Appendix 2

Perth City Centre
Customer and Occupier Demand Study 2024

Draft Report

May 2024

Perth City Centre - Customer and Occupier Demand Study 2024

1.0 Introduction to The Retail Group

1.1 Company Background & Credentials

The Retail Group has been developing growth strategies and economic action plans for ‘places’ (cities, towns, local centres, market towns, historic towns, and streets) for almost 30 years and is at the forefront of helping places to become ‘multi-purpose’ in offer and use. This includes expansion of the offers and experiences in towns as well as improving use and integration of existing assets. Giving consumers more reasons for being in and visiting a centre, creating stronger ‘places’ to shop, enjoy, use, live, work and visit.

Over the last three years, The Retail Group has developed comprehensive and coherent action plans to improve the performance, economy and prosperity of over 50 towns, locations and places. This period includes both pre, during and importantly post the Covid impacted and current economic pressured trading environment. It also includes detailed and multi workstream research studies that have identified the challenges, baseline performance, health checks and evidence base to direct individual town / location growth action plans. The research processes utilised enables the team to get under the skin of each location quickly and effectively, successfully engage with local businesses and stakeholders, understanding its individual future needs and developing bespoke visions, strategies and practical action plans for the short, mid and longer term.

In almost 30 years of providing support to the wider retail, city / town centre and ‘place’ sectors, we have helped the prosperity and sustainability of over 350 diverse locations across the UK to improved. The team has an unrivalled experience in developing, delivering and supporting the implementation of successful action plans and growth strategies. Included within the project team skill set is the awareness of the trends affecting how consumers choose to use town centres, and how places are evolving to meet the needs of consumers, businesses and demographic trends.

The Retail Group project team is at the forefront of helping places to become ‘multi-purpose’ in offer and use. This includes expansion of the offers, attracting additional elements, filing gaps, repurposing assets and providing the marketing and promotional content / direction to achieve the growth. Indeed, one of the current core aims for many places and the stated UKSPF objectives, to create and restore local pride and a sense of community in places has been a cornerstone of our work for almost three decades.

2.0 Project Overview

2.1 Project Background and Brief

The future health, vibrancy and appearance of Perth City Centre is important to the sustainable economic growth of the area. Indeed, Perth & Kinross Council is keen to ensure the future sustainability of Perth City Centre, to meet the needs of residents, businesses and visitors through the maintenance, repair, and adaptation of property for both commercial and public uses and services.

The most recent evidence on the Perth & Kinross retail market suggests that market consolidation, online expenditure and changes in working have impacted on existing use and local resident and visitor expenditure altering the case for growth of retail and commercial leisure use in the Perth and Kinross area and Perth City Centre in particular. However, evidence also suggests that whilst opportunities for overall growth has reduced, there remains potential to attract new speciality retail and leisure uses and formats linked with the area's catchment and visitor expenditure, customer profile and investment in new cultural uses and the creative sector. More regular performance monitoring and health checks consistently indicate that the city is performing better than national average in respect of vacancy rates and footfall.

The Council has commissioned a number of studies to enable the city centre and surrounding rural centres to provide stronger environments and experiences for consumers. The study completed by The Urbanists, providing the Design and Development Guidance for Perth, is setting out a series of visions and guidelines to create a collection of strong quarters across the city, providing comprehensive guidelines, principles and visions for urban development across many distinct areas, aligned with the potential use and experiences needed in those areas.

The Retail Group has significant experience of completing detailed studies looking to improve the overall offer and experience of the historic retail core of the city centre, and also the many rural centres within the Council's area. In 2017, The Retail Group completed a study that identified over 150 'missing' retail, hospitality and leisure brands / operators from the city centre, in comparison to peer group locations and in line with the Perth catchment and customer needs. Since then and accelerated by Covid in cities and towns across the country, the city centre 'retail' offer has gone through seismic change. All centres have had to adapt and evolve to be more multi-purpose in offer and use. The contemporary 'retail' offer includes a far more diverse range of uses, from catering, to leisure, from health to community services and from pop-up to visiting events and attractions.

In many ways, Perth is slightly ahead of the game with a strong cultural, arts, museum offer, as well as a strong independent food and beverage sector. The Council is keen to identify the gaps in the Perth City Centre offer, and then to identify how it should use the existing and expected vacant spaces to enable those gaps to be filled, with the aim of increasing the diversity of the offer and the appeal and usage of the city centre.

2.0 Project Overview

2.2 Project Objectives and Outputs

The project objectives are clearly defined as follows. They have been used to develop the bespoke approach and methodology for the study.

- Present evidence for potential future uses that represent a contemporary mix for city centres, e.g., leisure, catering, hospitality, services, retail, health, wellbeing, beauty, arts, culture, housing and commercial either in isolation or as part of mixed use development or on a temporary basis.

- To identify gaps in current city centre offer and appropriate uses for vacant units, underutilised sites and space within city centre, based on the needs of identified existing and future customer groups and of operators needs and property requirements.

The study should provide the following core outputs:

- Profiles of target future Perth city centre customers (residents, shoppers, visitors, workers and students) and their needs, quantified and mapped and profiled into readily understood groups.

- Identified investors and operators based on target customers and operators investment and property requirements.

- Indicative plans and databases of the city centre setting out potential operator interest, location and properties for targeting future investment in new retail, hospitality, leisure and other uses either in isolation or as part of mixed use development or on a temporary basis.

2.0 Project Overview

2.3 Project Approach and Methodology

The broad approach to the study includes making full use of the existing research, data and consultation completed for a wide range of recent and parallel studies. Our approach to identifying potential future uses is to look at the gaps in the wider Perth offer and to identify what is missing from the city centre, across the full spectrum of contemporary and typical centre uses in similar benchmark cities and locations. Having identified the gaps through detailed customer needs assessment, robust research and stakeholder engagement, we then identify how the buildings can best be used to satisfy specific gaps, or indeed any combination of those gaps. The findings of the gap analysis, identification of missing operators, (including meanwhile, permanent, markets and events, cultural, tourist focused and heritage opportunities) will provide a future uses assessment and operator / occupier identification.

The core workstreams of the study are set out below:

1. **Immersion -** Detailed project planning, additional information requirements (on top of existing database of information), stakeholder contact details both internal and external. Latest regeneration plans and proposals for city.
2. **Information and Policy Review -** Detailed review to extract all relevant data, distilled into report ready content and direction for conclusions and outputs. Focus on customer groups, their needs and aspirations to provide input into gap analysis and opportunities assessment. Desk based review of current Council policies and development / regeneration plans for the city and city centre.
3. **City Centre Review -** Updated place reviews of city centre, looking at wider offer and experience to identify gaps and opportunities.
4. **Vacant Premises Review -** Key part of developing the database of information, this will provide the visually accessed information about units.
5. **Stakeholder Reviews -** Review of existing research into business views and aspirations for the places included in the study.
6. **Creation of Vacant Property Database -** By centre, with input from local agents, owners, advisors, to include constraints and operational parameters. Database includes known qualitative data and the quantitative information about potential opportunities (based on gap analysis).
7. **Output and Deliverables –** Identification of customer demand, and the potential to fill gaps in the offer, overlaid with occupier demand, including the rationale behind identified uses for locations, aligned with current and future vacant space.

Policy and Wider Context

3.0 Policy and Wider Context

3.1 Introduction

This section of the report provides a broader policy context to the granular investigation of customer needs and gap analysis to drive the repurposing and adaptation of vacant premises across the city centre an in rural centres.

Furthermore, it demonstrates how the filling of vacancies will support the Council in its delivery and achievement of many of its policy goals and corporate ambitions.

The study does not attempt to extract every example of policy or to identify how every policy can be supported. The many policy and aspiration documents are far too detailed and extensive. The council's website lists 13 strategies under the 'Key Corporate Strategies' heading, covering aspects from financial strategies to digital and risk management.

The focus is on a selection of the core strategies, policies and stated corporate objectives, that have visible focus on city / town centres and the sustainable offers they provide.

In particular, the study has looked at

- Perth City Plan V3 Perth 2040
- Perth and Kinross Corporate Plan
- Perth and Kinross City and Town Centre Retail Study 2022.

Perth City Centre - Customer and Occupier Demand Study 2024

3.0 Policy and Wider Context

3.2 Perth City Plan V3 - Perth 2040

Perth City Plan V3

Developed by Perth City Development Board. Private / Public partnership including business leaders and Council officers / members

'… we need to transform and modernize our city, while protecting and celebrating the qualities that make it a special place'.

The most successful cities will be those that prepare for change, have the flexibility to adapt and the courage, when necessary, to reinvent themselves.

The changing role of city centres is identified as one of the eight challenges Perth faces, aspects of the other seven are also relevant to a changing and sustainable city centre (and local rural centres).

Shaping a growing city is priority one (of six), requiring good growth and placemaking. Aspects identified include:

- Tourism and cultural heritage
- Enhanced tourism and use of the river
- Improved transport and connectivity
- A revitalised people friendly city, diverse retail and commercial uses, culture lead transformation and streets for people.

Revitalising the city centre is priority four (of six). Aspects listed include:

- New retail and creative uses
- Enhanced use of space for hospitality, markets and events
- Enhanced public realm
- It references Altrincham, which has benefitted from a pro-active curated programme of activity.

Population growth, inclusivity, employment growth, increased visitor activity are all themes that an improved offer will support.

3.0 Policy and Wider Context

3.3 Perth and Kinross Corporate Plan

Vision: Perth and Kinross where everyone can live life well, free from poverty and inequality.

The Corporate Plan has seven key priority areas, as shown in the adjacent diagram. Within each, there are key objectives and delivery actions. A selection of the relevant statements are listed below.

- Support and promote business growth, business and place innovation and investment in both our urban and rural areas
- Promote what our city and towns have to offer to businesses, investors and tourists
- Capitalising on built and natural heritage and assets such as the new Perth Museum and the benefits to the whole area of Perth's status as UNESCO City of Craft and Folk Art
- Communities are resilient, physically, digitally and socially connected
- Improve health and wellbeing in Perth and Kinross
- Establish locality multidisciplinary teams.

