

SCOTTISH GOVERNMENT TOWN CENTRE CAPITAL FUND

1.0 EXECUTIVE SUMMARY

- 1.1 This report concerns the utilisation of £1.242m of town centre capital funding by the Scottish Government as part of the budget settlement to Argyll and Bute Council. The distribution to councils has been based on a complex formula relating to population and the number of towns with a population in excess of 1,000 people. The council has accepted this funding following notification by the Scottish Government on 7th March 2019. It is now within the Council's gift to spend this funding taking into full account the guidance that was provided by the Scottish Government and attached to this report in **Appendix A** of this report.
- 1.2 A key constraint of the fund is the tight timeline to complete all capital projects within the current financial year, or, at least have contracts signed or commenced within 2019-20. It is likely that any works we can support are part of an established programme of works, have the potential match funding in place if required and staff/community resources in place to deliver the identified capital projects. Consequently, there is a need to make a prompt decision on potential projects that meet the criteria of the fund and the report recommends that the council note and consider this update and note that an appropriate list of capital projects will be brought to the June 2019 meeting of the Council for consideration against a scoring framework that complies with Scottish Government guidance.

2.0 RECOMMENDATIONS

- 2.1 It is recommended that the Council:
- Note and consider the update on the Scottish Government Town Centre Capital Fund.
 - Agree that a report with an appropriate costed list of capital projects that comply with the Scottish Government guidance will be brought to Council in June.

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3.0 INTRODUCTION

3.1 This report concerns the utilisation of £1.242m of town centre capital funding distributed by the Scottish Government as part of the 2019/20 budget settlement to Argyll and Bute Council. The distribution to councils has been based on a complex formula relating to general population and the number of towns with a population in excess of 1,000 people. The council has accepted this funding following notification by the Scottish Government on 7th March 2019. It is now within the Council's gift to spend this funding taking full account of the guidance that was provided by the Scottish Government and attached to this report in **Appendix A** of this report.

3.2 A key constraint of the fund is the tight timeline to physically deliver capital projects within the current financial year, or at the very least, agree a signed contract for the works or be started on site. Consequently it is likely that any works we can support are part of an established programme of works, has potential match funding in place if required, and staff/community resources are in place to deliver the identified capital projects.

4.0 RECOMMENDATIONS

4.1 It is recommended that the Council:

- Note and consider the update on the Scottish Government Town Centre Capital Fund.
- Agree that a report with an appropriate costed list of capital projects that comply with the Scottish Government guidance will be brought to Council in June.

5.0 DETAILS

- 5.1 The Scottish Government Town Centre Capital Fund has now been distributed to Councils with Argyll and Bute Council receiving £1.242m. The national distribution is based on population of each council area and the number of towns with 1,000 people or more. The national distribution can be found at <https://www.gov.scot/news/new-scheme-to-support-town-centres/>
- 5.2 The intention of the fund which has been informed by consultation with COSLA is designed to support the vitality and viability of our town centres. The fund comes with guidance on how it should be spent which has been attached as **Appendix A** to this report. The guidance contains a range of criteria that the council needs to take account of in as it decides on how to spend the fund with a key aspect being **that the works be completed; or, at least work or contracts signed or commenced within 2019-20**. The guidance also contains a number of themes that the funding could help deliver.
- **Town Centre Living** – footfall is key to achieving thriving, successful towns centre; and, the best footfall is residential for people who will use shops, services, and will care for its safety and security in the evenings
 - **Vibrant Local Economies** – creating a supportive business environment including the involvement of Business Improvement Districts (BIDs) and other local partnerships
 - **Enterprising Communities** – social enterprise, services, arts and events; and, community empowerment and community based activities which increase the health, wealth and wellbeing of town centres
 - **Accessible Public Services** – creating and accessing public facilities and services, supported by economic, service and transport hubs
 - **Digital Towns** – exploiting digital technology and promoting Wifi infrastructure to enable access to information, data analytics, marketing opportunities, branding, and communication with the wider world
 - **Proactive Planning** – land reform and supporting the creation of sustainable, low-carbon and connected places which promote natural and cultural assets, designed in partnership with local communities and key stakeholders.
- 5.3 These themes are often taken forward nationally through town centre action plans which the guidance acknowledges. In Argyll and Bute a different approach has been taken through our town centre regeneration capital investments (for example, CHORD and one off projects such as the Helensburgh Waterfront, Inveraray CARs and the Tarbert and Lochgilphead Regeneration Fund) and place making activities which have been informed by extensive public consultation and community involvement.
- 5.4 It is therefore intended to identify a number of potential projects that can be scored against a framework. This framework will be developed by council officers based on the funding criteria contained within the guidance, including delivery risks, and measured against the above themes together with the

