

# Report

Report to:	<b>Community and Enterprise Resources Committee</b>
Date of Meeting:	<b>24 November 2020</b>
Report by:	<b>Executive Director (Community and Enterprise Resources)</b>

Subject:	<b>Town Centre Capital Programme – Outcome of Bidding Process</b>
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## 1. Purpose of Report

1.1. The purpose of the report is to:

- update members on the application process for the distribution of the Town Centre Capital Fund
- seek approval to allocate the funds based on the recommendations set out in paragraph 7.1 and Appendix 1

## 2. Recommendation

2.1. The Committee is asked to approve the following recommendation(s):

- (1) note the outcome of the application and assessment process be noted;
- (2) that the recommendation to fund the projects identified in paragraph 7.1 and Appendix 1; be approved;
- (3) that the Executive Director (Community and Enterprise Resources) be authorised to offer grant funding to the projects identified in the table in Appendix 1, to the amounts identified, under the conditions of grant set out in the background papers of this report and on such other terms as are in the best interests of the Council; and
- (4) that the Executive Director (Community and Enterprise Resources) be authorised to amend the amount granted to projects and transfer money where necessary among projects within the current town centre funding streams whilst remaining within the total funding envelope.

## 3. Background

- 3.1. At the Community and Enterprise Resource Committee on 15 September 2020 an allocation process for the Council's £500,000 capital funding was agreed. This allocation aimed to augment the Scottish Government's funded programme of projects in town centres and ensure that as many towns as possible across South Lanarkshire could benefit from investment.
- 3.2. The Committee agreed that all the eligible towns under the Scottish Government criteria would be given the opportunity to bring forward projects which would be assessed under the criteria set out at 4.4 and then reported back to Committee on 24 November 2020 for Member's consideration.

#### **4. Application process**

- 4.1. Following Committee approval the application process opened on 21 September 2020 with a period of 4 week return of bids. This timescale was necessary in order to report back to this Committee. Assessment of the applications was undertaken between 19 and 28 October 2020.
- 4.2. Economic Development Services Officers undertook the following steps to advertise, inform, support, assess and recommend the distribution of the funds.
  - Information document circulated
  - Online application system
  - Officer support to applicants
  - Regular FAQ updates issued
  - Close of applications on 19 October 2020
  - Assessment of applications between 19 and 28 October 2020
- 4.3. Applications to the Town Centre fund was open to all eligible towns as mentioned above through the Grantvisor system. Detailed guidance was provided to applicants on how to use the Grantvisor system and the required outcomes expected from each project submission. Additional support was also provided to applicants as and when required.
- 4.4. The application guidance encourages collaboration with businesses and communities to deliver positive local outcomes in town centres. Part of this approach included developing a place-based project plan following consultation and engagement with the wider groups and communities as a whole.
- 4.5. Applications were subject to the following criteria:
  - A £50,000 minimum cost for any individual project
  - A maximum award per project of £150,000 (although applicants were encouraged not to exceed £100,000)
  - Bids were invited from the same 22 towns (listed in appendix 2) as had been eligible for the Scottish Government Town Centre Regeneration Fund.
  - Additional weighting would be given to towns who did not benefit from the Scottish Government's Town Centre Regeneration Fund to enable as many South Lanarkshire Towns as possible to receive investment.

#### **5. Applications**

- 5.1. The closing date for applications was 19 October 2020. A total of 11 applications were received.
- 5.2. In a similar vein to the Town Centre Regeneration Fund, the response from our communities, in the extremely challenging timescales set out, has been remarkable. The groups' commitment to their communities is a credit to all involved and gives the Council, and hopefully communities and groups representing them, an enhanced working relationship from which to develop future projects and initiatives
- 5.3. The proposals lodged seek a total grant of £1,309,520 with the potential to lever in match funding. While not all projects can be funded, it provides a valuable body of projects to build future town centre strategies and initiatives.

