

Ministear airson Ionmhas Poblach, Dealbhachadh agus  
BeartasCòimhearsnachd  
Minister for Public Finance, Planning and Community  
Tom Arthur MSP  
Tom Artair BPA



Scottish Government  
Riaghaltas na h-Alba  
gov.scot

T: 0300 244 4000  
E: [scottish.ministers@gov.scot](mailto:scottish.ministers@gov.scot)

Claire Baker MSP Convener  
Economy and Fair Work Committee  
The Scottish Parliament  
Edinburgh EH99 1SP

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## **ECONOMY AND FAIR WORK COMMITTEE REPORT ON RETAIL AND TOWN CENTRES:**

I thank the Committee members for their work and welcome this report. It offers valuable insights and conclusions and I want to assure the committee that the Scottish Government will continue to consider its recommendations as we take forward related work on key issues.

In my evidence to you on 15 June 2022, I stated that we have a real opportunity to work together to transform our town centres and that the Inquiry is timely. Our approach to delivering our Town Centre Vision is centred on collaboration and partnership, working to build on local assets. As a result, the Scottish Government is already working closely with communities, local government, and third and private sector partners, in line with the committee's recommendation for sustained focus on action. Indeed, as local authorities have responsibility for delivering local economic development and local regeneration, our Town Centre Action Plan can only succeed if it is supported by effective partnership working.

A key theme of the report and in the evidence session in which I participated is cross policy cohesion and the coherence of a number of strategies and reports that relate to town centres. As I noted previously, there is consistency across the range of strategies with a wide range of policy areas supporting the principles which are at the heart of the Town Centre Action Plan and its vision. As the Committee will be aware, National Planning Framework 4 (NPF4) includes strengthened policies on town centres, and was adopted by Scottish Ministers on 13 February following approval by the Scottish Parliament. This will provide a strong foundation for the planning system to support our focus on town centres. We are also determined to ensure that other areas of Scottish Government work to contribute to delivery of the Town Centre Vision, including through Community Wealth Building (the consultation on this bill was published recently), the Retail Strategy, the Retail Industry Leadership Group (ILG), and on supporting the delivery of Housing 2040.

I welcome that many of the Committee recommendations are aligned with the 'New Future for Scotland's Town Centres' which was chaired by Professor Leigh Sparks and commissioned by

the former Cabinet Secretary for Communities and Local Government. Since its publication in February 2021 and our Government response in April 2022, we have made significant progress particularly around the NPF4, Permitted Development Rights and the Use Classes Order. Scottish Government will also continue to develop support for Community Wealth Building as a means to change our underlying economic model as a key to re-energising the dynamic of our town centres. This suite of changes will enable communities to take more control of their local economies and develop their town centres using their assets, in line with their needs and interests.

In addition, the Retail ILG, which was in the process of being developed when I met the Committee, is now firmly established and proactively pursuing delivery of the Retail Strategy's actions. It has identified place as a key anchor for its work and that will of course involve town centres significantly.

In the report the Committee refers to partnership and long-term funding. Scottish Government has a strong strategic framework to help support local government and partners develop their town centres with their communities, and the need for long-term investment is recognised. I am pleased to be able to maintain our commitment for long-term Place Based Investment Programme funding to our local authorities. We know that that this funding and the Town Centre and Regeneration Capital Grant, Vacant and Derelict Land and Empowering Communities funding are really making a difference on the ground, and we have all seen the evidence of that in this Inquiry and the accompanying Town Centre Comparative Study. As the Town Centre First Principle and the Place Principle are integral to our approach to Town Centres, the same applies to our investment programmes. Thus all investment decisions including in local government must consider the impact on town centres and be place-based, so that communities, public, private and third sector work collaboratively to achieve better outcomes. These investment programmes are available alongside other support such as for Community Wealth Building pilots and Climate Action Towns. Further, we are working with all partners to mainstream our Place Based Framework in all areas of Scottish Government investment. In addition, we continue to support Scotland's Towns Partnership to provide town centre advice and support, in particular, through the funding finder, the Town Centre Toolkit, the Town Centre Audit and Understanding Scotland's Places, Business and Community Improvement Districts and the Scotland Loves Local Programme.

When discussing partnership and funding, UKG funding is part of the landscape. In Scotland our ambition for place aims to bring coherence to the investment delivered within a place, ensuring that communities and the people living in those communities have a voice and influence in shaping the future of their communities. Following Brexit, the UKG has established a series of 'levelling up' funds which cut across and duplicate our well-established existing policies and programmes. The mechanism adopted by UKG for identifying the areas for prioritisation does not take adequate regard to the Scottish context, in particular the context of disadvantage in our fragile remote and rural communities. I hope that the mechanisms our programmes provide will enable us to continue to try to influence bids to the UKG funds and help to ensure as far as possible that funding coming into Scotland from UKG supports our wider ambitions and complements Scottish investment.

I noted in my evidence that I would provide some examples and would elaborate on some of the points that I made. I wrote to respond to a series of queries from Committee members on 28 June, reflecting on what more we can do. I hope that this was helpful.

I also acknowledged the challenges for Scotland's town centres and retail sector. These have not gone away since the Committee's inquiry began and there is arguably greater need for momentum, for collaboration and for action. The timing of the Committee's report is therefore welcome, given the progress we have now made in key policy areas as I have outlined above, but also as we begin to consider what else we might do to realise the Town Centre Vision and progress the Retail Strategy.

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016.

See [www.lobbying.scot](http://www.lobbying.scot)

I held the first Town Centre Action Plan Forum jointly with COSLA on 8 February in order to drive and support the delivery of Town Centre Actions, share good practice and understand opportunities and challenges. I would be happy to keep the Committee informed on the progress of the Town Centre Action Plan, noting that this is a joint plan with our local government partners.

I attach the Scottish Government's response (Annex A) to specific recommendations raised in the Committee's report on the Inquiry into Retail and Town Centres in Scotland published on 29 November 2022.

A handwritten signature in black ink, appearing to read 'Tom Arthur', is centered on the page. The signature is fluid and cursive, with a large initial 'T' and 'A'.

**TOM ARTHUR**

<b>Recommendation</b>	<b>Scottish Government (SG) Responses</b>
<p>Summary (No. 233 on page 40)</p> <p>The Committee is disappointed that the Scottish Government's recently published Programme for Government - A Stronger More Resilient Scotland, makes no mention whatsoever of towns. We have not yet seen anything that assures us of the relative priority Scotland's towns will be given, alongside the Scottish Government's wider programme of work across all policy areas. Much of the work that needs to take place will be cross-cutting. It is not clear to the Committee how all the various strands of work are to be coordinated driven forward and to what timescales. The Committee asks the Scottish Government to set this detail out.</p>	<p>Programme for Government 2022-23 was published against a backdrop of the most severe economic upheaval in a generation, impacting people, businesses, public services and the third sector across Scotland. As such, it focused on the immediate actions being taken by the Scottish Government to support people over the winter and mitigate the impact of the crisis to the maximum extent possible within our limited powers and resources.</p> <p>In doing so, this shorter Programme for Government's differed to previous years as it did not seek to provide a holistic summary of priority activity across the Scottish Government but rather focus on the response to the unfolding humanitarian crisis.</p> <p>It is important that Programme for Government 2022-23 is considered as part of the wider suite of strategic products published by the Scottish Government, particularly the Programme for Government 2021-22, which set out objectives for the lifetime of this Parliament, and the National Planning Framework 4. These include ongoing measures which benefit town and city centres like the £80 million Covid Economic Recovery fund which supports retailers and communities, the Town Centre Vision, and the Place Based Investment Programme which accelerates shared ambitions for community-led regeneration, town centres, and 20-minute neighbourhoods.</p> <p>Scotland's Fourth National Planning Framework (NPF4) will encourage, promote and facilitate our city and town centres as a national asset by applying the Town Centre First approach and helping centres adapt positively to long-term economic, environmental and societal changes. NPF4 will encourage town centre living and encourage and promote a sustainable future for existing commercial centres. (as detailed in the Ministers covering letter).</p>

