

Report

Report to: Community and Enterprise Resources Committee

Date of Meeting: 29 June 2021

Report by: Executive Director (Community and Enterprise

Resources)

Subject: Place Based Investment Programme

1. Purpose of Report

1.1. The purpose of the report is to:-

- inform members of the Place Based Investment Programme (PBIP) award from Scottish Government and its funding criteria
- seek approval on how the fund should be allocated within the terms of the guidance, to benefit places and centres across South Lanarkshire

2. Recommendation

- 2.1. The Committee is asked to approve the following recommendation(s):
 - (1) that the plan for delivery of the 5-year programme funded by the awards from the Scottish Government funding, as set out in section 5 of the report, be approved;
 - (2) that update reports providing details of identified projects be submitted to future meetings of the Committee be noted; and
 - (3) that the Executive Director (Community and Enterprise Resources) be authorised to progress the programme on the basis of the recommendations at section 5 of this report in consultation with the Head of Administration and Legal Services as required.

3. Background

- 3.1. The Scottish Government announced in their Programme for Government in February 2021 that they proposed to implement a place-based investment programme over the 5-year period of the next parliament. The funding is targeted at addressing some of the challenges faced by Scotland's Places across the country. The Government confirmed the details of the allocation of the funds to each local authority in a letter dated 10 May 2021 which included its proposal to allocate the funds based on a weighted formula based on the number of towns and population in a local authority area and deprivation indices.
- 3.2. The letter both confirms the award of £2.003m for the financial year 2021/2022 and sets out the overall amount of funding across Scotland for the 5-year programme. Based on a pro rata calculation for subsequent years, the Council would receive approximately £1.4m in financial year 2022/2023 and £1.2m in each of the remaining 3 years of the programme. Thereby providing a funding programme in the region of £7.003m over the 5-year period.
- 3.3. The confirmation of a 5-year programme allows a more structured approach to the preparation, allocation and delivery of projects when compared to previous annual allocations for town centre funding. Section 5 of this report sets out the recommendations based on the existing programme of projects under town centre

funding, reported to this Committee on 6 May 2020, along with emerging projects from our communities.

- 3.4. As noted above, the basis of the calculation on which funding has been allocated to local authorities is similar to the town centre funding allocated in 2019 and 2020. The ways in which the funding can be used are, however, broader with the objectives of the fund being linked to the improvement of Places rather than being focussed on town centres. Nonetheless, it is important to note that the constraints around completing spend within the relevant financial year remain, and, therefore, the initial funding of £2.003m must be spent and/or fully committed by 31 March 2022 with future years following a similar structure.
- 3.5. South Lanarkshire Council defines our town and local centres through the Local Development Plan (LDP) which sets out a hierarchy of centres identifying 3 strategic centres East Kilbride, Hamilton and Lanark and 7 town centres Biggar, Blantyre, Cambuslang, Carluke, Larkhall, Rutherglen and Strathaven. Other shopping areas outwith these centres are considered local centres (also known as neighbourhood or village centres) and often sit within the catchment of a larger town. These local centres which include small towns, villages, and neighbourhood centres total 29 additional centres across South Lanarkshire and are defined in the LDP. Therefore, in total the LDP identifies 39 centres.
- 3.6. When the Scottish Government Town Centre Funding was allocated to Councils in 2019 and 2020 this was based on a definition used by Scotland's Town's Partnership (STP) that an eligible settlement is one with a population of over 1,000 residents. The towns identified have been taken from the National Records for Scotland (NRS) data as being the 438 settlements in Scotland with a population of over 1,000. In the case of South Lanarkshire, the NRS data identifies 22 settlements which fall within the STP definition.
- 3.7. The difference between these two definitions meant that several communities were not eligible or not successful in securing funding on previous rounds of town centre funding as they were in the catchment of larger towns. The definition of how this placebased funding can be allocated is very wide and could cover all towns, villages and settlements in South Lanarkshire. In considering this potential allocation model it is important to recognise that funding allocation should be focused in a way to deliver meaningful projects rather than being spread too widely. From this, and to establish a robust appraisal process it is proposed in the first instance to increase the number of eligible settlements by using the settlement hierarchy set out in the LDP. These criteria will increase the number of eligible settlements from 22 to 39 as set out in Appendix 1. This enables the funding to cover neighbourhood centres which were not previously eligible and allows the appraisal process to recognise areas and assets beyond designated centres which are valued and supported by local communities. This holistic approach was successfully adopted in supporting a number of town centre funding projects. It is considered that this strikes the balance between increasing funding opportunities for communities and ensuring the delivery of meaningful projects. This may have to be revisited and widened further in future years as more communities are successful in obtaining funding and reflecting on any lessons learned in this first year of funding. This would be reported to a future Committee for consideration and approval.
- 3.8. In parallel to this process, officers are working on a bid to the revenue-based UK Community Renewal Fund (CRF) to secure funding for a significant piece of feasibility work to identify the strengths, weaknesses, opportunities, and threats for our hierarchy of town centres. Unlike the PBIP this bid is focussed on town centres only, however,