3.0 Policy and Wider Context

3.4 Perth and Kinross City and Town Centre Retail Study 2022

Perth and Kinross City and Town Centre Retail Study 2022	A comprehensive report of circa 144 pages plus appendices including a detailed 1,000 home household survey (referred to later in the report). It contains much that is relevant to the customer, occupier and property study, a few key points are listed below.
Detailed retail needs and policy directing study completed by planning specialist CPW Planning and with support from TRG	- There is a need to move on from retail-led city and town centres towards more multi-purpose destinations in their offer, use and experience - Future performance and recovery will much depend on how each centre adapts to future changes and remains relevant and attractive to shoppers and other users - The health of Perth City Centre includes a number of challenges, which are similar to many places of similar stature across the country - There needs to be pro-active work to fill / repurpose historic retail units - Perth City Centre continues to have the qualitative potential to expand its offer and customer appeal, through adding to its retail, catering, leisure and service offers, and adding more variety to its overall city centre experience - There is no quantitative ‘need’ to plan for new comparison goods floorspace and there will be a need to consider the contraction / repurposing of such floorspace and how the area’s city and town centres should adapt and diversify to secure their vitality and viability - The need for Perth City Centre to be more multi-purpose in its offer and provide consumers with a range of physical uses and experiences - An important theme will be space sharing and identifying opportunities for repurposing (or redeveloping) redundant or under-utilised retail spaces.

3.0 Policy and Wider Context

3.5 Other Place Related Policies

Placemaking Guidance **Developed by the Council to help shape design and development, improved streetscapes and better customer experiences**	Document emphasises aspects such as - Embracing 'Safer by Design' principles, fostering 'eyes on the street' and active frontages - Inclusion of community facilities within the city centre, such as health and dental services, community halls, and recreational spaces - Introduction of new and improved shopfronts, advertisements, and signage, as outlined in the design guidance - Implementation of new infill development in gap sites, optimising available spaces for community use and enhancing the overall cityscape.
The Big Place Conversation **Ongoing public consultation and engagement**	The engagement identified five key issues including one dedicated to Perth city Centre maintenance concerns. Issues identified included: - Perth City Centre exhibits signs of neglect, including examples of unsafe structures, dereliction and uncared-for spaces, this is seen as having a negative impact on behaviour - High ground floor vacancies impact the overall attractiveness of the city centre and there is a desire to repurpose empty properties and use vacant units for community purposes and housing within the city centre. Other issues include: - There are concerns about potential direct and indirect threats to popular services (including library and leisure facilities), prompting a need for their safeguarding - There is a pressing need for affordable housing, with emphasis on smaller homes/units for both older and younger demographics. Suggestions include the use of micro homes to address the housing needs of homeless individuals.

Customer Groups & Future Needs

4.0 Customer Groups and Future Needs

4.1 Introduction

In this section of the report, the study focuses on the future needs of the various Perth consumer groups and how that will drive the future mix and offer of Perth City Centre.

There is considerable available information about the Perth and surrounding area resident base and other potential customer groups, from the very recent and current Perth Retail Study, tourism and visitor reports, NOMIS workforce data, through to historic CACI resident lifestyle profile analysis. The report does not attempt to replicate all of the information from every source. The aim is to provide an overview of the size, scale and type of potential customer groups in order to provide a summary of their likely needs and expectations from the city centre.

This section looks at four distinct (and possibly overlapping in terms of needs / future usage) groups:

- Residents, the wider resident population of the catchment area (note catchment areas are typically different to that of the Council area). Using current and recent report information to provide input.
- Tourists to the region, using information from tourism and visitor studies such as STEAM reports and other dedicated Council studies.
- Workers, using information from NOMIS and other Council sources.
- Students, using information from Council and education providers.

The section concludes with an overview of the likely future needs of the identified customer groups.

4.0 Customer Groups and Future Needs

4.2 Resident Catchment Base

The recent 2022 Perth Retail Study, included an extensive household interview study of over 1,000 households spread across the 5 zones shown in the top diagram on this page.

That study asked households for their usage patterns (and opinions) of Perth and other rural centres throughout the Council area. Based on the household survey the 2022 Retail study identified an area catchment population of circa 206,000 in 2022, with a forecast growth figure of circa 214,000 by 2037.

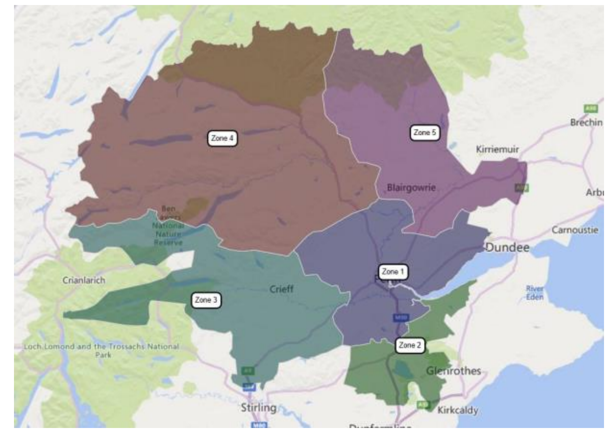
This is a very good size customer base for the city and the wider rural centres to draw on for visits to the centres.

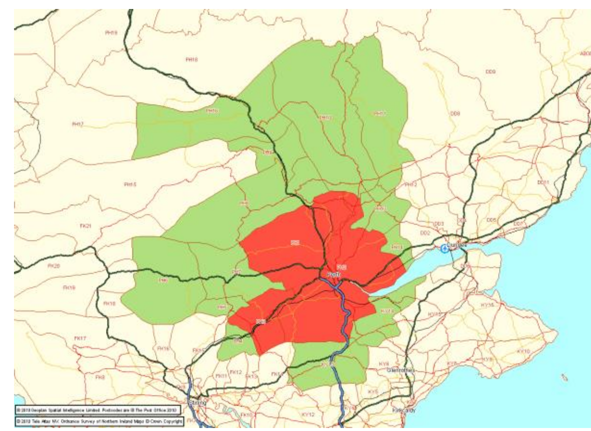
The second diagram shows the results of an extensive city centre postcode capture exercise completed as part of the 2017 Retail Needs Study. This captured the postcodes of over 700 shopper / visitors in Perth City Centre. At the time it identified a catchment population for the city of circa 150,000 (based on 2011 census), with a future post growth figure of circa 190,000.

At the time the size and shape of the catchment area reflected those defined by Experian for earlier studies in 2013.

Notwithstanding variations in scale across the two diagrams, and that one is for the city centre and other rural centres, whilst the other is for Perth City Centre, there is clear consistency in the broad area of influence for the city and rural centres.

The latest catchment population figures do indicate a substantial customer base to draw on, 206,000 residents across the wider catchment area.



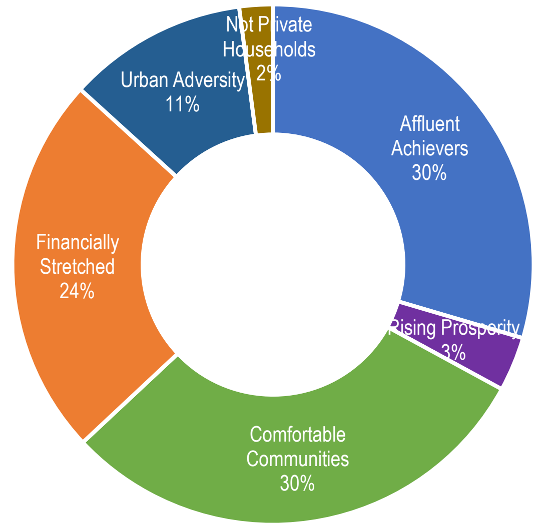


4.0 Customer Groups and Future Needs

4.3 Resident Lifestyle Information

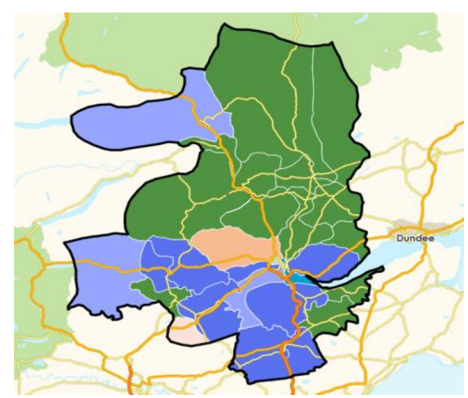
In addition to the information on the quantum of the resident catchment base, the study can also draw on previous lifestyle information about the nature and attributes of the residents. Whilst Perth has seen good growth in housing development and the arrival of many new residents over the last 5-10 years, the numbers still account for a relatively small percentage of the total population, as such the overall makeup of the customer base is unlikely to have fundamentally changed. The areas that have seen change will be predictable given the nature of the new homes built and the types of residents occupying them.

The 2017 study looked at the profile and lifestyles of the Perth catchment in detail. The diagram summarises the overall mix of residents.



Broadly 60% of the catchment are comfortable to affluent, a quarter are more value oriented in their outlook and circa 10% are those financially struggling. Perth is above GB average for the more affluent and below it for those struggling.

In terms of distribution the more affluent lifestyle groups are shades of blue, the green are middle of the road and the buff / pink are the more deprived areas.



The Perth customer base is also described as:

- Historically, high spending on convenience, comparison & catering
- High propensity for eating out / visiting cafes
- Typically, slightly older profile and / or families with younger children (with clear growth in this part of the demographic with new homes coming on stream.

4.0 Customer Groups and Future Needs

4.4 2022 Retail Study Household Survey Findings Extract

The recent (2022) household survey completed as part of the Perth and Kinross Council Retail Study, provides additional information regarding the current usage patterns, likes, improvement areas and general visit patterns for Perth City Centre.

In this section the study has looked at the findings about Perth City Centre. The findings are listed in the table below. Where zones are referenced, these relate to the survey distribution areas, as shown on plan on page 14.

Question / Topic	Perth %	Comments
Location used most for non-food shopping? - Clothing and shoes - Health, beauty, chemist, cosmetics - Books, jewellery, china, glass, kitchen, recreational and luxury	 51% 33% 55%	Zone responses vary, Zones 1 and 4 are higher. Zones 2 and 3 are lower, zone 5 much lower, Zone 5 favours Dundee, Zone 3 Stirling Some categories have Perth as the main destination
Visit frequency to Perth?	35% weekly plus 30% monthly plus 23% less often 11% never	Perth is also the **most often visited location** for 55%, Dundee is zone 5 at 38% Zone 1 for Perth is 79% Zones 2,3,4 are circa 27% - 35%
Compared to Pre-Covid what is your visit pattern?	56% are the same 35% visit less 8% visit more	City centres are typically visited same / less Local centres same / more St Catherines is circa 90% less
Method of transport to access main centre?	75% Car	Car access is key, and therefore car user facilities
What activities do you do during a visit?	53% non-food, 50% food 23 services, 11% browse 21% café, 13% restaurant	Looking at Perth specific visits the café, restaurant and browsing are all a little higher

4.0 Customer Groups and Future Needs

4.4 2022 Retail Study Household Survey Findings Extract cont'd.