<p>Conclusions &amp; Recommendations (C&amp;R) paragraph no 2 (No 50 on page 9)</p> <p>As the inquiry progressed, it became clear that it would not be possible to consider all the issues raised. This year, the Scottish Government made a number of announcements and commitments designed to start to address some of them. The actions, focus and solutions needed to achieve the vision for Scotland's towns are multi-faceted and will require to be owned and driven over successive Parliamentary Sessions to reverse the decades-long decline.</p>	<p>We agree that sustained action, owned and driven over successive Parliamentary Sessions, will be needed to transform our towns and it is critical this involves decisions being taken at local level with communities. The Town Centre Action Plan, the Retail Strategy, Community Wealth Building and Community Empowerment consultation are examples of work in progress. NPF4 sets out a long-term spatial plan for Scotland which brings together the climate agenda with the delivery of the National Strategy for Economic Transformation and a wide range of other policies and strategies.</p> <p>NPF4 actively supports development and infrastructure which will help us to get to net zero, including the regeneration of town centres and reuse of vacant and derelict land and is supported by a Delivery Programme which will be updated throughout the lifespan of NPF4.</p>
<p>C&amp;R no 3 (57 on page 11)</p> <p>The Committee welcomes the Scottish Government's policy refresh and renewed focus on Scotland's town centres and the retail sector. With so many inter-linked strategies and initiatives now, policy cohesion and a shared direction of travel across all relevant Scottish Government portfolios will be vital. This is particularly important given the long-standing challenges facing Scotland's town centres.</p>	<p>We agree on the need for policy cohesion and as such the Town Centre Action Plan is intended to help coordinate action and renew focus on town centre action, including retail actions, and re-invigorate our joint local and Scottish Government Town Centre First approach. In particular it will help us work with our local government and other partners, as a collaborative partnership approach will be vital for success.</p> <p>The preparation of NPF4 has been the result of an ambitious and extensive programme of consultation and collaboration with external stakeholders and across Scottish Government portfolios, and is a crucial document to support the challenges we face in climate and nature, and will guide land use planning across Scotland.</p>
<p>C&amp;R no 4 (58 on page 11)</p> <p>The Committee calls on the Scottish Government to set out (1) how cohesion of its cross-portfolio policy will be achieved to ensure and maintain the necessary direction of travel, (2) who will have overall responsibility for ensuring that, and (3) how "silo-working" will be avoided.</p>	<p>The Town Centre Action Plan is a key framework to enable Scottish Government, local government and others to coordinate and deliver action, challenge, support and renew focus on town centre action, including retail actions and to re-invigorate our Town Centre First approach.</p> <p>Planning, Architecture and Regeneration Unit is coordinating progress on SG actions with input across Government including Transport, Climate Change, Housing, Economy, Digital, Retail., Community empowerment. Whilst the Action Plan is a joint plan with local government, monitoring and evaluation of progress on Scottish Government actions will</p>

	<p>also help us with cohesion across portfolios in Scottish Government which will then be shared with local government to support shared delivery. The Town Centre Action Plan and the Retail ILG are part of my commitment to maintain consistent communication and vision and engage across sectors to support collaborative action and prioritise the health of Scotland's towns</p> <p>Currently I am the lead Minister on town centres and retail, with many policy and funding streams sitting in my portfolio responsibilities, but I am very alert to the need to work effectively and collaboratively with a range of relevant Cabinet Secretaries and Ministers, not least the Cabinet Secretary for Social Justice, Housing and Local Government, the Minister for Social Security and Local Government and the Minister for Business, Trade, Tourism and Investment.</p>
<p>5 (59 on page 11)</p> <p>The Committee welcomes the Scottish Government's Retail Strategy, its three heads for action and the establishment of the Retail Industry Leadership Group co-chaired by the Minister for Public Finance, Planning and Community Wealth and the Chief Operating Officer of the John Lewis Partnership. The Committee looks forward to sight of the finalised Retail Strategy Delivery Plan.</p>	<p>An outline Delivery Plan was discussed and agreed at the first ILG meeting on 25 August 2022 with the caveat that, as this is a multi-year Retail Strategy, it is a live document and so subject to regular review and change to provide flexibility to address immediate and emerging sectoral issues. A copy of the Delivery Plan as agreed at the meeting is attached.</p>
<p>7 (72 on page 13)</p> <p>The Committee applauds the retail sector for the support it provided during the pandemic and its agility to pivot quickly, where possible, to online offerings. Looking ahead, it will be crucial to ensure, in return, that appropriate national and local government support is available to the retail sector, and its workforce, to help it adjust to what is expected to be continuing and evolving long-term change to business models and shopping habits.</p>	<p>One of the key deliverables in the Retail Strategy is the development of a Skills Audit and Action Plan that highlights which roles and demographics are most likely to be affected by change in retail over the medium-to-longer-term and identify growth areas. This will involve in-depth analysis of the workforce to identify trends and pinpoint skills gaps in order to influence and inform future training requirements.</p> <p>The retail Skills Action Plan will be progressed following the conclusion of the independent skills review so that it can take into account the review's findings and recommendations on areas of importance to the retail sector including apprenticeship programmes, upskilling and reskilling, and sectoral and regional skills planning.</p>

<p>10 (90 on page 16)  DigitalBoost was well-received but significantly oversubscribed. The Scottish Government is asked to confirm whether DigitalBoost grants will be relaunched next year or, if not, what is intended to replace them and what assessment will be made of demand.</p>	<p>The Scottish Government welcomes the Committee’s endorsement of the success of its DigitalBoost Grant Programme which was highly popular with businesses in helping them pivot in response to Covid19 and/or grow their business and improve productivity. Data produced through the programme has shown that some businesses need more than just financial support to successfully implement digital projects, which is why we are currently piloting Digital Productivity Labs - so that future programmes can be fully aligned to the specific support SMEs require.</p> <p>Work is ongoing through Scottish enterprise agencies and Business Gateway, to identify areas of collaboration to deliver a joined up national services for digital support to businesses. Outputs from this collaboration, along with findings from the Digital Productivity Lab pilot will feed into the relevant actions in the National Strategy for Economic Transformation to establish a Digital Productivity Fund and to develop improved digital support programmes.</p> <p>There are currently no plans to relaunch the DigitalBoost Grant Programme in its current form but this may change as a result of the above work and budget availability.</p>
<p>11 (91 on page 16)  The Committee understands that the VAT registration requirement to access higher Scottish Government grants was in place to prevent fraud. The Scottish Government is asked to consider the evidence from WES about structural inequalities and bring forward proposals to address these and remove structural barriers to women accessing business support.</p>	<p>The Scottish Government acknowledges these concerns and I can advise that we will consider the role VAT registration plays as a key tool to prevent fraud, while also exploring whether there is a more appropriate means of doing so that does not discriminate.</p> <p>The points regarding structural inequalities in the DigitalBoost grant framework (use of VAT registration potentially disadvantaging women-owned businesses and access to learning to support ecommerce for women-owned businesses) were addressed in a follow up ministerial letter to the Committee.</p>



Cabinet Secretary  
for Finance and Eco

More generally there is a clear and longstanding gender gap in business participation with fewer than one in five businesses in Scotland started by women. Despite existing programmes of intervention and support we recognise that we are, at best, preventing the gap from growing, but currently making little inroad into closing the gap and achieving gender parity.