5.4. The projects are summarised below with further details set out in Appendix 1.

<b>Town</b>	<b>Project</b>	<b>Summary</b>
Bothwell	Bothwell Community Hub Project	Create a community meeting space and future digital workplace hub in the upper floor of Bothwell library.
Cambuslang	Restoring Civic Pride	Additional funding to further streetscape improvements to Main Street (granted funding through the Town Centre Regeneration Fund)
Carluke	Rankin Gait Community Space	Regeneration of the precinct area to create a community space including seating, events area, information displays and planting.
Carnwath	Project Carnwath Transformers (Carnwath Community and Business Enterprise Hub)	Purchase of retail space and upgrade and extension of the car park at John Mann Park.
Forth	Additional funding to support funding granted through the Town Centre Regeneration Fund.	Additional funding to offset increased project costs brought about by Covid 19.
Lanark	Tolbooth Square	To bring an underutilised space in the town centre back into year round use as a place to meet and hold community events.
Larkhall	Welcome to Larkhall	Feasibility study to investigate using King Street as an event space, provision of planters and a digital notice board, contribution to the replacement of the heating system in the Lighthouse.
Rutherglen	Rutherglen Town Centre Business Support	Creation of a business hub and improvements to the frontage of the shopping centre.
Stonehouse	Stonehouse Heritage Sculpture Trail	Sculpture heritage trail in and around the Stonehouse town centre area and complimentary software.
Strathaven	Mill Improvement, town centre app and tourist information point.	Development of the Thomson Suite in the Town Mill, provision of a tourist information point and further development of the Strathaven InsideOut app.
Uddingston	UCSC Car Parking Project	Upgrading 80 and create 40 new parking-spaces at UC&SC

The remaining eligible towns did not submit proposals to this round of funding. These are Ashgill, Biggar, Blantyre, Coalburn, Douglas, East Kilbride, Hamilton, Kirkfieldbank, Kirkmuirhill and Blackwood, Law and Lesmahagow.

## **6. Assessment**

- 6.1. The completed applications were assessed based on the criteria agreed by Committee on 15 September 2020 and summarised in 4.4 above. Each project was assessed by 4 officers within the Economic Development Service who were not involved in the application process i.e. providing advice to the groups. The marks were combined, and an average mark calculated and projects ranked accordingly. This process and the scoring is identical to that which was undertaken for applications to the Town Centre Regeneration Fund. This process has been subject to a peer review by officers in Scotland's Towns' Partnership who have confirmed they consider the process has been robustly carried out and the outcomes are in line with their expectations.
- 6.2. While one of the criteria set out at 4.4 above is that additional weighting would be given to towns which have not secured funding to date, it was not necessary to apply this weighting as the outcome of the scoring resulted in a good spread of projects.

- 6.3. It should be recognised that the applications which are not recommended for funding are in no way considered not to be strong applications but rather reflects the strength of the other projects and finite level of funding. Officers would encourage communities to continue to develop these projects and will be able to provide continued advice on how to enhance the projects and applications for any potential future rounds or alternative funding sources.
- 6.4. As noted earlier in the report, the response from communities has been exceptional and has led to a very high quality of application. Unfortunately, the funding is limited and not all projects were able to be funded. However, the quality of the ideas are such that Economic Development Services will offer support to groups, where possible, to assist in developing their projects and identify alternative sources of funding, where appropriate.

## **7. Recommendation and Next Steps**

- 7.1. The table of the projects set out in Appendix 1 forms the basis of the recommendation to Committee in terms of which projects should be awarded funding. The table sets out a summary of the project, the amount of grant recommended to be allocated against each project with a summary of the outcome of the assessment process.
- 7.2. Officers' experience of the initial round of Scottish Government funding, in terms of the pace the projects are developed, designed and procured, along with the uncertainty created as a result of the impact of COVID-19 suggests that contingency funding should be allocated to a number of projects to ensure delivery in recognition of these risks. While these contingencies can be made available, they will only be provided where clear evidence of cost increase can be shown. It is not intended that this contingency will cover enhancement in specification or increase in project scope unless there is a revised application which will be subject to assessment in line with that carried out prior to award. It is important to note that it will be at the Council's sole discretion whether any of the contingency is required or released. Should the contingency not be required in full or part the balance will be reallocated across the programme of projects as described in 7.8 below.
- 7.3. The award of grant to all projects will be tied to a number of conditions finalised by officers in Economic Development Services working with Legal Services. These conditions include:
- Groups must deliver the project as described in their application
  - Groups must use all endeavours to complete the projects within the timescales required
  - Groups must agree to an officer of the Council being invited to all project meetings to monitor progress, timescales and spend.
  - Where appropriate, as determined by the Council, that officer may become a full member of the project team to assist in project delivery.
  - Groups must comply with all obligations placed on the Council, in relation to the management of the grant, by the Scottish Government, throughout the life of the grant period and subsequent monitoring period.

