

Cross-Party Group on Towns and Town Centres

Wednesday 7th June 2023, 12.45 -13.45

Minutes

Present

MSPs

Meghan Gallacher MSP
Maggie Chapman MSP
Sharon Dowey MSP

Invited guests

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| Kimberley Guthrie | Scotland's Towns Partnership |
| Graham Smith | Head of Investment, International & Innovation, Glasgow City Council |
| Fergus Murray | Head of Development & Economic Growth, Argyll & Bute Council |
| Suzanne Rhind | Strategic Towns Executive, Aberdeenshire Council |
| David O'Neill | Customer Experience Director, Miconex |

Non-MSP Group Members

Omar Afzal, Possilpark BID
Oumar Akram, North Ayrshire Council
Caitlin Baker, Newmilns Regeneration Association
Sue Barnard, Oban Community Council
Hazel Benza, Landscape Institute
Frances Birch, Public Health Scotland
Elaine Bone, Scotland's Towns Partnership
Amy Bristow, East Ayrshire Council
Carol Brown, East Renfrewshire Council
George Chen, University of Strathclyde
Chris Cook, Institute for Strategy, Resilience & Security, University College London
Maina Coroller-Larifla, Sustrans Scotland
Jim Densham, Cycling UK
Tom Donaldson, Dalkeith Means Business (DMB)
Tim Dring, Aberdeenshire Council
Jennifer Dumbreck, Blachere Illumination UK Ltd
Mhairi Duncan, SCDI
Michael Dunn, EKOS Ltd

Ewan Eccleston, Glasgow City Council
Hew Edgar, Registers of Scotland
Lisa Edwards, ShopAppy
Bob Ferenth, Nairn BID
Todd Ferguson, Scottish Parliament
Gillian Flack, Dumfries and Galloway Council
Doug Flett, Scottish City & Community Networks
Kieran Foley, Orbit Communications
Malcolm Fraser, Fraser/Livingstone Architects
David Fryer, Torry Development Trust
Liam Gallagher, Bathgate CDT
Colin Gilmour, East Lothian Council
David Grove, Fife Council
Ivonne Hamilton, Glasgow City Council
Pearl Hamilton, PEARL'S (Pet Care)
Lucy Harding, Nairn BID
Bill Harvey, SIDs
Ken Johnston, Upper Achintore Regeneration Group, Fort William
Tanya Jones, Maggie Chapman MSP
Margaret Laws, Inverness BID
David Lonsdale, Scottish Retail Consortium
Norma Lyall, Angus Tourism Cooperative
Ruairidh MacGlone, Lesmahagow Development trust
Scott Mackay, Midsteeple Quarter, Dumfries
Steve Mathieson, Living Lerwick
Ojay McDonald, ATCM
Paula McDonald, Dumfries & Galloway Council
Jane McGeary, West Highland Way
Katey McKay, Angus Council
Colin McKee, East Ayrshire Council
Mary Mcphail, Oshays Brain Domains
Sheila McWhirter, The Scottish Government
Eugene Mullan, Smith Scott Mullan Associates
Rosemary Munro, Huntly Development Trust
John Park, Prestwick Community Council
James Pattison, SOSE
Antonia Pompa, Discover Lanark
Emily Queen, Perth and Kinross Council
Grant Riley, North Lanarkshire Council
Aimee Roberts, Scottish Government
Debbie Robertson, Aberdeenshire Council
Maria Rybaczewska, University of Stirling
Aidan Smith, Scottish Grocers' Federation
Danielle M Smith, Go Forth Stirling
Tom Sneddon, Carluke Development Trust
Lynne spence, Orkney Community Council
Pauline Stafford, West Lothian Council
Donald Stavert, Bathgate Community Council
Gaynor Sullivan, Dundee City Council
Malcolm Thomas-Harley, Hamilton Our Town

Mike Vickers, Retired
John Weir, Isle of Bute BID
John Whitelaw, Lenzie CDT
Cheryl Williamson, South Lanarkshire Council
Craig Wilson, HES
Patrik Zvirinsky, Scottish Parliament

Apologies

Ed Archer, Lanark Community Council
Neil Bibby MSP
Marion Gillibrand, Forres Area Community Trust
Fiona Hyslop MSP
Deborah Murray, Byres Road & Lanes BID
Prof Leigh Sparks, University of Stirling
James Trolland, Sustainable Drumchapel

Agenda item 1

Welcome and Opening Remarks– Meghan Gallacher MSP

Convener Meghan Gallacher MSP welcomed all to the meeting and noted MSP attendance and apologies. She noted the meeting would focus on the topic of “Scotland Loves Local” in Scotland’s towns.