In February 2022 Cabinet Secretary for Finance and the Economy, Kate Forbes, tasked Ana Stewart with undertaking a whole-system review of the barriers facing women in enterprise in Scotland and the opportunities to widen participation. We expect to publish the review in coming months. Ana's review has widened from exploration of barriers within the business support system to a wider consideration, including examination of the societal biases and forms of discrimination that prevent women from even considering enterprise as a viable option. The review is being co-authored by Chief Entrepreneur, Mark Logan, and its recommendations will form part of our wider work to transform Scotland's economy, set out in the National Strategy for Economic Transformation.

There is a long-established absence of gender-disaggregated data in Scotland's entrepreneurial domain. For this review, Ana is working with the data specialist mnAI and the University of Strathclyde to perform a gender-disaggregated analysis of Scotland's current start-up ecosystem.

12 (92 on page 16)

If, as suggested by Business Gateway, there is a reluctance on the part of small businesses to take up existing opportunities, the Committee asks that research is now undertaken to establish why that is and what can be done better or differently. This unmet need must be

Business Gateway is the responsibility of COSLA and local government. It would be for Business Gateway to undertake any further work it felt was required to better understand business uptake of its services and to respond appropriately.

The Scottish Government notes the evidence given to Committee by Business Gateway on 4 May, that Scottish businesses "are still reluctant and not necessarily picking up the



<p>addressed, to ensure Scotland's smaller retailers are not left behind. The Scottish Government is requested to identify measures to increase uptake and consider how its offerings can be expanded and improved.</p>	<p>opportunities, so their digital maturity is not yet as evolved or developed as we might want it to be.” We would welcome local government’s thoughts on what more it can do through Business Gateway and other local economic development functions and activity, to address the committee’s recommendation. That said, there is more that we can do to bolster or boost existing provision which is why the Scottish Government has undertaken a Digital Productivity Lab pilot, in order to ensure that future programmes of business support are tailored to SME’s specific needs including the need to move more of businesses further up the Digital Economy Maturity Index (DEMI). A report on the pilot, which will help establish what can be done differently or better, will be published before the end of 2023. Findings from the pilot will determine next steps, to be taken forward as part of work on the NSET; Programme 3, ‘Productive Businesses and Regions’. Plans for the delivery of projects in this Programme were published on 31 October 2022.</p>
<p>13 (93 on page 16) The Scottish Government has committed £100 million to help businesses improve their digital skills, capacity and capability. It has also committed to support improved broadband capacity and mobile connectivity in towns and town centres to improve local digital platforms. The Committee asks for more detail on how this £100 million will be allocated and to whom. The Committee recommends that this funding is directed towards providing support to businesses to develop omnichannel models. The Scottish Government is asked to comment on why Scottish businesses are so much less likely to trade online compared to the rest of UK business and how this money will close that gap.</p>	<p>To date we have spent around £38 million of our £100 million commitment to help businesses improve their digital skills, capacity and capability. We have delivered a range of financial and advisory support to businesses thus far. This figure does not include the value of the programmes that our enterprise agencies deliver on our behalf.</p> <p>The Scottish Government notes the Committee’s request for more detail on how this funding will be allocated, the experience and data collected so far suggests that businesses require a mix of financial support and advice or support to effectively implement an optimise a digital project into their business. We want to use this funding and advice to directly support businesses to increase their productivity via more effective digital systems or access to new markets/services and increase their resilience with homeworking or better cybersecurity. We will be happy to advise the committee of funding allocations at the appropriate times.</p> <p>Over 2,000 businesses of the most recent round of DigitalBoost grants cited that increased online sales were one of the benefits that they were looking to achieve as part of their digital project. If we continue to support businesses to adopt digital, then we can further increase the number of businesses that trade online.</p>
<p>14 (94 on page 16) The Committee recognises the value of, and increased demand for, online and e-</p>	

<p>commerce activities and the importance of increasing the use of technology as a driver of increased productivity. In addition to the request for further detail on the £100 million fund, the Committee would welcome the development of a strategically driven action plan to support the take-up of training and capacity building to support Scotland's e-commerce activity.</p>	<p>The Scottish Government recognises the value of e-commerce as a driver of productivity. Productivity is a key part of our National Strategy for Economic Transformation as is the increased use of digital technologies.</p> <p>We know from our Digital Economy Business Survey that 83% of businesses that do not engage in e-commerce stated that it was not relevant to their businesses. Firstly, we need to show businesses that, regardless of sector or region, your business can benefit from digital, and that includes e-commerce.</p> <p>There is still work to be done and as part of NSET; Programme 3, 'Productive Businesses and Regions' sets out that we will continue to work with the Business Support Partnership on actions that will support Scotland's e-commerce activity.</p> <p>Although telecoms remains Reserved to the UK Government, the Scottish Government recognises the ever-increasing importance of good quality digital connectivity in all aspects of our lives. This is why we made our commitment to extend superfast broadband access to 100% of premises in Scotland, regardless of location.</p> <p>Our commitment to ensure that all homes and businesses can access superfast broadband is delivered through three strands of activity - the £600 million Reaching 100% (R100) contracts (North, Central and South), our Scottish Broadband Voucher Scheme (SBVS) and commercial coverage.</p> <p>Through the Scottish 4G Infill programme, we are investing in future-proofed infrastructure to improve 4G mobile coverage for rural and island communities and businesses across Scotland, providing connectivity in 55 hotspots across the country. This offers opportunities to access resources such as remote learning more easily and reliably.</p> <p>In tandem we are working to ensure Scotland is positioned among the leaders of 5G technologies. To do so, we established the Scotland 5G Centre in 2019 as a visible national platform supporting the development, deployment and commercialisation of 5G in Scotland.</p>
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	<p>A core part of the Centre’s work is the development of a network of regional 5G innovation hubs, providing access to cutting edge technologies, opportunities to develop skills, businesses advice and technical expertise. Hubs are now active in Dumfries, Kilmarnock, Forth Valley (Alloa), Dundee and Aberdeen with a further two in development</p> <p>We recognise the challenge that e commerce can bring to town centres and retail and that is why our vision for Town Centres is aimed at enabling a diverse range of town centres, offering different experiences and reasons to work, live and visit them, based on local need and interest.</p>
<p>15 (95 on page 15/16)  During summer recess, the Minister wrote to advise there would be an independent review of skills delivery, focussing on the function and remit of Skills Development Scotland (SDS) and its interface with the wider skills delivery landscape. The Committee welcomes this announcement and that the review will be carried out independently of Government. The Committee seeks assurance that the scope of the review includes consideration of how appropriate skills development opportunities will be made available to the workforces of businesses of all sizes and across all sectors in Scotland.</p>	<p>The Skills Delivery Review commenced in September 2022 and is led by James Withers, former CEO of Scotland Food and Drink. James will report his recommendations to Ministers by Spring 2023.</p> <p>The focus of the review is on the skills functions of Scotland’s national public bodies, and it aims to ensure our public body landscape has the right structures, governance, responsibilities and balance of capacity to support our ambitions for skills including the transition to net zero. As Independent Advisor, James Withers has the remit to make recommendations that drive significant change. His remit includes a requirement to consult widely including with businesses and employers to understand what they need from the system and how the public body and advisory group landscape can support that. (comment on retail skills work is at point no 7)</p> <p>The Review is independently led from Government to ensure the process is robust and evidence led, with no preconceived notions or predetermined outcomes. The Review is not about current or previous performance. It is about what we need in the future. The review will look at areas such as the design and delivery of apprenticeship programmes, upskilling and reskilling, sectoral and regional skills planning and employer engagement. A call for evidence was published on 28 October and closed on 23 December 2022. This was accompanied by a series of webinars with key user groups including businesses and employers.</p>
<p>16 (106 on page 18)</p>	

