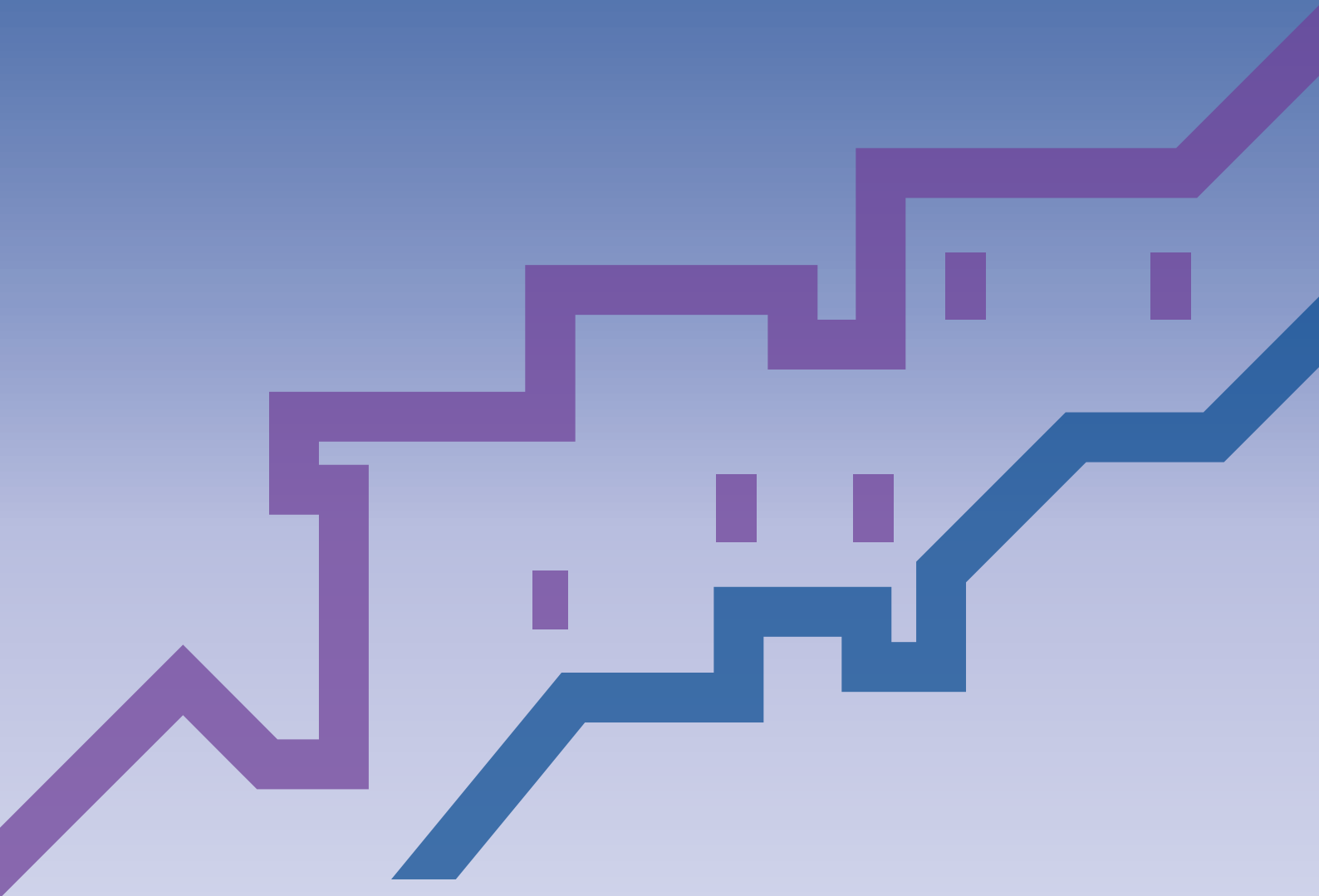


BIDS Vacancy Report



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1.0 INTRODUCTION

- 1.1 **Business Improvement Districts Scotland** (BIDS) instructed property consultants Ryden to review the issue of retail vacancies within BID areas and to offer potential means of addressing these vacancies. It is understood that a number of BIDs have targeted a reduction in vacancies as an objective within their business plans, but at this early stage in the use of BIDs in Scotland there is a lack of detail around how this reduction is to be achieved.
- 1.2 Recent research (Findlay & Sparks 2010) identified many **causes of retail vacancy** with differing significance. The research found that retail vacancy increases during recessions, but not all current and arising vacancies are due to recession. It was concluded that there was a need for more research on potential responses to retail vacancy patterns.
- 1.3 The report which follows is based on a review of **best practice** and current thinking, a **workshop** held in February 2011 attended by various BID managers and Ryden's retail property **market knowledge**. The report concentrates on the specific issue of vacancies and how these could be dealt with. It does not address the wider topics of managing town centres to promote vitality and viability and attract shoppers.

BIDS Vacancy Report was prepared for BIDS by Dr Mark Robertson
Partner

Ryden

2.0 MARKET REVIEW

- 2.1** Retail is a property intensive sector with location being crucial to profitability. Prime shopping streets and centres are typically occupied by **multiple retailers**. The largest retailers, which represent less than 1% of the total number of retail businesses, capture over 70% of total sales.
- 2.2** **Rising vacancy levels** are a concern in most town centres. The average vacancy rate for town centres in the UK was 14.5% at the end of 2010¹. This has risen from 12% at the end of 2009. Scotland fares better than the rest of the country and has the lowest regional vacancy rate of 12.6%. Increased vacancy rates are to be expected following a deep recession. Indicators such as vacancies and business failures often peak after, not during, a recession.
