

Somerset West and Taunton Council

Executive Committee – 16th September 2020

Emergency Town Centre Recovery and back-fill of Economic Growth and Prosperity Fund

This matter is the responsibility of Executive Councillor Kravis

Report Author: Gordon Dwyer, Economic Development Specialist

Statement of Climate Change

Prior to taking forward actions, consideration will be given to the Council's declaration of a Climate Emergency to ensure that the services delivered through this funding will not adversely affect Carbon Reduction targets, including consideration of travel, infrastructure, waste and preservation of the environment.

1. Executive Summary / Purpose of the Report

- 1.1. Following Covid-19 Lockdown, £535,000 has been made available for the purposes of Emergency Town Centre Recovery by repurposing the Council's existing Economic Growth and Prosperity Fund earmarked reserve. This has been carried out to put in place short-term impactful interventions in our Town Centres to provide an urgent response to attracting footfall back in to the high street to support businesses located in these areas.
- 1.2. It is proposed to back-fill the repurposed budget by £500,000 from General Reserves, thereby ensuring that the Council is able to continue to deliver its adopted Economic Strategy and provide longer term support for economic recovery.
- 1.3. The purpose of this report is to seek Member support and approval for the measures proposed.

2. Recommendations

- 2.1. The Executive notes that £535,000 has been repurposed for Emergency Town Centre Recovery following Covid-19 Lockdown utilising the Council's Economic Growth and Prosperity Fund held in earmarked reserves.
- 2.2. To recommend that Full Council approves a budget allocation of £500,000, funded from General Reserves, to back-fill the Economic Growth and Prosperity fund.

2.3. To delegate authority to approve expenditure of both funds to the Director of Development and Place in consultation with the Economic Development Portfolio Holder.

3. Risk Assessment (if appropriate)

3.1. The provision of Emergency Town Centre Recovery funds, (announced in a Press Release of 15 July 2020 as the Council's commitment to recovery, investment, jobs and opportunity), has diverted the Economic Growth and Prosperity Fund earmarked reserve into emergency Town Centre recovery.

3.2. If additional funds are not now made available it will be difficult for the Council to deliver its adopted Local Economic Development Strategy and take advantage of economic recovery opportunities to further stimulate the local economy following Covid-19. The likely consequences would be the slow-down of recovery and greater increase in economic stagnation/business closure with resultant overall increase in unemployment within the District in the medium to long term.

3.3. To ensure risk is minimised and best value obtained, all funds will be administered either directly by the Council or indirectly through agreed service level agreements in line with Council procurement procedures.

4. Background and Full details of the Report

4.1. Since the announcement of 'Lockdown' in March 2020, Somerset West and Taunton Council has provided the administrative function for the business support made available by Central Government in the form of Business Rates Holidays, Small Business Grants, Retail and Hospitality Grants and has delivered a Discretionary Grant Scheme. The Council has also accessed the ERDF Reopening Town Centres Safely Fund to deliver interventions to facilitate the re-opening of key service centres in a Covid-19 safe manner.

4.2. During the Lockdown period, Covid-19 restrictions have had a severe impact on the way Town Centres, Service Centres and Town Centres across the District have been able to function. The discouragement of face-to-face services in order to curtail the spread of the virus has adversely affected businesses trading within these traditional service centres.

4.3. Whilst some businesses have been able to adapt how they interact with their customers, the negative impact on the majority of businesses based in these areas has been significant and is well documented in the national media. This is also reflected in local Town Centre footfall statistics which dropped dramatically during the Lockdown period.

4.4. As Covid-19 restrictions have eased, public habits and public confidence in visiting services in a traditional face-to-face means has not returned to its previous levels, nor is it expected to do so for some time (if at all).

4.5. Whilst there is an immediate need to support existing businesses in the Town Centre to sustain the economy, there is also a wider recognition that Town Centres and

Neighbourhood Service Centres as a whole may also need a re-think of their services and their functional role within the local economy if they are to continue to attract the public to the services that they offer.

4.6. To provide immediate support required to stimulate local town and service centres the Council has made available £535,000 from the balance of the Economic Growth and Prosperity Fund currently held in earmarked reserves. This Fund is funded from increased business rates retained income received in 2019/20 through the 75% Business Rates Retention Pilot.

4.7. Focussing these resources for the purposes of Emergency Town Centre Recovery for immediate actions to stimulate Town Centre economies is in line with the intent of supporting the local economy. In principle allocations are to be made available to settlements in proportion with their size and function throughout the District as follows:

In Principle Allocations	£
£200,000 x 1 for Taunton	200,000
£100,000 x 2 for Minehead and Wellington	200,000
£135,000 for Neighbourhood Service Centres of Watchet, Dunster, Porlock, Dulverton and Wiveliscombe and Williton	135,000
Total	535,000

4.8. Work to develop plans for emergency recovery is well underway and in July and August 2020 workshops were held with each community to identify need and commence development of local Town Centre Recovery Plans.