<p>The Scottish Government is asked to consider what equalities expertise the Retail Industry Leadership Group has and advise how equalities will be taken account of, as the Group develops its work programme and priorities for action. The Committee seeks assurances that the ILG's work will be future-proofed and that there is a recognition that barriers, associated with traditionally gendered roles within retail, need to be removed.</p>	<p>As with many industries, retail businesses are largely led by men. In a sector where 57% percent of workers are female, it was estimated that in 2020 that only 24% of executive committee members in the UK's retail sector were women. There is therefore much more to be done if we are to see a retail sector that is more gender-balanced and reflective of the workforce composition. The number of people employed in the retail sector increased by 8.3% to 260,000 compared to 241,000 the previous year.</p> <p>So the point made by the Committee is an important one and something that should underpin the work of the Industry Leadership Group, to ensure that the voices and experiences of women are heard – both as employees and as owners or operators of small, independent businesses.</p> <p>One of the first actions to be taken forward by the Industry Leadership Group is to develop a Fair Work Agreement for the retail sector, and a Working Group of the ILG has been established to take this important work forward. The Group is chaired by Tracy Gilbert, Regional Secretary of the Trade Union Usdaw and includes a representative from Close the Gap, a policy advocacy organisation that works on women's labour market participation.</p>
<p>17 (107 on page 18) The Committee welcomes the development of a Fair Work Agreement for retail. The Committee highlights the evidence received about ensuring fair work considerations, in the retail sector, are adequately gendered. The Scottish Government is asked to provide a timescale for development of the new agreement.</p>	<p>The Retail Delivery Plan sets out how the priorities in each of the Strategic Themes of Sector, People, Place and Just Transition will be progressed. A Fair Work Working Group has now been set up and agreed a timescale for developing the Fair Work Agreement at its meeting on 9 February 2023.</p>
<p>18 (108 on page 18) The Scottish Government's Retail Strategy includes a commitment to develop a Just Transition Plan for the retail sector. The Committee notes that the Retail Industry Leadership Group has been tasked with this.</p>	<p>The ILG will drive and support delivery of the strategy actions, in particular, on improving fair work across the sector. As set out in the Delivery Plan, the work to develop a Just Transition Plan for retail will commence after the development of both the Retail Fair Work Agreement and the Skills Action Plan and so will reflect the outputs of both.</p>

<p>The Committee calls on the Scottish Government to ensure that Fair Work considerations are embedded in this plan.</p>	
<p>19 (127 on page 22)  The Committee recognises that Scotland's towns are individual with their own distinct identities, communities, histories and futures. Every town has its story and communities can be and are motivated and inspired by the expression of that unique story to drive forward change and improvement. We know this works where there is a common purpose and community drive to shape the town and we highlight that as a lesson for other towns.</p>	<p>Scottish Government recognises that community-led regeneration happens most successfully where people in communities come together around a shared purpose and vision for their community. This is highlighted in the Town Centre Action Plan in the actions on developing and implementing town centre strategies with communities. Scotland's Town's Partnership (STP) has a number of tools and resources to help communities understand their place and develop improvement ideas such as Understanding Scotland's Places and the Town Centre Toolkit. There are a number of tools and resources such as the Place Standard tool to help communities develop a plan for their place such as a community action plan, local place plan or similar . Through for example the Our Place website, STP website and the Community Learning Exchange, which SG supports Scottish Community Alliance to deliver, community organisations can learn from other communities that have undertaken similar action: <a href="https://scottishcommunityalliance.org.uk/community-learning-exchange/">https://scottishcommunityalliance.org.uk/community-learning-exchange/</a></p>
<p>20 (128 on page 22)  There is no one blueprint that can, or should, be imposed. What is important is that every town and its community is empowered to create a vision to focus on achieving, through a long-term Town Plan. To support this, barriers must be removed and appropriate advice and support, including financial support, is available at all stages of development. The Committee notes that funding from local authorities and Creative Scotland, as well as Historic Environment Scotland, through culture and heritage grants has already, and can continue to, act as a catalyst for regeneration projects.</p>	<p>We agree and this is what our Place Principle and our Place based approach recognise and set out to achieve.. We want Scotland to have a diverse range of town centres, offering different reasons to work, live and visit them, based on local need and interest, which are flourishing and which feel supported. The Town Centre Action Plan is designed to enable communities to influence and plan their own town centres, building on the empowerment approaches across Scotland and in line with the Place Principle agreed with COSLA. The Town Centre Vision emphasises that towns are for everyone, and everyone has a role to play. The aim is for place-based approaches to town centres to be embedded across policy areas, so support, funding and decision making is better co-ordinated and aligned to deliver the collaboratively agreed vision unique to that town centre. Culture and heritage clearly has a key role to play in this.</p> <p>Creative Scotland distributes funding for the arts, screen and creative industries from the Scottish Government and the National Lottery. Creative Scotland's targeted funding includes the Place Programme, which operates at a strategic level with local authorities and other partners. It is designed to encourage and support local partners to work</p>

	<p>together with their creative communities and Creative Scotland. The partnership should aim to make significant interventions which address opportunities and issues, and help to strengthen creative development in their area</p> <p>Historic Environment Scotland has introduced their '<a href="#">HES Grants Framework 2021 Onwards</a>' which sets out their future approach and they are currently working on implementing the changes outlined in this. One of these changes is the launch of the Heritage &amp; Place Programme which provides funding support for Heritage and Place Schemes replacing HES's Conservation Area Regeneration Scheme (CARS).</p> <p>HES's Heritage &amp; Place Programme is an area-based funding programme that aims to contribute to the development of vibrant and sustainable places in Scotland, through community-led regeneration of the historic environment. The programme supports the development and delivery of heritage focused schemes within conservation areas, or alternatively distinctive heritage areas with local authority recognition.</p> <p>HES website also details several initiatives to empower communities and support them in championing their local heritage: <a href="#">Communities   Historic Environment Scotland</a>.</p> <p>As well as Scotland and Historic Environment Scotland there are a range organisations which provide support and resources including STP, Scotland's Regeneration Forum (SURF), Development Trusts, Architecture and Design Scotland, Scottish Futures Trust, the Improvement Service, Sustrans, and Business and Community Improvement Districts (supported by STP) The Committee notes the contribution of BIDs in its report in the section on Living, Resilient Town Centres.</p>
<p>21 (129 on page 22)</p> <p>The Committee asks the Scottish Government to review funding mechanisms and consider how additional support can be provided as seed funding to assist the setting up and ongoing work of community-led groups, as they become established and develop plans and projects for their town centres. People and community groups need to know where to find</p>	<p>As the Committee's report notes there is a wide range of support, information and guidance readily available for people and communities along the journey of community development, business support, enterprise etc. National community development stakeholders work collaboratively with each other and SG benefits from strong working relationships with national stakeholders.</p> <p>The Regeneration Unit is one of the key funding areas within Scottish Government supporting communities and community development. As noted in the report it delivers</p>