- 2.3** The recent **retail development cycle** has ended. This cycle ran for more than a decade and included Glasgow's Buchanan Galleries and Braehead in 1999 as well as new shopping centres in Leith, Dundee, Ayr, Stirling, East Kilbride, Inverness and numerous new retail parks. Table 1 below lists major new shopping centre developments and extensions in Scotland since 2007. These new centres are the tail-end of the development cycle. The lack of new development coming forward will put a floor under the market by not providing any significant new supply of floorspace for a number of years.

Table 1 – New Shopping Centres in Scotland since 2007

Centre	Details
New	
Union Square, Aberdeen	Opened in 2009 extending to 53,000 sq.m.
Silverburn, Pollok	Opened in 2007 extending to 93,000 sq.m. Permission for 7,432 sq.m. extension secured in 2010
Antonine Centre, Cumbernauld	Opened in 2007 extending to 32,515 sq.m.
Extensions	
St Enoch Centre, Glasgow	23,200 sq.m. extension opened in 2009
Fife Central Retail Park, Kirkcaldy	11,000 sq.m. extension opened in 2009
Kingsgate Centre, Dunfermline	16,260 sq.m. extension opened in 2008
The Centre, Livingston	35,000 sq.m. extension opened in 2008

¹ Local Data Company

- 2.4** The next wave of major developments is likely to be focused in cities from 2014/15 onwards. This includes the St James Quarter redevelopment in Edinburgh and the Glasgow Harbour and Buchanan Galleries extensions. There is also some potential for re-modelling and developing existing town centre schemes, for example the Mercat Centre in Kirkcaldy which recently secured planning consent for an extension including new supermarket, shop units, multi-storey car park, cinema, food court and piazza.
- 2.5** Set against this restricted supply of new shopping locations, however, is the fact that **demand in the retail sector remains weak.**
- 2.6** **Consumer expenditure** held up well during the recession but is now weakening as unemployment edges up and wage increases have failed to keep pace with price inflation. Total sales in Scotland continued to rise in the 12 months to February 2011 by 1.6% ². This masks falling sales of nonfood items such as clothing, footwear, homeware and furniture sales.
- 2.7** In this context, **retailer demand** for new outlets is understandably at a very low ebb. Table 2 on the next page lists retailers currently expanding. There is a high proportion of discount style stores and supermarkets included in this table.

