

# HUNTLY PROJECTS:

- (i) Huntly Hub: Outline Business Plan
- (ii) Huntly Retail Strategy & Action Plan
- (iii) Flexible Workshop Space:  
Strategy & Action Plan



Proposal to  
Huntly Development Trust

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Associates

Riddell Thoms  Company  
Chartered Surveyors and Property Consultants

 ibp Strategy & Research

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## HUNTLY STRATEGY

### Background & Objective

At the beginning of February 2009 the Aberdeenshire Town Partnership commissioned the Ove Arup Consulting Group's Whistler Associates team to assist the Partnership to prepare a strategy for Huntly and the wider area.

The objective is to produce a clear, realistic, vision and comprehensive long term strategy for the town to strengthen Huntly's position as both a local service centre and a visitor destination.



As part of the commission, community questionnaires have been completed, interviews have been undertaken with local businesses, a youth workshop has been held in Gordon School, and workshops were held in the Stewart's Hall with sports, local businesses, community group representatives and residents. Around 120 people attended the Workshops. All the consultation has helped shape the Strategy and Action Plan that is outlined here.

The approach that the team used is summarised in the flow-chart below:



The panels that follow summarise the analysis, the key challenges facing Huntly, the vision for the town in 2020 and the Action Plan.



# 1 INTRODUCTION

The Douglas Wheeler Associates Ltd team (DWA) welcomes the opportunity to submit this tender to assist the Huntly Development Trust (HDT) to develop and assess the feasibility of three projects that could have potential to deliver significant community benefit and offer income-generating opportunities for HDT. Since receiving the tender documents, we have revisited Huntly to update ourselves with progress and reviewed relevant background documentation.

DWA have direct experience of leading multidisciplinary teams to research and develop town centre and retail regeneration strategies and action plans for more than thirty five towns in Scotland, Northern England and Northern Ireland. Doug is currently leading a team who are undertaking research on *'Town Centre Regeneration: How Does It Work and What Can Be Achieved?'* for the Housing and Regeneration Directorate of the Scottish Government.

DWA also have extensive experience in concept development, preparing business plans, options appraisals and feasibility studies for community development and income generating projects including the adaptive reuse of historic buildings and particularly for cultural and community uses. Most recently this has included the White House: High Street Hub in Craigmillar for PARC Craigmillar/Architecture + Design Scotland, Maybole Castle for Maybole Castle Community Trust, Moat Brae House Dumfries for Peter Pan Moat Brae Trust, the Cross Keys Hotel in Dalkeith for Dalkeith Business Renewal and the former Co-op Building in Darvel for East Ayrshire Council.

The DWA team includes **Riddell Thoms Company** (chartered surveyors and property consultants) to advise on deliverability, funding and procurement and **IBP Strategy & Research** providing specialist market research expertise. The Team have worked together on recent projects including town centre masterplan frameworks for Johnstone and Elderslie in Renfrewshire and is therefore particularly well placed to undertake this feasibility studies commission. The Team have a varied and deep experience of working with different local communities on effective town centre and retail regeneration strategies, action plans and feasibility studies. This includes 'hands on' experience of: developing viable community benefit and income generating projects; effective networking with service providers, stakeholders and partners and in meaningful community and business involvement.

## FEASIBILITY STUDY: BRIEF

The Brief is to undertake further feasibility study work so that HDT and other stakeholders can take an informed decision on how best to take the projects forward. The three projects are:

- Creation of a Huntly Hub in the historic town centre
- Development of the Huntly retail sector, and
- Provision of flexible workshop space for local trades businesses

In particular the specific objectives are:



**Maybole Castle Survey**

With the help of Strathclyde Building Preservation Trust (SBPT), a team of consultants is exploring options to secure the long term sustainable use of the castle.

**Take part in the survey from 11-18 December**

*To take the survey!*

**Maybole Castle needs you!**

Maybole Castle Community Trust (MCCCT) has been successful in securing funding to progress the next stage of the protection and use of Maybole Castle.

We are interested to hear the views of the local community on possible future uses of Maybole Castle, by asking you to complete a survey.

**To take the survey from 11-18th December:**

- forward your email address to [petermclosson@aol.com](mailto:petermclosson@aol.com) (and the survey link will be emailed to you).
- access a link on the Maybole Website ([www.maybole.org](http://www.maybole.org)).
- access a link on the SBPT website ([www.sbpt.org](http://www.sbpt.org)), or
- collect a copy from the Town Hall, during those dates.

## Huntly Hub: Objectives to:

- Identify options and describe what a Huntly Hub could be and provide the information to allow HDT make an informed decision on which option to pursue
- Develop the preferred option in more detail, including a business case and social impact
- Map out the process, activities, timescale and costs associated with taking the project forward
- Provide a method for HDT to evaluate other options that may arise in the future.

## Huntly Retail Sector Strategy: Objectives to:

- Identify opportunities and barriers to the regeneration of the Huntly retail sector and make recommendations on how to capitalise/overcome those
- Identify how HDT and other stakeholders, including local businesses and the community, can support that process
- Identify whether there is any way HDT can generate income from the process, including potentially from its own retail outlet
- Identify possible funding sources to implement the recommendations.

## Flexible Workshop Space Provision for Local Trades Businesses: Objectives to:

- Identify whether there is a demand for the provision of flexible workshop space for local trades businesses in Huntly
- Identify how HDT could help meet that demand and how that could contribute to HDT income generation.

The three key outputs should be concise, evidence based reports that identify if there is a preferred option and what is necessary for it to be realised. This should include the process, activities and timescales as well as 'business plans' showing a range of scenarios for realisation and clear recommendations to HDT for the way forward.

## THE DWA TEAM'S DISTINCTIVE APPROACH

Our distinctive approach to the three feasibility studies is based on the following four principles:

- **A hard edged evidenced based analysis:** focussing on community and commercial demand and aspirations, market and other gaps in provision, service provider's demands and requirements and that also taking account of new emerging community provision services and facilities in the wider Huntly area;
- A process that **directly involves** HDT, partners, potential service providers, and above all the wider Huntly community including local businesses;
- Providing **real added value** based on the DWA Team's experience, best practice and by adopting an **integrated approach** across the three feasibility studies and looking to exploit connections and economies of scale in the process of developing the projects; (See Methodology Flowchart on page 12)
- **Truly independent conclusions and a compelling economic justification** presented in an advocacy style for further investment in Huntly.

