



Date of Meeting:

Report

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Report to:

Executive Committee 13 September 2023

Report by:

Executive Director (Community and Enterprise

Resources)

Subject:

East Kilbride Town Centre Masterplan

1. Purpose of Report

- 1.1. The purpose of the report is to:-
 - update Committee on the work which has been undertaken to prepare a masterplan for East Kilbride Town Centre
 - seek Committee approval of the East Kilbride Town Centre masterplan as the basis for the future strategic approach to investment

2. Recommendation(s)

- 2.1. The Committee is asked to approve the following recommendation(s):-
 - (1) to note the work undertaken in the preparation of the masterplan;
 - (2) to note that the masterplan sets the strategic approach for the future of East Kilbride Town Centre and informs the investment and policy position of the Council moving forward.
 - (3) to agree that officers are authorised to progress the relevant statutory and legal processes within the context of the Masterplan set out in Appendix 1; and
 - (4) to agree that further reports are provided to relevant committees in due course setting out the delivery structure, funding model and programme of activity.

3. Background

- 3.1. As Scotland's oldest New Town, East Kilbride Town Centre has always been at the heart of the town both physically and as a key focal point for the community. It has functioned as a true town centre, providing a full range of facilities and in modern day context, is very much a prime example of a '20-minute neighbourhood'.
- 3.2. By its nature, retail is constantly evolving in line with consumer behaviour. The two most significant changes of the past 40 years have been the growth of 'Out-of-Town Retail' and, more recently, the emergence of on-line shopping.
- 3.3. The rapid growth of out-of-town food stores has further served to erode town centres, the damage having been made all the greater by the broadening food store offer which now includes soft-furnishings and fashion items. It is clear the way people shop has changed. This was already occurring before COVID-19 but the effect of successive lockdowns has accelerated the pace of change.
- 3.4. On-line retail has grown steadily over the past decade, peaking at 37% in January 2021 and has now settled back to circa 26% as at April 2023. New ecommerce only

retailers have emerged – such as Boohoo, Missguided and ASOS – whilst traditional retailers have struggled to identify how retail shops can be made to work with online. It is estimated that the size of the primary retail core in every town and city has contracted – by between 25% and 40%. This has led to the urban landscape of empty shops which now blights so many towns.

- 3.5. The overall retail and leisure vacancy rate peaked at 14.5% in Q3 2021. The increase in shopping centre vacancies has been particularly sharp, soaring to reach 19.4% in mid-2021 and has now settled back to 17.8% in Q1 2023.
- 3.6. Many of these vacant shop units are no longer fit for purpose being either in the wrong location, the wrong size or shape or being poorly configured, resulting in approximately a third of all vacant shopping centre units having been vacant for more than three years.

4. East Kilbride Today

- 4.1. East Kilbride has suffered more than most, in part, due to its sheer scale. East Kilbride was, for many years, the largest enclosed shopping centre in single ownership within Europe. It had a large catchment as far as Carlisle and Perth which has been eroded over a number of years as other centres have opened and captured a share of this catchment.
- 4.2. Over the course of the past five years East Kilbride has lost many key national retailers and leisure operators with those losses having accelerated because of COVID-19. With voids appearing within the malls, other national retailers have reviewed their need for representation or the basis on which they would be prepared to remain. In the last few years, some 44 retailers have exited from the Centre.
- 4.3. Another barometer of the vitality of the town centre is footfall. Pre-Covid this stood at circa 14 million per annum, today the figure is circa 8 million per annum. This is still a relatively substantial number but not in the context of the size of the retail footprint which is 1.4m sqft.
- 4.4. The challenges set out above resulted in the Centre being put into administration on 16 November 2022. The administrator, Interpath, has appointed a team of specialists to consider the future of the town centre, led by Scoop Asset Management and including 360 Architecture and Savills property agents to undertake a master planning exercise. As a key stakeholder in the town centre, officers and the asset managers have worked closely to bring together the commercial realities and potential of the Centre and the local dynamics to develop a vision of the Town Centre.
- 4.5 It is worth highlighting, that in the period prior and after that default, the town centre has been starved of inward investment. There is now a significant backlog of repairs and maintenance required.
- 4.6. The challenges facing East Kilbride Town Centre were presented to East Kilbride elected members, MSPs and MP at end June 2023.

