements which presented a danger to the public in the building fabric,
b)   typical elements of disrepair in the building fabric,
c)   evidence of poor maintenance,
d)   evidence of good or planned maintenance,
e)   building types, and
f)   a use and ownership profile of building types.

2.5   The Stage 1 Survey required a superficial inspection of a representative sample comprising 921 comparable properties in various locations in Jedburgh, Innerleithen, Walkerburn, Coldstream, Selkirk, Galashiels and Hawick. These properties within the scope of the survey were in excess of 100 years old and most were of traditional construction with loadbearing masonry walls and pitched slated roofs. The survey concentrated on properties that had a prime street frontage primarily because of the proportionately higher risk from falling masonry in well populated/well used areas. Their uses varied between mixed retail and domestic or multiple domestic uses.

2.6   The Stage 2 Survey required an in depth inspection and assessment of a chosen sample of properties taken from the Stage 1 results and in particular those properties showing the worst case conditions.

2.7   The model generated by the survey took further account of the following factors, regardless of location, in the assessment of the condition profile and, in particular addressed:

a)   the age of the property,
b)   the construction of the property, and
c)   the use/ownership of the property.

NOTE: Reference should be made to Appendix 1 for information on the survey process and parameters.

2.8   The random sample of a typical building block or street frontage [including the backland features] was required to identify, through site inspections, the actual or potential deficiencies in respect of:

a)   Roof fabrics,
b)   Falling masonry,
c)   Rainwater goods and gutters,
d)   Precipitation giving rise to the potential for dry or wet rot,
e)   Window types and condition, and
f)   Other defects.

2.9 The findings from the survey would form the basis of an assessment of the scale of the problems likely to be present over the whole of the Borders area.

3 SURVEY FINDINGS – DEFECTS

3.1 The findings indicated that every town surveyed had instances of serious disrepair. The survey revealed, in general terms at least, that those properties in mixed use and which involve areas of common ownership showed signs of poor maintenance in relation to single ownership properties – the more joint owners, the worst state of repair.

3.2 The survey results tended to suggest that Innerleithen, Coldstream and Hawick have a higher incidence of disrepair where in excess of 80% of the properties surveyed require some form of maintenance. Galashiels, Selkirk, Jedburgh and Walkerburn fair slightly better with between 50% and 75% requiring some form of maintenance.

3.3 An analysis of this data suggests that approximately 70% of the properties surveyed [643 in total] would benefit from or will be required to have works carried out to remove serious defects – see Appendix 3 – Tables 1 and Tables 2 (a) and (b) .

3.4 A further analysis of the data shows that in those properties surveyed:-
a) 38.65% have roof fabric failures,
b) 45.39% have loose or falling masonry,
c) 31.27% have rainwater goods [gutters / downpipes] defects,
d) 17.48% have a lack of protection against the ingress of moisture [potential dry rot],
e) 15% have window defects, and
f) 9% have various other building fabric defects.

NOTE: Reference should be made to Appendix 4 for information on the "Defects Picture" over the whole Borders Area.

3.5 During the survey urgent work was required to remove actual or potentially dangerous conditions. A total of 60 cases were actioned at that time involving approximately 172 properties in separate ownership.

4 SURVEY FINDINGS – CHALLENGES

4.1 When looking at the outcomes from the survey, it is apparent that the following factors will influence the roll out and programming of any repair works:

a) demands on resources – professional expertise both within the Council and externally - where are the constraints/opportunities - willingness and commitment from the Council to take a pro-active approach to seek remedial repairs – are the resources adequate within the Council to properly address enforcement cases,

b) availability of funding – the Private Sector Housing Grant system is one source but are there others – partnerships with the private sector, and Communities Scotland, etc.,

c) availability of contractors given the current level of building activity in the Borders - an adequate construction industry resource - a skills base within the industry,

d) impact of new legislation under the Housing and Building (Scotland) Acts - the potential for assistance both in kind and in financial assistance through grants or other sources, and

e) willingness of property owners to instruct remedial works – is the level of awareness adequate – publicity on benefits needed.

4.2   The workload involved in addressing the number of cases identified in the survey points to a considerable gap between the current repair and maintenance activity and that needed to make any appreciable impact on the size of the problem which has been identified – see Appendices 4 and 5.

4.3   There is a need to promote partnership working with the private sector through Housing Strategy and the Private Sector Landlords Forum to provide a managed strategy by owners in future building maintenance in town centre locations.

4.4   There is a need to engage with the Borders Construction Industry Forum to evaluate the availability of skills and competent contractors with experience in the repair and maintenance sector to fulfil the needs of a planned programme of maintenance and repair.

4.5   A consultation by the Scottish Executive's Housing Division is currently ongoing on changes to the Housing (Scotland) Act 1987. Issues being addressed include the methods of addressing the condition of Scotland's Housing stock and the role that local authorities, among others, can play in this aim. The potential changes are wide ranging but include, for example, the need to consider the introduction of Housing Renewal Areas [a replacement and expansion of the current Housing Action Areas], and a need to revisit the grants system with the potential for grants, loans and assistance in kind. Without such initiatives and assistance it is difficult to foresee that the problems highlighted by this survey can be addressed.