Question / Topic	Perth %	Comments
What do you like about Perth?	25% Close to home 28% Shops 9% Cafes	Not particularly strong likes, lots of different responses all with low percentages
How would you rate Perth for (responses listed Good, Average, Poor) - Range / choice of shops - Quality of shops - Town centre environment - Parking availability	 6 – 51 – 41 20 – 61 – 18 22 – 52 – 25 28 – 47 – 16	Perth is viewed as 'average' for most factors Range / choice of shops also has a strong poor response Town centre environment is middling Parking availability is favouring good
In terms of improvements required, more shops of various types are wanted.	22% more shops 11% fewer vacancies	17% more high street names, 12% more independents 10% more clothes shops, 8% better quality
Evening visit frequency?	26% weekly plus 10% monthly plus 24% less, 39% never	
What do you visit of an evening?	42% café / restaurant 25% pub 13% theatre 13% cinema 10% meet friends / family	The key area for improvement for evening is Café, Restaurant, pub at 13%

4.0 Customer Groups and Future Needs

4.4 2022 Retail Study Household Survey Findings Extract cont'd.

Question / Topic	Perth %	Comments
Where do you visit for the following other city / town centre uses? What else prompts you to visit Perth City Centre?	12% Gym 50% Pub / bar 57% Café / Rest 33% Parks 30% Cinema 19% Theatre 11% Concert 50% Museum, culture, history 38% Events	Bannatyne at St Catherines is 17% South Inch 10%, North Inch 12% Murray Street Cinema 30% Perth Theatre 27% Perth Concert Hall 34%, Glasgow 35% Edinburgh 19%, Dundee 15% Glasgow 27%, Edinburgh 10%

Resident Survey Summary

The findings of the survey provide clear insight on how and why the city centre is currently used by the catchment area.

Despite the identified areas for improvement, the city remains a key destination, for all residents in the household survey area, for many of their retail, social, leisure and service needs.

Unsurprisingly in some zones which are also close to competing centres, those centres attract potential Perth visitors.

The findings provide clear direction into the future needs of the city centre, how to improve its offer and appeal.

A stronger retail offer is one aspect to address, however there are opportunities to improve the leisure, hospitality, community and social elements of the city centre offer and experience.

4.0 Customer Groups and Future Needs

4.5 Nomis Labour Market Profile, General Demographic and Business Headline Statistics

The following section provides and overview of headlines statistics in regards Business in Perth and Kinross (source ONS, 2022 -2023 data)

- Total Borough resident population in 2021 was 153,800
- The number of economically active people is 75,200
- 78.9% of population is economically active (above Scotland average of 77.9%)
- Major occupation groups are as follows

Employment Occupation Category	Number	Percentage	Comment
Managers, Directors, Professional and Associate Occupations	44,100	60.4%	Above Scotland (50.4%)
Administrative, Secretarial and Skilled Occupations	14,200	19.4%	Above Scotland (18.9%)
Caring, Leisure, Service and Sales / Customer Service Occupations	7,400	10.1	Below Scotland (15.4%)
Process, Plant, Machine and elementary Occupations	7,400	10.1%	Below Scotland (15.3%)

- Unemployment (February 2024) was 2.2% for Perth and Kinross, Scotland 3.1% and GB 3.8%
- The business count figures (2023) showed a total of 6,120 enterprises of which 87.6% were micro businesses, 10.6% are small businesses, employing between 10 to 49 people. There are 95 medium businesses, 1.6% employing 50 to 249 people and 20 large businesses employing over 250 people. All broadly in line with Scotland figures.

4.0 Customer Groups and Future Needs

4.5 Nomis Labour Market Profile, General Demographic and Business Headline Statistics cont'd.

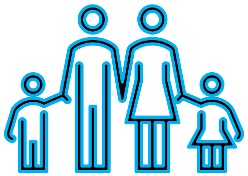
- The number of employee jobs for the Borough was 61,000, of which 42,000 are full time and 19,000 are part time.
- The gross weekly pay figures are not provided in the latest NOMIS report, no explanation given.
- The 2022 Property Market Analysis Report completed by Ryden provided information from the 2022 NOMIS database showing:
  - Gross weekly pay by place of work £632.7 for Perth and £622.4 for Scotland.
  - With gross weekly pay by place of residence for Perth of £574.9, and Scotland at £622.
- Employee jobs by industry are as follows (major categories only reported):

Sector	Number	Percentage	Comment
Wholesale and Retail Trade, Repair of motor vehicles	9,000	14.8%	Scotland 12.9%
Accommodation And Food Service Activities	8,000	13.1%	Scotland 8.4%
Human Health And Social Work Activities	7,000	11.5%	Scotland 15.7%
Education	5,000	8.2%	Scotland 8.8%
Manufacturing	4,500	7.4%	Scotland 6.9%
Construction, and Public Administration / Defence / Compulsory Social Security – 4,000 each	4,000	6.6%	Scotland 5.7% and 6.5%

- The plans and proposals for the major Perth West regeneration initiative will impact on the employment profile for Perth for many years to come.
- Perth is and will continue to be a major employment centre and the workforce is an important customer base for the city centre.

4.0 Customer Groups and Future Needs

4.6 Visitor Information Summary



Introduction

In addition to the local customer groups of residents and workers, Perth and surrounding centres also benefit from being part of a major visitor destination.

The following information is drawn from the industry standard information source STEAM and from the Council supplied information.

The Steam Report is produced by industry specialists' Global Tourism Solutions (UK) Ltd for Perth and Kinross.

The information has been drawn from the 2022 report infographic summary

Visitor Numbers Summary

The 2022 report identifies an estimated 2.02m tourism visits to Perth & Kinross in 2022. The Pre Covid high was 2.43m, so there is room to improve.

Staying visitors account for 66.6% of visits and day visitors for 33.4%.

1.34m visitors stayed in some sort of accommodation within the area. This sector, as a whole, saw an increase of 53.5% compared to 2021.

Visitors spent an estimated 4.89m days in Perth & Kinross during 2022, an increase of 44.7% on 2021 and they are now just -6.7% below pre-covid 2019 figures.

The visitor sector is recovering, however the day visit numbers are coming back more slowly.

Visitor Expenditure

The value of tourism activity in Perth & Kinross was estimated to be £646.5m in 2022 (a substantial increase of 71.7% on the previous year). In comparison, the area's visitor economy was worth £641.8 in 2019, so the economic impact of tourism is just fractionally above pre-covid levels at 0.7% for the first time since the pandemic affected tourism activity.

The largest visitor spending sector was accommodation (£172m), followed by transport (£107m), shopping (£82m), and food & drink (£128m). In 2022, the area's day visitor market accounted for just 7.0% of the value of tourism activity at £45.5m, -18.6% below pre-covid economic activity.

4.0 Customer Groups and Future Needs

4.6 Visitor Information Summary

Wider Tourism Economic Expenditure Benefit

The Cambridge Model also identifies additional expenditure benefit accrued through the tourism and visitor economy from two areas:

- Supplier and non trip induced expenditure
- Employee expenditure.

The total direct economic impact comprises the expenditure of visitors on goods and services, totaling £463.5m. Further to this, indirect and induced economic effects of local businesses and residents spending tourism revenues locally, were estimated to account for a further £183m, together totaling £646.5m.

Visitor Economy Employment

The report provides information on full time equivalent jobs, which typically result in higher numbers for actual jobs, accounting for part time and seasonal jobs. The model also factors in both indirect and 'induced' jobs resulting in supplier activity and employee spend activity.

The expenditure and activity of visitors to Perth & Kinross supported a total of 8,124 Full-Time Equivalent jobs (FTEs) in 2022; an increase of 35.2% on the year before.

Total employment includes the jobs generated by the expenditure of visitors on goods and services, totaling 5,724 FTEs, and the indirect and induced employment supported through local businesses and residents spending tourism revenues locally, accounting for a further 2,400 FTEs.

Summary

Perth and Kinross tourism sector is a positive contributor to the local economy.

It is producing circa £463.5m of direct revenue, much of which (£210m) goes to the local retail and F&B sectors.

With the associated expenditure this rises to circa £646.5m of expenditure.

The sector is also a major employment area supporting an estimated 8,124 jobs.

The visitor sector is heading back pre Covid levels, and in some aspects is already ahead of it.

The recently opened Perth Museum will add to the number of day visitors and provide staying visitors with another reason to visit Perth City Centre

Place & Vacant Property Review

5.0 Place and Centre Vacant Property Review

5.1 Introduction

The core centre and the focus for the detailed gap analysis and target future operators is Perth City Centre.

For the city centre the study has completed a wider ‘place’ review looking at the existing offer of the city centre, beyond the traditional retail components to understand the wider trip generators and reasons to use the centres. The findings have been used to inform a gap analysis and identify direction for potential future uses and or repurposing of existing ‘retail’ floorspace.

The reviews have also included a unit-by-unit assessment of vacancies, which have been recorded into a separate data base, providing information on location, size, neighbours, priority and indicative future uses. The database is available as an addendum to the report and can also be used separately as an ongoing place management tool.

For Perth City Centre the findings have been reported at street / area level.

5.0 Place and Centre Vacant Property Review

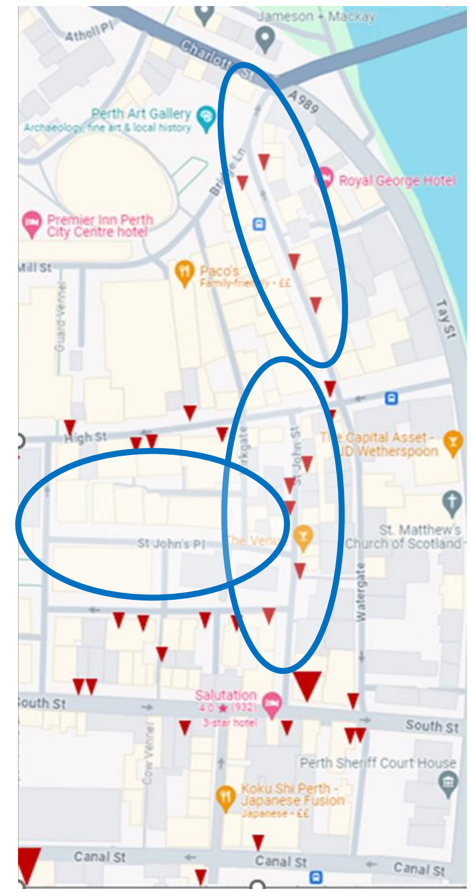
5.2 Perth City Centre - East

St John Street - This pedestrianised street forms part of the eastern boundary to the core city centre trading area. To the east is the River Tay, although it is not signposted or immediately visible. Watergate Street is also east of St John Street, however it is not a 'trading street' providing a poor customer environment and rear access to many businesses on St John Street.