The DWA team experience of similar action research, feasibility study and business plan assignments, is that more time, effort and resources needs to be put into the early phase of the process and that some form of **project development workshop** is essential to ensure 'buy in' for all three feasibility studies. The key tasks in our approach are illustrated in the detailed Methodology in Section 3. From our understanding of the brief, we believe the assignment requires skills in:



- Consultation & involvement with HDT, partners, service providers, businesses and the wider Huntly community
- Strategic land use & development planning: adaptive reuse of buildings
- Economic & community development
- Market research
- Programme & project development
- Options appraisal
- Retail/ business/ market trends and opportunities
- Community engagement and community empowerment
- Establishing community enterprise
- Risk analysis
- Property market, procurement & implementation
- Long term management & governance.



Douglas Wheeler Associates Ltd has assembled a multi-disciplinary consultant team that responds to the terms of reference of the brief and meets all of these requirements. The team that Doug will lead consists of **named individuals** with a wealth of specialist experience who have worked together in the recent past. The consultant team and their main responsibilities comprise:

#### **Douglas Wheeler Associates Ltd**

**Douglas Wheeler: Director:** project direction, integrated regeneration, development planning, retail strategy, innovative consultation and involvement, options appraisal, revenue streams, business and action plans and implementation.

**Gillian Macfarlane: Senior Associate:** community involvement and engagement: design & facilitation, networking and market research.

#### **Riddell Thoms**

**Fraser Clearie: Partner:** retail/ business/ market trends and opportunities, local property market, implementation: development & procurement.

#### **IBP Strategy & Research**

**Eddy Graham, Director,** will oversee the delivery of the market research fieldwork and data processing, and will be responsible for ensuring the quality of market research project outputs.

**Elspet Brown, Field Survey Manager,** will manage the day to day administration of the surveys.

## RELEVANT PROJECT EXPERIENCE & QUALIFICATIONS

### Douglas Wheeler Associates Ltd:

Douglas Wheeler MA (Hons), Dip TP, MRTPI, MRICS, ULI

Gillian Macfarlane BA (Hons) Dip UD, MRTPI

Douglas Wheeler Associates (DWA) was established early in 2003 as a consultancy specialising in designing strategies and masterplans that regenerate places and in particular focussing on economic and social regeneration including competitive physical business infrastructure project development and feasibility studies. Douglas Wheeler has over thirty years experience in town centre and town regeneration, economic and development planning. A particular emphasis of Doug's recent work has been leading on integrated place, economy and community regeneration strategies and action/implementation plans for towns in Northern England, Scotland and Northern Ireland. He is also a specialist advisor to the Heritage Lottery Fund on Townscape Heritage Initiatives.

Recent commissions have included Masterplans for Johnstone town centre and Elderslie Centre in Renfrewshire, the Kilwinning Town Regeneration Plan, Dalry Town Centre Study, Penrith Master Plan, the Kendal Economic Regeneration Action Plan and the Banbridge Development Strategy 2009-2015.

Doug has also lead teams to provide business, economic development and creative industries input to a number of recent projects working closely with architects, valuers, cost planners and engineers including Cockermouth Town Hall Feasibility Study, Stromness THI Stage 2 Submission, Dalkeith THI Stage 2 Submission, Cockermouth Market Place Area Masterplan, the Penrith Master Plan and the Kendal Economic Regeneration Action Plan. Other relevant historic building feasibility and adaptive reuse studies that DWA has undertaken include: Darvel Former Co-op Buildings, Glasgow Green West Boathouse Feasibility Study, Clock Lodge Kilmory Options Study and Govanhill Baths Feasibility Study.

Other relevant recent projects include a Community Provision Feasibility Study in West Denton for Newcastle City Council and feasibility studies, options appraisals for work space and community facilities as part of neighbourhood regeneration strategies for Glasgow Housing Association in North Maryhill and the West End Multi storey flats and for South Lanarkshire Council and West of Scotland Housing Association at Fernhill.

Doug has also completed a number of successful mixed use and business infrastructure projects including: *Accommodation & Cluster Support Strategy for Creative Industries in South Manchester*; *Feasibility of a Digital Media Quarter at Pacific Quay in Glasgow: Feasibility Study and Business Plan for a Creative Industries Quarter in Middlesbrough*. Doug has also undertaken concept development and feasibility studies on North Foreshore: an environmental business park in Belfast and *'the Greenhouse'*: an environmental business centre for Scottish Enterprise Glasgow. He published research for the Scottish Government on the barriers to *'Delivering Mixed Use Development'* in 2009.

Doug was formerly Director/Principal of EDAW's Glasgow Office and Planning Director at Turley Associates and has a very strong record of successfully designing, evaluating and delivering large-scale regeneration and competitive business infrastructure strategies. He has undertaken high profile regeneration strategies for cultural quarters, historic areas and town and city centres including Grainger Town (RTPI Silver Jubilee Cup 2003 and Europa Nostra Award 2004), Chapel Street Salford and Merchant City in Glasgow.

Doug also has extensive experience of best practice in place regeneration in the United Kingdom, Europe and elsewhere. Doug has an honours degree in Geography and Diploma in Town Planning. He is a member of Royal Town Planning Institute, Royal Institution of Chartered Surveyors and the Urban Land Institute.

Doug is very familiar with the North East and directed the 2004 Strategy for Huntly and town strategies for Peterhead and Fraserburgh for the ATP.

Doug will be supported by Gillian Macfarlane. Gillian has 20 years experience in urban design, regeneration and public consultation projects as a planner, urban designer and

project manager. Her core skills include the preparation of regeneration frameworks, design briefs, design guidelines and urban design assessments for both greenfield and brownfield sites and market research. Gillian has extensive experience of public consultation and involvement with businesses, local communities, stakeholders and schools.

Further Information & Practice Profile See [www.douglaswheelerassociates.com](http://www.douglaswheelerassociates.com)

## **Riddell Thoms:**

### **Fraser Clearie MRICS**

Fraser is a Chartered Surveyor with extensive knowledge and experience of the Scottish property market. Fraser will provide specialist property, funding, procurement and delivery advice. For the last seven years he has been a partner at Riddell Thoms having earlier been Partner-in-Charge of King Sturge's Glasgow office. His previous experience includes working for Scottish Enterprise's predecessor organisation SDA, giving him a good understanding of the market failure case for intervention and delivering public sector projects.