- Funding can only be drawn down based on actual spend following the presentation of a valid payment certificate or equivalent. No pre-payment of grant can be considered
- Project completion by 31 March 2022

- 7.4. All applicants both successful and unsuccessful will be notified of the Committee's decision and an offer of grant letter issued in early course.
- 7.5. Officers from Economic Development Services will work with each of the successful groups to complete the projects in line with their project plans and agreed timescale. This will include monitoring of the projects to ensure they stay in line with fund requirements.
- 7.6. Economic Development Officers will process claims as per the Grantvisor system, in consultation with colleagues in Finance and Corporate Resources.
- 7.7. Economic Development Officers will update Committee with progress reports, 6 monthly review and project end review.
- 7.8. Previous experience of administering these funds and assisting applicants to maximise them to their full potential has shown that on occasion funding may be increased or decreased or that timescales change. As noted above and in previous reports to this Committee on these funds, these projects carry an increased level of risk due to the pace they are developed and the relatively early stage they are at when applications are submitted. Therefore, flexibility is key to achieving good project outcomes. With this in mind, it is recommended that the Executive Director (Community and Enterprise Resources) be given delegated authority to act quickly and transfer and amend funding amounts where necessary between projects. This will include both the core funding elements and any contingency applicants seek to draw down. This would take into account projects both within this funding stream and those under the Town Centre Capital Grant Fund Phases 1 and 2, which is the subject to a separate report on this agenda, whilst remaining in the total funding envelope of £3,908,000 (£2.506m TCCGF Phase 1 £902k TCCGF Phase 2 and £500k Town Centre Fund). In certain circumstances it may be necessary or prudent to allocate funding to different funds to efficiently manage the overall programme.
- 7.9. As with other town centre funding initiatives regular updates will be provided to the Committee.

## **8. Employee Implications**

- 8.1. The development and implementation of the projects will be supported by officers within Planning and Economic Development Services, in consultation and with support of other Council Departments as appropriate.

## **9. Financial Implications**

- 9.1. The funds have been brought into the Councils General Services Capital Programme and will be subject to the normal monitoring and financial processes. This will feed into requirements of the Scottish Government to report on progress and identify spend.
- 9.2. In respect of the size of the applications many of the groups involved will not have the cash flow to finance their planned project and may request advance funding to allow

their project to progress. Officers have been clear that forward funding of projects is not available.

- 9.3. To ensure transparency of payment, Economic Development Officers will monitor and manage the claim and payment process through the Grantvisor system

## **10. Climate Change, Sustainability and Environmental Implications**

- 10.1. 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.

## **11. Other Implication**

- 11.1. Due to the diverse portfolio of projects the timescales within which projects have been developed and the capacity of groups involved, there is a risk that some projects may not proceed in the way envisaged.

## **12. Equality impact assessment and consultation arrangements**

- 12.1. 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.
- 12.2. Consultations have been co-ordinated by Economic Development Services with a range of other Council Services who 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 initiative.

**Michael McGlynn**

**Executive Director (Community and Enterprise Resources)**

16 November 2020

## **Link(s) to Council Values/Ambitions/Objectives**

Improve the quality of the physical environment

- 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, 15 September 2020

## **List of Background Papers**

- ◆ Application Guidance
- ◆ Weekly FAQ reports

## **Contact for Further Information**

If you would like to inspect the background papers or want further information, please contact:  
- Iain Ross Project Manager, Planning and Economic Development Services