The street has a pleasant environment, with many good quality businesses and well-maintained buildings. The street has dedicated branding and links to St John's Kirk, St John's Place and the High Street. The former Beales Department Store is a significant and very visible vacancy at the southern end. There are a small number of other vacant units, four in total, as indicated on the plan. The street does experience churn in occupiers, remaining an attractive / successful place to trade. Indeed, one local operator has opened a second larger unit. The street has easy access to the new Museum, car parking, High Street and other city assets. A mix of traditional retail and hospitality units. Upper floor occupiers include offices, residential and possibly vacant.

George Street - This is another street providing the eastern boundary to the core city centre trading area. A vehicle access street, that offer mainly independent businesses covering a broad spectrum of uses, traditional retail, office based, hospitality including a large hotel, Royal George an institution for Perth. Other uses include service provider estate agents, convenience / delicatessen foods.

The vacancies on George Street total four, including one that looks temporary. George Street provides links to Perth Art Gallery, Concert Hall, Mill Street, North Inch and the river front. It also connects to the inner ring road route. Despite the traffic the street offers a positive experience with offices and residential on upper floors.



PERTH & KINROSS COUNCIL

THE RETAIL GROUP

5.0 Place and Centre Vacant Property Review

5.2 Perth City Centre - East cont'd.

St John's Place - Consists of two pedestrianised streets which surround the new Perth Museum (now open since the time of the review, with a very successful opening exceeding the expected visitor numbers) and the St John's Kirk.

The north part of St John's Place is occupied by an established line up of food and beverage operators, including both bars, restaurants and combinations of the two. Throughout the redevelopment of the Museum these units have been able to keep trading, without any temporary closures to allow for building works.

The southern arm of St John's Place has been impacted by the extensive and important renovations leading to the creation of the new Perth Museum. This has resulted in the majority of this area being vacant.

Due to the Kirk and the Museum the businesses trade on one side of each of the arms.

The area is fully pedestrianised and works well for external seating, animation and activity. There are a few non active frontages, due to office access.

St John's Place also connects to the St John's Centre, the High Street and South Street. There are a few vennels, with active units linking to South Street.

It is the emerging centre of the city and the existing vacant units, currently five, will be occupied. The future use opportunities are varied, however with Museum, existing food & beverage and a central location, we anticipate a combination of more hospitality, Scottish crafts, artisans, producers, leisure and 'experiential' providers. The adjacent images are for the three streets in this sector.

5.0 Place and Centre Vacant Property Review

5.2 Perth City Centre - Central

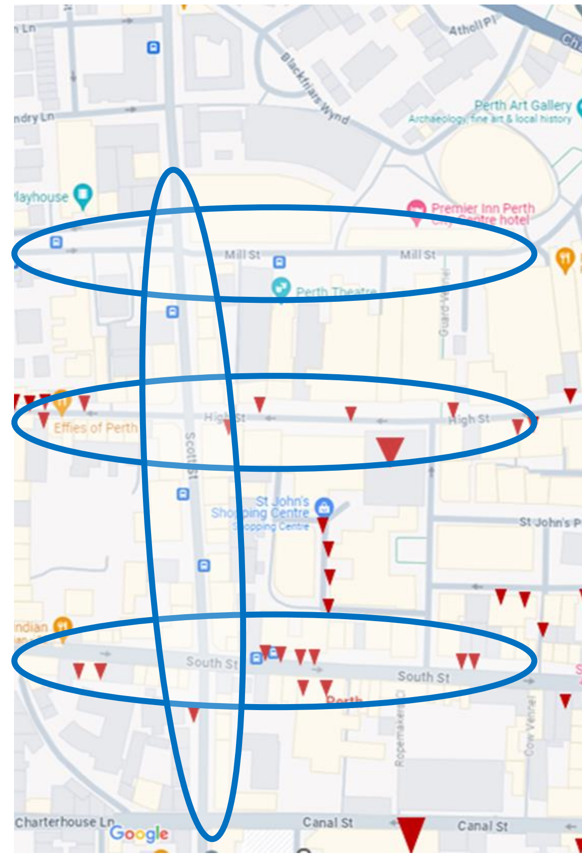
Mill Street - Forms the northern perimeter area of the core city centre area. In the 'central zone' it contains two parts, the eastern end from Kinnoull Street to the Perth Concert Hall is mainly a facilities street acting as a conduit linking various elements of an established cultural quarter, providing access to the Theatre, Concert Hall and Gallery. It also serves the rear of many of the leading multiple brands, M&S, Next, Boots and New Look.

There are a series of small car parks and a newly improved award-winning public realm. The northern side of the street includes a large non active frontage. The High Street is not promoted or immediately obvious. The western end of Mill Street includes the bus terminus area and a series of service, leisure and hospitality providers. In a less appealing public realm environment. There are no vacancies, except one at the top of Skinnergate, a vennel leading to the High Street.

High Street - is a pedestrianised street until the junction with Kinnoull Street. It extends to the river front, although the final buildings are not active frontages, and to Thimble Row Car Park. The central section extends to Methven Streets.

It includes 17 vacant units, with a cluster of six at Methven Street Junction. Vacancies are due to national closures and failed local businesses. Available unit sizes diverse. The main shopping centre St Johns is accessed at two points. St John's Centre has six vacant units, most of these are in one area, the South Mall.

The former Debenhams store is a large, high profile and very visible vacancy and we understand is likely to be re-occupied by a mixture of uses. Other units will remain as retail, or become hospitality, leisure or service providers. A strong street that will retain its appeal and footfall, in the central area. Many upper levels are occupied as residential or appear to be vacant.



5.0 Place and Centre Vacant Property Review

5.2 Perth City Centre - Central cont'd.

Scott Street - Runs north to south (combining with Kinnoull Street) and links three main trading streets, Mill Street, High Street and South Street. A busy street with lots of traffic. A wide thorough fare, making it difficult to shop both sides of the street as one.

Many buildings have occupied upper floors, as residential and some office. Many shop units are small frontages. There are lots of active trading units and very few vacant units (four), Notably clustered to the south of South Street. Established businesses, lots of service providers and regional independents. Little added attractions in the way of links to existing assets.

South Street - the major shopping street to the south of the core city centre. A wide street with lots of traffic, multiple lanes all in a single direction. Not a particularly appealing environment for consumers. It also provide lots of bus stops, clearly popular with shoppers and workers. Residential on upper floors.

South Street runs from the river to County Place and onto the station. It provides an access for cars to all parts of the city centre and many car parks. A visible part of the city offer. Lots of active trading units, covering all sectors and sizes.

It has an entrance to St Johns, the weakest mall, and vacancies around the entrance. There are 15 vacancies, several clusters, including around the former County Hotel. Future opportunities are diverse, from more retail, to leisure, catering / hospitality, services, more convenience (food) and more commercial or residential on ground floor. The public realm and customer environment needs to improve to lift the appeal of the street. **Canal Street** is south of South Street, only Matalan is an active 'retailer' and would better located in the core area.

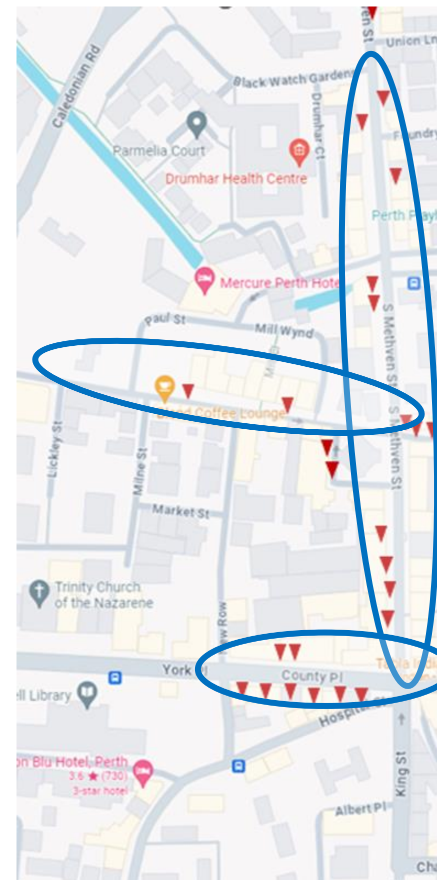
5.0 Place and Centre Vacant Property Review

5.2 Perth City Centre - West

Methven Street (North and South) - This is another north to south access street that links a number of the main cross routes and shopping streets. Whilst it contains many units, there are a couple of large non active frontages along the street. The units are typically small in size and below three-four levels of residential and or office accommodation. A busy vehicle street, wide road, narrow pavements. The area to the north of Mill Street is quite tertiary in offer and includes three vacant units, between High Street and South Street has the most units. A cluster of vacancies around the former bingo hall, four. With two-three more around the rear of St Paul's Church.

High Street (West) - This continuation of the core High Street area has a narrower street scape and a selection of smaller shop units, with some having improved shop fronts, only a couple of vacancies, in a street that has lots of health and beauty and service / convenience offers. The street leads to the large Thimble Row Car Park and onto St Catherines Retail Park, although it is unlikely to be used as pedestrian access to it.

County Place - This short street is an extension of South Street, eventually connecting with the station. As a result of the recent fire to the hotel on the south side, virtually the whole block is vacant, with six visibly vacant, including some large units. There are also a couple more vacancies to the north side of the street. Immediately to the west, York Place contains lots of hotels and accommodation, as well as commercial offices. This area could easily become a more commercial, office or residential area, with the few active offers relocating to a stronger location.