5   RISK ANALYSIS

5.1   In building a risk profile the elements of structure and the condition of the fabric needs to be considered. It is clear that different elements present different risks and consequently different solutions. In essence the risks may be broken down as follows:

   a) **The public interest:**
      Danger from the roof and wall elements which become insecure and are at risk from falling.

   b) **The private interest:**
      (i)   Detrimental defects leading to vigorous destruction of structural elements and decorative finishes both internal and external such as incomplete roof water gutters and downpipes leading to water penetration through masonry wall elements.
      (ii)   Defective fittings and fixtures such as windows and other joinery elements which can contribute to danger and to vigorous ongoing destruction if not remedied timeously.

5.2   The survey results, particularly in respect of the more detailed Stage 2 inspections, indicate that the "risk" presented within these definitions are not significantly different. If a building has been neglected it is likely that all elements have suffered deterioration and need attention. The variation in terms of a remedy lie more with the urgency of the solution rather than the need for a solution.

5.3(a) The **public interest** risks are, in general terms at least, much more urgent and can fall to be dealt with through enforcement powers under the Building (Scotland) Act 1959 (and in the Building (Scotland) Act 2003, most of which will be in force by 1 May 2005). vested in Building Control to control/eliminate dangerous conditions. Indeed, during the progress of the survey building control staff were called upon to require works to be undertaken to immediately remove danger. Such cases can result in the Council taking "direct action" to have such works carried out because an owner has defaulted or because the owner cannot be located. In such cases the responsibility vested in

Building Control extends only to the "removal of danger" and does not normally extend to remedial repairs.

5.3(b) The **private interest** risks can also involve Building Control through powers under the Civic Government (Scotland) Act 1982 (and soon to be vested in the Building (Scotland) Act 2003). As with the "dangerous building" cases mentioned in paragraph 5.3(a) the powers relating to defective buildings can also generate the need for "direct action" by the Council should an owner default. In these cases there is a need to render a building fit for purpose and generally the works include remedial repairs and reinstatement works.

5.4 Any involvement by the Council to seek to eliminate the risk does not only involve Building Control. The challenge presented by the survey results lies in defining and distinguishing between:

   a) the "public safety role of building control",
   b) "the assistance role" through the Private Sector Housing Grant system to aid "common repairs" and "tolerable standards", in appropriate cases,
   c) professional advice and assistance from the Council,
   d) expertise in the private sector through factoring arrangements or through direct professional assistance in managing repair and maintenance contracts, and
   e) involvement with the Housing Strategy Team through the, soon to be established Private Landlords Forum to raise further awareness.

   The Council could act in an enabling role to allow a fully proactive approach and by identifying suitable funding to appoint external consultants where necessary.

5.5 Members should be aware that there will be / could be an expectation from property owners in the Borders that action will result given the information gained from the survey outcomes and that effective assistance will be available both financially and professionally. Additionally, any "failure" by the Council to pursue cases where actual or potential risk to the general public is present because of a lack of resources may be difficult to defend. This, of course, in no way undermines the need to educate the property owners of their duty of care to maintain and secure their own buildings particularly in respect of the cases referred to under paragraphs 5.3(a) and (b).

6   COST ANALYSIS

6.1 A series of budget costs have been prepared [see Appendix 6 Table 1] to reflect:

   a) findings from the surveys, and
   b) the type and location of the buildings surveyed.

6.2 The costs shown are those as at the date of inspection and have not been projected forward. VAT and professional fees have not been included. Such costs are included in any assessment of grant aid.

6.3 The costing profiles cover essential repair and maintenance works separately from those to reflect works to deal with the effects of dry rot or other destructive defects. Refurbishment works and works to building services [electricity, gas, water and drainage] have been separately included in assessing the potential grant demand of £122.89M for circa 21,000 domestic properties and 4,200 non-domestic properties – see Appendix 6.

6.4 As with any costings profile savings may be possible if a co-ordinated repair programme was instigated through joint agreements to deal with similar repetitive

defects in adjacent properties. Equally, the profile can be adversely affected by unforeseen works in any site specific case.

6.5 Cognisance has been taken of the changes recently introduced under the Housing (Scotland) Act 2001 where the ability to partially fund improvement repairs is an aim subject to the agreement of the Council. The Housing (Scotland) Act 2001 provides for a number of reforms to the House Improvement and Repairs Grant system.

What are the changes?

1. Local Authorities will have the option of extending the discretionary grants they offer to include certain *works in buildings in common ownership*.

2. The introduction of a test of the applicants resources to determine the amount of grant and applicant's contribution.

3. The introduction of minimum percentage grants, currently 50% of eligible costs, irrespective of the applicants resources for

   a) works of repair and improvements to common parts in buildings in common ownership to facilitate agreement amongst owners; and

   b) following service of statutory notices under Housing (Scotland) Act 1987 or Civic Government (Scotland) Act 1982 where there is an entitlement to grant, an Improvement Order or declared Housing Action Area.

6.6 It is understood that any person who has a **relevant interest** in a **qualifying flat** in a **qualifying building** as defined and agreed with the Inland Revenue may be eligible for capital allowances for works carried out to flats over commercial buildings.

A **qualifying building** is one:
- in which all or most of the ground floor is authorised for business use,
- where it appears that, when the building was constructed, the storeys above the ground floor were use primarily as one or more dwellings,
- which has no more than 4 storeys above the ground floor, and
- whose construction was completed before 1 January 1980.