<p>support and funding, and the right people need to be at the table from the outset. These issues are addressed in more detail in the following sections.</p>	<p>several capital and revenue funds to support community-led regeneration including: the Place Based Investment Programme; RCGF; VDLIP and Empowering Communities Programme. It also supports Business Improvement Districts and Community Improvement Districts.</p> <p>Specifically, as the Committee is aware Scottish Government's Empowering Communities Programme delivers support for community development through a range of strategic partnerships and community funds. The programme includes the Strengthening Communities Programme which provides core funding and support to developing community anchor organisations. As part of this programme support is available through Scottish Community Development Centre (SCDC) for communities at a different stage in development of community action planning. Similarly, we also support the delivery of SURF's Alliance for Action Programme and have supported community development in former coalfield communities through our support to the Coalfields Regeneration Trust. The Investing in Communities Fund supports community organisations to deliver projects and services. The programme is kept under review to ensure it continues to target support to where it is most needed.</p> <p>Scotland's Towns Partnership are supported to host a 'funding finder' tool and a town centre toolkit and other resources to assist groups to know where to find town centre related support and funding.</p> <p>We will consider this further, as part of our work to develop a New Deal with local government and explore opportunities for flexibility in funding.</p>
<p>22 (130 on page 22) The Committee is grateful to 4-Consulting for producing the Town Centre Comparative Study and to the tight timescale requested. The Committee draws attention to the Study report and findings, commends them to the Scottish Government and asks the Scottish Government to reflect on how the findings can be incorporated into its own work and highlighted to partners.</p>	<p>The Scottish Government will reflect further on how the findings of the Town Centre Comparative Study can be incorporated further into its own work and highlighted to partners. The Our Place website and Scotland's Towns Partnership website are two existing ways that case study examples are currently highlighted, and consideration will be given to how this study might be highlighted via these means. It is noted that the examples in Scotland have benefited from funds and supported by Regeneration Capital Grant fund and Business Improvement Districts.</p>

<p>23 (155 on page 27)</p> <p>The Scottish Government has stopped short of putting the Town Centre First Principle on a statutory footing in NPF4. It has been in place as a 'principle' since 2014. In that time, progress has been limited. Without the principle being strengthened, the Committee would have concerns that the vision for Scotland's towns may not be realised.</p>	<p>The Town Centre Action Plan reaffirms Scottish and Local Government's commitment to the Town Centre First Principle, outlining actions to better embed the Principle to ensure the economic, social and environmental health of town centres is at the heart of decision making. It builds on the Scottish Government's internationally recognised Town Centre First approach, which has been adopted by other parts of the UK and was developed following the National Review of Town Centres in 2013.</p> <p>NPF4 recognises that our cities and towns are a national asset, and their centres bring together a wide range of functions and land uses, strengthening our support for development in city and town centres to be considered first and restricting out-of-town retail and leisure.</p> <p>NPF4 now forms part of the statutory development plan, together with the local development plans produced by planning authorities. This gives NPF4 very significant influence when planning decisions are being made, through the statutory requirement that decisions be made "in accordance with the development plan unless material considerations indicate otherwise"</p>
<p>24 (156 on page 27)</p> <p>Members of the Committee hold differing views on whether a moratorium on out-of-town development in NPF4 is the solution. All members are agreed that implementation of NPF4 must be sufficiently robust to ensure any new proposed developments can demonstrate town centre sites have been pursued and thoroughly evaluated, that development will have no adverse impact on town centres and will not compete with town centre provision.</p>	<p>NPF4 supports the Town Centre First Principle and limiting retail proposals in out-of-town locations, together with requirement for a town centre first assessment for proposals which are out of city/town centres, and which will generate significant footfall. The planning system does not allow for a moratorium on any type of development due to the requirement to consider each case on its individual merits; however, the strong policy position in NPF4 will be very influential in decision-making.</p>
<p>25 (157 on page 27)</p> <p>The Committee agrees that the overarching principle must be rebalancing the cost of doing</p>	<p>This recommendation is consistent with the aims of Town Centre Action Plan and with NPF4, which supports the Town Centre First Principle and limiting retail proposals in out-</p>



<p>business in town centres versus out-of-town sites. Approaches that could be considered include giving councils the power to levy an out-of-town development premium or a business rates surcharge which could then be used for town centre regeneration. Town centre regeneration funds from councils or Government could be used to incentivise use of brownfield sites in town centres for retail, housing or culture and leisure purposes.</p>	<p>of-town locations, together with requirement for a Town Centre First assessment for proposals which are out of city/town centres, and which will generate significant footfall. It would not be appropriate to introduce new out-of-town development premiums on existing premises which could risk job losses.</p> <p>The independent Barclay Review made several proposals to support town centres which the Scottish Government accepted. However, while most of these recommendations are now implemented, following consultation on the implementation of the Barclay Review in 2018 and concern raised by the business community over this measure, the Government did not take forward the recommendation to set up a pilot project allowing councils to levy a modest supplement on e.g., out-of-town properties.</p> <p>Scottish Government are delivering the new low carbon Vacant &amp; Derelict Land Investment Programme (VDLIP). Launched in March 2021, over an initial five years, it will support innovative local approaches to tackling persistent vacant and derelict land and delivering new green infrastructure in support of our ambitions for a just transition to net zero. The VDLIP complements the Place Based Investment Programme which aims to link and align all place-based funding initiatives to ensure we have a coherent approach to sustained longer term renewal, promoting the resilience, health and wellbeing of communities across Scotland. The VDLIP is being delivered around four main pillars of action: urban green space; community-led regeneration; low carbon developments and renewables, and; multiyear/sustained investment to tackle the most problematic sites</p>
<p>26 (158 on page 27) The Committee welcomes the Scottish Government's consultation on Permitted Development Rights (PDR) and intends to support the creation of a new general town centre use class.</p>	<p>We welcome the committee's support. During summer 2022 we consulted on PDR and UCO amendments that will support city, town and local centres by providing greater flexibility to change the use of certain buildings and place furniture outside specified hospitality premises. <a href="#">The Town and Country Planning (General Permitted Development and Use Classes) (Scotland) Miscellaneous Amendment Order 2023 (legislation.gov.uk)</a></p> <p>Having carefully considered the consultation responses, a statutory instrument giving effect to the measures was laid in the Parliament on 10 February. The changes will, subject to Parliamentary scrutiny, come into force at the end of March.</p>

<p>27 (159 on page 27)</p> <p>The Committee notes that transparency of beneficial ownership of town centre property and land and absentee owners can still be a problem, particularly where an individual lives or is based overseas. The Land Register of Scotland records ownership of land and property in Scotland. In the case of leased commercial property or land, there is no requirement for a lease shorter than 20 years to be registered. It is the Committee's strong view that all property and landowners should be contactable and there should be clarity on who the owner is. The Scottish Government has said its focus is on Compulsory Purchase Orders. The Committee is of the view that the Scottish Government's actions may be insufficient and that more may need to be done to address this problem. As a first step, the Committee asks the Scottish Government to undertake research on what the position is elsewhere with regard to transparency of beneficial ownership of commercial property and land.</p>	<p>Transparency of land ownership is critical, and two new registers have been launched in the last year that will improve transparency around ownership and decision making in relation to land and property.</p> <p><u>Register of Persons Holding a Controlled Interest in land (RCI)</u>  Last year we launched the Register of Persons Holding a Controlled Interest in Land. Regulations to introduce a public register of persons holding a controlled interest in land were unanimously passed by the Scottish Parliament on 10 February 2021 following extensive consultation and Parliamentary scrutiny, marking a significant step towards delivering greater transparency of land ownership. The register was launched successfully by Registers of Scotland on 1 April 2022, and we continue to monitor it.</p> <p><u>Register of Overseas Entities</u>  The UKG Register of Overseas Entities aims to address illegal activities such as money laundering and so focuses on beneficiaries (rather than decision makers).</p> <p>The UK Economic Crime (Transparency and Enforcement) Act, passed urgently last spring in response to the situation in Ukraine, established a Register of Overseas Entities (ROE) and their owners. Any legal entity that is governed by the law of a country other than the UK and which owns land or property in the UK, including in Scotland, is in scope of the ROE. The overseas entity must take reasonable steps to identify and register any beneficial owners in relation to the entity.</p> <p>Without the necessary registration, an overseas entity will be unable to buy or sell property registered in the Scottish Land Register after 8 December 2014, or register title to property in Scotland. The ROE is administered by Companies House and was launched on 1 August 2022.</p>
<p>28 (160 on page 28)</p> <p>The Committee notes that local authorities have a range of powers available to them to tackle derelict or dangerous buildings but they are not used as frequently or proactively as we would like. There can be a reluctance to resort</p>	<p>Scottish Government intends to commence this complex piece of work by appointing an advisory board in 2023 to help inform the development of options for reform of Compulsory Purchase Orders.</p>

