

Title of report: Reopening of the High Street Safely Fund

Decision maker: Cabinet member environment, economy and skills

Decision date: Thursday, 4 March 2021

Report by: Vinia Abesamis, Senior Policy and Funding Officer

Classification

Open

Decision type

Non-key

Wards affected

Central; Kington; Hereford Central, Ledbury North, Ledbury South, Leominster CP, Leominster East, Ross East and West, Bromyard West

Purpose

To gain approval to accept and spend the Re-Opening of the High Street Safely Fund (RHSSF) Covid 19 grant funding amounting to £172,188 from the Ministry of Home, Communities, and Local Government (MHCLG).

The Fund will provide the council with additional funding to support measures that enable Covid 19 safe trading in public places. The fund will particularly focus on high streets, as well as other public places that are at the heart of the market towns and Hereford, enabling them to safely re-open following the current lockdown. As per the Action Plan included in the grant funding agreement (Appendix A), the funds will be utilised for enhancements to the public realm and signage, and a communications campaign to encourage people to buy locally whilst following government guidance.

Recommendation(s)

That:

- a) **The council accepts the Re-Opening of the High Street Safely grant funding offered by the Ministry for Housing, Communities and Local Government totalling £172,188;**
- b) **The approach to delivering the grant funding be approved;**
- c) **The Director for Economy and Place be authorised to sign on behalf of the council the grant funding agreement**
- d) **Authority be delegated to the Director for Economy and Place, following consultation with the cabinet member for Environment, Economy and Skills and the S151 Officer, to make any operational decisions required to ensure the successful delivery of the scheme.**

Alternative options

1. Do nothing: The council could reject the grant funding offered. This is not considered an option as businesses in Hereford City and the market towns need support to mitigate the impact of Covid 19 by introducing a range of measures designed to help restart the local economy in their towns and cities.

Key considerations

2. The Re-opening High Streets Safely Fund (RHSSF) provides the council with £172,188 from the European Regional Development Fund (ERDF) to put in place measures to establish a Covid 19 safe trading environment for businesses and customers, particularly in high streets.
3. Successfully implementing this grant supports a central objective of the councils corporate delivery plan where a stated aim is to help people most impacted by the pandemic (jobs/business/young people) to feel safe and supported, and to value Herefordshire. Covid 19 trading restrictions have had a very significant impact on the local economy, particularly on tourism, retail, cultural and hospitality businesses in Hereford and the market town centres that have been instructed to close for a number of months over the past year. The RHSSF provides funding support to make these areas safe for people to return to.
4. The funding is available to support three areas of eligible activity:
 - a) Communications and public information activity to ensure that reopening of local economies can be managed successfully and safely;
 - b) Business-facing awareness raising activities to ensure that reopening of local economies can be managed successfully and safely;
 - c) Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely.
5. The RHSSF was announced by government in May 2020. In August 2020 the council were asked to submit an Action Plan detailing the areas the grant would be spent on to MHCLG, and received the related grant funding agreement on the 27 November 2020. In the original Action Plan the council proposed that some of the funds would be used to

increase Environmental Health Officer capacity to advise public facing high street/ town centre businesses how to implement the national government guidance in implementing Covid 19 safety measures. However, in the period between the submission of the Action Plan in August 2020 and receiving the grant funding agreement on the 27 November 2020, circumstances changed. In this period businesses had already established Covid 19 safety measures and had been operational up until the end of October 2020. The national lockdown in November 2020 and then January to March 2021 also means the vast majority of high street/ town centre non-essential retail and hospitality businesses have been and are likely to remain closed for the majority of the period the RHSSF funds were originally available (end of March 2021). Therefore, the Action Plan has been revised to remove this element of activity.

6. The revised Herefordshire Action Plan has been approved by MHCLG (included as part of the grant funding agreement in Appendix A schedule 3 page 70). It is now proposed that the funds are focussed on the following two areas of activity from the eligible areas of activity (as defined in 4b above) in re-opening the high street/ town centres following the current national lockdown period (January to March 2021). MHCLG have notified the council that due the impact of the current lockdown period they have agreed to extend the deadline for spending the funds until the end of June 2021, with grant agreement variations expected to be issued in early March 2021.
 - Communications and public information activity to ensure that reopening of local economies can be managed successfully and safely – Led by the council’s Communication Team, we will undertake a programme of activities to promote Hereford and the market towns as an on-line (during the current lockdown period) and visitor shopper destination (as restrictions are lifted) to local residents and those that live in the surrounding areas, encouraging the recovery of trade.
 - Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely - we will undertake a programme of public realm measures to enable the safe return to the shopping areas in Hereford and the market towns. This includes claiming funds for eligible activity already put in place post 1 June 2020, as well as further measures such as additional signage/ public information points.
7. The council can claim against eligible activities from 1 June 2020, claiming back funds from MHCLG in arrears once the funding agreement has been signed. To date circa £30,000 of previously planned (subject to an existing approval) and implemented activity has been identified that can be re-claimed from the RHSSF allocation. New activity proposed in the Action Plan which is subject to this decision will be urgently implemented to support the recovery of trade in Hereford and the market towns following the current lockdown period. As above, to support recovery following the current national lockdown, MHCLG have approved that all councils can spend the funds over an extended period until the end of June 2021. MHCLG said they intend to issue contract variations to this effect early March 2021.
8. All these activities must adhere to the following conditions as identified in the funding agreement (Appendix A):
 - a) Local authorities will need to ensure that all procurements are awarded in line with the Public Procurement Regulations, giving due regard to latest CCS guidance notes in direct response to the COVID-19 crisis;