5.0 Place and Centre Vacant Property Review

5.2 Perth City Centre - Summary

Looking at the detailed granular assessment of Perth as a place and of the vacant units at the time of the review, the following key points can be drawn:

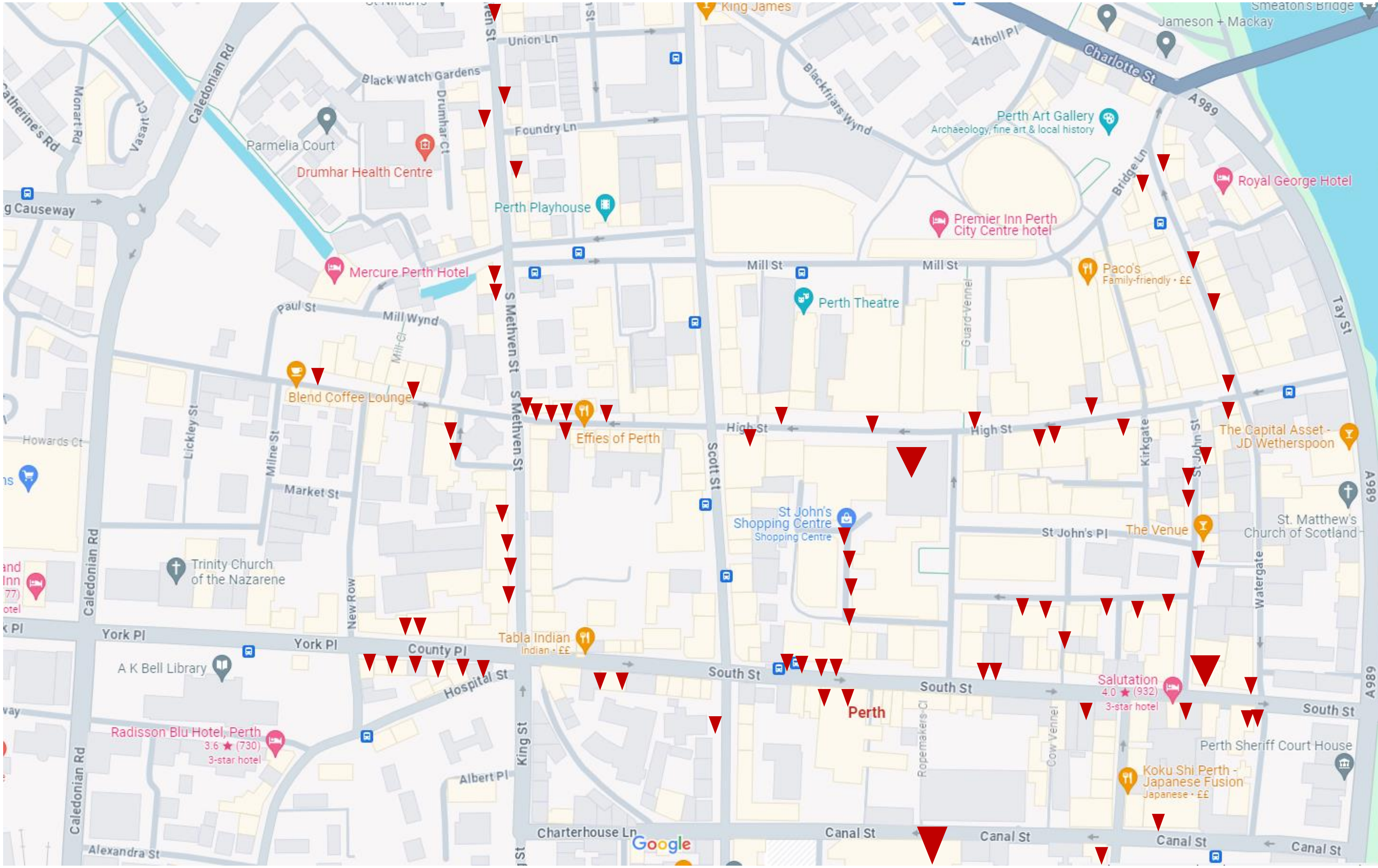
- Many of the key streets have lots of trading units.
- There 78 ‘on street’ vacant units, plus those in St Johns Centre (South Street end).
- There are clear clusters of vacant units.
- Some vacancies are in high profile / arrival points.
- Vacancies can be caused by other development / works.
- Some streets have strong sides and weak sides for occupancy.
- There are clear priority buildings / areas for action to occupy.
- Many small shop units have established residential above.
- Opportunities for complete building redevelopment are limited, certainly in the core area.
- Some areas need to be allowed, enabled, encouraged to become non-retail in focus and offer.
- The city centre has many existing core assets in place, often the ‘retail’ activity is not integrated, or visible from those assets.

The table overleaf summarises the situation for vacant properties across the city centre. The following plan shows where the vacancies are located.

Perth City Centre - Customer and Occupier Demand Study 2024

Street	Number of Vacant Units	Size Band (Small – Large)	Location Rating 5 – V good to 1 – V poor	Upper Floor Uses Observed	Property Priority Low to High	Potential Alternative Uses Ground Floor
St Johns Street / George Street	7	Med to large	3-4	Vacant / Residential / Commercial	High and medium	Retail, Leisure, F&B, Services, Hotel, Commercial
High Street	17	Varied from small to large	3-5: subject to position on street	Vacant / Residential / Commercial	High to low	Retail, Leisure, F&B, Services, Hotel, Commercial, Resi west end
South St Johns Place	5	Med to large	4	Vacant / Residential	High (Museum)	F&B, Leisure, F&B, Services, Hotel, Retail
North & South Methven Street	12	Small to med	1-3	Residential / Vacant	Low	Retail, Leisure, F&B, Services, Commercial, Resi
South Street	15	Small to large	2-3	Residential / Vacant	Low	Retail, Leisure, F&B, Services, Hotel, Commercial, Resi
County Place	9	Med to large	1	Residential / Vacant	Low	Redevelopment Hotel, Residential, Commercial
Canal Street	3	Large	1	Residential / Vacant	Medium	Not retail, Residential, Commercial, Hotel
Miscellaneous	9	Varied	1-3	Residential / Vacant	Low to medium	Retail, Leisure, F&B, Services, Hotel, Commercial, Resi

Perth City Centre - Vacant GF Properties February 2024



Businesses Stakeholder Input

6.0 Stakeholder Input

6.1 Introduction

This section of the study looks at the views of businesses as stakeholders.

The views of businesses have been extracted from the 2023 Perth City Centre Business Survey.

The views of residents have already been captured in the study as part of the earlier section on customer groups and their needs.

6.0 Stakeholder Input

6.2 Perth Business Survey and Engagement

In July of 2023, The Retail Group completed the latest in an annual series of business surveys of the businesses trading in Perth City Centre. We have been able to revisit the findings of that engagement to identify the businesses views on the collective needs and direction for the city centre.

Over 135 businesses took part and shared their views and aspiration.

The aim is to extract the findings that are relevant and helpful to the objectives of this study, rather than repeat the complete report.

- Being close to home and work are viewed as key visit drivers, as are social aspects, the catering offer, events and visiting specific stores / food store are strong secondary visit drivers.
- The leisure and evening offers do not appear to be major trip generators.
- Residents, tourist and visitors, local workers are important customer groups for many businesses (tourists are becoming increasingly important to more businesses). Although the contribution to sales can improve for circa two thirds of businesses.
- The vast majority plan to remain trading in Perth or expand. The majority are longstanding businesses, a quarter are new within last 5 years
- Majority of businesses are satisfied with their performance, a ratio of 3:1 satisfied to not satisfied. Not the same picture for the city centre
- Businesses would like to see an improved retail offer in the city centre, more shops, independents and brand names. They also would like the city to improve its non-retail offers, cultural attractions, events, markets and leisure offer. (note pre-Perth Museum opening)
- Lots of improvement wanted to the city appearance, ease of use, facilities. Stronger and more promotional activity across all media, and much better management of crime and ASB issues.
- One of the strongest sentiments to emerge is the need for more choice and variety in the city centre.

Trends & Best Practice

7.0 Emerging Trends and Best Practice

7.1 Introduction

A summary of recent trends has been compiled to provide an overview of the current, dominant trends affecting the retail sector and town / city centres. This is based on extensive reviews of published research, reports, articles and insight from industry leaders and our own project experience.

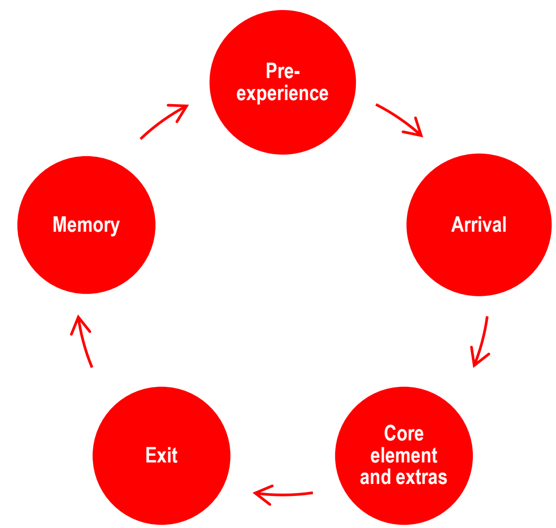
This is an established research workstream, being originally included in study reports pre-Covid.

This broad research approach has enabled us to collate the views of a wide audience from industry leading bodies such as the ATCM, BCSC and Institute of Place Management; to research and insight specialists including Deloitte, PwC, Dunnhumby and McKinsey; to retail property and planning specialists, government bodies and other industry specialists.

The retail landscape has and continues to evolve and change – it remains in a state of flux. A clear understanding of what is, has and continues to drive change will help underpin a future successful town / city centre strategy. Covid has accelerated many of the trends that were already evident.

Going forward the ability for places to adapt and react quickly and readily to these changes will be one of the keys to future success. Humans are social animals. Towns and cities will continue in the future to play an essential role in encouraging consumers to meet, eat, shop and play.

One aspect that is clear is that the ‘experience’ provided by a place is one of the key factors in determining how and when it is used and visited.



Experience includes all parts of the customer journey.

Need for review, improvement and monitoring of all key stages of the visitor experience

7.0 Emerging Trends and Best Practice

7.2 Consumer Trends

Consumer behaviour continues to change at a rapid pace. Consumers are demanding ever increasing ‘convenience’ with shopping an ‘easy’ experience and “when it suits me”. Consumers want and expect to be able to buy anytime and anywhere.

Aldi and Lidl have reminded us of the benefits of ‘shopping around’ and not just for convenience goods, but in a general search for ‘value’. Big food stores have also, in many ways become ‘too big to shop’ and food operators preferring the right size store for the right sized market.

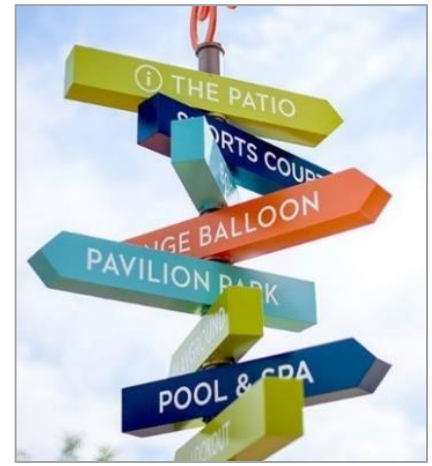
Whilst a great many independent businesses were negatively affected by the Covid Pandemic, those that adapted and responded, continued to provide high levels of service have thrived. Consumers are more aware of choosing local and independent businesses

IKEA and Decathlon and other home / lifestyle brands opening small format stores responding to the consumer need for ease and convenience but also for smaller, specialised curated offers.

‘Ease of shopping’ extends to the full range of facilities in town / city centres, including ease of access, information provision, car parking and adjacencies / connectivity. The boundaries between shopping and leisure are becoming ever more blurred, with opportunities to combine leisure, eating and drinking and to ‘make a day of it’ adding to the appeal of destinations.