A **qualifying flat** is a flat that:
- is in a qualifying building;
- is suitable for letting as a dwelling;
- is held for short-term letting;
- is accessible without using the business premises;
- has no more than 4 rooms ignoring kitchens and bathrooms and closets, cloakrooms and hallways that are not more than 5 square metres in area;
- is not a high value flat;
- was not created as part of a scheme involving the creation or renovation of one or more high value flats; and
- is not let to a person connected with the person who incurred the conversion or renovation expenditure.

7 CONSULTATION

7.1 The Director of Corporate Resources will be consulted and comments made incorporated into the report.

7.2 The Head of Financial and Legal Services will be consulted and comments made incorporated into the report.

8 FINANCIAL IMPLICATIONS

8.1 The impact and scale of foreseeable financial support both in terms of bids to the Scottish Executive for grant allocations and for staffing and support costs, which may arise from additional allocations, can only be framed by additional studies, action planning and project management over, say, a targeted 5 year works cycle and programme.

8.2 In the event that the owners themselves undertake any necessary repair works arising from this survey, the rules of normal grant procedures under the Private Sector Housing Grant system will apply and assuming that the current level of grant allocations remain the same, there should be no additional burden on the Council other than ensuring the provision of staffing and support costs to facilitate the grant system.

8.3 In the event that the Council are required to undertake essential repair work directly through various powers available to them then normal recovery of costs procedures will be used including the use of charging orders in appropriate circumstances. There may be instances where the recovery of costs cannot be achieved particularly where vacant properties are in evidence.

9 CONCLUSIONS

9.1 Such is the scale of the problem in terms of the number of properties, the nature of the remedial works, the available labour/contractor market and the financial impact - all in relation to the current levels of activity - there is an absolute need to take a planned approach to seeking a solution to the outcomes from this survey so that the demand on resources and funding can be properly identified.

9.2 Meanwhile, current activity through the enforcement powers available to Building Control, Planning and Housing/Environmental Health and the assistance provided through the various grants schemes must continue to address the high priority cases, particularly in eliminating dangers and aggressive defects.

10 RECOMMENDATIONS

10.1 We recommend that the Directors of Planning and Economic Development and Social Work be authorised to:

a) Set up a working group to produce a Plan for Action to frame:

- **specific financial and staffing resources over a planned programme of improvements to take account of short, medium and long term constraints wherever they exist,**
- **future sources of funding and assistance, and**
- **future resource bids to the Scottish Executive.**

b) Promote and maximise:

- **a managed strategy by owners to address future building maintenance, and**
- **the take up of Private Sector Housing Grants, or other funding sources where appropriate.**

through the Housing Strategy Team and the Private Sector Landlords Forum.

c) Collaborate with the Borders Construction Industry Forum to evaluate the availability of skills and contractors with experience in the repair and maintenance sector.

d) Produce a publicity package to raise levels of awareness of the benefits of a proper programme of planned maintenance.

e) Appoint external consultants should the need arise and subject to suitable funding being made available through the PSHG funding allocation to assist in priority cases pending the outcomes of further investigations from recommendation 10.1(a).

Approved by

Name	Designation	Signature
Ian Lindley	Director of Planning and Economic Development	
Andrew Lowe	Director of Social Work	

Author(s)

Name	Designation
Robert Renton	Head of Building Control
Gerry Begg	Principal Housing Strategy Officer
Mark Douglas	Principal Conservation Officer

Background Papers: Executive Report December 2003
Previous Minute Reference: Item 5 Executive 2 December 2003

SURVEY FINDINGS - ASSESSMENT PROCESS

1) The Contractor was required to submit the findings of the assessments on the elements described in an electronic format and with appropriate digital photographic evidence to confirm the main findings. Each element was to be scored with reference to its condition from good/well maintained to poor/dangerous.

Element:	Good/well maintained 1	Fair/well maintained 2	Adequate/ maintained 3	Poor/ disrepair 4	Poor/ dangerous 5	Comments
Roof fabrics Falling Masonry Gutters/pipes Precipitation Window Other defects						

2) The Contractor was required to provide an age profile for each property using the spreadsheet provided by the Council:

Town	Pre-1900	1900-1930	1930-1960	1960-1990	1990+	Comments

3) The Contractor was required to provide a use profile for each property using the spreadsheet provided by the Council:

Town	Domestic/ Separate	Domestic/ Multiple	Commercial/ Separate	Commercial/ Multiple	Commercial/ Domestic Mix	Comments

4) The Contractor was required to provide a sensitivity profile for each property using the spreadsheet provided by the Council:

Town	Listed A	Listed B	Listed C	Conservation Area	Integral block	Prime Street Frontage	Number of Storeys	Comments

SURVEY FINDINGS - PROPERTY NUMBERS

The number of properties surveyed represents approximately 8% of the total number of comparable properties built before 1901 in the towns included in the survey and 1.45% of the total number of all properties in the Borders. In assessing the impact of building type and the availability of grant aid through the Private Sector Housing grant system it was necessary to consider the domestic to non-domestic mix. This information was generated by site inspections / investigations during the survey.

The numbers model and the domestic / non-domestic mix for the whole of the Borders area were generated using the 1901 comparator given the robustness of the information from the surveyed properties. However, cognisance was also taken of information generated from the Scottish House Condition Survey 2002 carried out on behalf of Communities Scotland. These databases show that:

- approximately 75% of the properties within the pre 1901 settlement areas were domestic,
- approximately 88% of the properties over the whole Borders area are domestic,
- of this 88% total only 16% have been built since 1982 and
- of this 88% total [55,286] approximately 12,000 are in the ownership of Registered Social Landlords [RSL] / Housing Associations, outwith the private sector.