Agenda item 2

Minute of last meeting and Matters Arising – Meghan Gallacher MSP, Convener
Minutes accepted. Proposed by J. Weir and seconded by D. Fryer. There were no matters arising.

Agenda item 3

Overview: Kimberley Guthrie, Interim Chief Officer, Scotland’s Towns Partnership

K. Guthrie introduced the Scotland Loves Local programme. The programme puts localism at the heart of a greener, fairer, and stronger Scotland. It consists of a campaign, a gift card, and an annual awards. Now in Phase 6, the recent campaign material encourages people to choose local and spend local.

Later this month Scotland’s Towns Partnership will announce more information about this year’s awards, as well as the annual Scotland’s Towns Conference. Today’s speakers will talk about the various parts of Scotland Loves Local, covering the impact it’s had. Today we will hear more about the role of the gift card in relation to the cost-of-living crisis, how its applied in both rural and urban settings, and how it acts as a mobiliser to change in different communities. The final session will cover the upcoming developments to make the programme digital.

Agenda item 4

City: Cost of living support – Graham Smith, Head of Investment, International & Innovation, Glasgow City Council

Glasgow City Council's (GCC) economic development team were the main team responsible for the delivery of government business grants to city-based SMEs during the pandemic. GCC received £9.45m of LACER funding from Scottish Government in 2022. At this time, businesses in the city centre were struggling with footfall and there was an opportunity to use the funding to address this, as well as the challenges presented by the wider cost of living crisis.

The solution was to give 85,000 eligible households within the city a £105 Scotland Loves Local gift card to spend locally. The proposal was accepted in June 2022.

In March 2022 only 161 businesses were registered for the SLL gift card. The business growth team conducted 'door-to-door' activity to 2,500 businesses across the city and indirect marketing to 3,500 to increase this number. By the time the gift card was delivered to households the number of registered businesses was over 900, covering 1,600 individual sites.

An awareness piece to customers who would receive the gift card was also identified as a key priority. Recipients of all ages had to be informed as to how to use the gift card and a communications strategy was planned around this objective. Card distribution consisted of two letters, the first including an activation code and the second containing the physical gift card. Recipients were directed to an online card activation portal. GCC also created a landing page with FAQs to support customer-facing staff and minimise calls.

The programme was extensively marketed to businesses and recipients, covered in local and national press, and received over 685k impressions on Twitter and Facebook. Engagement videos were also promoted through YouTube and the GCC website.

The main challenge throughout the entire process was the tight timescale from committee approval to implementation. There was no prior beginning-to-end model of this scale, and GCC didn't have full ownership of the process.

78,259 cards have been activated to date, with a spend of £7,487,683. The average transaction is £23.20 and 95% of the spend has gone to retail (the cards are useable across retail and hospitality businesses). In the first week, 68% of the cards were activated, which equates to £2,014,555 – a sizeable injection of funds into the local economy. The project was a success, with £7m spent in local businesses in the first two months. The majority of funds were spent on food retail which suggests that the majority of recipients used the cards to support basic needs.

The Convenor put a question to G. Smith: what was the true economic impact of the initiative? G. Smith said that there is ongoing analysis into the economic impact, with

the hope that a report will go through committee. He also highlighted that the aim of the project was to get that money out of the council and into businesses, but also give an added benefit to local residents. The administration costs equated to less than 1% of the total amount that has gone out. So, whilst analysis is yet to be completed, there's no doubt it has been really successful.

D. Lonsdale firstly congratulated G. Smith on a successful initiative and asked if other councils should consider similar initiatives? G. Smith said absolutely and confirmed that GCC has spoken to other local authorities about the project and how it was implemented and shared their experiences. Collaboration with Scotland's Towns Partnership and Miconex was critical to the success of the project. Out of 85,000 households receiving a gift card, there were 1,000 phone calls to the council which tailed off after the initial two weeks. This suggests that the communication strategy was effective, and minimised administrative burden for the council.

