

Decision Pathway – Report



PURPOSE: Key decision

MEETING: Cabinet

DATE: 13 July 2021

TITLE	City Centre and High Streets Recovery		
Ward(s)	Citywide		
Author: Jason Thorne	Job title: City Centre & High Streets Recovery – Senior Project Manager		
Cabinet lead: Cllr Craig Cheney	Executive Director lead: Stephen Peacock		
Proposal origin: BCC Staff			
Decision maker: Cabinet Member			
Decision forum: Cabinet			
Purpose of Report:			
<ol style="list-style-type: none"> To approve the spend of £2.725m of WECA Love our High Streets funding granted to Bristol to support City Centre and High Streets Recovery and align to the £2m from the COVID Capital Recovery Fund 			
Evidence Base:			
<p>The Bristol Local Plan (2015) defines 47 high streets of various types and sizes – across the city centre, town, district and local centres. The policy aims to support a network of accessible centres as key focuses for development and as the principal locations for shopping and community facilities as well as local entertainment, art and cultural facilities. In January 2020, the Council held a High Street Inquiry Day where the following vision for high streets was presented as <i>‘To act as hubs which include retail and a range of other employment sectors, education and training facilities, leisure and cultural uses, healthcare, homes and public transport. Providing access to jobs within local neighbourhoods, which helps reduce the need to travel and creates a better environment.’</i></p> <p>City centres and high streets have been impacted by the COVID pandemic, and were already changing over the last two decades, due to competition and changing patterns of consumption – most notably the growth of online shopping and use of supermarkets and out of town retail parks. The pandemic has intensified and accelerated these trends. Bristol’s challenges are set out in the One City Economic Recovery & Renewal Strategy (October 2020) and the West of England (WECA) Regional Recovery Plan, which highlights the need to work with our communities, re-imagine and re-invigorate our towns and city centres with an innovative town centre re-structuring programme, building on the increased need for ‘local liveability.’</p> <p>Our immediate priorities have been to ensure the safe reopening of high streets and to support businesses and high streets to survive, recover and re-animate over the next few years.</p> <p>In March 2021, the Council announced that it will use £2m of the Covid Capital Recovery Fund and £2.725m allocated to Bristol from the West of England Combined Authority’s Love our High Streets programme to support the delivery of recovery plans for the City Centre and high streets. The Council submitted a Full Business Case to WECA in April to draw down this allocation of funding.</p> <p>The City Centre and 9 of the city’s high streets (East Street, Church Road, Shirehampton, Stapleton Road, Filton Avenue, Two Mile Hill, Brislington Hill, Filwood Broadway and Stockwood) have been prioritised under a programme of interventions to support recovery and renewal. This programme aims to support existing high streets business from non-essential retail, hospitality, culture and events sectors which have been severely impacted by Covid 19</p>			

restrictions and lockdown measures, but also diversify and re-animate high streets, increasing footfall and encouraging visitors into the local economy.

Within the City Centre, which is a key economic and cultural focus for the region, activity will focus on safe reopening, a diverse and inclusive co-ordinated cultural and experiential events programme, support for the hospitality sector, meanwhile/pop-up uses and greening. The focus is on ensuring the city centre is open to all residents of Bristol and visitors both day and night, with a particular emphasis on being family friendly and a range of activities throughout the year.

The local high streets programme will include working closely with businesses, residents, community groups, the creative and events sector and other stakeholders to co-design public realm and street scene improvements which reflect the individual needs and aspirations of each area. Work will also be undertaken with the arts and events sector to develop a series of community activities and events to re-animate individual high streets. Consideration will also be given to developing interventions which facilitate localised access to skills and employability support provision in high streets, particularly those in areas of high deprivation – supporting priorities for economic inclusion and improving access to jobs. Through the programme 195 new jobs will be created, 168 jobs will be safeguarded and additional paid employment opportunities will be created for artists/creative practitioners and event professionals.

A citywide high street grants programme will support meanwhile use/pop-ups and businesses. Meanwhile use/pop-ups will support temporary uses which enhance the existing high street offer, with a focus on the creative and hospitality sector. Support for businesses will focus on bringing vacant properties back into permanent use, with a focus on uses that diversify (e.g. workspace), enhance the existing high street offer, create new jobs and support enterprises.