This Appendix gives details of the domestic / non-domestic mix and for the spread of domestic property pre 1901, 1901 to 1982 and post 1982. This shows that 31% [17,283] of all domestic properties in the Borders were built pre 1901. 53% [29,157] were built between 1901 and 1982 and 16% [8846] were built post 1982.

The number of properties surveyed under Stage 1 was split as follows. The number of properties surveyed represents approximately 8% of the total number of comparable properties built before 1901 in the towns included in the survey.

Proportion of properties surveyed in relation to pre 1901 properties in the 7 settlements

Town	Total Surveyed	Total Pre-1901*	% Pre-1901
Jedburgh	101	857	12%
Innerleithen	170	754	23%
Walkerburn	52	366	14%
Coldstream	112	566	20%
Selkirk	46	2001	2%
Galashiels	221	3967	6%
Hawick	219	3287	7%
Totals	**921**	**11798**	**8%**

NOTE:
The total number of properties built pre 1901 is generated from datasets within the Planning and Economic Development department's property management system.

The Stage 2 Survey expanded on the knowledge base of approximately 16% of the properties surveyed under Stage 1. These were subjected to a closer inspection which included, where possible, an internal inspection and a detailed inspection from cranes or high level platforms to identify more clearly the worst case issues arising from the Stage 1 results. 146 properties in various locations in Jedburgh, Innerleithen, Walkerburn, Coldstream, Selkirk, Galashiels and Hawick were inspected.

In assessing the impact of building type and the availability of grant aid through the Private Sector Housing grant system it is necessary to consider the domestic to non-domestic mix. This information was generated by site inspections / investigations during the survey.

Domestic/Non-Domestic Split of Properties subjected to Survey

Settlement	Total Properties Surveyed	Domestic	% of Total	Non-Domestic	% of Total
Jedburgh	101	40	39.60	61	60.40
Innerleithen	170	122	71.76	48	28.24
Walkerburn	52	50	96.15	2	3.85
Coldstream	112	65	58.04	47	41.96
Selkirk	46	26	56.52	20	43.48
Galashiels	221	164	74.21	57	25.79
Hawick	219	103	47.03	116	52.97
Total	**921**	**570**	**61.89**	**351**	**38.11**

`The above figures are based on the findings of the Stage 1 survey which concentrated on main streets in seven settlements. Streets not on the main thoroughfare will not have as high a proportion of non-domestic properties. This percentage split has been adjusted, using the Galashiels percentage split from the survey information given the location [some away from the main thoroughfares] of the properties surveyed.

Domestic/Non-Domestic Split of Properties – 7 settlements Pre 1901

Settlement	Total Properties	Domestic	% of Total	Non-Domestic	% of Total
Jedburgh	857	636	74.21%	221	25.79%
Innerleithen	754	560	74.21%	194	25.79%
Walkerburn	366	272	74.21%	94	25.79%
Coldstream	566	420	74.21%	146	25.79%
Selkirk	2001	1485	74.21%	516	25.79%
Galashiels	3967	2944	74.21%	1023	25.79%
Hawick	3287	2439	74.21%	848	25.79%
Total	**11798**	**8755**		**3043**	

1)   When the above percentage figures are applied to the entire property base in the Borders the numbers become somewhat daunting. An adjustment has been made again on the domestic/non-domestic split which from the property database held in the departments computerised management system would indicate that approximately 88% of the <u>all</u> properties [Borders-wide] are domestic – see Table below.

Domestic/Non-Domestic Split of Properties – Borders-wide

Settlement	Total Properties	Domestic	% of Total Number of Domestic Properties	Non-Domestic	% of Total Number of Non-Domestic Properties
Borders [pre 1901]	23290	17283	31%	6007	80%
Borders [1901 – 1982]	39535	29157	53%	1532	20%
Borders [post 1982]		8846	16%		
Total	**62825**	**55286**		**7539**	

Note:
1. The total number of domestic properties within the 1901 settlements [17283] relates to the Scottish House Condition Survey 2002 carried out on behalf of Communities Scotland which showed that 18000 houses existed in the Borders circa 1911.
2. The same survey indicated that nationally 16% of the total housing stock has been built since 1982.

Table 1 Proportion of Properties Surveyed containing Serious Defects]

Notes:
1. High priority cases are those which scored 4 or 5 in the surveys.
2. Only those scoring 4 or 5 were re-surveyed in the stage 2 survey.
3. Surveyors' definitions: Score 5 – Poor/Dangerous
                                          Score 4 – Poor/Disrepair

Town	No of Properties Surveyed	No of Properties with High Priority Defects	Percentage of Properties with High Priority Defects
Jedburgh	101	53	52.48%
Innerleithen/Walkerburn	222	164	73.87%
Coldstream	112	93	83.04%
Selkirk	46	25	54.35%
Galashiels	221	128	57.92%
Hawick	219	180	82.19%
Total	**921**	**643**	**69.82%**