He has advised and represented a variety of public and private sector clients over the years including Scottish Enterprise, Local Authorities, Universities, Public Sector Development Companies, Housing Associations, Private Developers and PPP bidders on Falkirk, Edinburgh and Glasgow schools projects. Additionally Fraser is a senior arbiter on the RICS panel.

## **IBP Strategy and Research:**

### **Eddy Graham BA (Hons) Degree in Politics**

### **Elspet Brown**

**Eddy Graham** holds the Chartered Institute of Marketing Diploma, the Certified Diploma in Accounting and Finance, the Certificate of the Market Research Society and an MBA from Glasgow Caledonian University.

Eddy will oversee the delivery of the fieldwork and data processing, and will be responsible for ensuring the quality of project outputs. Eddy is a specialist consultant with considerable experience of large scale quantitative research studies on behalf of organisations such as Economic Development Agencies, Local Authorities, Community Planning Partnerships and Housing Associations. **Elspet Brown**, Field Survey Manager, will manage the day to day administration of the surveys. Elspet has over 20 years experience in market research as an interviewer then supervisor and field manager.

IBP was established by Eddy Graham in 1996 and IBP Scotland in December 2002, and has grown to be one of the leading independent management consultancies in Scotland. The business is primarily focused on public stakeholder engagement activities of various sorts. It has an extensive client list of Local Authorities as well as Housing Associations, Community Planning Partnerships and government agencies including the Department for Business, Innovation and Skills and UK Trade and Investment. IBP is very familiar with Aberdeenshire, having worked as research contractors to Aberdeenshire Council since shortly after the business was formed. As well as regular residents' surveys and focus groups, IBP manage the "Viewpoint" Citizens' Panel on behalf of Aberdeenshire Community Planning Partnership and have conducted numerous ad hoc surveys within the Shire.

Some examples of work undertaken by our team that are relevant to the Huntly project are set out below:

- Clarkston Business Improvement District Survey (100 in-street interviews and c.50 business questionnaires).
- Falkirk BID Survey (500 in-street interviews and c.100 business questionnaires).
- Dunfermline BID Survey (400 in-street interviews and c. 100 business questionnaires).

- Milngavie BID Survey (150 in-street interviews).
- In-street surveys at five locations across Argyll and Bute to provide a baseline for the "CHORD" project.
- Visitor survey at 7 Stanes Mountain Bike Trails in the Scottish Borders (500 interviews).
- Visitor Survey at the Davis Cup events in Braehead (twice) and Liverpool (400 interviews in each case).
- Survey of 300 visitors and 30 businesses for West Kilbride Community Initiative, identifying levels of demand for further development of "Craft Town" initiatives.

**The rest of the tender is structured as follows:**

Section 2: Key Issues Affecting the Options Appraisal & Approach To Consultation

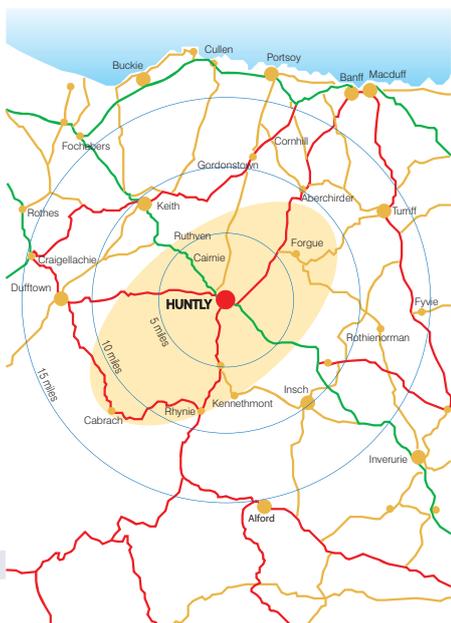
Section 3: Methodology & Key Tasks

Section 4: Team Resourcing, Fees, Terms & Programme

Appendix 1: Relevant Project Profiles

Appendix 2: CVs

Appendix 3: 'Cashing-in On Seemingly Obsolete Property' Leaflet



## 2 KEY ISSUES: CHALLENGES & APPROACH TO INVOLVEMENT

In this section we have summarised some of the key issues that will affect the Feasibility Studies and our approach to consultation. The key issues identified are not exhaustive and others will undoubtedly emerge.

### HUNTLY HUB

The 2008-09 community consultation that informed the HDT business plan identified development of a Huntly Hub as a priority. The exact form that the Hub should take was not specified. It seems clear what was envisaged was a multipurpose focal point for people and organisations in the community, a showcase for local products and heritage, and a shop window for HDT. As such, it should provide a catalyst for wider town centre regeneration in Huntly by offering extra incentive for people to visit the town centre. Plans for the site at the rear of 1 Gordon Street were drawn up and a successful planning application made however two funding applications to allow purchase and redevelopment of this building have unfortunately proved unsuccessful.

Therefore at this point it will be crucial to revisit very first principles and to clearly define and be explicit on the purpose of the proposed Huntly Hub and specific about what HDT are looking to achieve. 'Community hub' is a now a commonly used term in contemporary urban design and community planning. As with many commonly used terms, it can mean different things in different contexts and there is no widely accepted definition. 'Community' implies something that is publicly owned and designed and used to address the needs of a local population. 'Hub' implies a central position where things come together. The hub of a wheel, for example, is the central point where all the spokes meet. The DWA team's starting point in very general terms is that the Huntly Hub would be a centrally located, publicly owned place where a variety of activities and services come together for the purpose of addressing the needs of Huntly businesses, residents and visitors.

In Scotland successful community hubs like Lamacha in the Borders, typically involves the clustering of community facilities that provide space for local organisations and community groups to meet and for a range of activities, programs, services and events which address the social needs of a community. While co-location of facilities and services is widely viewed as an important component of a community hub, to be successful a hub needs to be more than a cluster of services and buildings. The essence of a community hub is the concentration of activity that occurs and how the mix of those activities, is accessible to, and serves the needs of, a diverse range of community members. Importantly, hubs are places that are integrated, both in terms of the programs, activities and services that occur within them, and in terms of the physical and social relationships with surrounding uses such as local shops, activity centres, public places and transport nodes.