5. East Kilbride Town Centre Masterplan Process

5.1. The masterplan process has involved an intense period of activity over the last 9 months with a series of workshops held with representatives from each of the consultants along with officers from across the Council. These sessions have been led for the Council by the Executive Director (Community and Enterprise Resources)

with support from officers from Enterprise and Sustainable Development, Housing, Property, Planning and Roads with support from legal and procurement colleagues.

- 5.2. By its very nature, the administration process is a relatively short-term arrangement for the Centre and, inevitably, the asset will be presented to the market and sold to a new investor. The masterplan will form the basis of a future disposal and investment in the Centre and in order to influence the process and protect the Council's interest in Centre West, which the Council holds the ground lease, the Community and Enterprise Resources Committee agreed, on 30 May 2023, to make a 50% contribution of £80,000 to a total cost of £160,000 to the masterplan exercise via the Place Based Investment Programme funding.
- 5.3. The vision for the Town Centre is to create a high quality, high-density, mixed-use development which the residents of East Kilbride can again be proud of. This is an opportunity for innovative place-making solutions which will attract developer interest and ensure best value for the site. The vision and framework produced has identified where investment will have the greatest benefit and demonstrate the ambition for the Town Centre to the community and investors. It sets the context for public and private sector investment over the next 10+ years. The masterplan reflects aspirations for a resilient mixed-use economy which repositions the Town Centre to meet the needs of 21st century living in a high quality and sustainable manner.
- 5.4. Key components of the masterplan exercise are as follows:-
 - Analysis of Market Potential

A sound understanding of the current market and developer/investor interests will be critical in ensuring a mix of uses which will deliver best value through independent market appraisal. Savills which has a wealth of experience, has been appointed to provide this specialist advice.

♦ Analysis of Council Strategies

Consideration will be given to a range of existing Council Strategies including the Local Development Plan, Economic Strategy, Local Transport Strategy, Housing Strategy, the Strategic Housing Investment Programme, Waste Strategy and the ongoing South Lanarkshire Leisure and Culture Asset Review. These will set the strategic context for the future of East Kilbride Town Centre.

Land-Use Strategy

A successful and thriving town centre requires a range of land uses including:-

- Retail
- Leisure
- 'Town Centre Living' which can support the Council's Strategic Housing Investment Plan and support the Council's Affordable Housing Supply Programme.
- Civic and community uses
- Public Realm/Green Network; and
- Transport infrastructure including car parking.

Demolition and Site Clearance

Due to the volume of the retail space, of which 75 units are currently vacant (507,238sqft) with a further 51 units having a lease length of less than two years, a programme of demolition is likely, which could take place in advance of securing sale/disposal to facilitate investment.

Neighbouring Uses

The masterplan must be mindful of how it connects to neighbouring areas and communities and seeks to optimise the functionality of the Town Centre as a whole.

- Sustainable Place-Making/Urban Design
 Consideration will be given to the sustainability of future development including opportunities for district heating or other sustainable technologies.
- ◆ <u>Creation of a Development Prospectus</u>
 A high-quality development prospectus will be produced to share the vision with
- 5.5. The development of the masterplan is a unique opportunity to deliver transformational change to the Town Centre. The plan will reduce the Centre's reliance on retail and instead focus on the needs and wants of the users of today and the future.

potential partners and investors and inform investment decisions.