Table 2 – Retailers Expanding

Retailer	Details
High & Mighty	Outsize menswear chain. 11 stores planned over the next 3 years.
99p Stores	Discount retailer. Plan to open 30 shops in the year ending January 2012 and up to 60 the following year.
Poundstretcher	Discount retailer. Expanding from 325 stores to 500 within 2 years.
Poundland	Discount retailer. Plans to open 50 new stores during 2011.
Supergroup	Fashion. Opened 6 stores during 2010 and plan 20 more during 2011.
FLY53	Fashion. Online and concessions. Plan to open 10 own brand stores during 2011.
Pulp	Fashion. Plan to open 6 – 12 stores during 2011.
Forever 21	Fashion. Plan to open stores in the UK.
Agent Provocateur	Luxury lingerie. Has 54 stores and aims to have 100 shops within 3 years.
Primark	Discount fashion. Has 6 stores in the development pipeline.
Oddies	Off licence. Similar format to Oddbins stores. 8 stores recently launched.
Greggs	Baker. Opened 93 shops in 2010 and plan 80 new stores during 2011.
WM Morrison	Supermarket. Trialling 3 convenience stores.
Sainsbury's	Supermarket. rolling out smaller format stores.
Tesco	Supermarket. continuing aggressive expansion strategy.
Waitrose	Supermarket. To open 39 new shops during 2011.

² source: Scottish Retail Consortium

2.8 Table 3 on this page lists retailers currently contracting and retailers that have gone into administration. Many of these failures have been high profile and have contributed to the perception of a weak retail sector.

Table 3 - Retailers Contracting

Retailer	Details
JJB Sports	Sports goods. Plan to close up to 95 stores.
Thorntons	Chocolate specialist. Some of the 371 UK stores will be closed.
HMV	Music/DVDs. Plan to close 60 stores.
Game	Computer games. Plan to close 19 stores.
O2	Mobile phones. To close 40 of its High Street stores.
Waterstones	Book store. Closing 20 stores during 2011.
GIVE	Clothing. To close 5 of its 8 stores.
<i>Woolworth, Border Books, Zavvi, Adams, Birthdays, Morgan, Ethal Austin, Faith Shoes, D2, First Quench, Oddbins, Acorn Pets, Allied Carpets, Coffee Republic, Mosaic Fashion, Sofa Workshop, Land of Leather</i>	In administration or have closed
<i>Focus DIY JJB Sports</i>	Company Voluntary Arrangements (CVA)

2.9 Table 4 lists specific retailer requirements for town and city centre BIDs. This shows a dramatic fall in retailers looking for premises over the past 11 years. This is not a sudden fall but has been a steady decline over the past 7 or 8 years

Table 4 - Numbers of Retailer Requirements

Town	Number of Requirements April 2000	Number of Requirements April 2011
Edinburgh	124	38
Inverness	40	7
Kirkcaldy	22	3
Dunfermline	26	3
Elgin	5	2
Alloa	6	0
Falkirk	26	4
Clarkston	-	1
Bathgate	-	1

2.10 It is also relevant to the wide range of BIDs locations that the **retail hierarchy** has stretched in recent decades. Consumers are making more shopping trips to destinations which offer more shopping (and leisure) choice. In parallel, retailers have been attracted to new developments and/or accommodation which offers larger floorplates in these destination centres rather than traditional property in small to medium town centres.

2.11 Retail rent data shows the outcome of this trend very well. Glasgow's Buchanan Street is the only location in Scotland which is both 100% occupied and showing real rental growth, as retailers compete for units. All other centres show rental growth below inflation or static or falling. Between 2000-2010 the thirty centres in Ryden's retail rents hierarchy³ showed:

- retail rents for the top 10 rented centres (Glasgow down to Livingston) grew by 32%, comfortably ahead of consumer price inflation (22%)
- rents in centres 11-20 (Dundee to Irvine) grew by 13%, below inflation
- rents in centres 21-30 (Kilmarnock to Elgin) declined by -2%

While lower rents may improve the chance of filling vacant units, it is the **lack of significant demand from retailers** which is the more important issue in falling rents. Also, lower rents may take some time to feed through into the market due to long leases and upwards only rent review provisions. This "stickiness" of rents can also act to keep non-domestic rates high.