Consumers are increasingly looking for meaningful experiences and personalisation; human interaction also remains an important factor.

Consumers, even though overloaded with technology, are still visiting shops. Understanding your customer base; anticipating what customers want and providing it to them is at the heart of any town or city centre proposition.



Connected experiences in multi-purpose locations are a clear consumer trend

7.0 Emerging Trends and Best Practice

7.3 Retailer Trends

The Covid and economic pressures have fundamentally shaken the pillars of retail dynamics, especially in large town and city centres.

Retailers, service and food & beverage operators are more flexible when choosing new markets, be they re-occupied units, re-purposed units, subdivided units and even the occasional new unit!

There are also new players on the scene as on-line only operators are seeing the benefit their brand of physical stores. Retailers are increasingly exploring diversity in both store formats and retail channels. Large format store brands opening smaller stores and small shop brands are expanding sizes.

What is the new multichannel? - It's best described as an emerging mix of all formats; town / city centre, online, mobile, home delivery, click and collect and out of town. The most successful retailers offer the full set.

F&B is now an integral part of any place offer. F&B and leisure are a very important role in the appeal of town / city centres, enhancing the visit experience 'beyond retail'. This leisure role also provides another aspect of the 'multi-functional town / city centre' and thereby an additional reason to visit, while extending dwell time and encouraging social interaction, with a direct impact on Nighttime Economy planning.

Service providers, particularly beauty and personal grooming are also expanding in town and city centres.

One of the strongest growing sectors is the reuse and repair sector, with consumers demonstrating a keenness to stretch the extra mile out of a product. With many brands now offering repair / recycle.

Public realm planning for connected experiences in multi-purpose locations (and NTE uses) are essential

7.0 Emerging Trends and Best Practice

7.5 What it Means for Major Retail Centres

The focus going forward is less on ‘retail’, with town and city centres becoming multi-functional with a more diverse offer. The right type of catering, food and beverage, service and associated leisure offers is key to healthy town / city centres. Diversity of offer is expanding beyond traditional commercial activity, to meeting spaces, community hubs, start up support, hotels, active and passive leisure. In town living and facilities for home / workplaces.

The leisure sector is also expanding and segmenting in the same way that the F&B market has segmented itself into many diverse themes and formats. Town centre leisure offers are now more than a multiplex and a selection of fast casual / family catering brands. The leisure offer includes active and passive, free and paid for elements. Operators such as gyms, cinema’s, boutique cinemas, modern themed crazy golf, simulators, escape rooms, kids play, toddlers play, air parks, table tennis, community meeting space, social, health and well being, reading rooms, bowling, ice and roller-skate facilities are all increasingly taking space in towns and in centres.

Centre ‘content’ will continue to change and evolve, with ‘content’ much more than just shops and businesses - environment, markets, events, leisure, facilities, ‘click and collect points, residential and other factors are increasingly contributing to the appeal of the location, making it a desirable place to visit and use on a regular basis. Centres that offer additional and memorable reasons to use them will succeed the most.

This links to the need for centres to have real sense of ‘place’ that connects with the consumer, providing a point of difference and a connection to the local community. Centres in need of TLC and not delivering the basics such as clean environment and multi modal easy access will lose out to spend online and to out of town retail facilities.

Multi-purpose centres, with multiple reasons to visit and coordinated marketing activity

Study Conclusions

8.0 Study Conclusions

8.1 Introduction

The following conclusions are drawn from the findings of all the research workstreams undertaken as part of the study, and together they form the foundations on which the recommended future target occupiers for Perth City Centre.

8.2 Key Conclusions

1. Perth has many key strengths and assets

The existing strengths and assets range from the physical, geographic and surrounding hinterland, and the transport infrastructure, location and accessibility, through to the cultural, arts, leisure, heritage, retail, food and social offer.

It is the regional centre and the main location for its extensive catchment area.

Perth also benefits from a large and varied customer base, including residents, workers, visitors, tourists and students.

The existing and planned regeneration and development activity will add to the city's strengths and assets.

2. The city has multiple reasons to visit, although not all are visible, impactful, memorable, connected, integrated or in the core

The 'strong' as in visible and noticeable reasons to visit include:

- History, architecture, arts, culture, museums, retail, social, access, regional tourist hinterland, beverage / hospitality offers, existing events.

The 'less strong' as in less obvious reasons to visit include:

- Leisure, catering, residential, accommodation, tourism retail, independent retail, family restaurants, local producers, active leisure, sport, entertainment, limited events, river and parks.

3. Perth has the customer base to sustain a stronger and more diverse offer

- Borough population of over 158,000.
- Resident catchment are population of circa 212,000.
- Regional tourism visitors of circa 2.0 million, 4.9 million visitor days.
- Workers / jobs 61,000 (economically active 75,000).

This is a large potential customer base for the city centre and indeed the major rural town centres to appeal to.

8.0 Study Conclusions

8.2 Key Conclusions cont'd.

4. Perth City Centre vacancies are in two broad categories, Category 1 High Profile and Priority Action, Category 2 Secondary Streets and Enabled Evolution

The 'High Profile' vacancies are magnifying the vacant unit issue for the whole of the city centre. These units need a priority action and pro-active approach to the repurposing and re-occupation of the units.

The second category of vacancies, those on secondary streets, or less impactful and on main streets, will likely be reoccupied over time. There are a few clusters which may need additional input, support and direction. The range of future occupiers in these locations will expand from the traditional 'retail' focus. This will need enabling.

5. There are many opportunities to improve and extend the offer, and therefore reasons to use the city centre

The city centre offer (and the offer in the rural centres) can be expanded across a variety of different areas including, more catering, leisure, local producers and independent operators. More service providers, repair / upcycling, more sports and active leisure, more family leisure and social activities. More experience lead operators, more markets, more events. Extended health, wellbeing and beauty offers. Stronger tourism retail and catering offers. In the case of Perth there are also opportunities to attract more national brands and expansive retailers, caterers and experience providers.

6. Peripheral parts of the city centre area are likely to migrate to other uses / occupiers. This includes residential, commercial and accommodation

In the case of Perth, the residential tends to be on upper floors, there may be potential to change ground floors in some instances. However, wholesale redevelopment of narrow multi-level buildings may be economically challenging, and the Council may need to look at how this can be supported. Planning policy will need to enable migration of uses

7. Several parts of (streets) Perth City Centre will need improved public realm in order to attract and sustain new occupiers

The public realm on streets such as South Street, Methven Streets, Scott Street are all seemingly vehicle focussed and not pedestrian / shopper focused. The lessons of Mill Street, Covid external catering, seating and animation all demonstrate the potential to enliven places to be more people focused and attractive.

The offer may improve with the existing public realm, however it will do so much quicker if improved. This would help cluster issues at High Street junctions and on South Street St John's Centre exit area.

8.0 Study Conclusions

8.2 Key Conclusions cont'd.

8. The high-profile vacant units in Perth City Centre will need a positive and pro-active approach to securing new occupiers. Simply waiting for replacements to arrive will lead to more vacancies elsewhere.

The 'High Profile' vacancies are negatively impacting the city centre and its appeal to consumers. Having identified the optimum future mix, a dedicated 'Occupier Team' will be required to target the occupiers and secure new tenants. These future operators will be the new anchors for the city and need to be treated in the same way that historic anchors (department stores) used to be.

The team will need to include property owners, retained agents, Council officers for wider city activity, presentation pack 'Perth City Prospectus' why you (operator) should be operating in Perth. 10-20 commercial justifying reasons to be in Perth (not simply the property deal).

9. Perth needs to be 'shouting' a lot louder about the opportunity it offers to city and town centre operators.

As already identified, the city and the rural towns are blessed with many assets, strengths and established visit drivers. However, on so many levels these are not celebrated, optimised, capitalised on or simply used to attract more visitors or existing visitors to extend their visits. Furthermore, the assets and the existing customer usage of them are not used to attract more and diverse occupiers to the city and the rural towns.

The attention of operators is limited, and those places that make the effort to be noticed are those that capture their attention.

Perth City Centre and all its stakeholders and partners need to be much more active and much 'noisier' about the opportunity Perth offers today, let alone the future opportunity.

The Perth opportunity needs to be promoted to local businesses, to help more of them expand and diversify (some already are doing so), to regional businesses as well as to national and UK wide businesses.

8.0 Study Conclusions

8.3 Perth Gaps and Opportunities

The table below summarises the gaps and opportunities that exist in the current Perth City Centre ‘offer’. As can be seen, the identified opportunities are beyond those in the traditional ‘retail’ sector. Although there continues to be opportunities to improve, expand and diversify the traditional retail offer as well.

Category	Options / Varieties	Rationale	Locations / Places
Food and Beverage	Family focused, good quality food and beverage, both independents and national multiple branded chains	Catchment focussed Increase workforce visits Tourist and visitor expenditure	High priority locations High Street and secondary streets
Local producers, artisans, manufacturers	Products, goods, services and experiences from local producers / operators	Nurturing local businesses Creating point of difference In line with consumer trends	In clusters with similar businesses High priority locations High Street and secondary streets
Contemporary Street Food	As clusters on street or internally as food halls - full day to evening offers. This includes both permanent fixed units, as well as carefully curated evolving food offers	Catchment focussed Increase workforce visits Tourist and visitor expenditure Complement other initiatives In line with consumer trends	In clusters with similar businesses High priority locations High Street and secondary streets
Active and Passive Leisure	City centre leisure offers, active leisure, virtual leisure, family entertainment, immersive theatre and experiences	In line with consumer and place trends. Family catchment focused Increase workforce visits Tourist and visitor expenditure Complement other initiatives	High priority locations High Street and secondary streets

8.0 Study Conclusions

8.3 Perth Gaps and Opportunities cont'd.

Category	Options / Varieties	Rationale	Locations / Places
Tourism	Tourism expenditure oriented operators: clothing, gifts, foods, catering, drinks. Overt Scottish heritage, producers, crafts and makers.	Tourist and visitor expenditure Complement other initiatives In line with consumer and place trends.	High priority locations High Street and secondary streets
Retail and wider 'retail'	Branded and expanding retail businesses, sports, outdoor, home, lifestyle, health, wellbeing and beauty	Catchment focussed Increase workforce visits Tourist and visitor expenditure	High priority locations High Street and secondary streets
Convenience categories	Food stores, international themed food stores, top up food stores, specialist and delicatessens, regional and national produce	Catchment focused Increase workforce visits Tourist and visitor expenditure In line with consumer and place trends	High priority locations High Street and secondary streets
Health & Wellbeing	Day spas, alternative health centres, gyms and fitness / dance / exercise	Catchment focused Increase workforce visits Tourist and visitor expenditure In line with consumer and place trends	High priority locations High Street and secondary streets

