

**Pay day lending and betting
shops**

Planning Guidance



Introduction

Health and wellbeing of communities is a consideration when making decision on planning and development in the high street. The Fourth National Planning Policy Framework (NPF4) changes the approach taken to development and uses within town centres, local centres and commercial areas, with a focus on health and wellbeing of the local community, particularly disadvantaged communities. This includes a greater ability to control the proliferation of uses that undermine the health and wellbeing of communities, including hot food takeaways, betting offices, and high interest money lending premises (also known as pay-day lenders).

Concerns have been expressed by the Council and within the community about the overall number and clustering of pay day lending and betting shops in Clydebank and Dumbarton town centres in relation to impact on the character and amenity of town centres and the wellbeing of communities. The council has previously issued planning guidance to reduce the proliferation of these uses.

This guidance updates the Council's 2016 planning guidance for pay day lending and betting shops in town centres. It incorporates some evidence from the 2016 guidance, including citizens panel and focus group findings, as well as an updated citizens panel survey and literature review.

Definitions

This guidance relates to the offering of these services in premises.

The Financial Conduct Authority's definition states that a payday lender offers high cost short-term credit where:

- APR is equal to or higher than 100%;
- Credit is provided for any period up to 12 months;
- Credit is not secured by a mortgage, charge or pledge.

Betting is defined by the Gambling Act 2005 as the making or accepting of a bet on:

- the outcome of a race, competition or other event or process;
- the likelihood of anything occurring or not occurring; and
- whether anything is or is not true.

Betting offices and pay day loan shops are classified as Sui Generis in the Town and Country Planning (Use Classes) (Scotland) Order 1997 as amended.

Local Context

This guidance is based on evidence collected in 2015 for the original version and additional evidence collected in 2023. The evidence is not detailed in this document but can be accessed on the council's website.

<https://www.west-dunbarton.gov.uk/council/key-council-documents/local-development-planning/other-guidance-and-information/>

In summary the background evidence identifies that:

- The socio-economic profile of West Dunbartonshire means that it is vulnerable to the ill-effects of gambling and high-interest short-term credit.
- There is already a significant presence of these uses in West Dunbartonshire, including a cluster of such uses in Clydebank town centre, on South Sylvania Way, and Dumbarton town centre, in and around the high street.
- There is evidence of a much higher betting shop licence/ population ratio than similar sized council areas

- The majority of residents of West Dunbartonshire held negative views in respect of the contribution these uses make to the vitality and viability of the area’s town centres.
- The majority of users of each town centre consider that there are too many pay day lending and betting shops.
- Pay day lending uses do not contribute significantly to daytime footfall, and betting shops only make a limited contribution to evening footfall.

Table 1 shows the current number of Pay Day Lending and Betting Offices in each town centre.

Table 1: Number of Pay day Lending and Betting Offices in Town Centres

	Dumbarton	Clydebank	Alexandria
Pay Day Lending	2	3	-
Betting Office	3	2	3
Total	5	5	3

shows the number of Betting shops in local centres.

Table 2 Number of Betting Offices in Local Centres

Betting Shops in Local Centres	
Dalmuir	2
Hardgate	2
Glasgow Road, Dumbarton	0

There are no pay day lenders within any of the Local Centres

Planning Policy Context

National Planning Framework 4

NPF4 is part of the statutory Development Plan and having been adopted by Scottish Ministers in January 2023 is the most recent part of the development plan in West Dunbartonshire. Policy 27 in NPF4 sets out the national approach to town, local and commercial centres and part C focusses on non-retail uses, stating:

“Development proposals for non-retail uses will not be supported if further provision of these services will undermine the character and amenity of the area or the health and wellbeing of communities, particularly in disadvantaged areas. These uses include:

- i. Hot food takeaways, including permanently sited vans;
- ii. Betting offices; and
- iii. High interest money lending premises.”