³ Scottish Property Review (www.ryden.co.uk)

- 2.12** Concentration of retailers within the most desirable (prime) locations can also lead to **peripheral locations within town centres** having lower footfall and increased vacancies. The town centre itself may not be obsolete, but can be too large for its retail market. Examples of this include Wishaw, Peterhead and Kirkintilloch where vacancies congregate around the edges and side streets of the town centre. Vacancy rates for whole town centres can in this context sometimes be misleading. These low-demand units in secondary locations can become obsolete due to poor repair (with little incentive to re-invest), being too small to carry a sufficient range of goods, or in a street suffering from declining footfall.
- 2.13** Growth of the **internet** presents a vacancy risk not only for shopping but also for financial and other consumer services. Many retailers have chosen to expand their online business as opposed to expanding their high street presence. Online shopping grew by 13% from 2008 -2009 and by 5% from 2009-2010 and growth is predicted to continue. Furthermore, high street service providers such as banks, building societies, travel agents and insurers are particularly affected by competition from online companies or migration of their own businesses online and may in future have a reduced high street presence. This presents a particular risk in medium sized market towns, such as Dumfries where retail services are still major occupiers of retail units and support town centre footfall. Market towns have to date remained resilient to competition from the internet but technological and demographic changes make it likely that this particular occupier market will weaken in future.
- 2.14** One market sub-sector that does not appear to be weakening is **leisure** uses. Although consumer expenditure is tightening, there is still notable town centre market activity from coffee outlets and other cafes, restaurants, bars and hotels. The growth of this market has changed the profile of many high streets in recent years.
- 2.15** Finally, although the shopping centre and retail park development cycle has ended, **superstores** continue to expand their market share. These sell not only convenience goods but also comparison goods and provide retail services. Superstores can be part of the town centre and complementary, such as Tesco in Cumbernauld. However, sometimes they are not and are in competition, such as Tesco at Hardengreen in Midlothian which sits between Dalkeith and Bonnyrigg rather than being in a particular town.
- 2.16** **This retail market background of weak demand, a stretched shopping hierarchy and competition from supermarkets indicates that even with no notable new development, the ability of town centres to self-correct and significantly reduce vacancies in most BID locations is questionable. It is in this context that the options to tackle vacancies in the next section are presented.**

3.0 ADDRESSING RETAIL VACANCIES

- 3.1** **BIDs** in Scotland's town and city centres range from smaller centres such as Milngavie to cities such as Inverness and Edinburgh. These BIDs face some common challenges such as the recession and also individual ones including local competition. No one solution will fit all vacancies, and indeed in some instances one BIDs' market opportunity may be another's threat.
- 3.2** There is a difference between *frictional* vacancies, which are short-term due to market activity and current economic circumstances, versus *structural* vacancies where a property is unlikely to be required again for that use because retailer and consumer markets have moved on. It is therefore important to understand the **underlying reason(s) for vacancy** in order to adopt the most appropriate strategy for reducing vacancy. This should be borne in mind when considering the applicability of the individual options described below to specific town centres, streets and shop units.
- 3.3** Approaches to reducing vacancies are grouped and discussed below under the following broad headings:
- Partnership
 - Agency
 - Landlords
 - Planning and Development
 - Funding
 - Temporary Measures

The lilac text boxes within each section provided some examples of existing strategies and initiatives.