there are clearly significant areas of overlap which officers will consider when seeking to maximise funding packages. Consequently, a series of projects and actions plans will be produced which will inform PBIP and other existing and emerging funding opportunities. It is anticipated this will involve significant community consultation and will allow all communities and interested stakeholders to develop projects and initiatives that will position them to pursue future funding opportunities with a list of community-supported projects prepared in advance of any further funding announcements being made.

4. Programme Funding Guidance

4.1. The Scottish Government guidance issued with the grant offer is not prescriptive and makes it clear that it is up to each local authority to decide how to award funding in its own area. However, the guidance sets out the high-level expectations of the Scottish Government, which is set out in the following paragraphs.

Programme Expectations

- 4.2. The 2020 Programme for Government committed to establishing a Place Based Investment Programme (PBIP), linking and aligning our place-based funding initiatives. The aim of the PBIP is to ensure that all place-based investments are shaped by the needs and aspirations of local communities and accelerate our ambitions for place, 20-minute neighbourhoods, town centre action, community led regeneration and community wealth building.
- 4.3. The Place Principle, which underpins this approach, was adopted by Scottish Government and COSLA as a basis for collaborative working to ensure that future local investment is relevant to local communities for the benefit of local people. Bringing relevant services, enterprise, and communities together to make our towns, villages, and neighbourhoods more viable. The PBIP alongside the developing Place Framework are designed to make the Place Principle real.
- 4.4. A coherent programme approach to place-based investment will provide the structure to challenge, coordinate and target efforts in any particular geography. It is designed to make sure that all place-based investments understand the place in which they are made, how their contribution will help deliver the changes needed, and how local communities shape their future.

4.5. Programme Objectives

The main objectives of the programme are to:-

- ♦ link and align place-based initiatives and establish a coherent local framework to implement the Place Principle
- ♦ support place policy ambitions such as town centre revitalisation, community led regeneration, 20-minute neighbourhoods and Community Wealth Building
- ensure that all place-based investments are shaped by the needs and aspirations of local communities
- accelerate our ambitions for net zero, wellbeing and inclusive economic development, tackling inequality and disadvantage, community involvement and ownership

4.6. Programme Locations

The Programme aims to invest in centres or neighbourhoods connected with two categories of settlement.

- 1. Rural settings with smaller populations, dependent on larger geographical areas for support, for example:-
 - ♦ Small Towns with a limited range of non-specialised facilities
 - Villages with very limited, or non-existent, access to facilities

- 2. Urban settings with sizeable populations, for example:-
 - Regional Capitals with extensive provision supporting a wide geographical area;
 - Larger Towns with a comprehensive range of dedicated services and facilities.
 - Individual Neighbourhoods with limited access to relevant local provision.
- 4.7. Taking all of the above into account officers have compiled a comprehensive funding programme for the first year of PBIP, in consultation with community groups, which aims to meet the aspirations and needs of our places and communities.