Table 2 (a)
No of Individual Elements Showing High Priority Defects (Stage 1)

| Town	Total Surveyed	Roof Fabric	% of Surveyed	Falling Masonry	% of Surveyed	Rainwater Gds	% of surveyed	Precipitation	% of surveyed	Windows	% of Surveyed	Other	% of Survey
Jedburgh	101	14	13.86	37	36.63	25	24.75	15	14.85	12	11.88	7	6.93
Innerleithen	170	84	49.41	70	41.18	64	37.65	24	14.12	30	17.65	2	1.18
Walkerburn	52	41	78.55	13	25.00	13	25.00	9	17.31	9	17.31	13	25.00
Coldstream	112	54	48.21	85	75.89	40	35.71	16	14.29	29	25.89	11	9.82
Selkirk	46	8	17.39	14	30.43	6	13.04	3	6.52	1	2.17	5	10.8`
Galashiels	221	48	21.72	80	36.20	34	15.38	32	14.48	19	8.60	45	20.3؛
Hawick	219	107	48.86	119	54.34	106	48.40	62	28.31	38	17.35	0	0.00
Totals	**921**	**356**	**38.65**	**418**	**45.39**	**288**	**31.27**	**161**	**17.48**	**138**	**14.98**	**83**	**9.01**

Table 2 (b)
Projection of Total No of Pre 1901 Property Defects by Element Showing High Priority Defects (7 settlements)

| Town	Total No of Pre 1901	% from above	Roof Fabric	% from above	Falling Masonry	% from above	Rainwater Gds	% from above	Precipitation	% from above	Windows	% from above	Othe
Jedburgh	857	13.86	119	36.63	314	24.75	212	14.85	127	11.88	102	6.93	59
Innerleithen	754	49.41	373	41.18	310	37.65	284	14.12	106	17.65	133	1.18	9
Walkerburn	366	78.55	289	25.00	92	25.00	92	17.31	63	17.31	63	25.00	92
Coldstream	566	48.21	273	75.89	430	35.71	202	14.29	81	25.89	147	9.82	56
Selkirk	2001	17.39	348	30.43	609	13.04	261	6.52	131	2.17	44	10.87	21؛
Galashiels	3967	21.72	862	36.20	1436	15.38	610	14.48	574	8.60	341	20.36	80؛
Hawick	3287	48.86	1606	54.34	1786	48.40	1591	28.31	931	17.35	570	0.00	0
Totals	**11798**		**3868**		**4977**		**3252**		**2013**		**1400**		**124**

Notes:

1. These tables represent the number of properties with a particular defective element. The first table shows the findings from the stage 1 survey while the second shows the same percentage being applied to all properties in the seven settlements. (e. g. 107 or 48.86% of the properties surveyed in stage 1 at Hawick have some defect with their roof. Projected to take account of the total number of properties in Hawick this equates to 1606 properties in Hawick having roof defects.)

2. Precipitation, for the purposes of this report, means the penetration of dampness into buildings, through walls and other structural elements, creating conditions in which outbreaks of dry rot and other degradation could flourish.