D. Stather posed a question to G. Smith: how much is unspent, and did you study the 10% that did not register to assess the reasons why they didn't? G. Smith confirmed that this analysis is also currently underway. The gift cards are valid until November this year. Projections show there will likely be an underspend of £500,000 due to unregistered gift cards and these funds will come back into the council to be recirculated. A report and proposals for how the underspend will be used will be produced for committee.

G. Smith added that when the project was launched, they were approached by a number of groups who weren't eligible to receive the gift card. In response to this the Council ringfenced approximately £500,000 to provide gift cards to those living in Women's Shelters, and homeless units to provide the same support to those who might not be on the council tax register.

D. Lonsdale posed another question to G. Smith: were there any learnings taken from a similar scheme which operated in Northern Ireland the Christmas before last? G. Smith responded that during the planning stages GCC spoke to colleagues in Northern Ireland about the initiative and their approach. The feedback highlighted the importance of communication and collaboration which was taken on board in GCC's approach. G. Smith noted that in terms of final breakdown of demographics, they are pulling together a report of this which will be shared with Scotland's Towns Partnership for wider circulation at a future date.

Agenda item 5

Rural: Independent business and tourism – Fergus Murray, Head of Development and Economic Growth, Argyll & Bute Council

F. Murray began by saying that the SLL gift card has been intertwined with other initiatives across Argyll and Bute to support the authority's rural town centres. The region has 23 inhabited islands, a number of which have key settlements such as Tobermory on Mull and Bowmore on Islay.

Rural town centres are continuing to recover from the effects of the pandemics, and on top of that, the cost-of-living crisis placed a lot of pressure onto communities, particularly on small businesses and low income households. To give perspective, some island communities are facing food prices in excess of 30% on the national average, as well as transport costs and energy costs.

Small towns are increasingly dominated by independent businesses that have proved to be highly adaptable to the impacts of the pandemic. That said, they have been negatively affected by reduced income, partly related to a decline in tourism. These towns have also been let down by larger corporates moving out of small towns, such as the banks, and high street retailers. But it is encouraging to see independent businesses and other organisations try to populate these spaces.

In parallel with SLL, Argyll and Bute Council continue to invest in small towns, with a large proportion of that funding coming through the Scottish Government, or PBI funding, or Crown Estates. This funding has gone towards several initiatives that aim to help towns adapt to the new demands of residents and tourists. Examples of these projects include new play parks, active travel initiatives, open spaces, investing in shop fronts, and repurposing buildings for housing and other uses. These initiatives need to run alongside SLL to create a wider investment strategy that takes small towns forward.

Before the LACER funding was granted by Scottish Government, Argyll and Bute Council were working with businesses to understand the value of the gift card and how it was driving localism in the town economies. The gift card was considered successful in the region. Through the Scottish Government's LACER funding, Argyll and Bute decided to put a proportion of this funding into the gift card, targeting about 6,000 households across Argyll & Bute. The initial spend was roughly £120 per household. This was then supplemented in Argyll & Bute's island communities, through a separate piece of work the authority has been doing with Scottish Government. This equated to roughly another £100 to low-income island households.

These have been substantial funds injected into communities, important for residents as well as the 300 businesses who have now signed up to the SLL scheme. Prior to the LACER funding, the number of businesses signed up was 140, so the additional fund has increased business engagement substantially. F. Murray acknowledged the ongoing debate of gift cards being spent in larger retailers like supermarkets but highlighted that the inclusion of these supermarkets are important, not only to support co-ops in rural communities who are local employers, but also in terms of giving vulnerable groups access to affordable food and drink. In terms of research – the latter was the primary use of the gift card. Analysis of the projects so far shows that independents have received the largest amount of support through the gift card scheme, as opposed to the larger supermarkets.

Feedback is now being gathered from customers on the cards, those who haven't yet registered are being encouraged to do so. From surveyed businesses, feedback shows that the cards were an important support during the lean winter months, helping to sustain themselves. This was particularly true for island businesses who

are also being affected by the ongoing ferry issue which is making some island less accessible to tourists.