In Huntly the key questions that need to be answered include:

- How will the proposed Hub fits with existing facilities including Huntly Business Centre, Huntly Learning Centre and Aberdeenshire Council's customer service point, Tourist Information, Deveron Arts, Stewart's Hall and the Brander Library ?
- What additional services and facilities can be co-locate or clustered at the Huntly Hub ?



- What variety of uses and services (including possibly retail, community services, leisure and health care) that attract different groups of people at different times of the day and meet a wide range of community needs and support Huntly's strengths could be co-located at the Hub?
- How can the Hub be clearly identified as a focal point for the community and be readily accessible to the Huntly community and visitors?

Clearly this kind of town centre focal point for HDT would allow the Trust to be more accessible and visible. Options to accommodate the Hub could include a small street-based office that might be practical initially, with a move later to larger premises with additional business and workshop space for rent to generate income.

*Therefore the feasibility study will need to clearly identify the purpose and what a Huntly Hub could be, identify options and provide the evidence to allow HDT make an informed decision on which option to pursue. This includes testing components that meet needs and demands from the local community and the wider catchment. The Huntly Hub will also have to develop long-term sustainable income streams and methods of working so that it will be less depend on public funding. Providing training facilities as well as community/commercial/cultural activities could be identified as well as other sources of income from business/work space, retail space, venue hire and small conferences to provide additional income to support the running of the Huntly Hub.*

## HUNTLY RETAIL SECTOR STRATEGY

Huntly's town centre retail core is facing significant challenges including competition from larger shopping centres such as Aberdeen, Elgin and Inverurie, Asda and Tesco edge-of-town developments and the internet. A number of empty shops are available and often any that do become occupied tend to be filled by 'estate agents or charity shops'. Some local traders however have proven resilient in the face of the challenges and many took advantage of the recent property enhancement scheme and eighteen are involved in Scotland's first Town Loyalty Smartcard Scheme rewarding customers for shopping locally. HDT and the community has identified that more action is required if Huntly is to rebuild a more interesting retail offer in the town centre.

The DWA team recent experience has highlighted the need for economic development organisations like Business Gateway to take a more proactive lead in helping existing retail businesses to thrive and this includes tailoring services and products that are relevant for local retail businesses and this could including training through mentoring and youth entrepreneurship.

Scottish Borders Council's new One-to-One Retail Business Support project, for example aims to deliver targeted retail business development support to independent retailers. The package of support mainly comprises of the provision of the one-to-one business development/ mentoring support and coaching/training advice from a retail consultant to target independent retailers, along with a smaller provision of 'one-to-many' events that are open to all.

The one-to-one business audits are flexible, responding to the needs of the individual retail business, and take the form of onsite meetings with the retailer and consultant, to go through a business evaluation diagnostic and action plan (which will be provided back to the business within 48 hours by the consultant), with follow up contact/ visits made as appropriate. Technical assistance on merchandising and marketing, staff training, identification of financial support programs, tackling trade waste and recycling and regulatory issues would also be available

In the USA 'Hand Made in America' and the Small Towns Programme has highlighted the role of physical incubators and links with local colleges and the need to mobilise local capital to accelerate start-up retail businesses. New retail businesses should be proactively targeted for example by identifying gaps in the retail mix, where leases are expiring, recruiting/nurturing new retailers, and working to create agglomerations in categories such as antiques, outdoor gear, food and crafts which benefit from co-locating. There are also likely to be further e-tailing/e-commerce opportunities arising for retail businesses in Huntly.

The focus should not be exclusively on independent businesses because there is also often a role for national retailers and franchise operations. The Original Factory Shop for example has seen as an exceptional performance in current difficult retail trading



conditions. Turnover is up to 35%, with profits weighing in at up to 36%, largely driven by an aggressive new stores opening programme targeting small towns together with the performance of its 32 seaside and tourist town stores. The Original Factory Shop is committed to small town locations and has recently agreed terms for a unit in Keith. The Original Factory Shop says it brings vibrancy and extra footfall whenever it opens, benefiting other local retailers within a small town.

Another approach is the 'Retail Rocks' initiative, a project delivered by a Retail Rocks Limited, a private limited company. The initiative is an innovative new public/private sector partnership model which has been developed with the support of the Scottish Government and COSLA. Retail Rocks is a competition-based programme which engages with the local community by giving the start up retail businesses the opportunity to open in vacant town centre units. Critical to the success of the new businesses is the provision of business mentoring and the model already has commitment from key high street retailers and specialists in retail to provide in-kind support.

Retail Rocks has also gained support from the private sector and the British and Scottish Retail Consortium and leading academics in retail studies. It is designed to revitalise town centre retailing and communities by encouraging, enabling and supporting sustainable retail entrepreneurship; breaking down existing socio-economic and demographic barriers; re-educating traditional, negative mind-sets; providing a catalyst for widespread regeneration; and creating the confidence for further investment. The project is already targeting vacant retail units in Torry/Aberdeen and Kilmarnock to transform them into vibrant retail businesses providing amenity and specialist retailing to help develop a new customer base for the town centres.

Successful town centre retail regeneration also requires continued investment in place making and pedestrian and cycle improvements. Evidence shows that small-scale retail depends on foot traffic.

The evening economy in Huntly may also highlight opportunities and the challenge will be to offer a quality product in terms of cultural offer, family focussed cafe/bar and community facilities and promote better and broader entertainment: 'High brow' and 'low brow' entertainment often meet after-hours. Both need to be championed and strengthened to further revitalise the Huntly economy, to contribute to employment in the creative sectors and to further improve the Huntly image.

*The overall challenge is to identify opportunities and how to overcome barriers to regeneration of the Huntly retail sector that builds on the success of the property enhancement scheme and Scotland's first Town Loyalty Smartcard Scheme. Initiatives like One-to-One Retail Business Support, Retail Rocks and the role for smaller formats of national multiples need to be tested as well as opportunities to improve the evening economy.*

## FLEXIBLE WORKSHOP SPACE FOR LOCAL TRADES BUSINESSES

In 2007/2008, HDT's predecessor, the Aberdeenshire Towns Partnership (ATP), conducted a brief survey of local trades businesses, such as joiners, plumbers and builders. According to the businesses contacted, the limited suitable workspace available to them was holding back their businesses. Since then, Huntly has been designated as part of the Strategic Growth Corridor in the Aberdeenshire Structure Plan but little has been done in the town by the private or public sector to meet the property needs of this type of business. Therefore, as far as HDT understands the need still exists. Through this element of the feasibility study, HDT is seeking to identify whether there is still a demand for such premises, if so of what level, for what type of accommodation and what HDT's role could be in ensuring that demand is met.