5. Allocation of Funds

- 5.1. As noted, the 5-year programme allows a more structured approach to be put in place which will allow the allocation of funding to be more effective by removing some of the timing constraints of the previous town centre funding. This should allow Economic Development to support community aspirations and develop and deliver a pipeline of projects with the potential to benefit all our diverse town and local centres over the 5-year period. As noted in paragraph 3.7, it is hoped that this will be supported through feasibility work funded via CRF. Nonetheless, the funding for 2021/2022 does come with the spending constraint as noted in 3.4 which means that projects must be able to spend or have funding commitment by 31 March 2022. This in turn, has influenced the proposed funding allocation for this financial year with a focus on projects that can be delivered within this timeframe and meet Scottish Government's funding criteria.
- 5.2. The structure below seeks to recognise the time constraints in the first year of the programme and provide time, funding, and resource to allow communities, with appropriate support from the Council and other CPP partners, to be able to maximise the potential of the funding moving forward.
- 5.3. Officers' experience from delivering the Town Centre Capital project programme suggests that an application and bidding process to enable delivery of projects within the required timescales for the first year of the programme is extremely unlikely and would add an unacceptable level of risk. This project list is a combination of:
 - projects which came forward for support through the town centres funding and were rejected at that time primarily on the basis that they were not sufficiently advanced, however, have now progressed to the point that they merit support
 - those which officers are aware of via ongoing engagement with local groups and communities and are deliverable in the timeframe
 - those which will have received funding previously but now need additional funding to fully complete them in line with their original scope
- 5.4. From the above, it is being recommended that the following projects and funding arrangements for year 1 2021/2022 to a value of £2.003m be progressed as set out in Table 1 below.

Table 1

Place	Project	Description	Lead group	Rationale	Funding
All centres	Project development	Project development for future years.	Local Groups	Allow between 10 – 15 communities to work up proposals for deliverable projects and build capacity	£253k
Carluke	Rankin Gait,	Regenerate the Rankin Gait Precinct creating the Rankin Gaitway Community Space.	OneCan	Project which is ready to deliver, widely consulted on and included in community plan	£100k
Carnwath	Community and Enterprise Hub	Acquire retail premises and hold for the future benefit of the community.	Carnwath Community Council	Project which is ready to deliver, widely consulted on and included in community plan	£25k
Forth	Business and Outdoor Development	Creation of an outdoor space to expand the Rainforest Cafe at Forth, St Paul's church.	Forth and District Development Trust	Project which is ready to deliver, widely consulted on and included in community plan	£75k
Larkhall	Welcome to Larkhall	Improve the appearance of the main shopping street, making it more attractive to shoppers and visitors.	Larkhall Growers / Larkhall Community Council	Project which is ready to deliver, widely consulted on and included in community plan	£100k
Rutherglen	Town Centre Business Support	Creation of a business hub providing space for new starts and/or existing business.	Moorgarth Group Limited	Project which is ready to deliver and provides wider town centre benefits	£100k
Strathaven	Development of the Thomson Suite in the Town Mill	Development of the Thomson Suite in the Town Mill, a tourist information point and further development of	Strathaven Community Council / Town Mill	Project which is ready to deliver, widely consulted on and included in community plan	£100k

Place	Project	Description	Lead group	Rationale	Funding
		the InsideOut app.			
Halfway	Halfway Park refurbishment	Delivery of refurbishment at Halfway Park including play equipment, drainage, and paths.	Halfway Community Council	Project which is ready to deliver, widely consulted on and included in community plan	£100k
Blantyre	David Livingstone Centre	External features such as landscaping, play and picnic areas and paths linking to the Clyde and town centre.	David Livingstone Centre	Support works which had to be removed from the original scope to achieve cost savings to be reinstated	£400k
Rutherglen	Mitchell Arcade	Package of improvements to diversify the centre including Community Gym, Emporium Retail for start-up businesses, training hub for young people with learning difficulties and Shop Mobility service.	Moorgarth Group Limited	Reduce the reliance on retail and diversify uses which will support the town centre, businesses and social enterprise	£300k
Hamilton	Newcross Centre	Additional costs with existing project required many features to be removed from the design which would reduce the quality of the end product. This funding will allow these elements to be reinstated.	SLC	Improve the appearance and quality of the offer at the centre	£300k
Bothwell	Bothwell community facility	Support Bothwell Futures deliver projects in their community plan.	Bothwell Community Council	Bothwell Futures community plan identifies a number of projects which are ready to deliver and widely consulted on.	£150k

