

TOWN CENTRE FUND UPDATE

1.0 EXECUTIVE SUMMARY

- 1.1 At their meetings of 27th June 2019 and 22nd October 2020, the Council agreed to allocate two tranches of Town Centre Capital Funding (TCF) from Scottish Government to twenty-eight region-wide projects. The Fund is subject to specific criteria, and has therefore been allocated to capital regeneration projects with a town centre focus that meet with programme guidance.
- 1.2 The combined funding of £1,686,000 is now fully committed, with projects either having a signed contract in place or having been started on site. Of the 28 projects, 17 will create new or improved infrastructure or public realm, 2 will support charitable organisations improve assets for the community, and 9 are being delivered as shopfront improvement grant schemes. In regard to the 9 shop front improvement grant schemes, over 120 individual shopfront improvement grants have been awarded to business owners with the aim of enhancing the trading environment and supporting the economic recovery of each town.
- 1.3 The TCF projects have a total value of over £9m and are currently at different stages of delivery. Seven projects are complete.
- 1.4 Current programme expenditure amounts to £913,331. To avoid having to return any unspent funds to Scottish Government, all projects must be complete by 30th September 2021. The purpose of this report is to provide members with an update on each of the Town Centre Funded projects, including the reallocation of funds, as described in Appendix A.

RECOMMENDATION

- 1.5 Members of the Environment, Development and Infrastructure Committee are invited to consider the contents of this report and to note that £1.685m has been fully committed to twenty-eight Town Centre projects.

ARGYLL AND BUTE COUNCIL

**ENVIRONMENT, DEVELOPMENT AND
INFRASTRUCTURE COMMITTEE**

**DEVELOPMENT AND
ECONOMIC GROWTH**

3 JUNE 2021

TOWN CENTRE FUND UPDATE

2.0 INTRODUCTION

- 2.1 The purpose of this report is to provide members with an update on Town Centre Capital Funding from Scottish Government.
- 2.2 The 2019 and 2020 combined funding of £1,686,000 has been fully committed to twenty-eight projects, as agreed by Council. The status of each and its respective funding allocation is provided as Appendix A.
- 2.3 The scope of each project meets the criteria and guidance established for the Fund by Scottish Government. In order to comply with timescales, all projects must be completed by 30th September 2021. The uncertainty created as a result of the covid-19 pandemic creates an element of risk, which will require continued monitoring and mitigation measures to ensure every effort is made to meet relevant timescales.

3.0 RECOMMENDATIONS

- 3.1 Members of the Environment, Development and Infrastructure Committee are invited to consider the contents of this report and to note that £1.685m has been fully committed to twenty-eight Town Centre projects.

4.0 DETAIL

- 4.1 As part of the 2019-20 budget settlement to Argyll and Bute Council, and as part of Scottish Government's 2020-21 economic recovery stimulus package, which is

particularly aimed at supporting construction activity across Scotland, Scottish Government has provided Argyll and Bute Council with two tranches of Town Centre Capital Funding. The Funding has a cumulative value of £1,686,000 and is allocated to 28 specific projects that are spread across our Main and Key town centres. The overall total value of the TCF projects is in excess of £9m.

- 4.2 The region-wide projects were agreed by Council at their meetings of 27th June 2019 and 22nd October 2020. The funding is subject to specific criteria, and is therefore allocated to capital regeneration projects with a town centre focus that meet with programme guidance. Funds were required to be fully committed by the end of financial year 2020/21, and projects must be completed by 30th September 2021 to comply with the terms of the funding.
- 4.3 All 28 projects have either a signed contract in place, have started on site, or are complete. The programme encompasses 17 new or improved infrastructure or public realm projects, and in a further 2 projects is supporting charitable organisations enhance their assets for the community. The programme also includes 9 shopfront improvement grant schemes, within which over 120 local businesses are being supported in making improvements to their shopfronts in an effort to enhance the trading environment of Argyll and Bute's towns and support the economic recovery of our High Streets.
- 4.4 The position with regard to each project is being continually reviewed. Whilst a number of the projects are being delivered via third parties the majority are projects being delivered by the Council. The programme is currently on track to deliver the projects by the September deadline, but timelines are subject to the impact from the pandemic and the relative restrictions.
- 4.5 Appendix A provides an overview of each project, and includes detail of respective funding allocations. In cases of project underspend, as per council agreement in October any residual has been reallocated to another Town Centre Funded project within the same town. Current programme expenditure amounts to £913,331.

5.0 CONCLUSION

- 5.1 The purpose of the Town Centre Fund is to support town centre focussed regeneration that can aid in efforts to stimulate economic recovery, particularly through support to the construction sector and town centre retailers. Projects have been chosen for their ability to support the vitality of our town centres, and where possible are linked to a town centre action plan that has been taken forward through a place making initiative.
- 5.2 A key constraint of the Fund are the tight timescales. The latest lockdown therefore creates a significant risk, the impact of which will be closely monitored and every effort made to mitigate against budget or time overruns as a consequence.

5.3 The Town Centre Fund programme is already making a meaningful difference to our area through the projects completed to date. The ongoing projects will also serve to help with economic recovery, and in making our places more attractive in which to live, work, visit and invest.

6.0 IMPLICATIONS

6.1 Policy – The projects support, Town Centre Action Plan and Town Centre First Principles. The place-based regeneration activity supports the ambitions of the, Outcome Improvement Plan and the Local development Plan, as well as the Council's, Economic Strategy and Economic Recovery Plan.

6.2 Financial - Of a total budget of £1,686,000, £913,331 has been spent to date. All funds were required to be committed by 31st march 2021 and as such any residual has been reallocated to another project within the same town, as described in Appendix A. Please note any unspent grant will be earmarked at year end.

6.3 Legal – Where third party grant is offered, it will be offered via a contract.

6.4 HR - None

6.5 Fairer Scotland Duty: (please refer to guidance on Hub)

6.5.1 Equalities - protected characteristics - None

6.5.2 Socio-economic Duty - None

6.5.3 Islands – Projects have been identified for the main towns of Islay, Mull and Bute.

6.6. Risk – The restrictions currently in place in an effort to control the spread of coronavirus covid-19 poses a risk to the projects. The inability to fully plan for such unforeseen events, and the impacts of such, is likely to be reflected somewhat negatively within the deliverability of projects, particularly in terms of timescales. The completion deadline for all projects is 30th September 2021. Any unused grant is to be repaid to the Scottish Government, unless otherwise agreed in writing by Scottish Ministers.

6.7 Customer Service - None

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20th April 2021

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APPENDICES

Appendix A – Town Centre Fund Project Overview