Local Government and Regeneration Committee

Regeneration Inquiry

Submission from Boots UK

Overview of Boots

Boots has over 280 retail and pharmacy stores in Scotland, representing the largest spread of pharmacies in Scotland; we serve communities from the most remote islands to the busiest city centres and currently employ over 6,500 people in Scotland, and provide over 25% of Scotland’s prescription dispensing. This existing and growing presence provides us with an opportunity to play a leading role in the regeneration of towns and cities in Scotland.

Today, Boots UK’s role and commitment to town and city centre partnerships is no less prominent and the company has been involved in supporting and developing town and city centre partnerships and Business Improvement Districts (BIDs) since their inception. We believe that we can achieve more to improve the external environment by working collaboratively with others, rather than independently or through a purely internal focus.

Our Boots UK public policy manager sits on the Advisory Board for British BIDs, which brings together BIDs and stakeholders to share in joint learning and inform future BIDs policy across the country, and is Chair of Heart of London Business Improvement District, one of the largest established BIDs in the UK, responsible for managing Leicester Square and Piccadilly. Boots UK contributes to local partnership engagement in a number of other ways including chairing the local government advisory group within the British Retail Consortium which focuses on town centre development and regeneration and; developing a training programme, which is run free of charge, to support newly appointed town centre and partnership managers in their new roles.

General comments on regeneration

Boots has a long track record of positive engagement in developing effective dialogue and partnership at local level in support of individual town centre vitality, and is keen to contribute to developing a stronger focus on town centres in Scotland. Boots are currently expanding its active involvement in town centre partnerships in Scotland where valid business engagement can take place. For example, Boots is supporting its local store managers with its recently launched Community Engagement Guide, Boots at the Heart of the High Street. This will provide guidance to managers about how to engage with local partnerships as well as how to demonstrate effective local leadership, ensuring that the high street stores can play a vital role in regeneration across the country.

Based on our experience elsewhere, and our support for the success and sustainability of Scottish town centres, we recommend the following to the Committee:

1. There is a need for integrated, active and positive management of our town centres, highlighting the roles played by Business Improvement Districts and other partnerships with local businesses. This includes examining the scope for matching funding of BIDs from existing business rates revenues.
2. Effectively monitor the health of town centres, to enable resources to be used in as targeted and effective way as possible.
3. Local Authorities have a critical role to play in supporting the ongoing development of town centres and high street vitality so as to maintain their role in providing a heart of many communities.
4. There is a vital role for a plan-led approach, where businesses have a genuine opportunity to influence the development and implementation of the local plan.

5. Quality and cost of car parking. Car parking should be viewed as a 'town centre attractor', rather than as a form of traffic management or 'cash generator'.

6. Explore methods to support innovation and new retail start ups.

7. Planning policy to emphasise the need to focus on a 'Town Centre First' policy.

8. There should be an agreed formal arrangement for dialogue between the Scottish government and retail sector as appropriate for Scotland – this might be a town centre/retail forum or a 6-monthly meeting between officials and a range of retailers. This forum must include investors and researchers as well as retail operators in order to appropriately identify blockages to town centre regeneration and drive forward regeneration strategy and policy.

9. Address current pressing issues with an initial Retail Summit led by Cabinet Secretary for Cities and include multi-agency representation.

10. Ensure that all national regeneration frameworks that support the creation of local partnership include a duty to engage with retail business and other relevant partners.

11. Undertake fact-finding tours of town centres at annual intervals to assess regeneration progress against agreed criteria.

**Specific Questions**

1. **How can the linkage between the various strategies and policies related to regeneration be improved?**

Thriving town centres are at the very heart of any successful local regeneration and development strategy and as such Boots is actively involved in partnerships which support their sustainability. We note that the following seven factors are key drivers of high street consumer behaviour:

- **Health** - growing concerns over health and interest in taking more self-responsibility for health.
- **Convenience** - managing the problem of time scarcity in a 24/7 lifestyle.
- **Individualism** - more personal and customised brand experiences near each other.
- **Connectivity** – the need for relationships and belonging, especially in areas of social deprivation and low incomes.
- **Comfort** - safety, simplicity, trust and low crime activity.
- **Income complexity** - increasing mix of high and low consumerism.
- **Age and Lifestage complexity** – shopping defies age, gender and other stereotypes.