- 5.5. Early discussions with the leads for each of these projects gives officers a strong indication that the projects are sufficiently progressed and that the projects can be delivered, and the funds spent and/or committed within the required timescales.
- 5.6. It should be noted that, as with the town centre programme, project costs are at an indicative budget stage and it will be necessary to again give the Executive Director (Community and Enterprise Resources) delegation to act quickly and transfer funds where necessary amongst projects, whilst remaining within the total funding envelope of £2.003m.
- 5.7. The projects all carry a level of risk, however, the proposal before Members aims to strike a balance of funding deliverable projects and benefiting a wider number of towns and neighbourhoods.
- 5.8. It should, however, be stressed that as this is a 5-year programme, there is still opportunity for all our communities to apply for funding to develop their projects over the first year as noted in Table 1 through the funding line 'project development', with a view to securing funding for deliver in future years.
- 5.9. The detail around the delivery of subsequent years of the programme will be shaped by the work carried out with communities over the first year and whether the Council is successful in securing CRF and Levelling Up Funds. Members will be updated regularly throughout the 5-year programme. Meantime, if Members accept the proposals outlined in this report it is highlighted that to the end of financial year 2021/2022, 13 communities will have benefited from funding of £17.4m to support project delivery as set out at Appendix 2.
- 5.10. While it is not being recommended that a bidding process be used for the largest part of the funding in the first year, due solely to the time constraints placed on the Council, it is proposed a bidding process mirroring that used for the Town Centre funding over 2019 and 2020 be used for the allocation of funding for future years. In this regard, it is noted that this funding arrangement will be used to supplement the 2022/2023 PBIP of £1.4m with £500k to provide an overall funding pot of £1.9m for 2022/2023. The details and outcome of each bidding process will be reported to Community and Enterprise Resources Committee for approval in advance of each year's programme.

6. Next steps

- 6.1. Should the funding allocation for 2021/2022 be approved, officers in Economic Development will immediately engage with the individual project leads to confirm funding and agree detailed delivery structures. Officers will also put in place an application process for communities looking to develop their projects for future years and be in a position to receive applications and award funding during the second quarter of the financial year.
- 6.2. Regular update reports will be presented to the Committee to monitor progress of the programme and an annual report will be submitted to update on new projects and seek approval for future years.

7. Employee Implications

7.1. The development and implementation of the PBIP will be taken forward by officers within Planning and Economic Development Services, in consultation with colleagues across all other council resources and CPP partners as appropriate.

8. Financial Implications

- 8.1. The funds, where appropriate, will be brought into the Council's General Services Capital Programme and will be subject to the normal monitoring and financial processes.
- 8.2. The proposals in this paper will allow the Capital Programme funding allocation for Town Centre projects approved by this Committee on 24 November 2020 to be committed to next financial year and included in year 2 of the PBIP.

9. Climate Change, Sustainability and Environmental Implications

9.1. The projects and initiatives identified in this report will be delivered using a range of sustainable techniques and models, having regard to best practice and current construction industry guidance. It is also noted that many of the projects will result in the redevelopment of vacant buildings and land.

10. Other Implications

- 10.1. Due to the diverse portfolio of projects, the timescales within which projects were developed and the capacity of groups involved, there is a risk that some projects may not proceed in the way envisaged and fail to meet the timescales required.
- 10.2. Ultimately, this could result in grant not being expended in the relevant time frame and opportunities to implement these specific projects will not be maximised. This may result in project funding being withdrawn. Best endeavours will continue to be made to deliver all remaining projects within the available timescale.

11. Equality Impact Assessment and Consultation Arrangements

- 11.1. This report does not introduce a new policy, function or strategy or recommend a change to an existing policy, function or strategy and, therefore, no impact assessment is required.
- 11.2. Consultations have been co-ordinated by Economic Development Services with a range of other Council Services which have an ongoing role in delivering services and initiatives in our Town Centres This consultation and co-operation will continue throughout the duration of the initiatives.

Michael McGlynn Executive Director (Community and Enterprise Resources)

8 June 2021

Link(s) to Council Values/Ambitions/Objectives

- ♦ Support the local economy by providing the right conditions for growth, improving skills and employability.
- Improve health and increase physical activity.
- Partnership working, community leadership and engagement.