- 5.6. The masterplan process is a detailed and complex exercise which has brought together a range of solutions which balance the ambition of the community while recognising the challenging commercial environment. A summary of the masterplan is attached at Appendix 1 and illustrates the changes which are proposed to the Centre. These proposals are ambitious however without significant intervention now, the Centre will continue to fail.
- 5.7. There are a series of strategic interventions proposed which will improve the retail and visitor experience and create new opportunities for the Town Centre which are summarised below.

6. Key Interventions

Centre West

- 6.1. Centre West is the most recently developed part of the town centre and outwardly appears to have the greatest potential. It does, however, have several challenges which make it commercially unviable.
 - Centre West relied on long term leases which were put in place at the outset, however, these have come to a natural end and there are no longer sufficient occupiers for this type of space in East Kilbride
 - Centre West has a number of repair issues for which budget is not available and it is unlikely any incoming investor would be able to take on the level of liability and make the centre profitable
 - Centre West is held under a ground lease from the Council for which the Council receives a minimum of £600k per annum. While this has been a welcome source of income for the Council, it adds to the financial challenges of Centre West
- 6.2. The combination of these challenges means that the likelihood of Centre West regaining a commercially viable position is extremely unlikely. The proposal is therefore to completely remove Centre West and create a development site for town centre residential living. This approach is consistent with that seen across the country for similarly challenged centres. The potential to create circa 300 units of mixed size and tenure, including affordable homes, will allow for a reduction in retail floorspace, create an attractive new neighbourhood for the town and support the remaining commercial elements of the centre.

Olympia Mall

6.3. The section of Olympia Mall which slopes up from Plaza Mall to the leisure hub at the ice rink has had some of the highest levels of vacant rates in the Town Centre for a number of years. It is proposed that this area be redeveloped to create a new public space around which public services could be situated. The exact mix of uses has still to be finalised, however, it could accommodate a civic hub, arts and culture facilities and accommodation for other public sector partners.

Olympia Car Park

- 6.4. The impact of Sainsbury's leaving their unit at the eastern end of the centre and the closure of Olympia Arcade several years ago requires the role and function of this part of the centre to be reconsidered. Over the last 12 to 18 months, there have been renewed requirements in the market for sites in East Kilbride from some of the major food store operators. The vacant space at the eastern end of the malls, combined with a reconfiguration of the car parking allows a development site to be created which could allow this requirement to be met.
- 6.5. This use has several benefits by reconfiguring redundant retail space, increasing visitors and footfall across the Town centre and creating a food store in a location which will serve those in the community reliant on public transport. Scoop Asset Management are in discussions with potential operators and it is hoped this will lead to a proposal being brought forward in the coming months.
- 6.6. Scoop has also received interest from a hotel operator for a 60-70 bed hotel which could be accommodated on the site of the former Olympia Mall.

Adjacent Sites

- 6.7. Proposals for other adjacent sites are being progressed by third parties in parallel to the masterplan, including the former Stuart Hotel site and the Post Office. Further opportunities may exist for other civic/community uses.
- 6.8. The Council is also separately considering the future of the Civic Centre which does not form part of the master planning exercise as it sits out with the remit of the shopping centre asset managers. The Council is also considering the future of Lindsay House in The Village in respect of the needs of the Strategic Housing Investment Plan.

7. Next Steps and Timescales

- 7.1. As noted above, the masterplan is intended to set the strategic priorities and investment for the Town Centre over the next 10+ years.
- 7.2. Following completion and approval of the masterplan, a delivery structure and programme of activity will be finalised. Officers together with Scoop Asset Management and Savills, have considered the broad principles of how each element can be delivered and an appropriate funding model. However, to be clear, this report is seeking strategic intent for the masterplan as a basis to move forward. A separate report will be brought to Committee in due course setting out the details of a delivery structure and programme of activity.
- 7.3. It is anticipated that the delivery of the masterplan in its entirety will take 10+ years, however, early intervention will be identified to act as a catalyst to further change and investment.