Partnership

- 3.4** Collaborative and partnership working is responsible for many successful retail-led regeneration projects. Engagement with stakeholders can lead to the development of appropriate strategies to address vacant or redundant retail premises. Partnership working can deliver real benefits and provide an appropriate vehicle to develop strategies.
- 3.5** The most relevant **Local Authority** departments for BIDs to work with are Economic Development and Planning. Consultation with transport authorities may also be appropriate. A strategy to address vacant retail properties will be linked to wider Local Authority initiatives to regenerate or promote town centres. There may also be opportunities to apply for grant funding in conjunction with the Local Authority. In many cases local authorities have a portfolio of retail units and will receive enquiries from potential occupiers. There will be opportunities for BIDs to keep in touch with the estates department in case a suitable property requirement emerges that the Council cannot match. Most BIDs will already be actively engaged with their Local Authority.

*Scottish Borders Council's **One-to-One Retail Business Support** project aims to deliver targeted retail business development support to independent retailers, including flexible one-to-one business development/ mentoring support and coaching/training advice from a retail consultant and 'one-to-many' events. Technical assistance on merchandising and marketing, staff training, identification of financial support programs, tackling trade waste and recycling and regulatory issues are also available.*

- 3.6 Economic development agencies** Scottish Enterprise and Business Gateway are active in promoting business opportunities. There will be opportunities for collaborative strategies to address town centre issues, such as by encouraging start-up businesses to occupy vacant retail premises.
- 3.7 Start-up** businesses should also be supported by BIDs. BIDs can offer information on rents, town centre management and help match suitable units with appropriate new ventures. This service could be promoted through the BID web-site and through general enquiries.
- 3.8** Retaining **existing retailers** is a critical and often under-valued activity in suppressing and reducing vacancy rates. In some BID towns, sustaining current vacancy rates may be a reasonably ambitious KPI target, rather than focusing undue effort upon trying to find new occupiers for a small number of visibly vacant units. Consultation with existing retailers regarding their business strategies and plans to expand or contract is important and BIDs should communicate and promote the positive actions being taken to encourage footfall and local economic growth.

- 3.9** Consultation with **out-of-centre** retailers and landlords may provide opportunities to market vacancies in the town centre that are complementary to out-of-town shopping, as opposed to being in outright competition. The majority of out-of-centre/town retail parks in Scotland remain restricted in their use rather than having open retail planning consents and therefore sell largely bulky goods rather than high street goods.
- 3.10** The above actions highlight that **communication** is paramount to the successful operation of BIDs, both to prevent vacancies arising and to promote vacant units in the marketplace. BIDs should develop an appropriate means of recording all vacancy information and to be a one-stop point of contact. Every opportunity should be taken by the BID to discuss and promote current actions to stakeholders. This can be on a one-to-one basis, forum basis, newsletter or news-link on the BIDs website.

*The **Elgin BID** has identified that the town's **retail parks are potential partners** in marketing the town to attract and retain shopping trips, rather than simply being competitors for the same customers.*

Agency

- 3.11** Agency strategies can be focused on single units or entire town or city centres. A thorough and appropriate **marketing campaign** should be devised depending on the size and location of retail units and target occupiers. Questions should be asked such as:
- Do the available units and pitches (locations in the town) match known or potential retailer requirements?
 - If not, what would be a suitable use and should an alternative use be pursued, or can the units be re-modelled or redeveloped (or simply kept on the market) for future retail use?
- 3.12** Primarily it is the responsibility of the property owner to undertake a marketing campaign. However, there are some initiatives that can be undertaken by BIDs and their partners to help this process – these are described below.
- 3.13** Making information readily available for **specific marketing** and negotiations can be a useful tool to help agents attract retailers to a town. This can include information such as demographics, catchment, footfall, established retailers and anchor retailers. The Local Authority may hold information that can be used for this purpose. Information should be made readily available on BIDs web-sites and updated on a regular basis.

- 3.14** BIDs are in a strong position to take a proactive role in finding new occupiers for vacant units. As a result of market knowledge, an understanding of the town centre, its occupiers, available units and catchment the BID can take on a facilitation role to point and direct potential occupiers. In the current economic climate it is equally important to target both independent retailers and multiple retailers.