Previous References

- ◆ Community and Enterprise Resources Committee, 4 June 2019 Town Centre Capital Grant Fund
- ◆ East Kilbride Town Centre/ Civic Centre Masterplan Executive Committee on the 26 June 2019
- ◆ Community and Enterprise Resources Committee, 3 September 2019 Town Centre Capital Grant Fund Update
- ◆ Community and Enterprise Resources Committee, 4 February 2020 Town Centre Capital Grant Fund Update
- ◆ Community and Enterprise Resources Committee, 25 March 2020 Town Centre Capital Grant Fund Update
- ♦ Community and Enterprise Resources Committee, 15 September 2020, Town Centre Capital Grant Fund Update
- ♦ Community and Enterprise Resources Committee, 24 November 2020, Scottish Government Town Centre Funding Phase 1 Update and Phase 2 Proposed Funding Allocation

Contact for Further Information

If you would like to inspect the background papers or want further information, please contact:
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Services

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Appendix 1

LDP definition of centres

Strategic Centres

East Kilbride, Hamilton, Lanark

Town Centres

Blantyre, Biggar, Cambuslang, Carluke, Larkhall, Rutherglen, Strathaven

Local Centres

Blackwood/Kirkmuirhill, Carnwath, Coalburn, Crossford, Douglas, Forth, Law, Lesmahagow.

Almada St, Bothwell, Burnbank, High Blantyre, Hillhouse, Low Waters, Stonehouse, Uddingston.

Calderwood, East Kilbride Village, Greenhills, Lindsayfield, Stewartfield, St James Centre, St Leonards, The Murray, Westwood.

Burnside, Fernhill, Halfway, King's Park.

Appendix 2

Project Summary and Update

Project Number	Name	Summary	Update	Project Value Grant / project value	Target grant spend / Project completion	BRAG
1	Royal Oak, Lanark	Social rented housing development on the site of a derelict hotel	Development has all statutory consents in place and work began on site in June 2021	£345k / c£4m	Q2 2021/Mid 2022	Green
2	Former Hamilton Advertiser Building, Hamilton	Social rented housing development on the site of a former print works	Demolition works are complete, and the main works are progressing well	£300k / £3.2m	Q1 2021 / Late 2021	Green
3	East Kilbride Shared Workspace	To create 10,000 sq. ft. of business start-up space on floor 7 of Plaza Tower. Funds of £200k reallocated to the Civic Centre feasibility project	Private sector match funding could not be secured, project not proceeding	N/A	N/A	Red
4	Vogue Site, Hamilton	Social rented housing development on the site of a former Bingo hall Progress has been slower than anticipated due to COVID-19 restrictions and changes in personnel, however, programme should still be achievable	Planning application lodged June 2021. Site investigations and essential repairs carried out. Contracts in place to proceed. Council approval to dispose of site to RSL obtained March 2021	£440k c£4.3m	Q3 2021 / Late 2022	Amber
5	Former Poundstretcher, Hamilton	Redevelop the Poundstretcher site as a mixed use	Property could not be secured	N/ A	N/A	Red

Project Number	Name	Summary	Update	Project Value Grant / project value	Target grant spend / Project completion	BRAG
		residential/retail development Funds of £180k put back into the programme to support phase 1 delivery	- project not proceeding			
6	Cambuslang Streetscape	Streetscape improvements including pavement resurfacing	Tender return February 2021, with site start in early June 2021	£845k	Phased Q1 2020 - Q3 2021	Green
7	South Lanarkshire Heritage App	Development of a South Lanarkshire wider Town Centre app	First phase live for Bothwell, Stonehouse, Douglas, Strathaven Funding for other Communities secured	£150k / £240k	Phased Q2 2020 – Q4 2021	Green
8	Forth Café and Cinema	To create a cinema and kitchen café in town centre hall for community town centre events and increase town centre footfall	Works complete and final payments being processed	£60k	Q1 2021	Blue
9	Carnwath site assembly	Acquisition of a derelict site to facilitate a community project	Acquisition will be finalised on completion of remediation works by existing owner. Development subject to other funding which is now in place	£335k / £650k	Q2 2021 Q3 2022	Green
10	Hunters Close, Lanark	Removal of a derelict building and creation of town centre car parking / market space	Demolition works complete with reinstatement works underway	£257k	Phased Q1 – Q3 2021	Green
11	Rankin Gait, Carluke	Regenerate the Rankin Gait Precinct creating the Rankin Gaitway Community Space	Designs and statutory consultations	£100k	Q1 2022	Green