**Ext:** 4227 (Tel: 01698 454227)

**E-mail:** [Iain.ross@southlanarkshire.gov.uk](mailto:Iain.ross@southlanarkshire.gov.uk)

## Appendix 1 - Town Centre Fund Project List

Group	Town	Project	Project Value	Funding recommendation	Rationale
<b>Projects recommended for approval</b>					
Carluke Development Trust (CDT)	Carluke	<u>Rankin Gait Community CDT</u> on behalf of the ONECarluke Town Team wish to utilise Town Centre Funding to regenerate the Rankin Gait Precinct creating the Rankin Gaitway Community Space. This regeneration of the precinct area will create a community space that includes: <ul style="list-style-type: none"> <li>- café style seating area allowing the purchase of and consumption of food and drink from local café's and take-aways.</li> <li>- small events area.</li> <li>- environmental improvements including installation of mature trees and mobile planters within the precinct</li> <li>- installation of information displays, outlining important, historical/heritage, information</li> </ul>	£72, 051	<p>Recommended for funding for full costs and additional contingency costs.</p> <p><b>Grant recommended: £72,051</b></p> <p>Maximum Contingency allocation: £27,949</p> <p>Maximum funding including contingency: £100,000 (subject to 7.2 of this report)</p>	<ul style="list-style-type: none"> <li>- Links to National Town Centre Action Plan</li> <li>- Diversification of Use</li> <li>- Multiple town centre organisations in support</li> <li>- Evidence of demand from community</li> <li>- Carluke has not previously been in receipt of town centre funding.</li> <li>- Sustainable</li> </ul>
Carnwath Community Council	Carnwath	<u>Project Carnwath Transformers (Carnwath Community and Enterprise Hub)</u> Project aims to acquire two retail premises, one in poor condition ,purchase price circa £45K and been up for sale for many years and the other in good condition and ready for use purchase price £10K if sold to the community and held for the future benefit of the community. The proposal also wishes to upgrade and extend the car park at John Mann Park	£95,000	<p>Recommended for partial funding of £25k for purchase of shop unit at £10k and project start up/ contingency costs</p> <p><b>Grant Recommended £25,000</b></p>	<ul style="list-style-type: none"> <li>- Links to National Town Centre Action Plan</li> <li>- Diversification of Use</li> <li>- Multiple town centre organisations in support</li> <li>- Evidence of demand from community</li> <li>- Achievable within timescales</li> </ul>

Forth and District Development Trust	Forth	<u>Forth Business and Outdoor Development</u> Creation of an outdoor space to expand the Rainforest Cafe at Forth St Paul's church and provide a safe space for various activities. Additional works are also required to the existing hall. A separate project includes the relocation of the village hairdressers to the vacant RBS building providing a hair, beauty salon and cafe area.	£158,437	Recommended for partial funding of £75k for the creation of outdoor space. The fund cannot support helping an individual business therefore this aspect of the project cannot be supported.  <b>Grant Recommended £75,000</b>	<ul style="list-style-type: none"> <li>- Links to National Town Centre Action Plan</li> <li>- Diversification of Use</li> <li>- Multiple town centre organisations in support</li> <li>- Evidence of demand from community</li> <li>- Achievable within timescales</li> </ul>
Larkhall Community Growers	Larkhall	<u>Welcome to Larkhall</u> The project aims to improve the appearance of the main shopping street, making it more attractive to shoppers and visitors. This will include: <ul style="list-style-type: none"> <li>- planters and banners along the main street to make it more inviting</li> <li>- the installation of a digital information board on King Street, to better inform the community and be a new feature in the shopping area</li> <li>- undertake a Feasibility Study to look at using King Street as such a community space</li> <li>- contribute to the replacement of the old heating system in the Lighthouse.</li> </ul>	£67,301	Recommended for funding with additional contingency costs.  <b>Grant Recommended £67,301</b>  Maximum Contingency allocation : £32,699  Maximum funding including contingency :£100,000 (subject to 7.2 of this report)	<ul style="list-style-type: none"> <li>- Links to National Town Centre Action Plan</li> <li>- Diversification of Use</li> <li>- Multiple town centre organisations in support</li> <li>- Evidence of demand from community</li> <li>- Achievable within timescales</li> </ul>
Moorgath Retail Ltd	Rutherglen	<u>Rutherglen Town Centre Business Support</u> Based on community and business consultation, Moorgath wish to complete a number of projects in the	£103,782 (£25,000 contribution by Moorgath)	Recommended for funding with additional contingency costs.  <b>Grant Recommended £78,782</b>	<ul style="list-style-type: none"> <li>- Links to National Town Centre Action Plan</li> <li>- Diversification of Use</li> </ul>