4.9. Town Centre Recovery Plans focus on immediate actions to stimulate High Street economies. Each differs depending on community priorities, however there is a general emphasis on actions which ensure that the town remains welcoming to visitors. For example ensuring that the public realm is well maintained and presented, that there is vibrancy through stimulating outdoor markets and entertainment and that the centre and its activities and attractions are well marketed.

4.10. Funds from the Emergency Town Centre Recovery Fund will be devolved through service level agreements, to an appropriate financially accountable authority/body within each community. During 2020/21 officers will be working closely with all grant recipients to ensure outputs are set and grants are offering value for money.

4.11. The purpose of the recommended £500,000 is to back-fill the Council's Economic Growth and Prosperity Fund. Covid-19 has had a devastating effect on the local economy. This budget will support the delivery of medium and long term proposals to stimulate the economy through delivery of the adopted Economic Development Strategy and refreshed activity appropriate for a time of Covid recovery.

4.12. The budget needs to remain flexible in order to take advantage of partnership opportunities as they develop. However the types of activity that the fund could potentially enable include:

- Development of retail/leisure/housing zoning plans for town centres and development of place plans to identify the unique narrative for each town

- Activity to strengthen local business networks, clusters and town centre partnerships
- Business skills support for the adoption of new digital technologies (such as Shop Appy)
- Activity supporting Inward Investment within the District

There is also cross over with other strategic ambitions of the Council such as Garden Town, Climate Change, Coastal Productivity Plans, Heritage and Cultural plans and potential to support economic aspects of these from this proposed budget.

Administration of Funds

4.11. It is proposed that the **Emergency Town Centre Recovery Fund of £535,000** will be devolved through a grant agreement to an appropriate financially accountable business group or local authority within each community as follows:

Taunton - Devolved to Taunton Chamber of Commerce

Minehead and Wellington - Devolved to Minehead BID and Wellington Town Council

Watchet, Dunster, Porlock, Dulverton, Wiveliscombe and Williton - To be discussed with local Town and Parish Councils

4.12. It is proposed that the **£500,000** to back-fill the Council's Economic Growth and Prosperity Fund will be administered directly by the Economic Development Team in line with Council procurement procedures.

5. Links to Corporate Strategy

5.1. The proposals link to the priority strategic themes and outcomes as follows:

Strategic Theme: Our Environment and Economy

The proposals clearly link to:

- Objective 6. Support the town centres throughout the District to meet the challenge of changing shopping habits.

The action plans that are under development also incorporate aspects of the use of arts and culture, improving the skills of the local workforce, enhancing public spaces and therefore also help support the following objectives of this strategic theme:

- Objective 3. Encourage wealth creation and economic growth throughout the District by attracting inward investment, enabling research and innovation, improving the skills of the local workforce and seeking to ensure the provision of adequate and affordable employment land to meet different business needs.
- Objective 5. Provide and maintain green open spaces and parks, enhanced public spaces, as well as additional opportunities to safely walk or cycle in order to encourage active and healthy lifestyles.
- Objective 8. Support the enhancement of arts and culture provision within the District.

6. Finance / Resource Implications

- 6.1. This reports sets out two significant levels of investment focussed on supporting recovery in the local economy. Part of the funding for this already exists within an earmarked reserve set aside for economic initiatives, and part will require Full Council to approve a supplementary increase to the General Fund Revenue Budget, funded from General Reserves.
- 6.2. The Council approved the allocation of £1.2m to an Economic Growth and Prosperity Fund within the 2019/20 Revenue Budget, based on the projected additional retained income through the 75% Business Rates Retention Pilot. A prudent approach to allocating these funds was taken as the actual income projected was not confirmed until the end of last financial year. Commitments were made from this fund towards the Coal Orchard and Firepool schemes, leaving a balance of £577k available to support economic initiatives this year. It is proposed the majority of this funding is prioritised to support the activities planned in the Emergency Town Centre Recovery Fund, through existing delegated budget authority of the Director of Development and Place.
- 6.3. The proposed Economic Recovery Fund is a new one-off budget requirement this year. It therefore needs to be approved by Full Council as a supplementary budget allocation, and is proposed to be funded by an allocation from General Reserves. The expected balance of General Reserves at the start of the financial year is £4.5m (see separate report to the Executive regarding the 2019/20 financial outturn). The Director of Development and Place will be accountable for this new budget, and have delegated authority to distribute funds through normal budget management procedures.

