

**SCOTTISH GOVERNMENT TOWN CENTRE CAPITAL FUND – PROJECT UPDATE**

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**1.0 EXECUTIVE SUMMARY**

- 1.1 The council was allocated £1.24m Town Centre Capital Funding from Scottish Government as part of the 2019/20 budget settlement to Argyll and Bute Council. On 27<sup>th</sup> June 2019, Council agreed that the fund should be allocated across eleven discreet projects and agreed to the how the fund should be apportioned between each project.
- 1.2 Guidelines for the fund require that the full £1.24m must be committed by 31<sup>st</sup> March 2020 and that this commitment of expenditure should be evidenced by a fully let contract, further to which project delivery can commence.
- 1.3 Although project delivery can commence in the new financial year all Town Centre Funded elements of the projects must be completed by 31<sup>st</sup> August 2020 in order to avoid having to return any unspent funds to Scottish Government.
- 1.4 The purpose of this report is to provide an update on the fund and on each of the eleven projects to coincide with the first monitoring report submitted to Scottish Government on 29<sup>th</sup> November 2019. A highlight report is attached to provide a summary of each project.

**RECOMMENDATION**

- 1.5 Members of the Policy and Resources Committee are invited to note the contents of this report.

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**2.0 INTRODUCTION**

- 2.1 The purpose of this report is to update members on the eleven Town Centre Fund projects, which are supported by the £1.24m Town Centre Capital Funding from Scottish Government for 2019/20.

**3.0 RECOMMENDATIONS**

- 3.1 Members of the Policy and Resources Committee are invited to note the contents of this report.

**4.0 DETAIL**

- 4.1 The overarching aim of the Town Centre Fund is to contribute to transformative investments which drive local economic activities and re-purpose town centres to become more diverse, successful and sustainable.
- 4.2 As members will be aware, the council has been allocated £1.24m from the Town Centre Capital Funding distributed by Scottish Government as part of the 2019/20 budget settlement to Argyll and Bute Council. Projects identified to benefit from this discreet pot of funding were agreed by Council on 27<sup>th</sup> June 2019. Eight of the projects will be managed by council officers and three of the projects will take the form of a grant to a third party to be managed by the third party. It is the purpose of this report to provide an update on each of these projects following submission of the first of three monitoring reports to Scottish Government.
- 4.3 The November monitoring report was submitted on 29<sup>th</sup> November 2019. The purpose of the monitoring report is to outline the main output of each project and provide relevant financial detail to Scottish Government.
- 4.4 Appendix 1 shows that the projects remain as agreed by Council and are continuing to be progressed by officers. In cases where amendments are required however, including any respective redistribution of costs, at their meeting of 27<sup>th</sup> June 2019, Council delegated decision making powers to the Executive Director with responsibility for Development and Economic Growth in consultation with the Council Leader, Depute Leader and Leader of the opposition.

- 4.5 Two subsequent monitoring reports are required to be submitted to Scottish Government in March 2020 and again in August 2020. The March report will provide greater detail on each project, and will require a narrative to describe how each was chosen, how it aligns with Town Centre Fund policy and how the benefits from each will be realised and evaluated. The final report, due for submission in August, will require information on the outputs and outcomes from each project and will inform the return of any unspent funds.
- 4.6 It is intended to provide members with two further updates on Town Centre Fund to coincide with the March and August 2020 monitoring reports.

## **5.0 CONCLUSION**

- 5.1 The tight timescales associated with this fund combined with the large number of projects make for a challenging programme. The projects are however progressing and each officer is working to the contract let date of 31<sup>st</sup> March 2020.
- 5.2 It is intended to bring an update to members in March 2020 to coincide with the monitoring report due to Scottish Government at this time.

## **6.0 IMPLICATIONS**

- 6.1 Policy – There is a need to comply with the Scottish Government Town Centre First policy and associated guidance for the Fund.
- 6.2 Financial – The Scottish Government expect that any uncommitted funds by 1<sup>st</sup> April 2020 will be returned to Scottish Government.
- 6.3 Legal – None
- 6.4 HR – Resourced from existing staff
- 6.5 Fairer Scotland Duty:
- 6.5.1 Equalities - protected characteristics - None
- 6.5.2 Socio-economic Duty – The Fund will support local economies through town centre regeneration activity
- 6.5.3 Islands – The Fund will support island economies through town centre regeneration activity
- 6.6. Risk – In order for each project to progress to delivery stage a fully let contract must be in place by 31<sup>st</sup> March 2020. The projects will be continually monitored to ensure that funds can be reallocated to another Town Centre Fund project to avoid having to return any uncommitted funds to Scottish Government at this time.
- 6.7 Customer Service - None

**Pippa Milne, Executive Director with responsibility for Development and Economic Growth**

5<sup>th</sup> November 2019

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**APPENDICES**

Appendix 1 – November Town Centre Fund Highlight Report (EXEMPT)