		town centre to encourage and better support local business as follows; <ul style="list-style-type: none"> <li>- creation of a business hub providing space for new starts and or existing business to locate to the town centre</li> <li>- a design improvement to extend the frontage of the shopping centre to include all shops</li> </ul>		Maximum Contingency allocation : £21,218  Maximum funding including contingency : £100,000 (subject to 7.2 of this report)	<ul style="list-style-type: none"> <li>- Multiple town centre organisations in support</li> <li>- Evidence of demand from community</li> <li>- Achievable within timescales</li> </ul>
Strathaven and Glassford Community Council	Strathaven	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.	£85,150	Recommended for funding with additional contingency costs.  <b>Grant Recommended £85,150</b>  Maximum Contingency allocation : £14,850  Maximum funding including contingency: £100,000 (subject to 7.2 of this report)	<ul style="list-style-type: none"> <li>- Links to National Town Centre Action Plan</li> <li>- Diversification of Use</li> <li>- Multiple town centre organisations in support</li> <li>- Evidence of demand from community</li> <li>- Achievable within timescales</li> </ul>
<b>Totals</b>			<b>£556,721</b>	<b>£403,284 (£500,000 including contingency)</b>	

<b>Projects not recommended for approval</b>					
<b>Group</b>	<b>Town</b>	<b>Project</b>	<b>Project Value</b>	<b>Funding recommendation</b>	<b>Rationale</b>
Brighter Bothwell	Bothwell	<u>Bothwell Community Hub</u> Create community meeting space and provide for a future digital workplace hub in the upper floor of Bothwell Library. This will involve replacing the library roof, installing an access lift and disabled-access toilet, and refurbishing the upper rooms, entrance hall and staff facilities. It would build on the Council's	£97,800	Not suitable for Town Centre Capital Funding	The property in which the project is proposed to be located is not available within the required timescales. The group will therefore be unable to meet the required timescales as set out in the grant conditions.

		'insideOut' app project, which includes Bothwell's app-based Heritage Trails, and would offer scope for a Heritage Centre at a later stage. It would boost local activity and encompass the Government's recent aim to develop '20-minute neighbourhoods'			
Cambuslang Community Council	Cambuslang	<u>Transformation of Cambuslang Main Street – Covid Related works</u> Funding sought to supplement Town Centre Regeneration Fund funding for extending Main Street streetscape and additional costs due to Covid 19.	£200,000	Not suitable for Town Centre Capital Funding	Costs exceed the maximum which can be granted under this fund. Funding is recommended through the Town Centre Capital Fund phase 2 as reported separately on this agenda
Discover Lanark	Lanark	<u>Tolbooth Square</u> Application to reimagine the space by the Tolbooth to create an area which encourages local people to socialise in the town centre	£105,631 £15,632 provided by applicant)		Potentially strong project but at an early stage of its planning and with many aspects still to be explored and resolved. We anticipate work will continue and a stronger application lodged in future rounds.
Stonehouse Business Association	Stonehouse	<u>Stonehouse Sculpture Trail</u> Development of a sculpture heritage trail made up of a number of metal sculptures in and around the Stonehouse town centre area. These will be designed to represent an aspect of Stonehouse history, and will be sited in suitable locations. The funding will allow the group to consult with the community on most relevant sculpture designs and locations, design and produce and install sculptures, and produce an application or software to accompany the trail.	£77,000	Not suitable for Town Centre Capital Funding	Duplication with app already provided by the Town Centre Regeneration Fund. Officers will work with the Business Association to investigate ways in which work already undertaken with the InsideOut app trails can be further developed.
Uddingston Cricket and Sports Club	Uddingston	<u>UCSC Car Parking Project</u> Upgrading 80 and creating 40 new parking-spaces at UC&SC including two electric charging points for use during midweek business hours	£338,000 with £50,000 match funding	Not suitable for Town Centre Capital Funding	Costs exceed the maximum which can be granted under this fund.
Totals			£752,799		

## **Appendix 2 – Towns eligible for funding as defined by the Scottish Government**

- Ashgill
- Biggar
- Blantyre
- Bothwell
- Cambuslang
- Carluke
- Carnwath
- Coalburn
- Douglas
- East Kilbride
- Forth
- Hamilton
- Kirkfieldbank
- Kirkmuirhill and Blackwood
- Lanark
- Larkhall
- Law
- Lesmahagow
- Rutherglen
- Stonehouse
- Strathaven
- Uddingston