Boots believes that responding to these seven factors can help bridge the gap between regeneration strategy and regeneration policy. However we also recognise these priorities, both for our own business and for the retail sector in town centres illustrate how the policy agenda for town centres is complicated and sits across several Government departments and Ministerial responsibilities.

Nonetheless Boots believe there are a number of specific measures the Scottish Government and its partners in regeneration could take to meet the needs of customers, which would in turn strengthen the delivery of local regeneration strategies.

- **We believe further incentives and support should be available to facilitate the development of effective partnerships in town centres.** While recognising these structures will take different forms depending on local needs, we note the success of Business Improvement Districts (BIDs) where local businesses have often had a role in directing development activities. We also note that one of the inhibitors as identified by York Consulting has been the level of capital required. Given the potential differing size and scale of BIDs across Scotland we believe the levering in of Government funds can act as a catalyst for the development of further partnerships. We would add that funding alone is not sufficient to successfully support the roll out of BIDs and
regeneration activity and that resources to support the management of BID activities after any ballot will also need to be forthcoming. In many town centres, it is the retail sector that is still the main economic driver in the vast majority of cases. The health and sustainability of the retail sector is therefore crucial to the health and sustainability of the town centre.

Additionally, further evaluation of the 2009/10 Town Centre Regeneration Fund is required to determine how effective it was supporting the redevelopment of communities, as the the 2011 evaluation concluded that further time was required in order to fully appraise the outcomes. If after subsequent evaluation, the findings suggest that it is an effective tool for regeneration then we recommend repeating the funding model, but with the following changes which were highlighted by recipients:

• Phasing the funding over 3/4 years would allow more considered responses, designs and other potential investment.
• Need to allow a longer timescale for the Town Centre Regeneration Fund application process to ensure the full potential of projects and design issues are resolved.

The lack of dialogue between government and stakeholders in any circumstance can result in badly informed policy and as such we believe the introduction of a town centre forum chaired by the Cabinet Secretary for Infrastructure and Capital Investment would better facilitate understanding about retail and make the connections between strategy and policy. These meetings should provide joint business and government leadership to better enable our high streets and town centres to adapt and compete in the face of changing consumer and social trends and advise the Government in the formation and delivery of policies to support high streets and town centres, in the short and longer term.

Finally, the failure of local and central government to consider the key role of public and private transport in facilitating visits to town centres has a significant impact on local regeneration.

• Car parking should be viewed as a 'town centre attractor', rather than as a form of traffic management or 'cash generator'. Transport is vital to the success of the retail industry. Retailers rely on access to transport for the daily operation of their business – to access their customer base, deliver goods, and to enable their employees to reach the workplace. The vast majority of consumers use some form of transport to get to the shops and easy access is now a critical factor in any retailer’s, and high streets, competitiveness. Where accessibility and car parking is not of sufficient quality or value, the motorist will choose to visit alternative retail formats providing these services, often away from town centres.
• The reduction of Bus Service Operators Grant and the reimbursement rate paid to bus operators for carrying passengers in receipt of a concessionary travel pass has led to commercial operators reducing many services that connect remote communities to town centres. Local and central Government must work with commercial and community transport operators to ensure adequate public transport provision is in place for those without private vehicles.

2. Can physical, social and economic regeneration really be separate entities? The Committee would find it useful to hear about projects distinctly focussed on one or more aspects, and the direct and indirect outcomes of such activity.

Boots would like to draw the committee’s attention to economic regeneration activity based in Edinburgh city centre which was developed during the Edinburgh Festivals period by a Partnership of Essential Edinburgh, Marketing Edinburgh and city centre retailers under the banner of ‘Alive after Five’. This initiative encouraged late city centre shopping until 7.00pm.
Evaluation of the stakeholder involved highlighted that ‘Alive after Five’ was successful in driving shoppers to city centre stores. A crucial part of the campaign was the suspension of parking restrictions at 5.00pm, Monday to Saturday, instead of 5.30pm or 6.30pm, depending on the area.