resources available to meet the required timescale as identified by the Scottish Government.

- 5.5 The constraints related to the timescales for the projects precludes extensive engagement with communities over project proposals which would normally characterise the approach taken by council officers. This point has been raised with the Scottish Government by COSLA on behalf of local authorities.

6.0 CONCLUSION

- 6.1 This report concerns the new Scottish Government Town Centre Capital Fund that has been distributed to the council. The £1.242m Fund comes with guidance attached to this report as **Appendix A**. The Fund needs to support the vitality and viability of our town centres and where possible linked to either a town centre action plan that has often been taken forward through a making places initiative. A key constraint of the Fund is the tight timescale in terms of delivery. Projects need to be completed, started on site or at the very least have a signed contract agreed by the 1st of April 2020. To achieve a range of capital projects that will make a meaningful difference to the vitality of our town centres there is a need to make quick decisions and link where possible to established programmes of work.

- 6.2 It is therefore intended to identify a number of possible projects distributed in different parts of Argyll and Bute, with indicative costs and scored against a framework based on the funding criteria and the deliverability risk. Given the tight timescale a report with an appropriate list of capital projects will be brought to the June 2019 meeting of the Council for consideration against a scoring framework that complies with Scottish Government guidance.

7.0 IMPLICATIONS

- 7.1 **Policy** – There is a need to comply with the Scottish Government Town Centre First Policy.

- 7.2 **Financial** – None arising directly from this report. The Scottish Government expect that any uncommitted funds by the 1st of April 2020 will have to be returned to them.

- 7.3 **Legal** – No legal issues.

- 7.4 **HR** – None.

- 7.5 **Equal Opportunities** – There are no equal opportunities implications.

- 7.6 **Risk** – The delivery of these projects within the identified timescale is the principle risk that needs to be addressed.

Customer Service – There are no customer service implications.

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Appendix A

Scottish Government Town Centre Capital Fund Guidance

APPENDIX A; TOWN CENTRE CAPITAL FUND 2019/20 – SCOTTISH GOVERNMENT GUIDANCE NOTE

Purpose

1. The purpose of this note is to provide local authorities with guidance on the aims and allocation of the ring-fenced £50m Town Centre Fund distributed through the local authority capital settlement.

Aims

2. The aim of the Town Centre Fund 2019-20 is to enable local authorities to stimulate and support place based economic investments which encourage town centers to diversify and flourish, creating footfall through local improvements and partnerships. Specifically, this fund will contribute to transformative investments which drive local economic activities and re-purpose town centres to become more diverse, successful and sustainable.
3. In particular, the grant will fund a wide range of investments which deliver against the themes of the Town Centre Action Plan including town centre living and supporting town centres to be vibrant, accessible and enterprising places. This could include re-purposing buildings for housing, retail, business, social and community enterprise, services, leisure, and culture, tourism and heritage; and, improving access and infrastructure.

Wider expectations and support

4. It is expected that local authorities make investment decisions in the context of national and local commitments to town centres including the Town Centre First Principle and the Town Centre Action Plan; and more recently, the Place Principle. As such, it is expected that investment decisions are based on approaches which are collaborative and place based with a shared purpose; and, make use of tools and support developed by the Scottish Government, Scotland's Towns Partnership and other key partners.