Funding allocations will be based on evidence of need including size of high street/number of businesses, number of vacant properties and level of deprivation. By using these criteria a consistent and transparent process for allocation of funds to the high streets can be applied. Engagement activities will take place with individual high street stakeholders to better understand local needs and provide opportunities for co-design.

Governance will take place through a City Centre & High Streets Programme Board which will include services across the Council and ensure alignment of recovery related activity. Reporting will take place to Growth & Regeneration EDM, Cabinet Members and the One City Economy Board.

Cabinet Member / Officer Recommendations:

1. To approve the spend of £2.725m of WECA Love our High Streets funding granted to Bristol to support City Centre and High Streets Recovery and align to the £2m from the COVID Capital Recovery Fund.
2. To authorise the Executive Director Growth & Regeneration to make appropriate grants and/or procure necessary works, services or goods to implement the City Centre and High Streets Recovery programme, from the £4.725m budget.

Corporate Strategy alignment:

The proposal aligns with a number of key commitments, examples include:

1. Develop a diverse economy that offers opportunity to all and makes quality work experience and apprenticeships available to every young person.
2. Help develop balanced communities which are inclusive and avoid negative impacts from gentrification.
3. Reduce social and economic isolation and help connect people to people, people to jobs and people to opportunity.
4. Keep Bristol a leading cultural city, helping make culture, sport and play accessible to all.

City Benefits:

1. Support for the City Centre and high streets in terms of recovering from COVID, providing access to shops, services and employment opportunities for people across all backgrounds.
2. Developing a diverse and inclusive cultural programme which engages equalities communities from across the city.
3. Improving the street scene and green infrastructure will support walking and cycling, improve bio-diversity, leading to healthier and more sustainable high streets.

Consultation Details: Discussions to identify priorities have been held internally within Bristol City Council via the High Street Recovery Working Group, with the Mayor and Cabinet Members and with external organisations including the City Centre BID, Broadmead BID, Redcliffe and Temple BID, Bedminster BID, Clifton BID, Bristol Food Union, Bristol Association of Restaurants, Bars and Independent Establishments (BARBIE), Federation of Small Business and Black South West Network. Wide ranging consultation was carried out on the One City Economy Board's Recovery & Renewal Strategy.

Background Documents: One City Economy Recovery & Renewal Strategy www.bristolonecity.com/wp-content/uploads/2020/10/One-City-Economic-Recovery-Plan.pdf

Revenue Cost	£2.725m	Source of Revenue Funding	WECA Love our High Streets
Capital Cost	£2m	Source of Capital Funding	COVID Capital Recovery Fund
One off cost <input checked="" type="checkbox"/>		Ongoing cost <input type="checkbox"/>	
		Saving Proposal <input type="checkbox"/>	
		Income generation proposal <input type="checkbox"/>	

Required information to be completed by Financial/Legal/ICT/ HR partners:
1. Financial advice

The Economic Development team have submitted a bid to WECA for £2.725m for City Centre and High Street Recovery initiatives. This submission followed the Council's exceptional approval process and was signed off by the Executive Director, relevant Cabinet member and S151 Officer. This paper request's Cabinet's approval to accept and spend the funding if awarded.

The bid to WECA was broken into the following financial components:

	WECA funding request	BCC match	Total cost
High street initiatives	2,266,349	-	2,266,349
Existing staff costs	126,148	65,982	192,130
New staff costs	250,115	-	250,115
Other costs	36,888	-	36,888
Software costs	30,000	60,000	90,000
Overheads	15,500	-	15,500
	2,725,000	125,982	2,850,982

City Centre and High Streets initiatives

The City Centre and high streets initiatives will be based upon programmes to be developed after the initial consultation with relevant high street stakeholders. There is no commitment for specific project delivery as part of the bid, therefore the bid does not commit BCC to supporting specific project costs. The proposed programme must be contained within the envelope awarded by WECA with sufficient contingency considered, and monitored so that no overspend occurs.

Existing staff costs and new staff costs

The programme will require 6 new posts and 3 existing posts to deliver the programme. The existing staff cost funding will be towards existing staff that are currently delivering complementary projects, and will spend a proportion of their time on the City Centre & High Streets Recovery programme. The staff cost match funding is existing staff within BCC that will have a project management role for the programme. This is already covered within existing budgets, and does not present an additional cost pressure to the council. The new staff costs to deliver the programme will be for fixed term contract staff, so there will be no on-going costs after the delivery of the

programme. Staff costs have been estimated based upon the requirements to deliver projects of a similar scope. Any further staff cost requirement must be contained within existing budgets.