DWA Ltd/Riddell Thoms and Company have recently been exploring possibilities for Local Workspace Provision Action Plans (See Leaflet in Appendix: 'Cashing-in On Seemingly Obsolete Property' Leaflet) The Action Plan aims to deliver new uses in for what are often important townscape buildings or key sites as well as providing of a range of appropriate and competitively priced local workspace types suitable for new, growing small businesses, social enterprises and live-work space. Our research shows that this is lacking in many locations in Scotland and can contribute to the development of an enterprising and innovative culture within local areas. In the current economic climate



this kind of low cost workspace provision is likely to be an essential part of integrated approach to promoting enterprise, business start up.

The initiative could include **Rent To-Buy** whereby a start-up or growing business effectively ends up owning their accommodation by paying a little more than rent over a time period. The tenant would become purchaser (owner-occupier) and could even be provided with a basic shell and professional assistance to implement upgrading works as and when funds allow.

Our experience is that *that generally local trades businesses are often not prepared to pay for additional quality and higher specification workspace.* Local trades occupiers are more concerned with the short term 'cost of occupation' and are very reluctant to take anything other than a short say two/five year view of the opportunity that is on offer. In this context local trades business occupiers may not be prepared to cover the additional costs of 'improving quality'.

*It is clear that in the Aberdeenshire employment property market, provision is at a basic specification because 'that's what occupiers want'. The basis equation is that the build costs need to be less than value and that banks will only allow borrowing against their current valuation. Outside Aberdeen and say a 15/20 mile radius the current fundamentals of the market are that development costs will be more than value on a simple development appraisal. This is a fundamental market failure as result very little development happens outside the recognised locations. As a result the kind of intervention that HDT are proposing will be essential but the details and deliverability need to be clarified.*

## APPROACH TO BUSINESS COMMUNITY & PARTNER INVOLVEMENT

The aim must be to build on the previous consultations on the three projects but it is important that we avoid consultation fatigue, also how do we widen involvement to include new businesses, youth and more than 'the usual suspects'? The Team has extensive experience in effective business, community and stakeholder involvement in feasibility and development projects throughout the UK which has involved wider partnerships. We have developed innovative tools and techniques for involving businesses, the public and stakeholders in these situations and for ensuring that such involvement provides a basis to sustain long-term participation in the regeneration process. These include online surveys, scenario planning, game simulations and multiple sorting of images.

The role of the local businesses, the community and the voluntary sector in the three feasibility studies will be absolutely crucial. Regeneration and local economic development projects must start with the local people, who are the experts in what it is like to live and work in Huntly. Unless local people and businesses support the vision and the preferred option and consider that their views have been incorporated, they will not be sustainable in the long-term. Now it is time to move on to build consensus on a clear vision and robust business plans for the three projects.

We will use business, in street and telephone interviews and workshops as the main vehicles for business, stakeholders, partners and the community to express their views. The Project Development Workshops at a key point in the feasibility process and will:

- Identify areas of consensus and conflict between key players
- Allow small break out discussion groups
- Identify and evaluate options
- Use innovative models, exciting visual material and simulations to energise the debate and discussions
- Build consensus around a preferred development and implementation strategy and if necessary 'to bang heads together'.

The techniques we use are not academic but are based on the experience of working with communities in sensitive 'interface locations' to produce 'hard-edged' practical projects that are capable of implementation. The act of drawing together a range of interest groups can itself serve as an important part of the regeneration process. Often



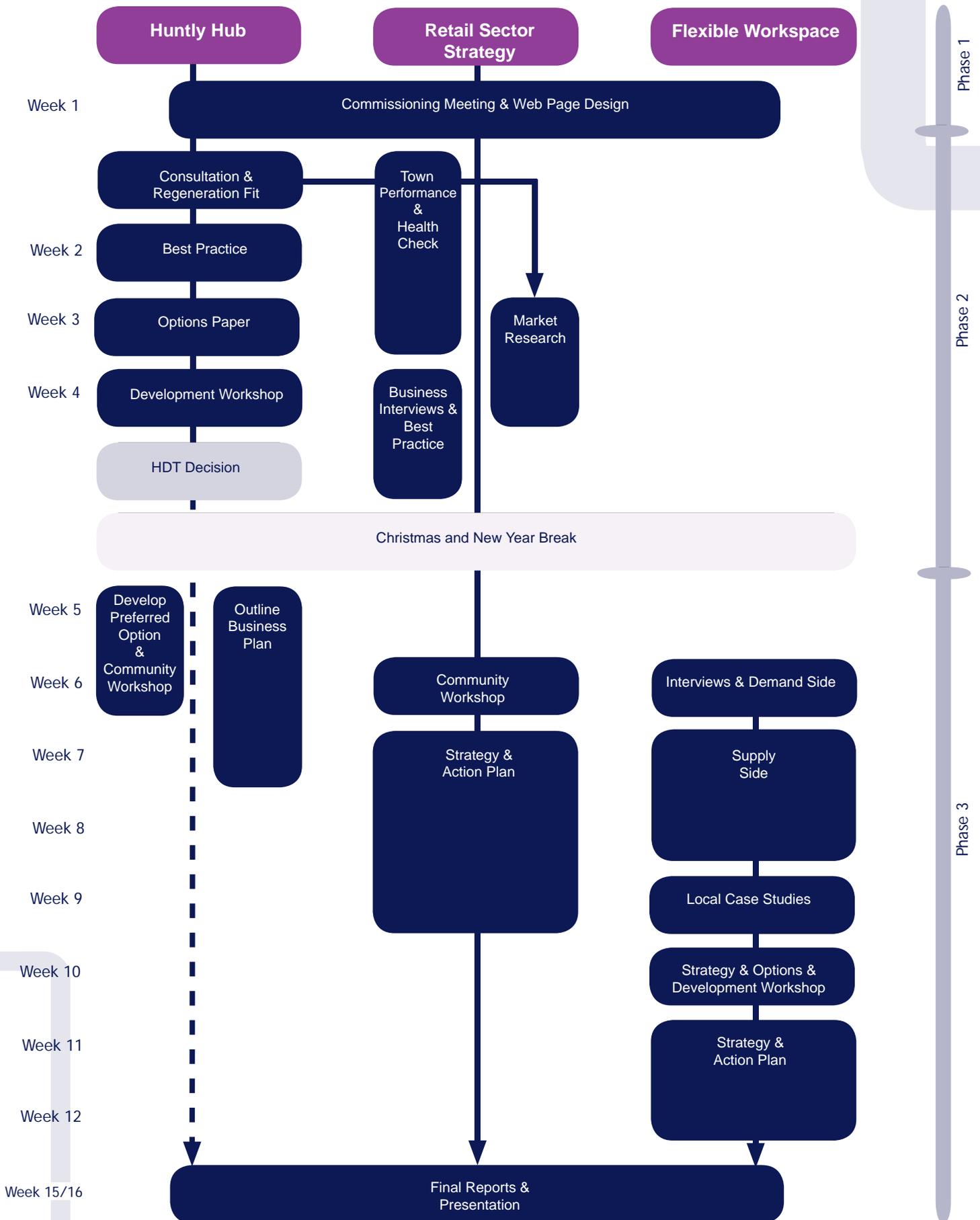
the local momentum created by the process is much more important than the final report and we are keen to explore with HDT the most effective way of presenting the results of the process in Huntly.