Proposed Local Development Plan 2 (as modified 2020)

Proposed Local Development Plan 2 (as modified 2020) (LDP2) is a material consideration in the Council’s decision-making and the Council’s most up to date spatial strategy.

The Network of Retail Centre Strategy is set out in Table 4 of LDP2 and defines the nature and function of town centres, local centres and commercial centres within West Dumbarton. These areas are defined on proposals maps.

Policy SC1 sets out the sequential approach to local town and commercial centres, setting out the preferred locations to town centre retail, leisure and commercial uses.

Policy SC2 Core Town Centre Areas supports, shops, professional services, food and drink uses, hotels and hostels, assembly and leisure, and public houses within the core town centre area. It also explicitly states that applications will be supported where they comply with the supplementary guidance on pay day lending and betting shops. The policy refers to table 5 which sets out appropriate uses within Town Centres and Core Town Centre Areas.

Policy SC3 Other Town Centre Areas supports uses in other town centre areas that encourage visits to the town centre, including public service and leisure uses. The policy states that the over-proliferation of one type of non-retail use, or proposals that would have a detrimental impact on the overall character and amenity of the area will not be supported by the Council.

Policy SC4 Local Centres supports Class 1, Class 2, public houses, and hotels within local centres. It also states that non retail uses may be appropriate, however is dependent on the impact to the character of the local centre, the amenity of the surrounding area, in particular the proximity to homes and schools. LDP2 identifies 3 local centres: in Dalmuir along Dumbarton Road; in Hardgate at the roundabout where Glasgow Road meets Kilbowie Road; and in Dumbarton along Glasgow Road.

Application of NPF4 Policy 27 part C

Evidence identifies concentrations of pay day lending and betting offices uses in Dumbarton and Clydebank Town Centres and concentrations of betting offices in Alexandria Town Centre.

The evidence (survey and literature review) also identifies negative effects on health and wellbeing associated with these uses. Survey evidence identifies that these uses negatively impact the vibrancy and vitality of town centres. The Socio economic profile of West Dunbartonshire identifies that the area can be described as “disadvantaged”.

Therefore, **applications which increase number of these uses within any town centre beyond the combined total for that town centre recorded in Table 1 will not be supported.**

Given that the majority view of local residents that there are “too many” of these premises, where new applications do not cause the number to exceed the current number in Table 1 consideration will be given to the existing number and concentration of these uses already in the town centre.

There are concerns that restricting these uses in town centres will “push” these uses out to local centres or other areas. **To prevent overprovision and undesirable clustering in local centres no more than two pay day lending or betting offices (combined) will be supported.**

Application of Local Development Plan Policy SC2 Criteria and SC3

The council will also consider the additional criteria in Policy SC2 and SC3 of LDP2.

Would the change significantly reduce the retail offer of the core retail area, or parts of it?

Whilst this is a relevant consideration in any application for change of use from retail to a pay day lending or betting use, as it is about the loss of retail rather than what the unit is to become, there is no specific guidance to be offered.

Would the change lead to the concentration of a particular use to the detriment of the town centre's vitality and viability?

Where the application would lead to concentrations of pay day lending and betting shops within close proximity of each other, where the Council considers there is already sufficient provision, or where their introduction would be to the detriment of shopping environment, no further uses of this type will be supported.

Based on recent Town Centre Surveys the following such areas are identified as existing clusters:

- **The southern part of Clydebank town centre comprising Sylvania Way South and Chalmers Street;**
- **Dumbarton Town Centre comprising High Street and Riverside Lane**
- **Alexandria Town Centre**

As town centre uses and occupancy are dynamic, it is advised that for any application for pay day lending and betting shops, the current numbers of such uses within close vicinity of the application site are taken into account to understand if a new concentration of uses is arising.

The evidence of the Council's Citizen's Panel survey and focus groups is that the majority of West Dunbartonshire residents feel that there are too many pay day lending and betting shops in town centres and very few felt that these uses contributed to the vitality/vibrancy of the town centres. There was majority concern about the clustering of these uses and a majority felt that more of these uses would have a detrimental effect on the vitality and vibrancy of the town centres.