Summary of Budgets:

£		Funded By	Approval
535,000	Emergency Town Centre Recovery Fund	Earmarked Reserve	Approved in 2020/21 Original Budget, with balance held in earmarked reserve until fully spent.
500,000	Back-fill of Economic Growth and Prosperity Fund	General Reserve	Full Council approval needed for Supplementary Budget.
1,035,000	TOTAL		

- 6.4. It is assumed the cost of administration will be absorbed within existing resources, and similarly for devolved funds it is assumed administration will be managed within the existing resources of the devolved body.

7. Legal Implications (if any)

- 7.1. In the case of the Emergency Town Centre Recovery Fund, funds will be devolved to the relevant organisation for which each recipient will enter into a legally binding agreement with the Council.

7.2. The Council is obliged to give 3 months' notice in writing to terminate any funding agreement or to notify of a change to levels of funding provided.

7.3. In the case of the Economic Recovery Fund, this fund will not be devolved and so there are no specific legal implications. The fund will be managed by SWT.

8. Climate and Sustainability Implications (if any)

8.1. In the case of the Economic Growth and Prosperity Fund, prior to taking forward actions, consideration will be given to the Council's declaration of a Climate Emergency to ensure that the services delivered through this funding will not adversely affect Carbon Reduction targets, including consideration of travel, infrastructure, waste and preservation of the environment.

8.2. In the case of the Emergency Town Centre Recovery devolved funds, the same will apply and consideration of the above will be written into the grant funding agreements.

9. Safeguarding and/or Community Safety Implications (if any)

9.1. In the case of the Economic Growth and Prosperity Fund, officers will ensure that any companies commissioned to provide services have in place appropriate Health and Safety Policies.

9.2. In the case of the Emergency Town Centre Recovery devolved funds, the same will apply and consideration of the above will be written into the grant funding agreement.

10. Equality and Diversity Implications (if any)

10.1. In the case of the Economic Growth and Prosperity Fund, officers will assess impacts and methods of delivery any services provided to ensure that they eliminate discrimination, advance equality of opportunity for disadvantaged groups and individuals and support cohesive communities.

10.2. In the case of the Emergency Town Centre Recovery devolved funds, the same will apply and consideration of the above will be written into the grant funding agreement.

11. Social Value Implications (if any)

11.1. By the nature of the proposals any actions delivered, or services commissioned are intended to create positive implications for the community, for example in terms of up-skilling of the local workforce through business support workshops, or through creating more vibrant communities, indirectly safeguarding jobs.

12. Partnership Implications (if any)

12.1. The proposals involve working in partnership with nine communities across the District to deliver emergency and recovery plans. Working in this way will ensure the

benefit of the funding is maximised for the community. It also ensures that any services / infrastructure improvements delivered link closely and/or align with the Council's services and ambitions for the District.

- 12.2. Partners who are utilising Council funds to forward these projects will be obliged through Service Level Agreements to acknowledge support of Somerset West and Taunton Council and agree communications messages with SWT prior to any event taking place.

13. Health and Wellbeing Implications (if any)

- 13.1. The proposals aim to ensure that service centres across the District remain thriving and more resilient. Indirectly therefore, the proposals support safeguarding jobs, developing skills and safeguarding and improving places for people to engage other people in their community.

14. Asset Management Implications (if any)

- 14.1. No asset management implications have been identified within proposal developed to date. There may be asset management considerations for activity such as outdoor events (if on Council land). Should these arise, these protection and best use of our assets will be a consideration during any further development of the proposals.

15. Data Protection Implications (if any)

- 15.1. Many of the services the Council currently funds hold and maintain sensitive information regarding customers and clients. Recipients of grant funding will be obliged to following regulations and guidance in relation to GDPR.

16. Consultation Implications (if any)

- 16.1. The majority of delivery will support the delivery of actions identified within the adopted Economic Development Strategy which was developed through extensive consultation.
- 16.2. Proposals for the shorter-term emergency actions are being worked up through consultation with the business and residents of each community concerned. To date this has included surveys and online workshops throughout in July and August 2020.
- 16.3. Further consultation will be carried out with key organisations, groups and individuals within the community to help shape and refine the priorities further.

17. Scrutiny/Executive Comments / Recommendation(s) (if any)

TBA

Democratic Path:

- **Scrutiny – Yes**
- **Executive – Yes**
- **Full Council – Yes**

Reporting Frequency: **Once only**

List of Appendices (delete if not applicable)

Appendix A	
Appendix B	
Appendix C	

Contact Officers

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