

Agenda Item	3
Report No	NC/01/21

HIGHLAND COUNCIL

Committee: Nairnshire Committee

Date: 17 February 2021

Report Title: Town Centre Fund

Report By: Executive Chief Officer: Infrastructure and Environment

1. PURPOSE/EXECUTIVE SUMMARY

- 1.1 The Scottish Government has allocated The Highland Council an additional £1,066,000 ring-fenced Town Centre Fund (TCF). On 5 November 2020, Members of the Economy and Infrastructure Committee Members agreed an area distribution of the grant. Nairnshire Committee has been allocated £28,052 to be invested in Nairn.
- 1.2 While a Town Centre focus remains with the fund, the key driver behind the extra funding is to stimulate local construction activity and support employment across Highland at this time of economic crisis. Accordingly, the Scottish Government has conditioned the grant offer that grant expenditure must be complete by March 2021 (i.e. works completed or contracts signed/commenced within 2020/21).
- 1.3 At the 2 December 2020 meeting of the Nairnshire Committee, Members agreed to provisionally award the allocation to Nairn BID on the proviso that they develop and eligible project(s) in accordance with the criteria and carry out appropriate stakeholder engagement. Final detail of the projects were to be agreed at meeting of the Nairnshire Committee.

2. RECOMMENDATIONS

- 2.1 Members are asked to:
- i. Agree the final detail of the TCF proposal for Nairn and formally award Nairn BID £28,052 to deliver the project as detailed in Appendix 1.

3. IMPLICATIONS

- 3.1 **Resource** – The additional funds are capital (for investment in fixed physical assets) and ring-fenced with specific conditions attached. The grant can be spent by The Highland Council or third parties. The value of TCF grant being requested by third parties is unlikely to affect international trade and therefore compliant with UK international commitments in relation to public authorities awarding subsidies.

- 3.2 **Legal** – When managing external funding it is imperative that the risks to The Highland Council are accessed/mitigated and any back to back grant award letters with third parties, and financial claims management protect The Highland Council financial and reputational interests.
- 3.3 **Community (Equality, Poverty and Rural)** – The purpose of the additional grant is to support the construction sector with contracts in town centres across Highland.
- 3.4 **Climate Change / Carbon Clever** – No direct implications arising albeit specific projects may bring positive implications.
- 3.5 **Risk** – As per item 3.2 above.
- 3.6 **Gaelic** – As per item 3.4 above.

4. **TOWN CENTRE FUND GRANT AWARD: 2020/21**

- 4.1 On 10th September 2020 the Scottish Government announced an additional £18m through the Town Centre Fund as part of its national economic recovery stimulus package, particularly aimed at supporting construction activity across Scotland. On 18th September the Scottish Government issued its formal grant offer to The Highland Council. The value of the grant offered is £1,066,000.
- 4.2 The grant offer and accompanying guidance includes the following key conditions of grant:
1. *All grant expenditure must be complete by 31 March 2021 (whether the project is led by The Highland Council or third party);*
 2. *The grant is for capital expenditure which is additional to that which is already or would otherwise be allocated to the 2020-21 budget, and should not substitute for existing spend;*
 3. *The Grant may also be used to fund third party capital expenditure in the current year; and*
 4. *No part of the grant may be transferred to the Capital Fund, nor may any part of the grant be used to meet the costs of debt redemption.*

5. **DELIVERY CONSIDERATIONS**

- 5.1 The Scottish Government in their TCF grant award guidance explicitly states that: *it is expected that local authorities will prioritise projects which are established and can progress in time to meet this deadline (31 March 2021). Expenditure is defined as “It is expected that work will be completed; or, at least work or contracts signed or commenced within 2020/21”.*

In other words, this together with the town centre purpose of the fund can be read as, the Scottish Government is expecting The Highland Council to support existing Town Centre located projects that could benefit from some additional spend, or new Town Centre projects that are ‘shovel ready’ to be progressed.

6. TCF PROPOSAL

6.1 Nairn

Nairn BID are seeking to invest the full allocation on a suite of environmental improvements in the town centre. This will include the provision of signage, notice boards, interpretation boards, location maps, street furniture, flower displays, and decorative vinyl's on shop windows (located at prominent locations on the High Street).