8.0 Study Conclusions

8.3 Perth Gaps and Opportunities cont'd.

Category	Options / Varieties	Rationale	Locations / Places
Service providers	Repair, reuse, upcycle, alongside traditional alterations, advice, financial services	Proven footfall generators In line with consumer and place trends Workforce attractors	High Street and secondary streets
Shared space operators	Co-working workspace, community facilities, office accommodation, starter facilities and new business growth incubator spaces, community facilities, library etc.	In line with consumer and place trends Workforce attractors Community building	High Street and secondary streets
Residential	City and town centre 'living' permanent residential through to hotel and rental apartments, by day, week and year, appealing to all age groups, demographics and incomes.	Catchment focused Support city centre workforce visits Tourist and visitor expenditure In line with consumer and place trends	High Street and secondary streets

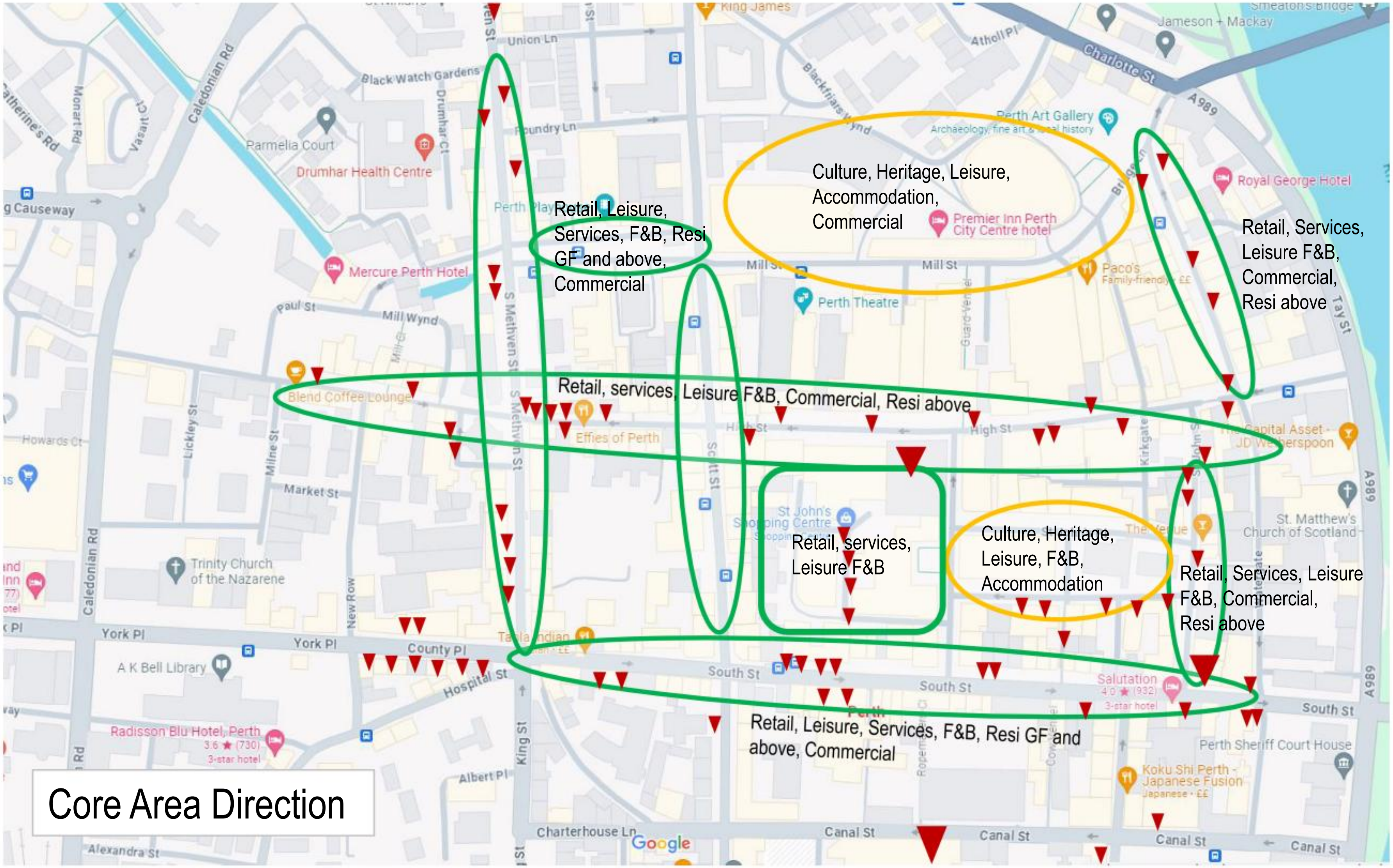
There are multiple individual opportunities within each of the categories listed above. The number of units required to provide and or satisfy each of the potential categories is far greater than the number of vacancies currently in the city centre or those in rural centres.

As can been seen from the table, many of the opportunities are suited to the high profile and more central areas. There are also many that will sit and trade successfully on the existing secondary streets. The potential uses and areas they are relevant to are shown on the following city centre plans.

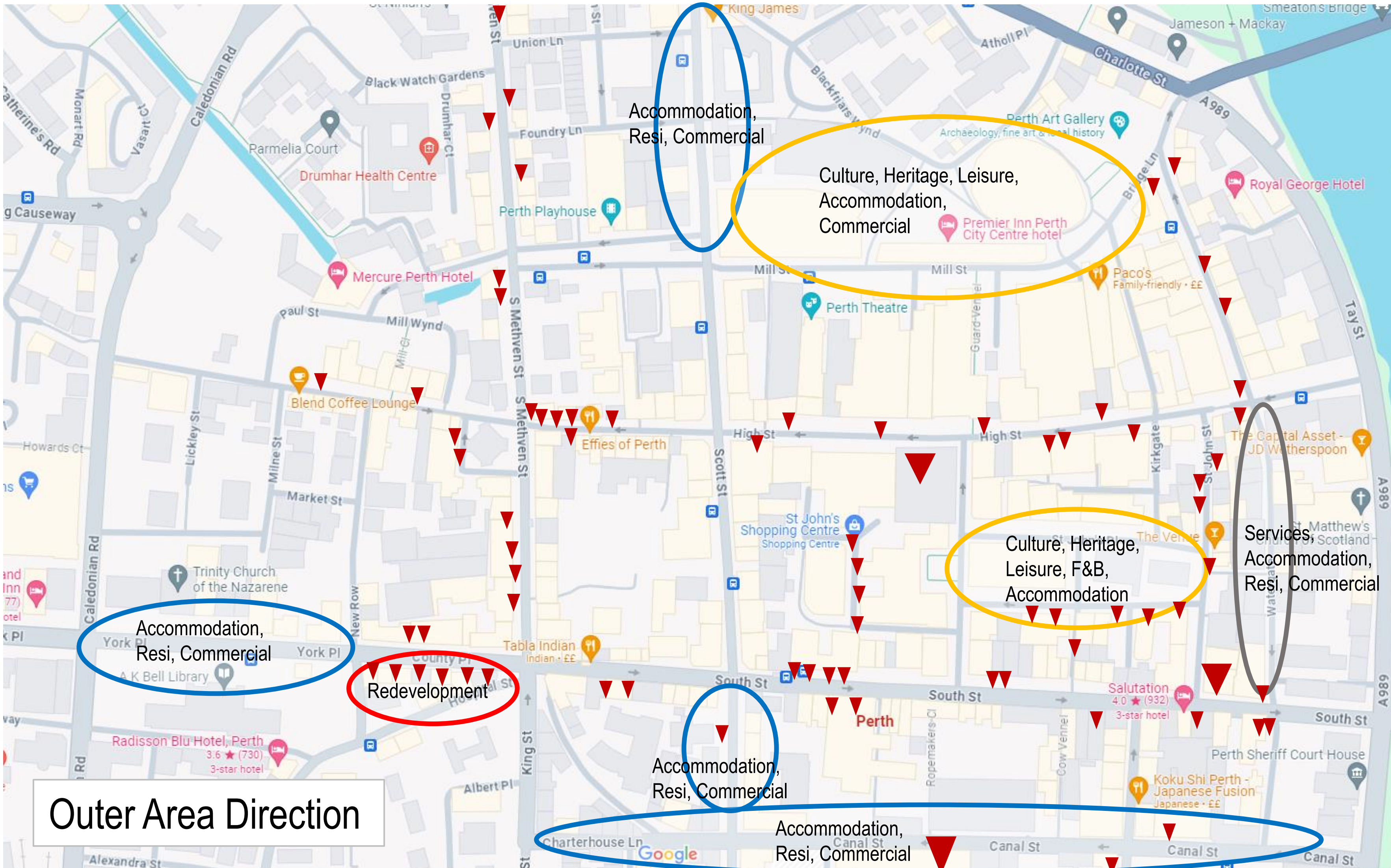
In many instances the target offers will need to be aligned with other activity and regeneration initiatives across the city centre.

The following section looks at the opportunities at a location specific level.

Perth City Centre - Customer and Occupier Demand Study 2024



Perth City Centre - Customer and Occupier Demand Study 2024



Strategy to Fill the Priority Voids

9.0 Strategy to Fill the Priority Voids

9.1 Introduction

The study has identified the clear demand for a variety of actions to help improve the appeal, use and performance of the city centre.

One of the core outputs and deliverables for the study is to provide indicative uses, targets and actions to fill the voids within Perth City Centre, with an immediate focus on the highest priority units / perception changers.

Over the following pages the report identifies indicative target uses for the identified priority sites, looking at each site individually.

The report then sets out wider place / street-based actions for the units on the secondary streets and outer High Street area.

For each of the high priority locations we identify the existing assets, attractors and strengths, indicative uses and example operators. It is worth noting that some uses are applicable to more than one area. Where this is the case the subsequent listing is brief.

The final point to make is that the identified uses and implications on public realm are made following collective work with The Urbanists on the wider design and public realm recommendations included in its report.

Indeed, the detailed actions over the following pages are included in summary form in The Urbanists report.

9.0 Strategy to Fill the Priority Voids

9.2 Former Debenhams Store

A landmark store in the centre of the city. Frontage onto High Street, also faces the new Perth Museum and integrates to St John's Shopping Centre. Multiple levels of trading and additional floors of storage. Currently a very high profile 'eye-sore' in terms of a vacant unit. Vacant due to failure of national chain, not an issue with Perth.

Currently planned occupancy of ground floor by an outdoor clothing business, that is upsizing from other Perth City Centre premises due to strong trading performance.