## **MARKET RESEARCH: IN STREET & TELEPHONE INTERVIEWS**

IBP will use the in-street intercept methodology in Huntly and interviewers will be placed at selected points and will interview every nth person who passes them. It may be that this would be overlaid by basic quotas for age, gender, working status and so on, should this be required.

For the telephone interviews, a catchment area will be agreed with HDT and IBP will develop a sample frame from the Infodisk system that IBP hold (the underlying database for which is the edited Electoral Register). Individuals will then be contacted at random to complete the survey although again quotas can be applied.

# METHODOLOGY FLOWCHART



## 3 APPROACH & METHODOLOGY

We have identified 19 discrete tasks to be undertaken over a 16 week period to undertake the three feasibility studies. The following work programme provides full details.

### Task 1.0 : Commissioning Meeting & Initial Web Page Design (Week 1)

A Commissioning Meeting with HDT will be held at the start of the assignment to agree work programmes across all three feasibility studies and the basis for consultation. We will discuss the proposal, agree the work programme and project management arrangements, set dates for progress meetings and workshops, agree contacts and receive all documentation. We will also agree consultation contacts among local and business and residential community representatives.

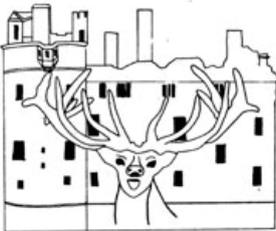
An initial Feasibility Studies Web Site Page will be designed for HDT approval with an appropriate bulletin board. This will allow for regular updates, advertising workshops and 'conversation threads' to encourage wider involvement in the process.

### PROJECT 1: HUNTLY HUB

#### Task 2.1: Partner/Stakeholder Consultation & Regeneration Fit (Week 1)

We will undertake consultations with the various key stakeholders, statutory, voluntary, community and private sector organisations that have a stake in the Huntly Hub. This will include (but not limited to):

- HDT
- Aberdeenshire Council
- Community Planning Partnership
- Huntly Business & Learning Centre
- Community Council
- Huntly Business Association
- Huntly & District Tourism Action Group
- RGU: Centre for Understanding Sustainable Practice/Retail Study
- Deveron Arts
- Scottish Natural Heritage
- Forestry Commission
- LEADER
- VisitScotland
- Councillors



COMMUNITY  
COUNCIL



Based on the consultations and a review of relevant documentation we will prepare a succinct summary of the strategic policy context and how the emerging Huntly Hub fits the changing regeneration context in Huntly. Any approach to external private investors or public funders like HLF or Big Lottery will require a clear statement of how the project fits within a strategic regeneration context.

### Task 2.3: Community Hubs: Best Practice Review (Week 2)

We will undertake a best practice review to identify a three relevant community hub projects in rural Scotland as well as lessons from Canada and Australia. Profiles will be prepared that include a summary of the vision, driving principles, how they work, what they deliver and lessons for Huntly. The projects could include Lamancha/ Lamancha and District Community Association; Shore Community Hub/Blairmore; Fauldhouse/ Fauldhouse Community Development Trust.

### Task 2.4: Huntly Hub: Options Paper (Week 3)

The short Options Paper will use the outcomes from Tasks 1.2 & 1.3 to clearly define the purpose of the Huntly Hub, what is meant by the concept, and the options for realising it in Huntly. The paper will:

- Summarise the purpose
- Identify the fit with other facilities and services available in Huntly
- Local business space market: supply & demand
- Revenue streams
- Added value and benefits
- Risk
- Decision-making process

### Task 2.5: Huntly Hub: Development Workshop with HDT (Week 4)

DWA will facilitate a Development Workshop with HDT to review the Options Paper and use the decision-making process to arrive at an agreed preferred Huntly Hub option that would be developed in the next task. HDT may conclude at this stage that no option is worth taking forward. The Hub sub-study would then end at this stage.

### (Optional Tasks 2.6 & 2.7):

#### Task 2.6: Develop Preferred Option: Assess Sites/Premises & Community Workshop (Week 5)

Based on a positive outcome from the HDT Workshop, we would develop the preferred option further. The aim will be to identify the process, activities, timescales and costs of realising the option. A short selection of 2/3 sites and properties would be assessed if a property-based solution is identified.

As part of this task a Workshop/Drop In Event will be facilitated with the Huntly community and the results will be fed into the business planning process.