Destination Edinburgh Marketing Alliance is a public/private body set up to lead and facilitate the promotion of Edinburgh. At a more specific retail and city centre level, Essential Edinburgh produces the monthly report Essential Trends: BID market intelligence which analyses population, footfall, events, parking and so on.
http://www.edinburghbrand.com/about_the_brand.aspx

- 3.15 Multiple retailers dominate** the market and in most cases, despite much publicised concerns over “clone towns”, it is these high-profile brands which anchor town centres and attract shoppers. It may be appropriate to produce a document on a joint basis with other businesses such as landlords and their agents to target multiple retailers.

Renfrewshire Council and Paisley Vision Board have built upon the re-branding of the town's Marks & Spencer store as an outlet centre to develop the Paisley outlet town initiative. The proposal could result in retail floorspace being redeveloped specifically to reposition Paisley as a “value and outlet destination.” The proposal has attracted market attention and a recent event was attended by representatives from 50 household named companies, including Mothercare, Lloyds TSB and Superdrug.

- 3.16** Another strategy which can be used to attract multiple retailers is to identify similar town centres elsewhere and analyse their retailer representation. Retailers not represented in the BID town can then be approached with a view to attracting them to the town centre. It may also be beneficial in this process to firstly identify appropriate units for the target retailers to locate to. Kirkcaldy 4 All is understood to be currently targeting specific businesses to invest in the town centre.

*Ryden's strategy for **Dumbarton town centre** identified 109 retailers already located in other similar towns. They were highlighted to local agencies as potential new investors for the town.*

- 3.17 A joint approach** between BIDs in different locations could be the most efficient and effective way of targeting multiple retailers. This could be on a small scale, with two BIDs with similar catchments making a joint approach or this could be an action carried out by all BIDs in Scotland. The purpose of this approach is to make it as easy as possible for retailers to choose new locations within BIDs.

Landlords

- 3.18** Landlords of commercial property have an interest in ensuring that the town centres where they have invested can prosper. To protect their investment they must ensure that their units are let on a commercial basis. Economic conditions can present a challenge to this. A potential solution is offering a **temporary lease** on a non-commercial basis until market demand returns. To help facilitate this landlords need to be assured that the property will be maintained and that they will be able to retain the property and crucially secure a full market rent should there be a prospect of a commercial letting in the future.
- 3.19** **Absentee landlords** of vacant retail properties are a particular concern of town centre BID managers. On the face of it, there is no apparent reason for landlords to be inactive in terms of finding an occupier. However, some buildings which appear to be vacant are occupied in financial terms via a long lease and as a result the owner will be receiving a rent. Other landlords will only reduce rents as a last resort as this creates market evidence that rents have fallen. If a property is a listed building⁴ the owner is not required to pay any non-domestic vacant rates and as a result their costs are limited to maintenance and security.
- 3.20** There are a number of ways to identify landlords. Either the marketing or managing agent (if there is one) or the Scottish Assessors web-site (www.saa.gov.uk) are the easiest ways to obtain contact details.
- 3.21** The same absentee or disinterested landlords may have properties in more than one BID location. BIDS could lead an approach to these landlords to discuss market conditions, property-specific issues and potential solutions. At the very least as a national body BIDS could offer the prospect of a combined market presence across multiple towns, which should be sufficient to gain the interest of landlords.
- 3.22** For non-absentee landlords who are interested in engaging with BIDs to fill vacant units, other themes in this report such as partnership, joined-up agency and branding, economic development initiatives, temporary uses and planning and development initiatives are all potentially relevant.

Planning and Development

- 3.23** Improving town centres is a core objective of national planning policy. The Development Plan (Structure Plan / Local Plan or new Strategic Plan and / or Local Development Plan) should set a framework for different types of shopping locations within a regional, sub-regional and local hierarchy. The planning system is a positive mechanism for shaping cities and town centres. Effective planning can help improve the economic performance of a centre and ensure development happens in the right locations.

⁴ A listed building in the is a building that has been placed on the Statutory List of Buildings of Special Architectural or Historic Interest.