Would the proposed use contribute to the vibrancy of the town centre by increasing footfall?

The evidence from the footfall survey is that pawnbrokers offering pay day lending services attracted very few customers in relation to other town centre uses. **Therefore, pay day lending uses will not be supported on the basis that they will contribute to footfall and the vitality of the town centre.**

Over the course of a day, betting shops were found to attract a level of customers that compared well to other town centre uses. However, the evidence that they increased evening activity was mixed. **Therefore betting shops will not be supported on the basis that they contribute to evening footfall and vitality.**

Are there other suitable locations in the town centre for the proposed use to locate?

Local Development Plan 2 Policy SC3: 'Other Town Centre Areas' allows a full range of town centre uses, and other uses that would benefit the town centre, while also protecting against harmful concentrations of any particular use. The impact on community well-being may also be a relevant consideration in these areas and also within Local Centres.

The council will consider applications in town centre or local centre locations which do not cause an increase to existing or new clustering of pay day lending and betting shop uses, provided the proposals do not cause a particular town centre to exceed the number of premises in the Table 1.

Has the unit affected by the proposal been vacant and suitably marketed for retail use?

The Council accepts that a vacant ground floor unit is a lost opportunity to generate additional activity and commerce within a town centre, and that generally speaking it is of greater benefit to have a unit occupied. However, it is the Council's position that this should not be an overriding factor in any planning decision on change of use applications. **In areas where there is already a cluster of betting and pay day lending shops or the number in Table 1 would be exceeded the fact that a unit is vacant should be a lesser consideration.**

Application of Policy SC4

When considering applications for pay day lending shops or betting offices in Local Centres the Council will not support proposals that lead to overprovision or undesirable cluster of these uses, which affect amenity and character of the surrounding area

Proposals increasing the combined number of pay day lending or betting shops beyond two will not be supported.

Community well-being

West Dunbartonshire is one of Scotland's more deprived Council areas. Evidence has also been presented that there is a significantly higher number of betting shops per person in West Dunbartonshire than in other similar sized authorities suggesting a link between gambling and deprivation. The community have also raised significant concerns about the impact of pay day lending and gambling on community well-being.

Therefore community well-being should be considered as a material consideration in the assessment of applications for pay day lending and betting shops, and that the evidence approved within this guidance should give weight to that consideration.

This document is also available in other languages, large print and audio format on request.

Arabic

هذه الوثيقة متاحة أيضا بلغات أخرى والأحرف الطباعية الكبيرة وبطريقة سمعية عند الطلب.

Hindi

अनुरोध पर यह दस्तावेज़ अन्य भाषाओं में, बड़े अक्षरों की छपाई और सुनने वाले माध्यम पर भी उपलब्ध है

Punjabi

ਇਹ ਦਸਤਾਵੇਜ਼ ਹੋਰ ਭਾਸ਼ਾਵਾਂ ਵਿਚ, ਵੱਡੇ ਅੱਖਰਾਂ ਵਿਚ ਅਤੇ ਆਡੀਓ ਟੇਪ 'ਤੇ ਰਿਕਾਰਡ ਹੋਇਆ ਵੀ ਮੰਗ ਕੇ ਲਿਆ ਜਾ ਸਕਦਾ ਹੈ।

Urdu

درخواست پر یہ دستاویز دیگر زبانوں میں، بڑے حروف کی چھپائی اور سننے والے ذرائع پر بھی میسر ہے۔

Chinese (Cantonese)

本文件也可應要求，製作成其他語文或特大字體版本，也可製作成錄音帶。

Polish

Dokument ten jest na życzenie udostępniany także w innych wersjach językowych, w dużym druku lub w formie audio.



British Sign Language

BSL users can contact us via [contactSCOTLAND-BSL](https://www.scotland.gov.uk/contact/SCOTLAND-BSL), the on-line British Sign Language interpreting service.

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