8. Member and Community Engagement

- 8.1. Following the initial briefing session to East Kilbride Elected Members, MSPs and MP at the end June, a further briefing session presenting the masterplan to elected members was undertaken on 7 September 2023 with an MSPs and MP briefing taking place on 8 and 11 September.
- 8.2. Presentation of the masterplan to the wider community, tenants, investors and interest groups will take place in the Town Centre in the former Toy Town store between 11 and 29 September with Council officers, members of the design team, Scoop Asset Management and Savills all in attendance to answer questions.

9. Employee Implications

9.1. There are no employee implications as a result of the proposals set out in this report. The development and implementation of the masterplan will be led by officers within Enterprise and Sustainable Development Services, in consultation with officers across Planning, Roads, Property, Housing, Legal, Finance and Procurement Services.

10. Financial Implications

- 10.1. The costs for the Council in supporting the masterplan development will be funded through the Place Based Investment Programme and were approved at the May 2023 meeting of the Community and Enterprise Committee.
- 10.2. Future investment by the Council in the Town Centre is subject to ongoing discussions regarding the delivery structure and financial model and will be subject to a Full Business Case, funding availability and separate committee approvals.
- 10.3. The masterplan is also intended to support future external funding bids including a potential UK Levelling Up Fund bid. All external funding opportunities will continue to be explored.

11. Climate Change, Sustainability and Environmental Implications

11.1. The masterplan has sustainability at the forefront and projects will be taken forward in line with the Council's sustainability objectives.

12. Other Implications

- 12.1. The risks associated with not supporting the masterplan is that East Kilbride Town Centre will face further decline if no action is taken which will result in a process of managed decline rather than investment for growth.
- 12.2. The Council could face reputational damage if it is not seen to actively support and encourage investment in the Town Centre.
- 12.3 Redevelopment of the Town Centre allows the Council to respond to the demands for both affordable housing and the continued demand of the private sector housebuilder.

13. Equality Impact Assessment and Consultation Arrangements

- 13.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy, therefore, no Impact Assessment is required.
- 13.2. Consultations have been coordinated by Economic and Sustainable Development Services with a range of other Council services who have an ongoing role in delivering services and initiatives in town centres. This consultation and co-operation will continue throughout the duration of the initiative.

David Booth Executive Director (Community and Enterprise Resources)

30 August 2023

Link(s) to Council Values/Priorities/Outcomes

Values

- Focused on people and their needs
- Working with and respecting others
- ♦ Accountable, effective, efficient and transparent
- ♦ Ambitious, self-aware and improving
- Fair, open and sustainable

Priorities

- We will work towards a sustainable future in sustainable places
- We will work to recover, progress and improve

Outcomes

- Good quality, suitable and sustainable places to live
- Thriving business, fair jobs and vibrant town centres
- Caring, connected, sustainable communities

Previous References

◆ East Kilbride Town Centre/Civic Centre – Masterplan - Executive Committee – 29 June 2019

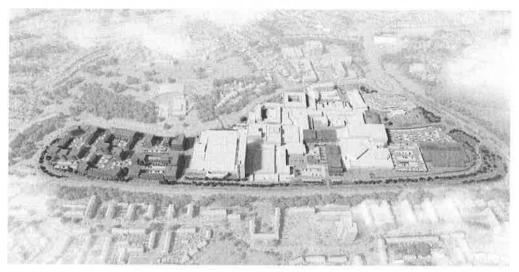
Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:-

Alison Brown

Head of Enterprise and Sustainable Development E-mail: alison.brown@southlanarkshire.gov.uk

STRATEGY



KEY PRINCIPLES

This Vision is an opportunity to rethink how East Klibride works.

It's about repurposing, repopulating and rebalancing the town centre to future proof it to better meet the needs of the whole community,

The Vision is structured around the following key principles:

- Concentrate and Consolidate Retail: Create opportunities for new development.
- · Repair the Streets: Plan and deliver a strong urban realm infrastructure.
- Repurpose: Redevelop vacant areas to create a new heart for East Kilbride and an outward looking face for the re-imagined town centre.
- Repopulate and Rebalance: Diversify the uses with strong complementary activities.