Graphs of Defects Model through 7 Settlements

Jedburgh

Innerleithen

Walkerburn

Coldstream

Graphs of Defects Model through 7 Settlements

Galashiels

Hawick

Selkirk
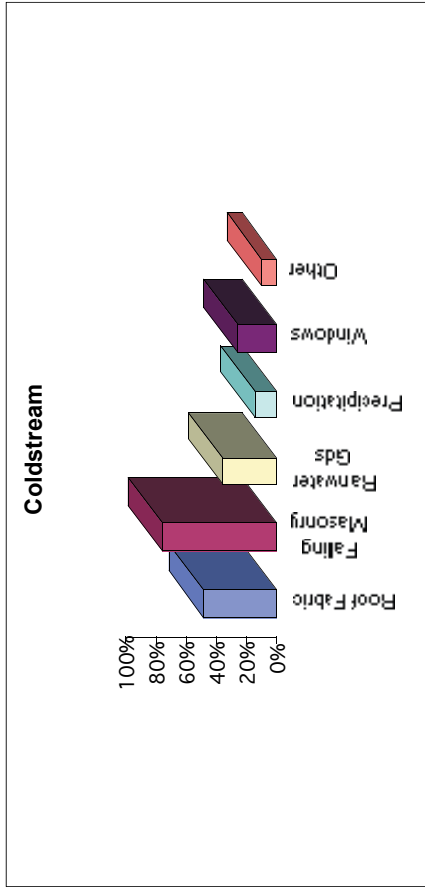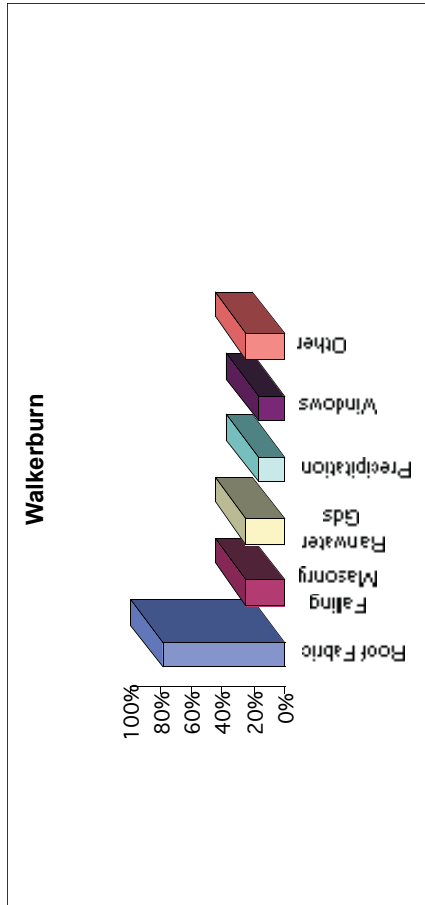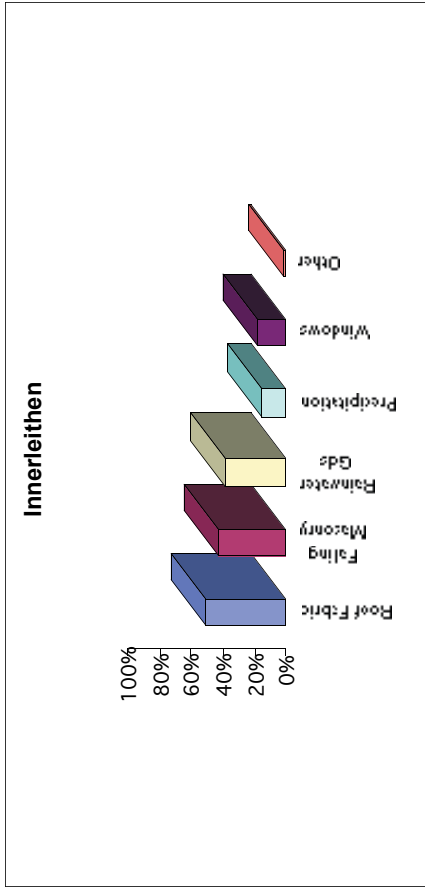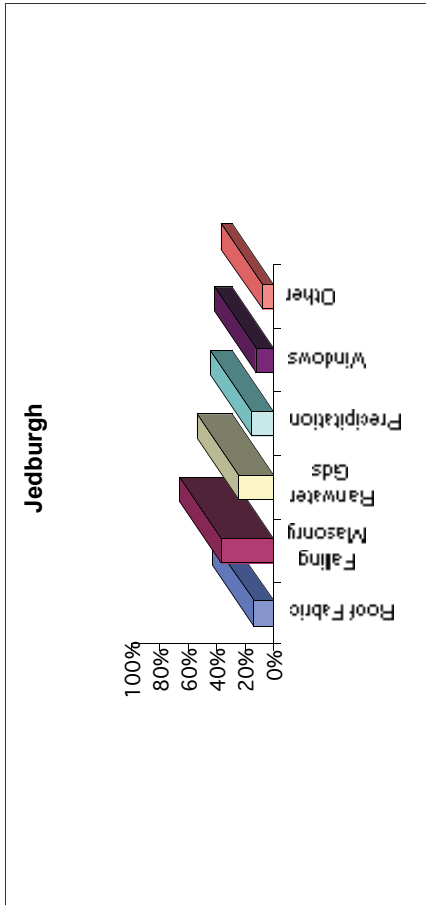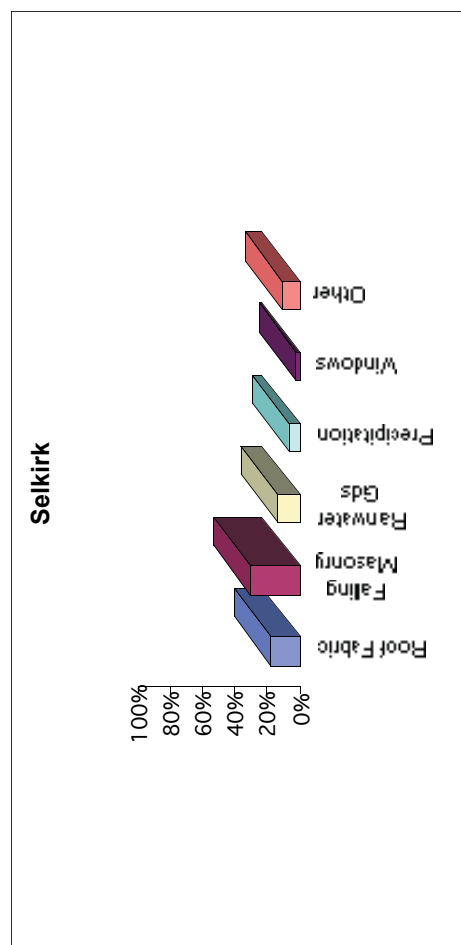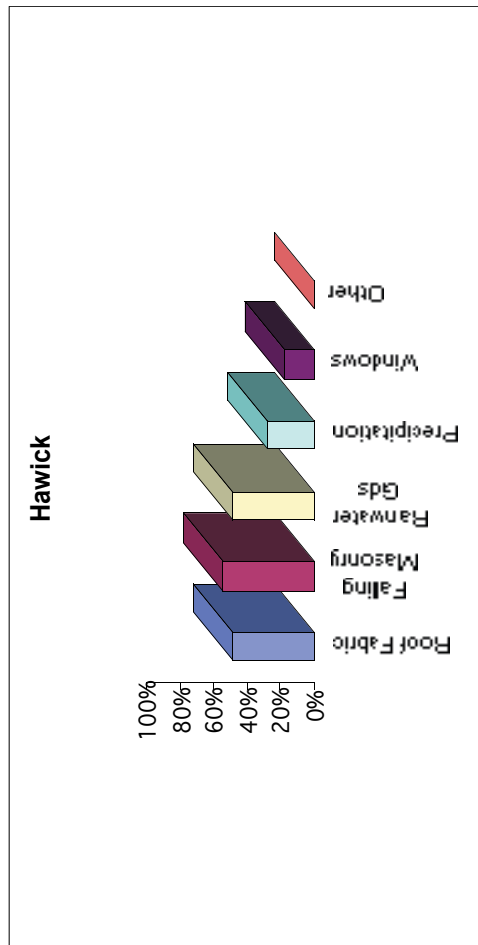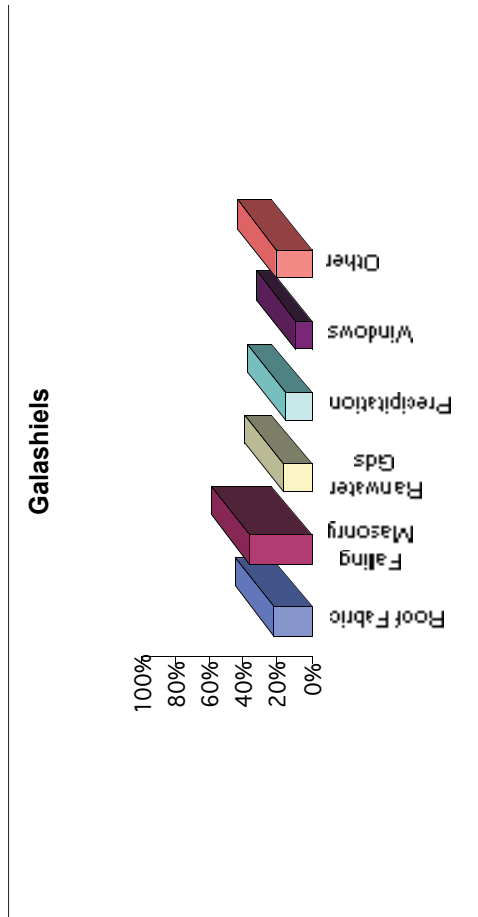
SURVEY FINDINGS – THE DEFECTS PICTURE BORDERS-WIDE