<p>to those statutory powers, in part due to a lack of resources to carry actions through. The Committee welcomes the Scottish Government's commitment to reform and modernise the compulsory purchase orders and consider compulsory sales orders.</p>	
<p>29 (161 on page 28) The Committee also notes the Scottish Government's intention to introduce legislation on this later this Session. It is acknowledged that this will be a complex piece of work. The Scottish Government is asked to set out a timetabled plan for taking this work forward and how it will engage with stakeholders and local authorities to develop this policy.</p>	<p>The Committee will note that work towards compulsory purchase reform is included in the NPF4 Delivery Programme. As this indicates, work will commence in 2023 and continue over the medium term. A more detailed timetable will be set out in due course.</p>
<p>30 (179 on page 31) The Committee recognises the reforms underway to business rates which are not yet fully implemented, but it was clear from the business community's evidence and the Scottish Government's own TCAP Review Group that the non-domestic rates system is perceived as inequitable and unfair.</p>	<p>The independent Barclay Review of non-domestic rates considered whether non-domestic rates should be replaced, and concluded that, on balance, a property tax system based on rateable values, as is currently in place in Scotland, best fits the principles of fairness, consistency, transparency and simplicity of the alternatives considered. It highlighted that rates provide a crucial route (alongside council tax, grant funding provided to councils by the Scottish Government and the income councils raise from fees and charges) by which councils secure funding to enable them to deliver local services. It recognised that the rates system could be improved and made 30 recommendations to support growth, improve administration and increase fairness in the rates system. Most of these were accepted by the Scottish Government, and while some are already implemented, others will come into effect only this year. Their implementation must conclude, and the reforms be evaluated before new reforms are considered.</p> <p>Scottish Government are introducing three-yearly revaluation cycles with a one-year tone date from April 2023 to ensure that property valuations more closely align with current market values and introducing greater transparency with a draft valuation roll</p>

	<p>published on 30 November, and more information required from assessors in valuation notices for many property types in future.</p> <p>To modernise the approach, reduce appeal volume, and ensure greater transparency and fairness, a new two-stage appeals system will take effect from 1 April 2023, when Valuation Appeals Committees transfer to Scottish Tribunals.</p> <p>Scottish Government are also freezing the poundage for the fifth year in a row in 2023-24, and have introduced more progressivity into the system; on 1 April 2020 Scottish Government introduced the Intermediate Property Rate for properties with rateable values between £51,000 and £95,000, and the Higher Property Rate for properties with rateable values over £95,000, to replace the Large Business Supplement, and on 1 April 2023 we will introduce a taper in the Small Business Bonus Scheme to replace the current step structure.</p>
<p>31 (180 on page 31) The current NDR system acts as a disincentive when trying to attract businesses back to our town centres. For businesses already located in town centres, the current NDR system acts as a disincentive to invest in already occupied property, as any investment leads to an increase in NDR. The Committee consistently heard that the current system works against investment and growth in town centre retail and that the NDR system should be rebalanced to support town centre development.</p>	<p>We acknowledge this issue and are working within the limitations of devolved powers and levers.</p> <p>To encourage regeneration including in town centres, we are also expanding Fresh Start relief by raising the rateable value threshold at which properties qualify for the relief from £95,000 to £100,000. Properties already in receipt of Fresh Start relief on 31 March 2023 will also continue receiving relief for the remaining duration of the relief award regardless of whether the new rateable value is above the new qualifying threshold.</p> <p>The Budget continues to support our businesses and communities with a generous non-domestic rates package which takes into account the forthcoming 2023 revaluation.</p> <p>Responding to business' biggest ask on non-domestic rates, Scottish Government are freezing the poundage in 2023-24, ensuring the lowest poundage in the UK for the fifth year in a row and supporting an package of reliefs worth an estimated £744 million.</p> <p>The Business Growth Accelerator relief, which offers relief on property improvements, will be updated to take account of revaluation and properties in receipt of this relief on 31</p>

	<p>March 2023 will continue to be eligible for an equivalent percentage of relief on the new rateable value for the remaining duration of the relief.</p> <p>To encourage regeneration including in town centres, we are also expanding Fresh Start relief by raising the rateable value threshold at which properties qualify for the relief from £95,000 to £100,000. Properties already in receipt of Fresh Start relief on 31 March 2023 will also continue receiving relief for the remaining duration of the relief award regardless of whether the new rateable value is above the new qualifying threshold.</p>
<p>32 (181 on page 31)</p> <p>There is a need to address the cost imbalance between out-of-town development and town centre regeneration and to lower the barriers for town centre development if the vision for regeneration of Scotland's towns, particularly the aspiration to bring back good quality town centre living, is to be realised. Current VAT rules add to the imbalance and create further disincentive. The Scottish Government is asked to set out what discussions it has had to date with the UK Government on VAT.</p>	<p>The Scottish Government wrote to the UK Government in March 2021 to highlight the imbalance caused by current VAT rules.</p> <p>The UK Government has so far failed to take steps to rectify this, but we continue to believe the VAT rules should be amended to encourage the refurbishment and retrofitting of existing buildings.</p> <p>Ultimately the Scottish Government believes that VAT powers should be devolved to the Scottish Parliament, which would allow us to make the necessary changes where the UK Government is unwilling to act.</p> <p>We would welcome the Committee's and Parliament's support to address this issue and the wider issue of devolution of VAT.</p>
<p>33 (182 on page 31)</p> <p>The Committee recognises that the driver for an online sales tax is to level the playing field between in-store retail and online sales. Online retailers are seen to have an unfair competitive advantage which discourages retail footprint. At the same time, the opportunities for business growth and benefits to businesses developing online should not be hampered or discouraged. An online sales tax</p>	<p>The New Future for Scotland's Towns discussed the issues around Online Sales Tax and we recognise that the issues around in store and online retail need consideration.</p> <p>In early 2022, the UKG launched a consultation on an Online Sales Tax (OST) as a means of "rebalancing" the business rates bills paid by in-store retailers in comparison to their online counterparts.</p> <p>The UKG announced at the Autumn Statement in November 2022 that it will not introduce an OST due to concerns raised about an OST's complexity and the risk of</p>