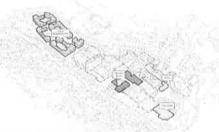
CONCENTRATE & CONSOLIDATE RETAIL



REPAIR THE STREETS



REPURPOSE



REPOPULATE & REBALANCE

EAST KILBRIDE TOWN CENTRE



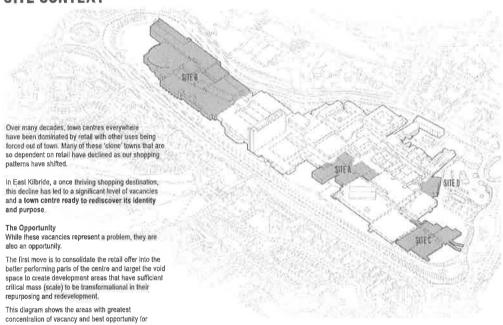




UNLOCKING OPPORTUNITIES



SITE CONTEXT

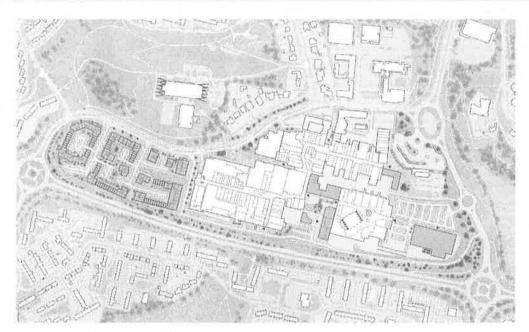


transformation:

- Site A: The Bingo Hall area
 Site B: Centre West
 Site C: The Olympia site and car parks
- · Site D: Princes Mall & Bus Station entrance

EAST KILBRIDE N CENTRE A New Vision

A CONNECTED PLACE



PROPOSED URBAN REALM

SITE CONNECTIONS & GATEWAYS

The proposals are grounded in good placemaking principles, such as the 20 Minute Neighbourhood and the Scottish Government Guidance on High Street Regeneration,

The reduction of vehicle dominance on the quality of space is proposed through re-organising vehicle and pedestrian priorities around the perimeter of the site with a focus on comfortable pedestrian access to Rothesay Street and

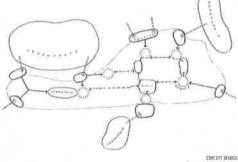
At key locations the proposals focus on reinforcing or creating new gateway points to improve wayfinding, create new routes and improve the experience of arriving in the town centre.

The adjacent diagram illustrates the importance of connecting all these areas and creating a variety of routes through the site. This is achieved through combining new routes with stretches of retained covered malls and existing lown centre routes.









CONCEPT DIAGRAM:

THE URBAN HEART

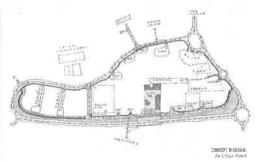
The town centre can be transformed from being retail dominant by introducting new 'attractors' that bring people into the centre and help balance the uses in the centre to better serve the wider community.

The ambition is to rekindle the original spirit of the town and ensure the many green spaces, parks, and recreational areas are connected to encourage outdoor activities and health. These spaces will also enhance mental well-being by promoting greater social interactions and a greater sense of community.

Many of these new uses and quality outside spaces would be concentrated around a new civic 'heart', visible and welcoming from the Queensway.







CE

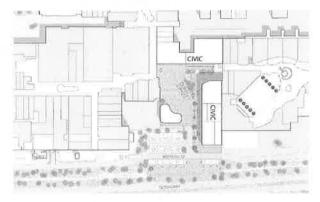
THE CIVIC HEART

SITE OVERVIEW

The demolition of the bingo hall and a number of adjacent units gives the opportunity to create a Civic Square and Civic Hub in the heart of the town centre. The focus is to transform this area into a unique and recognisable focal point for the community as the embodiment of a future East Kilbride with an optimistic and successful future.