#### Task 2.7: Huntly Hub: Outline Business Plan (Week 5-7)

Based on a positive outcome from the first five tasks, working with HDT we will draft the Huntly Hub Prospectus and Outline Business Plan. The main sections are likely to be:

- Summarise the purpose Government/ local policy context
- Contribution to existing strategic plans and local priorities for Huntly like Town Sustainability Plan
- 'Need' and Market Research analysis: supply & demand side



### Concept: Preferred Scheme

- Vision for the Huntly Hub
- Mission statement: need that project addresses
- Key aims and objectives: short, medium & long
- Why the project is required & who benefits from the project
- Fit with priorities and aims of SG Economic Recovery Plan & Community Empowerment Action Plan and Big Lottery Fund/ Growing Community Assets Programme and other strategies
- Location: site/property: if a preferred location emerges we could procure concept drawings from a local architect but *this has not been budgeted at this stage*

### Key Components

The summary market testing will include assessing demand and competing supply for other potential 'ideas' like:

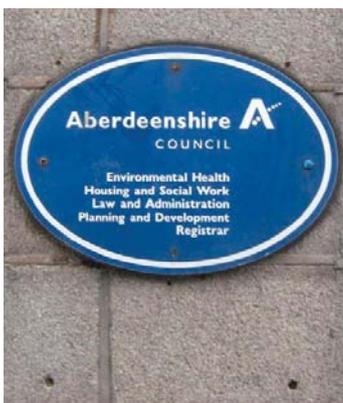
- Focus for retail: corporate & sports activity packages; cycling & walking
- Showcase for local products
- Heritage stop
- Cultural facilities: community & visitors
- Co-location of facilities and services
- Outreach activities
- Ancillary business space
- Arts and creative industries space
- Ancillary cafe provision
- Synergy with other initiatives including Community Planning Partnership and Town Sustainability Plan

### Economic Social & Environmental Benefits

- Potential social impact of the project and how that should be measured
- Wider community benefits
- Role supporting economic recovery & growth in Huntly
- Supporting Huntly businesses & attracting investment
- Contribution to long term sustainability
- Social & public benefits to the Huntly community
- Environmental benefits: possibly secure long term mixed use for a prominent town centre building

### Partners & Funding

- Funding matrix: private & public sectors
- Wider network involvement
- Key roles
- Capacity building
- Other sources of funding & additionality



## Business Plan: Financial Analysis: Costs & Revenue Projections

- User profile: occupier profile & revenue streams
- Outline capital costs
- Simple revenue/income & cost projections: three years
- Discounted cash flow, payback and internal rate of return
- Phasing & assumptions
- Risk analysis
- Sensitivity Analysis
- Specific project outcomes
- Overall potential financial viability

## Delivery & Long Term Management

- HDT's role
- Delivery of a self sustaining enterprise
- Governance
- Marketing & promotion
- On site management
- Staffing requirements & costs.
- Management/leadership & skills

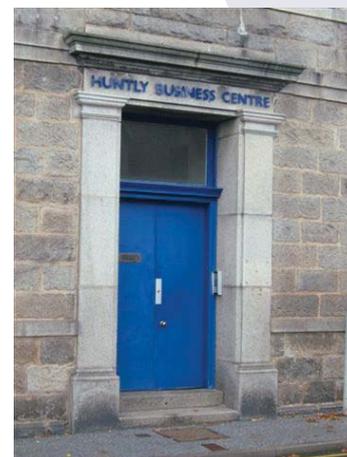
## Implementation Strategy

- Phasing
- Next steps
- Who does what?

## Social Accounting & Future Options Appraisal

- An estimate using Social Accounting (or equivalent method like Social Return on Investment Analysis) of the wider benefits for Huntly/ town centre of development of a Huntly Hub.
- Method for HDT to use in appraising future Hub options

A draft report will be prepared for HDT comments.



## PROJECT 2: HUNTLY RETAIL SECTOR: STRATEGY & ACTION PLAN

### Task 3.1: Huntly Town Performance & Healthcheck (Weeks 1-3)

The comprehensive healthcheck will use standard Key Performance Indicators and sources to identify the current baseline and needs of the town centre retail and evening economy sectors. This will include opportunities and barriers to regeneration of the Huntly retail sector. We will explore a wide range of issues including:

- Retail trends in North East Scotland
- Ground floor use/vacancies
- Desk-based review of demand statistics held by others e.g. Aberdeenshire Council
- The RGU Retail Study
- Quantitative data from any Public Local Inquiry on retail impact
- Retail development proposals

- Local property market: retail assessment; business; commercial leisure opportunities
- Business development dynamics
- Employment trends
- Leisure and cultural activities: evening economy
- Tourism trends and potential
- Social exclusion
- Economic development initiatives
- Marketing and promotion vehicles.

This will include a survey of ground floor use in Huntly to identify patterns of use and vacancies.

In addition a 'gap analysis' of Huntly's current retail offer to confirm national retailers with smaller store formats who are not currently represented but who might be targets and their requirements (list of retailers to be provided by HDT).

### Task 3.2: Retail Business Interviews (Week 4)

To develop a greater understanding of the issues facing local retail businesses we will conduct up to 14 interviews with a cross section of businesses in Huntly.

### Task 3.3 Market Research: In Street & Telephone Interviews (Weeks 3-4)

IBP believes that in-street and / or telephone interviews would be an appropriate interviewing approach. In-street interviews have the advantage of being more cost-effective due to the greater numbers of interviews that can be achieved per interviewer day and they also allow for the use of visual prompt material where needed. However, in this case, in-street interviews would only capture individuals who are users of Huntly Town Centre and not those who are non-users or only occasional users. For this reason, we would propose that some mix of in-street and telephone interviews be undertaken.

IBP have assumed a sample size of 200. For indicative purposes, based on a 50% estimate and 95% confidence level we can say that the confidence interval associated with a sample of this size would be + / - 6.9%.

This sample would include 100 in-street interviews and 100 telephone interviews. The sample sizes could be increased and this with the impact on the total costs could be discussed with HDT.

