

REPORT TO INFRASTRUCTURE SERVICES COMMITTEE - 1 OCTOBER 2020

SCOTTISH GOVERNMENT TOWN CENTRE FUNDING

1 Reason for Report / Summary

- 1.1 This report provides details on the monies from the Scottish Government Town Centre Fund for distribution to Aberdeenshire's town centres.

2 Recommendations

The Committee is recommended to:

- 2.1 Agree the criteria to be used for the distribution of the Scottish Government Town Centre Fund 2020/2021 noted in point 4.3.
- 2.2 Agree the process for the distribution of funds noted in point 4.6.
- 2.3 Delegate authority to the Director of Infrastructure Services to approve applications for funding from the Scottish Government Town Centre Funds 2020/21 following consultation with the Chair, Vice Chair and Opposition Spokesperson of Infrastructure Services Committee, the Council Leader, and the Chief Executive.
- 2.4 Instruct the Director of Infrastructure Services to report back to Committee with details of future applications approved under recommendation 2.3.

3 Purpose and Decision Making Route

- 3.1 The Scottish Government announced in December 2018, as part of their budget allocations, that £50 million had been ring-fenced for a Town Centre Fund that would be distributed to Local Authorities as part of their capital settlement. The purpose of this Fund was to drive local economic activity and to stimulate and support place based economic improvements in town centres. The aim is to invest in inclusive growth which supports town centres to become more diverse and sustainable, creating footfall through local improvements and partnerships which encourage town centres to become more vibrant, creative, enterprising and accessible places for their communities.
- 3.2 The Scottish Government allocated £3,286,000 of the Town Centre Fund to Aberdeenshire Council for distribution to projects in 2019-20. Due to the tight deadlines for the funding, a paper was reported to the Infrastructure Services Committee on the 16th May 2019 to:

- Acknowledge the Director of Infrastructure Services use of Delegated Authority for reasons of special urgency in consultation with the Chair, Vice Chair, Opposition Spokesperson of the Infrastructure Services Committee, Council Leader and Chief Executive
 - Agree the criteria to be used for the distribution of the Town Centre Fund in Aberdeenshire
 - Agree the process for the distribution of funds in Aberdeenshire
- 3.3 Fourteen projects were allocated funding, all which are either complete or on track for completion. The fund was extended for twelve months, all projects from the 2019/2020 fund are now required to have contracts in place or works started by 31st March 2021 and monies fully claimed by September 2021.
- 3.4 The Scottish Government have announced £30 Million of Capital investment to support Economic Recovery. £12 million will be available to support current Regeneration Capital Grant Fund projects. £18 million will be injected into the Town Centre Fund (TCF) for investment in 2020-21 year. This fund has been distributed using the criteria agreed by the Scottish Government Settlement and Distribution Group (SDG); the first fifty per cent has been allocated on total population and the second fifty per cent allocated based on the number of towns. Aberdeenshire Council have been allocated £1,179,000.
- 3.5 Timescales are tight, it is currently being proposed that the fund will be launched in autumn, with projects started or contracts in place by 31st March 2021. If not used, funds will have to be returned to the Scottish Government so there is an urgency in allocating the Fund.

4 Discussion

- 4.1 Due to the tight timescales and the need to be proactive and ready to allocate the funding it is recommended that the Committee delegate authority to the Director of Infrastructure Services to approve the applications for the distribution of the 2020/2021 fund, following consultation with the Chair, Vice Chair, Opposition Spokesperson of the Infrastructure Services Committee, Council Leader and Chief Executive for the distribution of potential 2020/2021 Scottish Government Town Centre Funds.
- 4.2 It is proposed since the funding is limited, that the key town centres remain the same as agreed as part of the 2019/20 fund: those stated within the Local Development Plan and which align with the Town Centre First Principle; Banchory, Ballater, Banff, Ellon, Fraserburgh, Huntly, Inverurie, Macduff, Peterhead, Portlethen, Stonehaven, Turriff and Westhill. Due to the timescales and limited funds available it is unlikely that all areas will have an appropriate project to deliver.
- 4.3 The aim of the fund is to stimulate local construction activity and support employment through the delivery of the project. There are three fundamental elements to the fund. It must be a town centre project, transformational and be Capital spend. It is also proposed that the criteria for the fund is as follows:

Criteria	Maximum Score
Deliverability	25
Public Consultation/good business plan	5
Sustainability of project	10
Impact on town centre	15
Leverage	5
TOTAL	60

- 4.4 To ensure we are prepared to receive applications, allowing enough time for project details to be finalised within the timescales, the Strategic Town Centre Executive has consulted with the Area Managers, Area Project Officers, the Housing, Property, Planning and Live Life Aberdeenshire services, and key community groups. A member briefing has been circulated to all Elected Members as part of the consultation.
- 4.5 The grant letter from the Scottish Government allows the council to grant monies to the private sector as well as third sector organisations. We are aware that this has been included for councils that have planned projects in place with the private sector. Time limitations and the small funding available does not allow us to open this fund up to the private sector at this time, it will however be taken into consideration for future funding schemes and the mechanics of this can be explored through the Property Investment Fund, which is part of the regeneration strategy.
- 4.6 With limited funding and time constraints, it is recommended that:

- Current town centre funded projects are reviewed as a first step to ensure all projects are on target and do not require further funds.
- The monies are used more effectively, by supporting fewer transformational projects rather than various smaller initiatives.
- We do not do an open call for projects, instead we put projects forward to the application stage that have been highlighted through the consultation process.
- The processes from the 2019/2020 funding are applied and the internal panel made up of officers from Economic Development and Planning and Environment Services will assess applications before presenting them to the Director of Infrastructure Services following consultation with the Chief Executive, Council Leader and the Chair, Vice Chair and Opposition of the Infrastructure Service Committee for allocation of the funds.

5 Council Priorities, Implications and Risk

- 5.1 The Scottish Government Town Centre Fund will contribute to the delivery of the Strategic Priorities “Health and Wellbeing” with the Pillar “Our People” and “Economy and Enterprise” within the Pillar “Our Economy”.

5.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	x		
Staffing	x		
Equalities		x	
Fairer Scotland Duty		x	
Town Centre First		x	
Sustainability		x	
Children and Young People's Rights and Wellbeing		x	

5.3 Finance officers are aware of the Capital Funding. It is expected that the Town Centre Fund monies will be received quarterly. The Fund monies will be placed in reserves within the Economic Development budget.

5.4 There are staffing implications for different teams including Economic Development, Planning and Area Managers. It is not envisaged that additional staff will need to be employed to administer this fund.

5.5 An equality impact assessment and a Town Centre First Principle Impact assessment are not required at this stage. Any implications in respect of these matters as well as implications in relation to the Fairer Scotland Duty, Sustainability and Children and Young People's Rights and Wellbeing will be considered in the determination of the distribution of grants from the fund once the final details are received from the Scottish Government.

5.6 The following Risk has been identified as relevant to this matter on a Corporate Level:

- ACORP005 – Working with other organisations, partnership working – This will be mitigated by ensuring that all parties are clear on the objectives of the funding and that deliverables and timescales are agreed and robustly monitored through the grant / service level agreement process.

6 Scheme of Governance

6.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this report and their comments are incorporated within the report and are satisfied that the report complies with the Scheme of Governance and relevant legislation.

- 6.2 The Committee is able to consider this item in terms of Section F1.1b of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to the approval of resources to support Economic Development.

Stephen Archer

Director of Infrastructure Services

Report prepared by Audrey Michie, Strategic Town Centre Executive
Date: 8 September 2020