The new square, is centrally located where many routes through the centre cross and, being connected to the southern edge, creates a new gateway to the town. Opening up in this location creates an improved visual and physical connection to the neighbourhoods to the south and a strong public face and identity for the town centre along the main arterial route.

A series of new buildings and attractors will activate and define the new civic square. These new buildings will collectively form a hub that focuses on civic and community led services and give the town a new landmark building.











₩HAT IF?...

until it _____wa improve existing or create new cultural offers to hene the focal population & encourage visitors to the town? WIAT IF we worked with existing institutions to introduce with development and learning space into the town centre?







WHAT IF, we transform how people travel to 8 move through the town centre by promoting 8 facilitating sustainable (orms of transport).

WHAT IF we provide new places to safely guither as a community, capable of hostina a variety of events?





WHAT IF, we promote the strengthening of the evening economy through the lateroduction of new resteurants/bars/leisore/performance.uses/

EAST KILBRIDE TOWN CENTRE

THE CIVIC HEART

CIVIC SOUARE

The creation of this high quality urban space will lift the image of the town and foster a sense of pride and ownership.

The various changes of level on the site will be responded to to create interest and variety while delivering an environment that

This will be a highly active environment providing a balance of high-quality hard landscaping and green space. There will be a strong focus on functional areas to support a diverse range of activities required by a lown

It will be, a place to meet, play, celebrate, memorialise, and for the community to









THE CIVIC HUB

The Civic Hub is envisaged as a series of buildings and pavilions that reinforce the new image of a new town centre.

While a detailed brief is still to be developed, it will be a place to gather, debate, perform, educate. With a new flagship building, the Hub will embody the collective pride of the community and be a destination for a wider

Other buildings around the square will provide key complementary activities and services e.g. expanding what is an already excellent nursery provision for the growing

The public engagement being carried out with local residents, businesses and other key stakeholders, is an Important part of the process to define the range of uses and mixes we can bring to the Civic Hub.









COMPLEMENTARY USES

Around the square, existing retail and leisure will combine with new ground floor uses to activate the space and around the new entrances and routes into the wider town

The reintroduction of cafés and restaurants in particular will add to the mix of activity and energise the space.

There is also the potential to explore complimentary creative and cultural activities with partners who have already been engaged with and recognise the potential of the lown. This could not only inspire the community and allow them to achieve new potential but could also reinforce a creative economy that has proven transformational in

This new civic heart could be home to craft workshops and maker spaces alongside some public exhibition and display spaces.









ST KILBRI CEN

A NEW NEIGHBOURHOOD

OVERVIEW

The wider masterplan focuses on repopulating and rebalancing the town centre. To ensure the response reflects market demand, the project learn have been working closely with the Local Authority to identify housing needs, but also with market leading Development Agents to find the right partners in the private sector to invest in East Kilbride.

The Centre West site presents the opportunity for an exciting new residential neighbourhood that offers modern town centre living, founded on good place-making principles.

The objective of the masterplan at this stage is not to determine a final mix, but rather to create a vision and demonstrate its capacity and the potential for this development areas to play a major part in the transformation of the lown centre.











DIVERSE HOUSING MIX

Early stage appraisals envisage this new neighbourhood could host 300-400 new homes for private, affordable, social and rental markets.

The vision is founded on catering to a wide a range of potential occupiers by introducing a mixture of house types, such as flats, suitable for first time buyers, downsizer and senior living alongside maisonettes and terraced housing for family living all to foster a rich and diverse community.

A RESILIENT MASTERPLAN

The layout is focused on a series of urban design principles to create a resilient and flexible masterplan of block structures' that can adapt to a different mix and balance of housing types.