Project Number	Name	Summary	Update	Project Value Grant / project value	Target grant spend / Project completion	BRAG
	Move to PBIP Funding		being progressed			
12	Carnwath Community and Enterprise Hub) Move to PBIP Funding	Acquire retail premises and hold for the future benefit of the community	Negotiations and legal work being finalised	£25k	Q3 2021	Green
13	Forth Business and Outdoor Development Move to PBIP Funding	Creation of an outdoor space to expand the Rainforest Cafe at Forth St Paul's church and provide a safe space for various activities	Designs and statutory consultations being finalised	£75k	Q3 2021	Green
14	Welcome to Larkhall Move to PBIP Funding	The project aims to improve the appearance of the main shopping street, making it more attractive to shoppers and visitors	Designs and statutory consultations being progressed	£100k	Q1 2022	Green
15	Rutherglen Town Centre Business Support Move to PBIP Funding	Creation of a business hub providing space for new starts and/or existing business. A design improvement to extend the frontage of the shopping centre to include all shops	Works completed April 2021	£100k	Q1 2021	Blue
16	Development of the Thomson Suite in the Town Mill, Strathaven Move to PBIP Funding	Development of the Thomson Suite in the Town Mill, provision of a tourist information point in the town centre and further development of the Strathaven InsideOut app	Designs and statutory consultations being progressed	£100k	Q1 2022	Green
17	Newcross Centre Hub	Community/business/ enterprise hub which will include office space, private and shared facilities for businesses, a community café, youth	Design complete and works out to tender	£970k	Phased Q1 2021 - Q4 2021	Amber

Project Number	Name	Summary	Update	Project Value Grant / project value	Target grant spend / Project completion	BRAG
		activities and business start -up space Cost saving exercise required which has delayed programme				
18	EK Civic Masterplan	Feasibility work regarding the potential to move out of the Civic Centre which is underutilised and no longer fit-for-purpose investigate, and commission design work aimed at relocating remaining Council services into the East Kilbride shopping mall The programme and spend is constrained by the funding timescales, SLC decision making and Orion Funders decision making	Negotiations proceeding with Town Centre Owners and design progressing	£201k / TBC	Q2 – Q3 2021	Amber
19	Near to Home Working	Pilot project to provide flexible business space for people who are working from home	Designs and statutory consultations being progressed	£250k / £425k	Q1 – Q3 2021	Green
20	EK Zone	Community / business / enterprise business space alongside other public and voluntary sector partners Refreshed application being prepared for RCGF 2021	Funding application unsuccessful. Project on hold until alternative funding secured	N/A	N/A	Amber
21	Project Feasibility	Development of capacity and projects for future years	Application process to be opened following Committee	£253k	Q1 2022	Green
22	Halfway Community Council	Park refurbishment at Halfway Park including play equipment, drainage, and paths	Ready to start subject to committee approval	£100k	Q1 2022	Green

Project Number	Name	Summary	Update	Project Value Grant / project value	Target grant spend / Project completion	BRAG
23	David Livingstone Centre to	Allow works which had to be removed from the original scope to achieve cost savings to be reinstated. These include external features such as landscaping, play and picnic areas and paths linking to the Clyde and town centre	Ready to start subject to committee approval	£400k	Q1 2022	Green
24	Mitchell Arcade Rutherglen	Bring forward a package of improvements which will support the town centre, business and social enterprise	Ready to start subject to committee approval	£300k	Q1 2022	Green
25	Newcross Centre HUB (Project 17)	Allow works which had to be removed from the original scope to achieve cost savings to be reinstated	Ready to start subject to committee approval	£300k	Q1 2022	Green
26 Totals	Bothwell Community Council	Support projects in the Bothwell Futures community plan	Ready to start subject to committee approval Total Project val	£150k	Q1 2022	Green
Totals			Total Floject Val	ue ce i i		