<p>would have to be sufficiently sophisticated to be directed towards the businesses that make no contribution to high streets and undermine their viability.</p>	<p>creating unintended distortion or unfair outcomes between different business models. Stakeholders also expected it would lead to higher prices for consumers. A detailed response to the consultation is expected shortly.</p> <p>We will review the responses to the UKG’s consultation and carefully consider the implications for our own commitment to explore a Digital Sales Tax in Scotland.</p> <p>The availability of data on the reserved matters of corporate/business taxation and on the composition of Scottish retails businesses presents a significant challenge to the consideration of a devolved Digital Sales Tax.</p> <p>Furthermore, the consideration of a Scottish-specific tax would likely involve negotiation with the UKG on the use of the new tax power in the Scotland Act, and this is unlikely to be a swift process.</p>
<p>34 (183 on page 31) The Committee notes that the Scottish Government is considering the findings of the Fraser of Allander Institute (FAI) on the Small Business Bonus Scheme and that a short-term working group has been established to look at the collection and availability of data. The Committee would be grateful for regular updates on the work of this group. The Committee takes this opportunity to indicate that the operation of the Small Business Bonus Scheme will be a focus of its pre-budget scrutiny next year.</p>	<p>Scottish Government welcomed the report and the work which the Fraser of Allander Institute carried out and convened a short-term working group to look in consider in particular the recommendation “that the Scottish Government begins to collect new information that will make a more robust assessment of the SBBS (and potentially other reliefs) possible in the future”. Information about the group, including minutes of meetings, can be found at: <a href="#">Small Business Bonus Scheme Evaluation Short-Term Working Group</a>.</p> <p>Participants were clear that the financial support which SBBS relief offers is benefiting many small businesses. Concerns were raised however that collecting more information would place an additional burden on business which would not be welcomed at this time. For that reason, no further meetings of the Short-Term Working Group are proposed at this time.</p> <p>Reforms to the Small Business Bonus Scheme were announced in the Budget. These will improve the progressivity of the relief whilst ensuring that it remains the most generous small business relief in the United Kingdom and delivers the manifesto commitment that 100,000 properties will be taken out of rates altogether.</p>
<p>35 (203 on page 35)</p>	

<p>The Committee asks the Scottish Government to set out the resourcing it will provide to support NPF4 and TCAP2 and, specifically, what incentives will be available for repurposing unused or long-term vacant town centre buildings and encouraging and co-ordinating owners to actively manage their assets.</p>	<p>The Place Based Investment Programme aims to ensure that all place-based investments are shaped by the needs and aspirations of local communities and accelerate our ambitions for place, 20-minute neighbourhoods, town centre action, community led regeneration and Community Wealth Building. This includes support for repurposing town centre buildings if this is identified as a priority by the community as part of their plan for their town centre. The Programme for Government 2022 commits us to <i>'continuing to invest up to £75 million in place-based initiatives, which support our most fragile communities and accelerate our ambitions for place and to help people live well locally'</i>. The Government will also continue to support Scotland's Towns Partnership and Business Improvement Districts who carry out work engaging with partners and our local government partners who have ultimate responsibility for working with local owners and supporting repurposing in their own areas.</p> <p>NPF4 is supported by a Delivery Programme which will be updated throughout the lifespan of NPF4. We want to direct development to the right location and maximise the use of existing assets, with local development plans setting out opportunities for the sustainable use of brownfield land and empty buildings. Planning is, however, only part of a solution which can involve working with regeneration interests, local communities and other stakeholders, including the private sector, to help deliver place-based solutions to dereliction.</p>
<p>36 (204 on page 35) The Scottish Government is asked to set out how support will be provided to towns and communities where there is no BID and without any local community resource.</p>	<p>Scotland's Towns Partnership provide support to all towns and communities by providing advice and helping them identify funding and alternatives to a formal Business Improvement Districts arrangement. This includes towns collaborations which form a pipeline for future Business Improvement Districts.</p> <p>Support is also provided to towns and communities via the Empowering Communities Programme as set out in the response to no 21.</p>
<p>37 (205 on page 35) The Committee notes the different remits and delivery focus of the three enterprise agencies. The Committee is concerned that there is a gap in place-based support available</p>	<p>The Committee is correct in identifying that Scottish Enterprise, as a national agency, has a different remit and delivery focus to Highlands and Islands Enterprise and South of Scotland Enterprise. However, it does not mean that Scottish Enterprise does not engage at the town and community level. Scottish Enterprise has adopted a place-based</p>

<p>for towns and communities not covered by either HIE or SOSE. The Scottish Government is asked to respond to this concern and set out the mechanisms, for towns and communities not covered by HIE or SOSE, to access support and funding.</p>	<p>approach to economic development. It is fully engaged, through its involvement in Community Planning Partnerships and Regional Economic Partnerships, in supporting partners and projects to develop and strengthen the economy in town and communities within its geographic area.</p> <p>Scottish Government’s Strengthening Communities Programme works with a range of stakeholders to ensure that support is available in all parts of Scotland this currently includes HIE, DTAS, CEIS and SCDC – to deliver place-based support. Scottish Government also has strong working relationships with other organisations such as CORRA, National Lottery Community Fund, SURF. These national community development bodies work in a collaborative way to help communities in accessing relevant support. Support is also provided by Scotland’s Towns Partnership including Business Improvement Districts (BIDs) and developing BIDs.</p>
<p>38 (206 on page 35) The Committee supports every town having its own development plan. The Committee also supports the calls for a central resource of expertise to which every town development partnership or community would have access to when taking forward the development plan. The Scottish Government is asked to consider how best this could be set up and where, organisationally, it should sit.</p>	<p>Local development plans are already in place for all areas of Scotland. The development plan sets out the types of development, including uses of buildings and spaces, that will generally be supported in the place. National Planning Framework 4 will be part of the development plan for making decisions on planning applications in Scotland. The National Planning Framework 4 has clear support for town centres and 20-minute neighbourhoods. Following a consultation last year, we are currently finalising Regulations and Guidance to support the introduction of an improved system of local development plans.</p> <p>Local Place Plans are community-led plans setting out proposals for the development and use of land. Introduced by the 2019 Planning Act, these plans can set out a community’s aspirations for its future development. Once prepared, and then registered by the planning authority, they are to be considered in the preparation of the relevant local development plan.</p> <p>A planning Circular (1/2022) was published in January 2022 providing guidance to communities and planning authorities on the preparation, submission and registration of Local Place Plans. Additional guidance to support communities to prepare LPPs has been developed by Scottish Government and published on the Our Place website, <a href="https://ourplace.scot">ourplace.scot</a>. The Our Place website, developed by Scottish Government and the</p>



	<p>partners behind the Place Standard tool, contains a wide range of information, tools and resources to support communities and other organisations to contribute to the sustainable development of places, including Local Place Plans.</p> <p>The Planning (Scotland) Act 2019 also requires planning authorities to keep a register of all valid Local Place Plans. The Scottish Government is currently working to develop a register of these Local Place Plans. This register will act as a central source of information on all Local Place Plans across Scotland.</p>
<p>39 (228 on page 38) The Committee recognises that NPF4 has signalled intent but calls on the Scottish Government to ensure that NPF4 clearly aligns with, and supports, the Scottish Government's stated long-term vision for Scotland's towns and addresses the imbalance between out-of-town and town centre development.</p>	<p>NPF4 recognises that our cities and towns are a national asset and play a central role in driving economic growth. It delivers actions in the Town Centre Action Plan 2022, which responds to the Town Centre Action Plan Review's recommendations, strongly supporting the Town Centre First Principle.</p>
<p>40 (229 on page 38) The Committee heard that the impetus and drive for town centre regeneration can be established by cultural, tourism and social initiatives. It must also be recognised that the measurement of the success of town centre regeneration is not just increased financial value for business and council revenues but also in quality of life and social and environmental improvements for the people who live, work and enjoy their town centres. A well-being and inclusive approach to wider value should be at the forefront of these measures.</p>	<p>We agree that cultural, tourism and social initiatives are key to the success of town centre regeneration, with quality of life, social and environmental improvements for the people who live, work and enjoy them. This is very much aligns with the Town Centre Action Plan, the Town Centre Vision and the Regeneration Strategy. Regeneration is the process of transforming the economic, physical and social potential of places, reducing inequality, working with and for the local community. Scottish Government and Scotland's Towns Partnership has a number of tools and resources to help communities understand their place and measure success in delivering change such as the Place Standard Tool, Understanding Scotland's Places and the Town Centre Toolkit. These include social, environmental and health and wellbeing.</p> <p>Scottish Government is working with the Improvement Service and in partnership with COSLA on evaluation of the Place Based Investment Programme. The evaluation framework includes measures as set out in the agreed objectives around net zero,</p>