Tourism is returning to communities across Argyll and Bute, particularly associated with festivals and events. Towns continue to be adapted to suit this type of tourism, including increasing space and facilities for motorhomes and a higher level of self-catering accommodations.

The SLL card has helped people in need and supported many small businesses. What we've seen on the ground is very few failed businesses in the region, and the gift card and initiative has definitely played a role in that. Argyll and Bute Council would absolutely support more funds being delivered into the local economy via the gift card.

Agenda item 6

Towns: Engaging stakeholders – Suzanne Rhind, Strategic Town Centres Executive, Aberdeenshire Council

LACER funding was secured in 2022, and based on previous initiatives with the gift card it was recognised that a focused approach to stakeholder engagement was needed to maximise the upcoming initiative. Resources needed to be allocated in the way of funds for marketing and time from staff to increase the number of businesses taking part and raise public awareness.

The aim was to target a wide range of businesses, not only by sector but also a wide geographical spread. The Town Centre Team made individual appointments with businesses to discuss the benefits of the scheme, and joined networking events and hosted webinars to reach more businesses across Aberdeenshire. Social Media was used (LinkedIn and Facebook) with a dedicated page created, announcing new business sign ups as they came on board. Trade events in key business sectors were also attended.

The efforts to date mean that 320 businesses are now part of the scheme, with that increasing steadily week by week. Thanks to the relationships built, businesses are also using the gift card in their own promotional activity, including competitions and giveaways.

To engage more of the public, the team have been attending events and country shows, running promotional activity on Facebook, issuing press releases to local press, and running advertising campaigns across Google, Facebook and Radio. The team have also now set up pick-up points for pre-loaded cards, for individuals who aren't comfortable purchasing online. These pickup points have the added benefit of increasing visibility at point of sale. The result of this activity is a six fold increase in sales, in the second year.

Initiative funded by LACER meant that 11,000 £100 gift cards were distributed to low-income households (those in receipt of council tax reduction) across the local authority. As well as supporting these households, the initiative was a draw for more

businesses to join the gift card. The project was rolled out in February 2023, and has yielded very positive results so far.

The final element of the engagement campaign was to harness the power of Aberdeenshire Council itself. As an anchor organisation for the area, there are numerous assets and people. Live Life Aberdeenshire signed up to accept the gift cards across 20 sites, which will help to improve the health and wellbeing of individuals across communities. This also includes visitor attractions such as Macduff Marine Aquarium. Colleagues in Economic Development teams have also used the gift card to replace supermarket vouchers which are given to people in the gap between receiving benefits and being paid when starting work. This offer clients more choice and power over where to spend their money. The gift cards are also now stocked in Aberdeenshire Council customer service points in eight town centre offices. Finally, the shop local message has been shared internally across the Council; encouraging the gift card's use as a leaving or retirement gift, but also by raising awareness through internal channels to the council's thousands of employees.

To date £708,000 has been spent through the card and 232 businesses have benefitted from that. Positive feedback has been received from the wider community, and businesses. People are particularly willing to support the 'shop local' message. Upcoming plans to increase engagement include the use of video on platforms such as Tik Tok and Instagram to reach younger people and raise awareness of the 'shop local' message.

Agenda item 7

Next steps – David O'Neil, Customer Experience Director, Miconex

The gift card has multiple uses: as a gift, for use by employees or volunteers, and as a method of financial support.

Step one to progress the Scotland Loves Local gift card is to take it fully digital. The current offer is dominated by physical card use. There is still a big market for physical cards, particularly for those giving it as a gift, and in sectors of society who are not frequent users of digital technology. However, digital card use is growing, and it's important for growing local spend that people can use the card digitally. To achieve this the gift card website needs to be redeveloped to enable digital purchase. Funding has been secure to div his redevelopment in quarter 3 of this year. Secondly, the cards use Mastercard payment technology, and Miconex has been working with Mastercard to make the gift cards accessible as methods of payment from customers' mobile phone wallets. The aim is that by the end of quarter 3 this year, all physical cards, including those in circulation, will have the functionality to be added to people's phone wallets. This has a lot of advantages in terms of appealing to key purchaser groups, for use on transport and other national networks, and there's a lower environmental impact which ties into Scotland's overarching goal of becoming a Net Zero nation.