The study had identified outdoor sports and clothing specialists as a target use due to the gap in the offer, regional tourism activity and the growth in city centre sports 'experience' stores.

The upper floors to be used for aligned purposes, leisure, active leisure, health and wellbeing, see list in box. Alternative 'destination' status retail uses also identified.

Indicative occupiers include:

- Ground and first floor occupiers could include sports, Decathlon, outdoor specialist (Sports Direct concept store Cardiff / or Cotswold Outdoor), bike specialist
- Upper floors virtual and active leisure, immersive experience, e-karts, Flight Club (darts), urban indoor golf (beyond virtual)
- Gaming / e-sports arena (could also work in St John's Centre)
- Kids play, family entertainment etc.
- Associated catering, café, hospitality to complement the additional family entertainment
- Gym
- Alternative destination stores could include home specialists, Ikea, Dwell, furniture and furnishings


E-carts and other virtual family activity


Kids soft play


Modern purpose-built city centre gym

9.0 Strategy to Fill the Priority Voids

9.3 South St John's Place

Adjacent to the new Perth Museum, this location is increasing in profile. Prior to Covid and the disruption caused by the redevelopment this part of the city centre was occupied and vibrant.

It provides links to a variety of assets, not only the aforementioned, new Perth Museum but also St John's Centre, South Street, High Street, St Johns Street and the river beyond.

Ideally suited to target the growing tourism sector and complement other nearby hospitality and catering. This area lends itself to local producer, artisan maker, living experiences in both foods and heritage / tourism.

A target offer that includes multi small artisan food sellers, producers and maker sellers, like that seen at Kerb in Covent Garden, but with a more overt Scottish / Perth authenticity.

Indicative occupiers include:

- A Scottish 'Kerb Foodhall' (as in Covent Garden) authentic multi operator food hall, high quality regional producers, all day shopper, visitor, worker and student appeal
- Craft ale bar / microbrewery / distillery
- The Stable, Boom Battle Bar
- Living experience operators, cooking and making demonstrations
- Nando's (already at Inveralmond) and other family focused eateries
- Target successful operators in Pitlochry and Dunkeld and support them expanding
- This is a key site given the opening of the museum.

Perthshire producers

The Stable F&B Operator


Kerb 'foodhall'

9.0 Strategy to Fill the Priority Voids

9.4 Former Beales Store

One of the key high profile 'eye-sore' vacancies in the city centre. At entrance to St John's Street, with frontage onto South Street (busy passing traffic, high visibility) and opposite one of the popular visitor hotels, this former department store has had a troubled recent history.

Given its ready access to the river, South Inch, High Street and the new Perth Museum the location lends itself to a variety of potential uses and given the size and rambling nature of the building is also suited to being split into a variety of uses.

The creation of a large destination tourist focused business that not only incorporates retail but also making, artisan, skills workshops, heritage skills, maker / seller showrooms, wholesale / retail presence for local and regional artists and artisan produces would be a major destination in its own right. One that would appeal to residents, workers and tourists.

Complimented by a shared space destination, which combines community and work

Indicative occupiers include:

- Dedicated tourism and celebration of Scotland 'experience' store
- House of Bruar type operator with active experiences in creating Scottish artisan crafts
- Home for local producers to display their products, dedicated space for visiting and seasonal operators
- Include demonstrations, skills development
- To include Crieff Food Store style offer
- Complimentary or alternative use is to develop a bespoke multi use space
- Similar to Oru in Sutton
- Shared workspace, incubator units, health and wellbeing suites
- Café, restaurant entertainment venue

Shared workspace and multi-use centre

Tourism destination / experience store

Making and traditional skills classes

9.0 Strategy to Fill the Priority Voids

9.5 High Street and St John's Centre

The High Street continues to have many occupied and trading units, indeed the vacancies are very low in number. As a primary pedestrian access through the city, and being home to many important shops, the vacancies are noticed. Whilst there will be opportunities to broaden the offer to include more catering, leisure and service providers, as listed in other high-profile locations, the primary continued use for the High Street and St Johns as part of the High Street will be for additional retail.

There are many 'retail' brand names to be found in smaller centres (smaller offers and smaller catchments) both in Scotland and across the UK, indeed a trip to Dundee or Stirling identifies a few that should be in Perth. Whilst some retailers are reducing store numbers, many continue to expand, choosing locations that match their target customer profile and criteria.

For St Johns Centre, The Urbanists plans for 'opening and greening' of one area compliment the opportunities

Indicative occupiers include:

- Relocate Matalan into city centre
- target more home related stores for city centre Farrow & Ball, White Company, Oka, Dunelm, Cook shop
- Include eateries like Lounges all day café / restaurant
- More mid-market brands like Space NK, Phase Eight. Sweaty Beauty
- A quality urban plant specialist
- Fashion and footwear brands Footlocker, Flannels, Lush. Deichmann. North Face. Seasalt. Flying Tiger. Schuh. Mint Velvet
- The Entertainer and other young family operators
- Budget gym on upper levels. Boardgames café.

E-carts and other virtual family activity

Home stores, IKEA to Farrow and Ball

Missing retail brands

9.0 Strategy to Fill the Priority Voids

9.6 St Johns Street and George Street

Two important streets within the core city area. The two streets connect a variety of assets and existing city 'anchors' including the Art Gallery, Concert Hall, Mill Street, major hotels, access to the riverside, access to adjoining work / employment areas and through to the two city parks, the Inches.

Both streets already accommodate a variety of uses, with more of a mid- market bias. This emphasis could be built on to create a stronger point of difference to the High Street and St Johns Centre offer, as well as those on the more peripheral streets of South Street and Methven Streets.

The street also host local independents, many established and growing businesses. Some brand businesses have struggled to trade well. Increased impact and visibility will benefit the streets.

Indicative occupiers include:
- Scottish 'Bettys' and or other themed all day cafes
- Better quality branded retail names (look to businesses operating in established quality mid-market centres)
- Branded national family focused eateries / fast casual options, Wagamama, Five Guys, Pret, Nando's
- More mid market branded eateries to compliment the local and regional operators Cote, Bills, Ole and Steen, The Ivy Cafe and Giggling Squid.Ground
- Family and social leisure offers that include a catering hospitality element, traditional game shops / café
- Additional day spa / wellbeing offers

Family fast casual dining

Health and wellbeing centre


Family and social leisure

9.0 Strategy to Fill the Priority Voids

9.7 South Street and Methven Streets and other Peripheral Streets

The place review has identified the existing mix and offer for the key peripheral and secondary streets in the city centre.

Many of these streets are traffic dominated and need improved public realm to help increase the appeal to potential businesses and to help improve the performance of existing businesses.

South Street outside the exit from St Johns, is a key area for an improved public realm, the proposals to open up the covered mall will provide real benefit here and sustain a stronger everyday family catering and retail offer. Likewise, the junction of High Street and Methven, around the St Pauls Church is another area for improved public realm to help secure and retain operators.

There will be the need to enable businesses to expand into neighbouring units to create a more varied landscape of unit sizes. A key opportunity will be to nurture existing businesses with support to help them relocate and expand into Perth and within Perth.

Street	Potential Alternative Uses Ground Floor
North & South Methven Street	Retail, Leisure, F&B, Services, Commercial, Residential
South Street	Retail, Leisure, F&B, Services, Hotel, Commercial, Resi
County Place	Redevelopment Hotel, Residential, Commercial
Canal Street	Not retail, Residential, Commercial, Hotel
Miscellaneous	Retail, Leisure, F&B, Services, Hotel, Commercial, Residential


Free to use public facilities


City street dressing

More on street activity / animation

9.0 Strategy to Fill the Priority Voids

9.8 Create the Perth City Centre Opportunities 'Prospectus'

The aim of the Perth City Centre Opportunities Prospectus is to provide potential target businesses with information that will help them to choose to open in Perth City Centre.

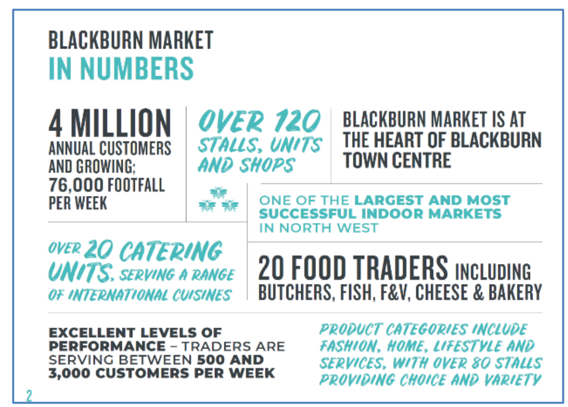
Typically, commercial agents provide a property details pack, which contains information about the unit, size, location, rent, rates and possibly neighbours or other known 'names' in the location.

Whereas the Perth City Centre Opportunities Prospectus will provide a target business with key the information they will need, e.g. Information about the resident catchment and actual catchment area, the types of customers, lifestyle information, income / spend information. Additional customer groups such as workers, visitors (both key groups for Perth). It also provides more information about business trends, recent arrivals, footfall, future growth initiatives for the city, promotional and event activity. In short it provides a more rounded outline of the commercial trading opportunity. The Perth City Centre Opportunities Prospectus, can be shared with local agents and property owners to help them, it can also be sent direct to potential targets to stimulate interest.

Indicative content:

- Location plan, catchment map
- Customer groups information, numbers, types, access
- Existing city performance, footfall, outlook
- Future city initiatives
- Existing mix and offer
- Wider promotional and footfall drivers
- Top 10 reasons to trade in Perth summary

Successful example for a specific building



Example Prospectus content page

9.0 Strategy to Fill the Priority Voids

9.10 Recommended Next Steps

There are a variety of follow-on actions and next steps to be completed, and many can be started at the same time (or at least in the short term).

The recommended next steps are not a straight-line sequence of actions. Indeed, some of the next steps have already been commenced following the interim and ongoing feedback with the project team during the completion of the study. The key actions are listed below:

1. Integrate the outputs of this study with the design guideline work being completed by The Urbanists (already commenced).
2. Use the findings to target operators for identified high profile units (commenced for former Debenhams and included in thinking for St John's Place South).
3. Prepare Perth Opportunities Prospectus, this may need an up-to-date catchment and lifestyle information sourcing / interpretation.
4. Hold a 'Perth Occupiers' workshop, to share findings of the study and to harness support / interest from property owners.
5. Develop the 'Perth Future Occupier' team, as detailed in report.
6. Complete the 2024 Annual Perth Business Survey to maintain the information and performance database.

We will be pleased to assist the Council in the implementation and delivery of the next steps, from the creation of the Perth Opportunities Prospectus, including the latest catchment information to facilitating the occupiers' workshops for Perth.

informed solutions

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