1)   As before, the above figures are based on the findings of the Stage 1 survey which concentrated on main streets in seven settlements. Streets are on the main thoroughfare will not have as high a proportion of non-domestic properties. This percentage split has been adjusted to reflect this as shown in the following table for properties within the 1901 settlement boundaries. The percentage of properties with defects remains at 69.82% given that the building age and mixed use profile remains.

Proportion of Total No of Pre 1901 Property Defects (7 settlements)

Town	Total No of pre 1901	Total number of domestic buildings	Total number of non-domestic buildings	Total number of defective domestic buildings	Total number of defective non-domestic buildings
		74.21%	25.79%	69.82%	69.82%
Jedburgh	857	636	221	444	154
Innerleithen	754	560	194	391	135
Walkerburn	366	272	94	190	66
Coldstream	566	420	146	293	102
Selkirk	2001	1485	516	1037	360
Galashiels	3967	2944	1023	2056	714
Hawick	3287	2439	848	1703	592
Totals	**11798**	**8755**	**3043**	**6113**	**2124**

2)   When rolling out this information on a Borders-wide basis an adjustment has been made on the percentage defects given that the age and use profile changes when all properties are considered. The Scottish House Condition Survey 2002 carried out on behalf of Communities Scotland indicated that approximately 48% of all housing in the Borders required "urgent repair". When this information is read with the data gleaned from the Border Towns Condition Survey, which showed 69.82% of all pre 1901 properties showing high priority defects it is evident when this is rolled out Borders-wide at least 38% of post 1901 properties require "urgent repairs". An "urgent repair" is defined in the Scottish House Condition Survey 2002 as one which, if not carried out, would cause the fabric of the building to deteriorate further and/or place the health and safety of the occupier at risk.

Proportion of Total No of Borders-wide Property Defects

Settlement	Total Properties	Domestic	% of Total Number of Domestic Properties	Total number of defective domestic buildings	% of defective domestic buildings [per era]
Borders [pre 1901]	23290	17283	31%	12067	69.82%
Borders [1901 - 1982]	39535	29157	53%	14027	48%
Borders [post 1982]		8846	16%	443	5%*
Total	62825	55286		26537	

* The Scottish House Condition Survey 2002 carried out on behalf of Communities Scotland indicated that approximately 5% of repair costs were attributed post 1982 housing

Proportion of Total No of Borders-wide Property Defects

Settlement	Total Properties	Domestic	% of Total Number of Domestic Properties	Total number of defective domestic buildings	% of defective domestic buildings [per era]
Borders [pre 1901]	23290	17283	31%	12067	69.82%
Borders [1901 - 1982]	39535	29157	53%	14027	48%
Borders [post 1982]		8846	16%	443	5%*
Total	**62825**	**55286**		**26537**	

* The Scottish House Condition Survey 2002 carried out on behalf of Communities Scotland indicated that approximately 5% of repair costs were attributed post 1982 housing

When considering the mixed occupation of all domestic properties in the Borders note must be taken of the proportion of those in private ownership and therefore eligible for potential grant funding through the Private Sector Housing Grant System and those in the ownership of the various RSL / Housing Associations. A study indicates that of the 55286 domestic properties identified in this survey around 12000 are in the ownership of the housing association providers. Refer to Appendix 6 for the effect on potential funding.