	<p>community engagement, and health and well-being and seeks evidence of progress on delivery of the Place and Wellbeing indicators developed by Public Health Scotland.</p> <p>The Scottish Government has embraced the internationally recognised Community Wealth Building (CWB) approach to economic development as a key tool to transform our local and regional economies. CWB considers ways in which wealth is generated, circulated and distributed; encouraging actions that improve the economy through progressive public procurement, maximising use of land and property, new employment opportunities, and access to personal and enterprise finance. The approach can deliver more and fairer jobs, business growth, community-owned assets and shorter supply chains supporting net zero ambitions.</p> <p>The Programme for Government 2022-23 outlines our commitment to hold a consultation on CWB and we welcome a wide range of views on the changes that are required to grow local wealth and give communities a greater stake in the economy. This builds upon our commitment in the 2021-22 PfG to develop CWB legislation in this parliamentary term.</p> <p>The Scottish Government takes a broad view of what it means to be a successful economy, society and country, putting people and the planet first and foremost. Our National Strategy for Economic Transformation sets our vision to transition to a wellbeing economy and contains bold actions to deliver economic prosperity and wellbeing for all Scotland's people and places, within safe environmental limits. What we measure matters. We have published Wellbeing Economy Monitors at both Scotland and local authority levels to support tracking of outcomes beyond GDP on issues like health, poverty, fair work and the environment.</p>
<p>41 (230 on page 39)</p> <p>The Committee recognises that creating a vibrancy around 'place' for all of our towns must involve Scotland's culture bodies and organisations 'being at the table'. We agree and recommend that they must be designated statutory consultees.</p>	<p>Culture officials will work with relevant colleagues to explore the possibility of cultural bodies and organisations being designated statutory consultees.</p> <p>A Culture Strategy for Scotland, published in February 2020, outlines that culture is something everyone should have the opportunity to participate in, develop and enjoy and highlights that shared cultural experiences foster inclusivity, creativity and understanding.</p>

	<p>Following a series of stakeholder engagement sessions, it is clear that the aims and ambitions of the Culture Strategy remain very relevant, but that it is important to recognise the combined impact of the pandemic, Brexit and the cost-of-living crisis. To address this, we are refreshing the Culture Strategy Action Plan which we will publish in spring 2023.</p>
<p>42 (231 on page 39) To support town centre living, the Committee asks the Scottish Government to set out (1) how it plans to incentivise social landlords to take on empty town centre properties and to provide the quality mixed tenure accommodation that is needed, and (2) how the resource available in the housing budget will be made available for town centre living projects.</p>	<p>We agree that we need to get back to town centres that are where people work, shop, visit but also live – that is what the Town Centre First Principle and the place based approach aim to deliver, and our 20 minute neighbourhoods ambitions. Retail is recognised as a key part of that to enable people to access what they need locally and what they need to live sustainably, happily and healthily "on their doorsteps", This doesn't take away from ensuring our city centres and larger town centres are great destinations that people want to go to for a range of reasons including experiences, and tourism.</p> <p>The Scottish Government is in the process of undertaking an audit of its long-term empty homes policy and interventions and expect the final report in June 2023 which will be published later on in the year. We will use these findings to inform how we can best meet the commitments on empty homes within the Housing to 2040 Strategy.</p> <p>As the strategic housing authority, the responsibility for assessing housing requirements and setting out investment priorities through Local Housing Strategies and Strategic Housing Investment plans sits with local authorities. In taking forward these responsibilities Scottish Government would expect local authorities to be working closely with local partners including RSLs to consider the place-based housing requirements for their areas. Local authorities are able to acquire existing properties through the affordable housing supply programme where this approach has been identified as meeting their local requirements.</p> <p>We have given local authorities five year resource planning assumptions for the current parliament and Affordable Housing Supply Programme investment can be directed</p>

	towards town centre living projects where these have been prioritised by the local authority through their Strategic Housing Investment Plans.
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**RETAIL STRATEGY OUTLINE DELIVERY PLAN (As agreed Aug 2022)**

Strategy Aims and Actions	Lead	For discussion ILG Meeting	Start By	Anticipated completion
<b>To ensure we successfully deliver the outcomes identified within the Strategy we will:</b>				
Establish an Industry Leadership Group	SG	Aug-22	May-22	Aug-22
Establish short-to-medium-term Working Groups (WG) where required to take forward actions	ILG	Aug-22	Aug-22	
Develop an outline Delivery Plan	SG	Aug-22	Jul-22	Aug -22
Establish and oversee a group to analyse data and trends and advise on outcome metrics	SG/ILG	Feb/Mar-23	Feb/Mar-23	
<b>To promote all aspects of fair work across the retail sector so that it offers secure and well paid employment we will:</b>				
<i>Develop a Fair Work Agreement through a working group (WG)</i>	ILG/WG	Aug-22	Aug-22	
<b>To ensure those working in retail have the skills necessary to be successful we will:</b>				
Undertake a Skills Audit (through Skills Development Scotland)	ILG/SDS/	Nov-22	Aug 22	
Develop a Skills Action Plan (through Skills Development Scotland)	ILG/SDS/	Nov-22	Aug-22	
Consider recommendations from the Flexible Workforce Development Fund evaluation	ILG/SDS/	Nov-22	Sep-22	
<b>To continue to strengthen retail's positive contribution to local economies and communities we will:</b>				
<i>Create a short-to-medium-term working group which will consider Place-related actions in the retail strategy</i>	ILG/WG	Feb/Mar 23	Feb/Mar 23	
<b>To support successful and profitable retail businesses we will:</b>				
Focus on the delivery of actions in NSET that will directly benefit the retail sector	ILG	Aug-22	Aug- 22	
<b>To promote a successful Retail Sector we will:</b>				
Review and consider the impact of and responses to the cost crisis on retailers, suppliers and customers	ILG	Aug-22	Aug-22	

Maximise the promotion of Scottish goods and examine the potential for Scottish branding	ILG	Aug-23	Aug-23	
<b>To help Retail harness the opportunities of Digital we will:</b>				
Investigate Virtual High Street platforms	ILG	May/Jun-23	May-23	
Promote DigitalBoost (or Digital Development Loan/ the joint programme coming out of NSET actions	SG/ILG	TBC	TBC	
Promote Cyber-Security standards	SG	May/Jun-23	May-23	
<b>To ensure a transition to an environmentally and socially sustainable sector in the economy of the future we will:</b>				
Develop a Just Transition Plan for Retail	ILG	Feb/Mar-24	Mar-24	

Delivery
Sector
People
Place
Just Transition

ILG – Industry Leadership Group

WG – Working Group

SG – Scottish Government