This arrangement also provides a careful balance of accessibility and parking provision with high quality private, shared and public amenity. The previously inward-looking site is replaced with strong streetscapes that offer visual presence to the perimeter as well as legible and safe routes through.

A CONNECTED NEIGHBOURHOOD

Providing a high-quality living environment in the new neighbourhood will be important for connecting and blending the town centre with the surrounding areas and communities.

This is further reinforced by the reduction of vehicle dominance on Rothesay and Cornwall Streets to create safer, more accessible routes into and through the site.

A GREEN PLACE

High quality public realm is essential for an accessible and attractive environment, to provide amenity for residents to share and enjoy.

Equally, green space will be essential to promoting a healthy living environment, as well as providing an infrastructure that is supportive of bio-diversity and enhancing flood resilience.

EAST KILBRIDE TOWN CENTRE

DIVERSE USES

OVERVIEW

A diverse range of complimentary activities and uses are key to a healthy balanced and resillent town centre

Collaboration with leading development agents has identified demand for a new food-store and hotel in East Kilbride.

The proposals show how these key uses can lead the regeneration the Eastern end of the town centre (around the Olympia and the Princes Mall entrance).









NEW FOOD-STORE AND CAR PARK

The redevelopment of the Olympia car park site shows a new 40,000 sqft food store. Beyond re-introducing a key amenity to the town centre, this can bring:

- Improved Site Access: rationalised entry and exit points and routes will
 provide greater safety and accessibility, with heavier service vehicle movement
 separated from public use. This envisages a re-working of the roundabout on
 Churchill Avenue and connection to Rothesay Street.
- Improved Parking Provision: the proposals envisage re-working the existing lired and unattractive car-park decks with fresh and modern parking infrastructure including the retention and overhaul of the existing decks above the old Sainsbury building.

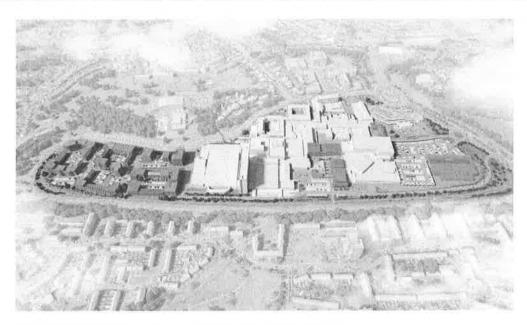
NEW HOTEL

The redevelopment around the Princes Mall entrance to provide a new hotel would bring:

- Improved Pedestrian links: simpler, more attractive routes from the bus station would replace the existing convoluted and unwelcoming routes.
- •Improved Sense of Arrival: the current layout and condition of the Princes Mail entrance do not offer the best impression into the town from the Bus Station and Taxi rank. This redevelopment will allow a refresh of the Urban Realm to Improve the image and experience of this key point of arrival.

EAST KILBRIDE TOWN CENTRE

PUBLIC CONSULTATION EVENT



WE ARE PRESENTING A NEW VISION FOR THE TOWN CENTRE.

The proposals are the foundation of a design framework to shape the future of **East Kilbride Town Centre**.

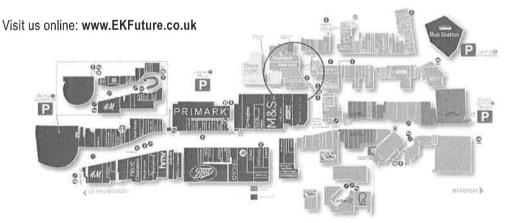
Your input is invaluable – this is why we are hosting this exhibition to gather and embrace your thoughts.

YOU CAN FIND US HERE:

Visit the Exhibition - Open Most Days 11th - 29th September / 10am - 4pm

HAVE YOUR SAY:

Tell us what you think in person, fill out one of our feedback forms or leave your thoughts online at www.EKfuture.co.uk 'I' weepsile available from 18th September)



EAST KILBRIDE TOWN CENTRE