- 3.24** Planning policy supports retail development in the town centre ahead of other locations. Furthermore, the viability of town centres largely depends on retailing. Prime locations are the focus for retailing and Local Development Plan policies protect this use. There are, however, secondary and tertiary locations which are also protected for retail use to some extent. Due to the shift of retail to modern units in successful locations, retail units in secondary and tertiary locations have in some cases become redundant.
- 3.25** Should units in these locations become vacant for long periods of time there is an argument that planning restrictions should be relaxed to allow other land uses to operate. Obtaining a successful **change of use** can depend upon many factors such as a willing owner, an alternative use proposal and the length of time the property has been vacant.
- 3.26** Potential uses that may be appropriate for vacant units include residential, office, food & drink and community facilities. A more radical approach to the issue of vacant tertiary units could be to make representation for a smaller town centre designation within the Local Plan / Local Development Plan.
- 3.27** Where a change of use is not required because it is the properties themselves which are the problem, rather than lack of retailer demand, then **re-modelling / redevelopment** of shop units is a potential solution.

Examples of planning and development interventions to address vacancies range from major projects such as Primark's ongoing redevelopment to create a flagship store in Edinburgh's Princes Street, through to two units being combined in Fort William town centre to accommodate a retailer requiring a larger floorplate.

- 3.28** This planning approach can fit well with town centre diversification and is often led through a process of urban design, development brief or preparation for a Local Development Plan which can identify the need or opportunity for change.

Inverness BID has instructed Ryden to identify potential city centre development sites and potential constraints. They are interested in potential funding mechanisms that will help to facilitate development. This work will inform the development plan and is in response to competition from out-of-centre developments.

Funding

3.29 Grant funding has been useful to facilitate projects in numerous town centres across Scotland. Since 2009 the Scottish Government Town Centre Regeneration Fund (now closed) has helped to develop more than 60 projects across Scotland. In the current public funding climate and in an election year, it is not possible to assume that there will be major new funds for town centre regeneration coming forward from the next Scottish Government.

'Retail Rocks' Ltd is a new public/private sector partnership model developed with the support of the Scottish Government using TCRF and COSLA which has gained the support of the British and Scottish Retail Consortium. Retail Rocks gives start-up retail businesses mentoring and the chance to compete to open in vacant town centre units. The initiative is currently targeting vacant retail units in Torry (Aberdeen: www.retailrocksaberdeen.com/) and Kilmarnock to create vibrant retail businesses and help develop a new customer base for those town centres.

3.30 Depending upon the town centre's heritage status and the details of what is proposed, there may also be funding available from sources such as the Heritage Lottery Fund (for example in The Green in Aberdeen City Centre).

3.31 Obtaining **non-domestic rates relief** is a complicated process. As a revaluation has just taken place existing occupiers have lost the right to appeal their non-domestic rates until 2015. A new tenant can appeal rates within 6 months and must prove that there is a material change of circumstances in order for such an appeal to be successful. Charity shops receive an 80% reduction in rates and vacant listed buildings receive a complete reduction.

3.32 Local Authority **Common Good Funds** were mentioned at the BIDs workshop as a possible source of financial intervention. However, no examples have been identified by the research. In some circumstances it may also be possible for Local Authorities to provide direct capital incentives to encourage a retailer to invest in a town.

*Renfrewshire Council offered retailer Wilkinsons a **financial incentive** to relocate to the former Littlewoods store in Paisley town centre. Wilkinsons is expected to act as an anchor user and bring additional shoppers to the town centre, which will in turn attract the interest of further retailers.*

- 3.33** Ensuring units are fit for purpose will help to ensure the units are as attractive as possible to existing and potential occupiers and to shoppers. Improvements include shop front improvement schemes and modern fit-outs.

Shop front improvement schemes have been funded or part-funded by the public authorities in many locations. Recent Scottish examples include the scheme in Elgin supported by the TCRF and now funded by the Elgin BID, a scheme in Kirkcaldy supported by the Conservation Area Renewal Scheme and the scheme in Enterprising Bathgate supported by the TCRF and match funding.