- b) Local authorities will need to ensure that funding is managed in accordance with State Aid law;
- c) The ERDF branding requirements will need to be followed by all local authorities. The use of the ERDF logo, which includes the emblem and reference to the Fund, and the requirements set on colour use, sizing, visibility and positioning must be followed. The MHCLG logo must be used alongside the ERDF logo.
- d) All the activities mentioned in Appendix A will be complied with.

Community impact

- 9. Implementing the RHSSF Action Plan will enable local communities to safely return to Hereford City Centre and market town centres as current lockdown restrictions are lifted, reducing the risk of transmission of the virus through measures and communications regarding social distancing.
- 10. Enabling the re-opening of Hereford and the market towns for trade is critically important to supporting the recovery of the local economy. Retail and hospitality businesses have been closed for significant periods over the last 12 months. Enabling local communities to safely return to Hereford and market town centres will support economic recovery, and reduce the risk of business closures and job losses.

Environmental Impact

- 11. The RHSSF provides grant funding to support the safe re-opening of Hereford and market town, meeting Covid 19 guidance requirements. As such the RHSSF will have limited direct benefit in terms of environmental impacts, such as carbon emissions reduction.
- 12. The project will encourage people to shop and eat locally, reducing travel mileage (customers as well as goods/ supply chain). The implementation of the scheme will wherever possible seek to minimise any adverse environmental impacts.

Equality duty

- 13. Under section 149 of the Equality Act 2010, the 'general duty' on public authorities is set out as follows: A public authority must, in the exercise of its functions, have due regard to the need to
 - eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 14. Safely re-opening the high street will consider varying needs of local people, such as people with different accessibility needs, to ensure all can equally benefit from the proposed activity.

Resource implications

15. Expenditure on eligible activities from 1st June 2020 can be claimed back from MHCLG in arrears (circa £30,000 of activity identified) once the funding agreement has been signed. The current grant funding agreement requires projects to be completed by 31st March 2021. On the 12th February MHCLG notified the council that they had agreed in principle that all local authorities would be provided an extension until end of June 2021 to support recover from the current national lockdown.
16. There are no resource implications for the council as this is 100 per cent ERDF funded. The implementation of the funding and the submission of the grant claim forms will be led by any experienced member of the Economic Development team. The grant funding includes a 4% contribution to management and administration costs to recover the costs of the officer time which will be added to reserves in accordance with the financial procedure rules.

Revenue or Capital cost of project (indicate R or C)	2020/21	2021/22	Future Years	Total
Revenue	£172,188	£000	£000	£172,188
TOTAL	£172,188	£000	£000	£172,188

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2020/21	2021/22	Future Years	Total
RHSFF ERDF Funding from MHCLG	£172,188	£000	£000	£172,188
TOTAL	£172,188	£000	£000	£172,188

Legal implications

17. The council has been offered the grant to “Re-open the High Street” by MHCLG from the European Regional Development Fund on the terms of a grant funding agreement to be completed between the Secretary of State for Housing, Communities and Local Government and the council, a draft of which has been reviewed by Legal Services.
18. The council is able to accept the grant the general power of competence under Section 1 of the Localism Act 2011.
19. The grant has to be used for the purposes as set out in Grant Action Plan which is appended to the grant funding agreement and the project activities contained therein have to be completed by 31 March 2021, failure to complete the project activities will constitute an event of default which would give the Secretary of State to terminate the grant funding agreement, cease further grant payments and/or seek to clawback grant monies paid

under the terms of the grant agreement. On the 25 February 2021 the council received notification that MHCLG intends to extend the spend deadline, but amend no other terms of the grant funding agreement, until 30 June 2021. This extension to the spend deadline will be confirmed in an updated grant funding agreement to be issued by MHCLG.

Risk management

20. The following are the primary risks in delivering the project;

Risk / opportunity	Mitigation
Failure to implement the Action Plan before the end of June 2021 which could result in clawback of the grant paid by MHCLG	Elements of the Action Plan have already been delivered, with eligible items of activity to be retrospectively claimed from 1 June 2020 (in accordance with the funding agreement).
Funds are spent on ineligible activity that cannot be reclaimed	Final elements will be urgently implemented following the signature of the grant funding agreement. This will be in compliance with the public contract regulations on council CPRs. Proposed activities have been established in accordance with the guidance published by MHCLG, and MHCLG have approved in the Action Plan which is included in the funding agreement.

Consultees

21. Herefordshire Business Improvement District

Appendices

Appendix A - RHSSF Grant Funding Agreement Inclusive of Action Plan

Background papers

None