Proportion of Total No of Borders-wide Property Defects [excluding RSL Properties]

Settlement	Total Properties	Domestic	Domestic [exc RSL property]	% of Total Number of Domestic Properties [exc RSL property]	Total of defective domestic buildings eligible for PSHG	% of defective domestic buildings [per era]
Borders [pre 1901]	23290	17283	16994	40%	11865	69.82%
Borders [1901 - 1982]	39535	29157	17996	42%	8638	48%
Borders [post 1982]		8846	7989	19%	499	5%*
Total	**62825**	**55286**	**42979**		**20903**	

* The Scottish House Condition Survey 2002 carried out on behalf of Communities Scotland indicated that approximately 5% of repair costs were attributed post 1982 housing

Proportion of Total No of Borders-wide Property Defects – Non-Domestic

Settlement	Total Properties	Domestic	Non-Domestic	% of Total Number of Non-Domestic Properties	Total of defective non-domestic buildings eligible for PSHG	% of defective domestic buildings [per era]
Borders [pre 1901]	23290	17283	6007	80%	4194	69.82%
Borders [1901 - 1982]	39535	29157	1532	20%	Not known	Not known
Borders [post 1982]		8846				
Total	**62825**	**55286**	**7539**			

Enforcement Activity over 5 year period

Current activity in dealing with dangerous and defective buildings within the current staffing and funding resource is shown in the following Table. As may be seen a total of 956 properties have been subject to action to make good defects or to remove dangerous conditions over a 5-year period.

Year	Sec13 Cases [Danger]	Units [Property Numbers]	CG87 Cases [Defects]	Units [Property Numbers]	BTCS Cases	Units [Property Numbers]	Total no of units
2000	62	92	11	28			120
2001	64	141	24	111			252
2002	62	150	15	60			210
2003	49	80	8	58			138
2004	20	39	9	25	60	172	236
Totals	257	502	67	282	60	172	**956**

PROPERTIES WHICH WERE SURVEYED UNDER THE STAGE 2 SURVEY:

Town	No. of Properties	TABLE OF POTENTIAL COSTS [EXCLUDING WORKS TO REMOVE/REPAIR THE EFFECTS OF DRY ROT ETC] PER TOWN	TABLE OF POTENTIAL COSTS [INCLUDING WORKS TO REMOVE/REPAIR THE EFFECTS OF DRY ROT ETC] PER TOWN	
		Total costs over 5 years	Dry Rot Etc	Total costs over 5 years
Jedburgh	18	£122,450	£41,400	£163,850
Coldstream	17	£146,700	£33,800	£180,500
Galashiels	25	£114,250	£23,200	£137,450
Innerleithen/Walkerburn	27	£41,600	£64,400	£106,000
Selkirk	10	£8,125	£13,800	£21,925
Hawick	49	£147,450	£46,000	£193,450
TOTALS	**146**	**£580,575**	**£119,600**	**£803,175**

*costs do NOT include refurbishment and works to building services, VAT and Professional Fees

INDICATIVE COSTINGS

1. £3976 costs per property [excluding dry rot works etc]
2. From survey information approximately 17.5% of the properties could be affected by dry rot etc. 17.5% equates to 26 properties. Therefore, the indicative costings per property equals £8561 [26 affected properties] or £1524 [Costs spread over ALL]
3. Add professional fees, VAT, protective works, alterations to services at say 40% =
4. TOTAL COSTS PER PROPERTY **£7700**

When potential funding through the Private Sector Housing Grant system is profiled the scale of the problems which exist is clear.

Borders Domestic / Non-Domestic Properties – Potential Grant Demand

Settlement	Total Properties	Total of defective domestic buildings eligible for PSHG	Grant demand based on average 66% Allocation	Total of defective non-domestic buildings eligible for PSHG	Grant demand based on average 50% Allocation	Total Grant Demand
Borders [pre 1901]	23290	11865	£91.36M costs / £60,30M grant	4194	£32.29M costs / £16.15M grant	£76.45M
Borders [1901 - 1982]	39535	8638	£66.51M costs / £43.90M grant	Not known		£43.90M
Borders [post 1982]		499	£3.80M costs / £2.54M grant			£2.54M
Total	**62825**	**20903**				**£122.89M**

SBC PUBLIC REALM SURVEY

The figures below are indicative costings to either bring up to standard what is already there and also to significantly enhance the public realm streetscape provision.

Town	Cost of Basic Maintenance £,000	Cost of Enhancement £,000	Comments
Coldstream	150	300	
Kelso	400	1500	
Jedburgh	150	900	
Hawick	800	350	Excludes Heart of Hawick and Streetscape Phases 2 & 3, already in the Capital Programme
Selkirk	200	600	
TOTAL	£1,700	£3,650	

The cost of basic maintenance above is basically putting into a serviceable state the current streetscape footprint, free of maintenance defects. The cost of enhancement above is the improvement of the current streetscape footprint, and could involve improvements such as widening of footway, replacement of man made with natural materials, better pedestrian facilities, etc.

To put these figures into context, it is understood that the City of Edinburgh is apparently spending around £17 million on streetscape enhancements to Castle Street and the George Street / St Andrews Square area. The aspirations of Scottish Borders Council are modest in comparison.

On the basis of indicative costings for the towns in the pilot survey, it is clear that an investment of at least £5 million would be required to enhance all of the town centres of the Scottish Borders. This figure will be used as the funding shortfall in any subsequent discussions with the Scottish Executive regarding support to market towns in Scotland.

Contact
for Scottish Small Towns Report

Douglas Scott
Scottish Borders Council
Council Headquarters
Newtown St Boswells
Melrose TD6 0SA
Tel: 01835 825155
email: dscott@scotborders.gov.uk