Temporary Measures

- 3.34** The benefit of disguising vacant units is that ‘**dead frontage**’ is hidden. This can help boost confidence in the town centre and improve the prospect of attracting occupiers. A few initiatives are described below. It should be noted that these initiatives require a willing landlord.
- 3.35** **Shop Jacket** is a service that provides printed panels that create a 3D illusion of a shop. They work with Local Authorities, landlords and tenants to improve the appearance of vacant shop units. This service is being used in Dumbarton town centre.
- 3.36** Empty shops can easily be utilised as a **gallery space**. This can be a window display or the unit can be opened to the public. Short-term lets to allow pop-up artisan or craft shops can also be successful. For example the recently-refurbished Jedburgh Port House has housed short-term gallery displays and art sales.
- 3.37** **Retail displays** can allow shops in the vicinity to utilise vacant window space for a display of their own goods. This has been encouraged in Jedburgh by Scottish Borders Council and the Jedburgh Alliance.
- 3.38** **Pop-up shops** are short-term lettings that can bring activity and income for a centre or unit. SpaceandPeople - www.spaceandpeople.com/ - is active across UK shopping centres and is expanding its experiential marketing concept which originated in Scotland to the Continent.
- 3.39** A local college can be given the opportunity to let students undertake a **retail project**. This could be to create a display and to devise a strategy to find an occupier. For example Kirkcaldy 4 All in partnership with Fife Council is engaging Adam Smith College in a retail project.

4.0 SUMMARY

- 4.1 Business Improvement Districts Scotland (BIDS) instructed property consultants Ryden to review the issue of retail vacancies within BID areas and to offer potential means of addressing these vacancies.
- 4.2 The report has reviewed best practice and current thinking and has been informed by a workshop held in February 2011 attended by various BID managers and Ryden's retail property market knowledge. This report has focused on the specific issue of vacancies and how these could be dealt with.
- 4.3 Due to the complex nature of the retail market and the specific issues of each of the BIDs there is no 'one size fits all' solution, instead a 'pick & mix' approach to addressing retail vacancies is appropriate. However, the research has identified a number of approaches that can be utilised or tailored to help address the issues surrounding vacant retail units. They are summarised in table 5 on the next page.

Table 5: BIDs' Retail Property Vacancy Strategy Summary

Strategy	Comment
Partnership	Engagement with stakeholders can lead to the development of appropriate strategies to address vacant or redundant retail premises. Partnership working with the Local Authority, economic development agencies and existing retailers can deliver real benefits and provide an appropriate forum to develop strategies.
Agency	Agency strategies can be used to market fit-for-purpose vacant units and can be focused on single units or entire centres. Primarily this task is undertaken by landlords. However, approaches that can be taken by BIDs include making information readily available, targeting retailers present in peer group towns and coordinating marketing efforts between different BIDs.
Landlords	Landlords are primarily concerned that units are let on a commercial basis. However, offering a temporary lease on a non-commercial basis could be beneficial until market demand returns. BIDs can help facilitate this by giving landlords reassurances regarding future leasing potential.
Planning & Development	Planning policy supports retail development in the town centre ahead of other locations and the viability of town centres largely depends on retailing. Due to the shift of retail to modern units in successful locations, retail units in secondary or tertiary locations have in some cases become redundant. A planning policy approach can fit well with town centre diversification and is often led through a process of urban design, development brief or preparation for a Local Development Plan which identifies the need/ opportunity for change. Alternatively, existing shop units can be re-modelled or redeveloped to suit known demand from retailers.
Funding	Mechanisms such as the TCRF have helped facilitate numerous town centre projects across Scotland. Sources such as the Heritage Lottery Fund may be available, depending on circumstances. Obtaining non-domestic rates relief may be possible if it can be demonstrated that there has been a material change of circumstances, this however requires a new tenant to be in occupation.
Temporary Measures	There are various ways to disguise 'dead frontage' and help boost confidence in the town centre. These initiatives include, shop jacket, gallery space, retail displays, pop-up shops and college projects.