Other costs

Other costs cover ancillary staff costs, marketing and post-programme evaluation costs.

Software costs

The service propose to procure a CRM system for administration of the programme. It is proposed that WECA will fund the set-up costs and that the license costs will be contained within the Economic Development service budget. The Economic Projects budget has been reviewed and confirmed that the license costs are included. Cost estimates are based upon quotes for identified systems. £10k contingency for additional cost has been included on an on-going basis.

The project is proposed to be delivered in conjunction with the £2m COVID Recovery Capital Fund. This funding was allocated by Cabinet in April 2021. It is estimated that the combined Capital Recovery Fund programme and City Centre & High Streets Recovery programme will deliver substantial benefits of £14m net GVA, and support c. 161 FTE for 12 months and 118 FTE for 24 months.

Finance Business Partner: George Palmer, Finance Business Partner, Growth and Regeneration, 27/05/21

2. Legal Advice:

There is the risk that the use of these funds raises issues under what was called the state aid regime, but has now been replaced by the principle of state subsidy, following withdrawal from the EU. New legislation has been introduced, but many of the previous state aid principles and exceptions continue to apply, although assessment of the validity of grants can be a complex exercise under the new regime. The proposed WECA and linked BCC grants are potentially “subsidies” within the meaning of the new legislation.

Regard will therefore need to be had to the key principles that apply under the new regime including (a) identifying a specific policy objective (such as identifying a market failure and/or achieving a social purpose) (b) proportionality and limiting funding to what is necessary (c) effecting changed economic behaviour and (d) importantly, whether the subsidy is likely to have a material effect on investment or trade or distort the market. The lower the subsidy, the less likely it is to attract criticism or prove illegal. Subsidies to local companies or a small local organisation are unlikely to be prohibited, as this is unlikely to affect wider trade.

Given the aim of encouraging recovery following the economic damage caused by Covid-19 a social benefit element to the schemes seems apparent. If BCC uses a robust process to identify the proper recipients, imposes appropriate and meaningful grant conditions, and does not infringe the principles set out above, then the grants are likely to be acceptable under the new scheme. The focus is very much Bristol-based, and with a post-Covid-19 social /economic recovery objective, there is unlikely to be any infringement of trade or competition principles. It is likely also that many grants will benefit from the de minimis exception of £350K.

Any goods, services or works procured as part of the programme will need to comply with the Public Contracts Regulations 2015 and the Councils own procurement rules.

Legal Team Leader: Eric Andrews, Team Leader, Legal Services, 4/6/21

3. Implications on IT: The procurement of a third party CRM to enable the delivery, alongside partners, has been considered and approved by IT Services – on the basis that this is a fully hosted system, supported and paid for by the project. Consideration will need to be taken around the information management aspects of data ownership and what happens at the end of the project, but these should be simple to resolve. There are no other IT considerations.

IT Team Leader: Simon Oliver, Director of Digital Transformation, 21/05/21

HR Advice: The full business case details the additional resource required to deliver the City Centre & High Streets recovery programme. In addition to one permanent post, the proposed team has 8 posts which range in grade from BG 9 to BG 14 (two of which have already been created). The roles will all be fixed term contracts up until the end of the programme in March 2023 and will be part of the existing Economic Development function in Growth & Regeneration, working closely with Culture and other teams across the Council. The programme team will work closely with businesses, residents, community groups, the creative and events sector and other key stakeholders to deliver the recovery of the City Centre and local high streets in scope across the city.

HR Partner: Celia Williams, HR Business Partner, Growth & Regeneration, 28/05/21

EDM Sign-off	Stephen Peacock	01/06/21
Cabinet Member sign-off	Cllr Craig Cheney	09/06/21
For Key Decisions - Mayor's Office sign-off	Mayor's Office	14/06/21

Appendix A – Further essential background / detail on the proposal	NO
Appendix B – Details of consultation carried out - internal and external	NO
Appendix C – Summary of any engagement with scrutiny	NO
Appendix D – Risk assessment	YES
Appendix E – Equalities screening / impact assessment of proposal	YES
Appendix F – Eco-impact screening/ impact assessment of proposal	YES
Appendix G – Financial Advice	NO
Appendix H – Legal Advice	NO
Appendix I – Exempt Information	NO
Appendix J – HR advice	NO
Appendix K – ICT	NO
Appendix L – Procurement	NO