National and local commitments

5. The Scottish Government is committed to supporting town centres face the challenge of changing and evolving retail patterns; and, is investing in town and neighbourhood centres so that they can be sustainable and thriving places for communities to live, work and enjoy.
6. This investment is in addition to the 26% of capital funding share which is the current agreed baseline between the Scottish Government and Local Government. It is part of a wider boost to the economy by providing over £5 billion of capital investment to grow and modernise Scotland's infrastructure; and, a wider package to support businesses, including maintaining a competitive business rates package.

Town Centre Action Plan and Town Centre First Principle

7. The Town Centre Action Plan published in 2013 was the Scottish Government's response to the National Town Centre Review. It focused on national and local solutions, encouraging action across public, private and community sectors. The Scottish Government and local government subsequently agreed the Town Centre First Principle which requested that government, local authorities, the wider public sector, businesses and communities put the health of town centres at the heart of proportionate and best value decision making, seeking to deliver the best local outcomes regarding investment and de-investment decisions, alignment of policies, targeting of available resources to priority town centre sites, and encouraging vibrancy, equality and diversity. It committed to a collaborative approach which understands and underpins the long term plan for each town centre.
8. The aim of the fund is to deliver against the themes of the Town Centre Action Plan. Those themes include:
 - **Town Centre Living** – footfall is key to achieving thriving, successful towns centre; and, the best footfall is residential for people who will use shops, services, and will care for its safety and security in the evenings
 - **Vibrant Local Economies** – creating a supportive business environment including the involvement of Business Improvement Districts (BIDs) and other local partnerships
 - **Enterprising Communities** – social enterprise, services, arts and events; and, community empowerment and community based activities which increase the health, wealth and wellbeing of town centres
 - **Accessible Public Services** – creating and accessing public facilities and services, supported by economic, service and transport hubs
 - **Digital Towns** – exploiting digital technology and promoting Wifi infrastructure to enable access to information, data analytics, marketing opportunities, branding, and communication with the wider world
 - **Proactive Planning** – land reform and supporting the creation of sustainable, low-carbon and connected places which promote natural and cultural assets, designed in partnership with local communities and key stakeholders.

Scotland's Towns Partnership

9. The Scottish Government funds Scotland's Towns Partnership to provide information, support and services which contribute to the vibrancy, vitality and viability of our town centres and neighbourhoods; and, to support the development of partnerships including Business Improvement Districts.
10. There are a range of tools and resources to support how partners can understand, audit, plan, and improve their town centres. It is expected that local authorities will use a range of tools and approaches to ensure investment decisions are based on an understanding of town centre performance and ownership; shared visions and plans with local communities, partnership and stakeholders fully engaged; and, identification of physical infrastructure changes

that will contribute to maximisation of investments and achievement of those visions.

Tools and resources

- [Understanding Scottish Places](#) (USP): a unique and dynamic online tool which shows how every town in Scotland with a population of 1,000 or more is interacting with its surrounding settlements and performing against a range of indicators and inter/dependency relationships.
- [USP Your Town Audit](#): add to USP a six-day study which provides the standard benchmark for measuring the health of a Scottish town.
- [Place Standard](#): a framework designed to support communities, public, private and third sectors to work efficiently together to assess the quality of a place.
- [Town Centre Toolkit](#): guidance on designing and planning town centres to be attractive, accessible and active, focusing on urban design, quality, sustainability and use of town assets.

Support

11. The Town Centre Fund provides an opportunity to build on work by local authorities to develop and implement town centre action plans; and, to realise transformative ambitions arising from those plans. Scotland's Town's Partnership will continue to support local authorities and other key partners in this. However, additional support is offered by Scotland's Towns Partnership in partnership with other key organisations such as: Scottish Futures Trust; Scottish Enterprise, Highlands and Islands Enterprise, or South of Scotland Economic Partnership; and, Architecture and Design Scotland to support the development of investment decisions or work with local authorities individually or across neighbouring or regional authorities, to build momentum, share learning, and, to maximise funding.
12. Local authorities will have their own good practice in terms of monitoring and evaluating the benefits, impacts and outcomes of investment as part of relevant strategies and programmes; and, to ensure that they meet their duty to achieve Best Value. Additional support could also be offered to discuss how best to identify and collect data; assess impact; and, share formats that could contribute to consistent and wider learning.