6.1.1 Nairn BID believe that this project will complement current BID activity to improve the aesthetics of the town to help make it more appealing for visitors and the community. The overall goal is to increase the footfall on the High Street, promote "buy local" and in doing so support local businesses to thrive and grow. It is hoped that the TCF investment will also encourage further retail investment in the High Street which will help secure its future.

6.1.2 Nairn BID have consulted with Nairn Improvement Community Enterprise and Green Hive and there is support for the proposals.

6.2 There are no eligibility issues with the proposals. There is a slight concern that property owner consent for the vinyl's could be protracted and potentially result in the full budget estimate not being committed by the end of March for this specific cost item. It is therefore suggested that flexibility be offered to Nairn Bid in consultation with Members to move funds across the budget headings detailed in Appendix 1 to take account of cost variations across individual items. This is on the understanding that the project outputs will be delivered as described.

Designation: Executive Chief Officer: Infrastructure and Environment

Date: 5 February 2021

Author: Alan Webster, Regeneration and Employment Team Leader

Appendices: Appendix 1 – TCF proposal

Received by Committee Services on 6 February 2021 at 13:04

APPENDIX 1: TCF PROPOSALS

Town Centre Fund Project Proposal (Send to regeneration@highland.gov.uk)			
Site address:	Nairn Town Centre – IV12		
Ownership:	Highland Council		
Project lead and contact details:	Lucy Harding – Nairn BID Manager Nairn Community and Arts Centre, King Street, Nairn, IV12 4BQ		
Description of project. Including where the proposed TCF grant will be invested. (e.g. acquisition, demolition, remediation, % contribution towards capital build costs):			
The TCF grant will be utilised to make general improvements to the town centre for the benefit of the community and visitors. This will include the provision of Signage, Notice Boards, Interpretation Boards, Location maps, Street furniture, flower displays, and decorative vinyl's on shop windows (located at prominent locations on the High Street)			
Estimated outputs (e.g. jobs created, Xm ² of floor space brought back into productive use, ha land remediated, X residential units created):			
This project will be an integral part of an endeavour by BID to improve the aesthetics of the town to help make it more appealing for visitors and the community. The overall goal is to increase the footfall on the High Street, promote “buy local” and therefore support local businesses to thrive and grow. This will also encourage further retail investment in the High Street which will help secure its future.			
Indicative costs (Please provide a breakdown of key cost elements):			
Cost item	Amount funded from TCF	Amount funded from other sources (please specify funder)	Total Cost
Signage, maps, lamppost brackets	£3,644.80	£	£3,644.80
Floral displays	£4,600.00	£	£4,600.00
Street furniture – benches and planting containers	£11,296.80	£	£11,2096.80
Notice and interpretation boards	£2,734.80		£2,734.80

Decorative window vinyl's	£4,128.00		£4128.00
Installation, shipping sundries	£1,995.60		£1,995.60
Total	£28,400.00	£	£28,400.00

If planning permission has been obtained, details on the type of planning permission (full, outline, conditional, unconditional), should be provided showing the date of approval. If there are any outstanding planning procedures/appeals or if there are likely to be any further planning appeals, these should be clearly explained below, stating the likely timescale for the resolution indicated:

No Planning permissions are required. However, general permission from the Highland Council will be required before commencement of the project. We will also require permission from the various shop owners/tenants to install the shop window vinyls – this is in progress.

Timescale for completion. Please specify when contracts will be awarded. When work will start on site and be complete, including when Town Centre Fund elements will be complete:

We propose to purchase all the elements of the project prior to the 31st March 2021 and complete the project by the end of May 2021 at the latest.

Briefly describe what community consultation has been carried out in relation to your project:

The proposal has been reviewed by various community groups (Green Hive and NICE) to ensure that it will provide value to the town and the community.

Location plan and photographs of site/property:

Item Description	Location
Welcome to Nairn Sign and town map	Railway Station
Hanging Basket Brackets for lampposts x 4	Cawdor Street
Floral displays for hanging baskets and containers	From Railway Station to the foot of the Brae
Planting containers	Academical Square, Leopold St junction and Castle Square
New benches x 11	Academical Square, Leopold St junction and Castle Square
New Notice Board and Interpretation board	Academical Square
Purchase and install decorative window vinyl's	Various prominent locations within High St
Installation and shipping charges	Various
TOTALS	



Town Centre Fund 2021 (TCF) Nairn Allocation – £28k
Proposed Projects (Capital spend)