Following the success of the scheme over the summer similar parking arrangements at Christmas were introduced to ensure more customers visit city centre retailers.

3. Are we achieving the best value from investment in this area? If not, how could funding achieve the maximum impact? Could the funding available be used in different ways to support regeneration?

As discussed in our response to question one, Boots believe that following further evaluation the Scottish Government should, in line with the SNP manifesto commitment, ‘look to bring together the various existing funding streams to create a simpler, more easily accessible Town Centre Regeneration Fund’.

There also remains a rationale for targeting additional funding to incentivise behaviours likely to deliver successful regeneration, and support interventions which are known to be successful but are not covered by other funding streams, which includes the Town Centre Regeneration Fund. For example, a number of new business start ups often lack premises to operate out of therefore Local Government should identify resources to promote new uses of town centre premises, developed in collaboration with business start up services, for example incubation units and the development of non retail businesses in town.

This should lead to a more diverse economy, and ensure that services, such as leisure, health and education as well as retail, are increasingly delivered from within town centres.

6. How can it be ensured that regeneration projects are sustainable in the long term?
The delivery of regeneration will be most effective where it is locally driven and as such local Partnerships of public, private and third sector organisations are crucial to ensure the long term sustainability of regeneration projects. These partnerships can be anchored by local and central government through the following approaches.

- The establishment of central government ‘Change Fund’ for regeneration. The fund would support local partnership regeneration activity conditional on the agreement of local interfaces (that represent the public, the private and the third sector) on what activity is to be funded. This would mirror the health and social care change fund that currently exists to invest in preventative services that supports older people to live independently at home.
- The development of a national framework to promote the sharing of successful regeneration initiatives. This framework can help drive local spending decisions by identifying successful initiatives from across the country that have delivered town centre regeneration.
- Partnerships identify a range of interventions that are realistic in terms of funding that can be attracted and capable of being delivered given available expertise and capacity.

10. How can the outcomes of regeneration truly be captured and measured? What are the barriers to capturing outcomes and how should the success of regeneration investment be determined?

Boots agree that the effectiveness of any regeneration strategy must be measured against outcomes, not only will they gauge how effective the strategy is but their very existence will act to
incentivise regeneration partnerships. We note previous Government strategies that have failed to detail expected outcomes, such as the Older People Housing Strategy, have been queried by other committees about their “lack of specific measurable targets and on what basis the effectiveness of the strategy will be measured”. We believe the existence of measurable outcomes plus a dedicated spending pot to progress them is key to supporting regeneration in communities.

With regard to the specific outcomes we would refer the committee to the work done by the Welsh Government in developing its ‘Vibrant and Viable Places’ regeneration strategy. It concludes that following indicators should be used to determine how healthy and prosperous local communities are:

- % of workless households (gap between deprived areas and other areas)
- Employment rate (gap between deprived areas and other areas)
- % of people who think their neighbourhood has improved in last 3 years
- % adults reporting fair or poor health (gap between deprived and other areas)
- % obtaining the key stage indicators at age 16 (gap between deprived and other areas)
- % of people with post school qualifications (gap between deprived and other areas).

Boots believe that these outcomes may be necessary but not in their own sufficient to measure the effectiveness of any regeneration strategy. We note the Scottish Government review of the Town Centre Regeneration Fund highlighted that to effectively identify the outcome of regeneration activity “there is a need to be able to provide monitoring data on programme implementation (process) and to link this to both routine monitoring and evaluation data on outcomes”. Building on this Boots believe it is probable that each regeneration project will require some initial and bespoke data collection to address and identify key evaluation question prior to any monitoring. Fundamentally though Boots believe that town centre regeneration must be part of whole town strategies and embedded in planning, economic and community development policy for that urban area.

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3. [http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/59613.aspx#housing](http://www.scottish.parliament.uk/parliamentarybusiness/CurrentCommittees/59613.aspx#housing)