Step two is about engaging with organisations to encourage them to use the cards more widely with their teams and user groups. Research and feedback shows that people within large organisations want to support their local town or city, and a wide range of people have large and small brands that they love, close to where they live. The gift card is unique in that it delivers to both groups of people. It's also a far better option than large online marketplaces that take money out of communities. To achieve this, funding has been directed to a dedicated website to organisations which will allow them to order cards in bulk, across local authority borders. This will be in place from September this year. Investment has also been made into making sure those organisation orders can also be fulfilled digitally.

The final step is building on engagement with key stakeholders. This will include educating on the benefits the gift cards present, by creating case studies, attending events, and offering step by step support to adopt the cards into their organisation. These organisations include local authorities, but also wider partners across the private and third sectors.

Agenda item 8

Discussion

Convener, Meghan Gallacher MSP started off the discussion by highlighting F. Murray's point of supermarkets accepting SLL gift cards. K. Guthrie answered that the Scotland Loves Local programme, is an inclusive programme, and that by excluding certain sectors or businesses due to their size, gift cards users would be further restricted. K. Guthrie also highlighted Fergus Murray's earlier point that businesses like supermarkets are large employers within our communities and in more remote communities, supermarkets are vital suppliers of groceries. By keeping the programme inclusive, it will better meet the needs of everybody.

E. McGill joined the discussion to highlight SeatSpot to those in attendance. SeatSpot is a charity that highlights the importance of creating accessible retail spaces, mainly through having seating available to customers. This is to ensure those with disabilities, those who experience fatigue and those who have mobility issues can access seating when shopping. E. Macgill also highlighted that it would benefit retail businesses, as where no seating is available, customers are forced to stop shopping, losing important custom.

M. Gallacher thanked E. Macgill for highlighting the issue and solution SeatSpot provides. L Harding asked what Scottish Government, Scotland's Towns Partnership and Miconex are doing to encourage wider adoption of the programme across the Highlands, suggesting that the area requires support along the lines of what Aberdeenshire Council has received. K. Guthrie answered that Scotland's Towns Partnership are currently engaging with all local authorities across Scotland in

relation to the SLL programme, and a large number of these local authorities have signed up to support the gift card. K Guthrie highlighted that many local authorities have put a lot of their own resource behind the gift card, to make sure this becomes widely adopted as an ongoing initiative.

D. O'Neil added that from the perspective of Miconex, there is an appointed person to manage the relationship with each local authority, help move it forward, and provide support where required. Miconex facilitate the programme on behalf of the local authorities who adopt it and deliver it in partnership with Scotland's Towns Partnership.

D. O'Neil also highlighted that there are case studies available and a user group which all authorities who are signed up to the programme are welcome to join and contribute to.

M. Mcphail asked if businesses can still sign up to be part of the scheme. D. O'Neil answered yes, you can register your business via lovelocal.scot/giftcard and it's relatively simple to do so.

J. Park put forward a suggestion that the gift card also offers a discount for local stores that is funded by local authorities.

The convener asked K. Guthrie to provide a summary of everything that was discussed during the session.

Agenda item 9

K Guthrie began by highlighting that we've heard from different local authorities how the programme and gift card have provided local economic stimulus and put value back in to communities across Scotland.

Phase six of the campaign is now underway and Scotland Loves Local week will launch on 28th August. This will be an opportunity to drive home the shop local message as well as advocacy for local businesses.

Finally, K. Guthrie commented that the gift card has been an important tool in making a difference to local trade over the last few years. What began as a pilot programme has developed into something that's important to local economies. It's not just a mechanism to distribute funds, but also a way to change behaviours and the way we do business. This year we'll see more work done alongside corporate employers to drive awards, more work within the travel sector in terms of connecting local places, and also University Hardship and the Care sector.

Agenda item 10

Close of meeting. The convener thanked attendees and guest speakers for their valuable input.

The meeting closed with a note that the date for the next meeting is still to be agreed and put a call to membership for any potential topics they would like to see addressed in future sessions, sent to alison@scotlandstowns.org.