As questionnaires are completed they will be input into a computer using the SNAP statistical package (the alternative of SPSS is also available). This allows for comprehensive cross-tabulation of data to be produced, covering issues such as:

- Category of respondent
- Location
- Gender
- Age
- Household type
- Previous visits to Huntly Town Centre and so on

### Task 3.4: Best Practice (Week 4)

We will undertake a best practice review to identify four relevant case studies/ examples of small towns that have been successful in regenerating their retail sector. The examples could include:

- Particular independent retail initiatives and themes
- Castle Douglas/ Food Town: Dumfries & Galloway
- Peebles: Top Independent Retail Town: Borders



- Ulverston: Market & Festival Town: Cumbria
- Barga: Tuscany, Italy

### Task 3.5: Huntly Retail Sector: Future: Strategy Development Workshop (Week 5)

Based on tasks 3.1 to 3.4 a Huntly Retail Sector Futures Strategy Paper will be drafted that will form the basis for a Development Workshop with local retail businesses and HDT. The Workshop will:

- Brief the retail businesses and community representatives on progress
- Report on the results of the healthcheck, consultations and business interviews
- Undertake a scenario planning discussion that includes the opportunity of reimagining the huntley retail offer
- Use the opportunity of **reimagining retail in Huntly town centre**
- Confirm the emerging preferred retail vision and strategy principles for Huntly
- Identify areas of consensus and conflict
- Identify and evaluate funding and delivery options
- Build consensus on a preferred way forward.

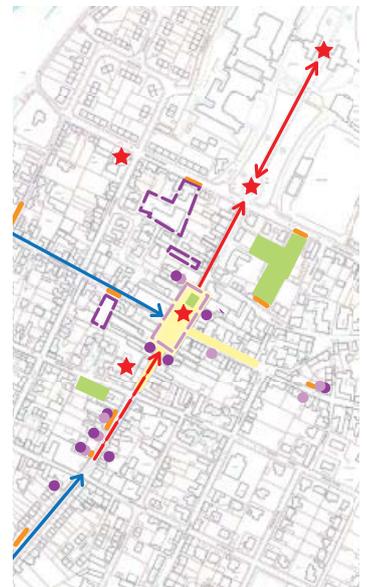
One part of the workshop will operate as a 'vision building' exercise to allow participants to develop their own ideas of the emerging priorities.

### Task 3.6: Huntly Retail Strategy & Action Plan (Weeks 6-9)

The existing research findings will be drawn together to identify preferred principles for draft retail strategy and action plan for the Huntly retail and evening economy sectors. The key themes and priority projects over the short (1-2 years), medium (3-4 years) and long term (5 years) will be identified. The Action Plan will include prioritised recommendations and identify possible sources of funding and next steps. In each case there will be a clear explanation of **how and why the selected interventions will lead to the desired outcomes**. Initial projects and programmes to be developed would include:

- Prospectus to fill identified gaps; including specific national multiples
- Initiatives targeted at independent retailers & life-style businesses including retail doctor & retail master classes: advice, training and skills development
- Retail start-up businesses initiative targeted at youth/women e.g. Retail Rocks
- Community based retail initiatives to promote a network of social entrepreneurs
- Role for HDT and possibilities of generating income from the process including potential of own retail outlet
- Vacant retail property initiatives
- Opportunity to promote a Business Improvement District
- Evening economy proposals
- Tourism proposals
- Improved public transport linkages, parking, pedestrian & cycle routes
- Additional events and festivals
- Marketing and promotion

A draft report will be prepared for HDT comments.



## PROJECT 3: FLEXIBLE WORKSHOP SPACE : STRATEGY & ACTION PLAN

### Task 4.1 Workshop Space: Interviews with Local Tradespeople: Demand Side Analysis (Week 6)

DWA will prepare an inventory of building and trades businesses: 48 are identified in the Huntly Business Directory. We will undertake 12 interviews with local trades people using the Huntly Business Directory and in discussion with HDT. The interviews will clarify demand for flexible workspace, if any, including type of use, size of premises, need for outside yard space, preference for purchase or lease, an indication of what they would be prepared to pay, timescales.

The aim will be to assess target market, market size and overall demand for flexible workspace by also using published statistics on economic activity, self employment, business birth and failure rates and through discussions with Business Gateway and Aberdeenshire Council's Economic/Regeneration Development Team.

### Task 4.2: Workshop Space: Supply Side Analysis (Weeks 7-8)

DWA/Riddel Thom will provide a brief assessment of the local property market, focusing on flexible workspaces and industrial sites. Discussions will be undertaken with local estate agents/solicitors and current providers of this space on the level and type of demand, rental, etc. The assessment will review existing stock and future supply of competing space, the local planning situation, surplus public owned property and any developments coming on stream.

The aim will then be to compile a short schedule that highlights capacity, occupancy specification, services, support and other facilities, rental terms and target markets. The schedule would relate to for example to a 'typical ladder business property' that would include pre start up, managed/serviced accommodation, freehold/leasehold: own front door or multi occupied space.



### Task 4.3 Local Case Studies & Parallel Developments (Week 9)

We will undertake a review of three local case studies that would include Islabank Mills at Keith to clarify target market, occupancy, terms and management. We will also identify relevant parallel developments that could be incorporated e.g. vocational training through private sector or Further and Higher Education providers and the Gordon Schools.

### Task 4.4: Flexible Workspace Strategy & Options (Week 10)

Based on tasks 4.1 to 4.3 a Huntly Flexible Workspace Strategy & Options Paper will be drafted that will form the basis for a Development Workshop with local tradespeople and HDT. The Workshop will:

- Brief the participants on progress
- Report on the results of demand and supply side analysis
- Discuss options for hdt to help meet any demand identified
- Confirm the emerging preferred vision for flexible workspace provision, principles and review the options for Huntly
- Review and assess specific sites
- Identify areas of consensus and conflict
- Identify and evaluate funding and delivery options
- Build consensus on a preferred way forward

#### **Task 4.5: Flexible Workshop Space : Strategy & Action Plan (Weeks 11-12)**

The report will include clear evidence based recommendations as to whether and how HDT should proceed with the project based on the research findings. The conclusions will be drawn together to identify preferred principles for draft flexible workspace strategy and action plan for Huntly. The key actions and project priorities over the short (1-2 years), medium (3-4 years) will be identified. The Action Plan will include recommendations and identify possible sources of funding and next steps and map out the process and timeline for the next steps.

#### **Task 5.0: Final Reports (Weeks 15-16)**

- i. Huntly Hub: Outline Business Plan**
- ii. Huntly Retail Strategy & Action Plan**
- iii. Flexible Workshop Space: Strategy & Action Plan**

A final report for all three projects (assuming the Huntly Hub option is progressed) will be prepared that takes on board HDT comments. A short final presentation will be prepared for the HDT Board.



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