

Title of report: Welcome Back Fund

Decision maker: Cabinet member environment and economy

Decision date: Friday, 6 August 2021

Report by: Senior policy and funding officer

Classification

Open

Decision type

Non-key

Wards affected

All wards

Purpose

To gain approval to accept and spend the Welcome Back Fund (WBF) amounting to £172,188 from the Ministry of Home, Communities, and Local Government (MHCLG). This fund builds on the Re-opening of the High Street Safely Fund through an extension to the existing contract, providing support to enable local recovery from Covid 19.

As per the action plan included in Appendix A which will form part of the revised funding agreement, the funds will be utilised for a communications campaign to attract visitors and encourage residents to buy locally whilst following government guidance. The funding will also support activities to make the market towns and Hereford city centres welcoming and safe places.

Recommendation(s)

That:

- a) The council accepts the Welcome Back Fund offered by the Ministry for Housing, Communities and Local Government totalling £172,188;**
- b) the approach to delivering the grant funding be approved (as set out in appendix A); and**
- c) authority be delegated to the interim director for economy and place to sign the grant funding variation and, following consultation with the cabinet member for economy and environment 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 across the county need support to mitigate the impact of Covid 19 by introducing a range of measures designed to help restart the local economy.

Key considerations

2. The Welcome Back Fund 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 city and town centres. The Welcome Back Fund proposed activities is consistent with and will help deliver the Herefordshire Council Recovery Plan, enable short term economic, community wellbeing and organisational recovery.
3. The fund builds on the Re-opening High Streets Safely Fund (RHSSF) and is an extension with the additional funds provided by the Ministry of Housing, Communities and Local Government (MHCLG) through an extension to the existing RHSSF grant funding agreement. The council previously took a separate decision to accept and spend the RHSSF in March 2021: [Decision - Re-Opening of the High Street Safely Fund \(RHSSF\) - Herefordshire Council](#)
4. The WBF was announced by the government in March 2021. In April 2021 the council were asked to submit an action plan (Appendix A) detailing the areas the grant would be spent on to MHCLG, which approved it on 24 June 2021 (Appendix B).
5. Following consultation with the Cabinet Member for Environment and Economy, Cabinet Member Housing, Regulatory Services & Community Safety, and Cabinet Member for Infrastructure and Transport, and to ensure consistency with the council's Covid Recovery Plan 2020/21, the WBF will focus on the following eligible activities:
 - a) Communication and Publicity
 - Visitor Economy and shop local marketing and PR campaign.
 - Promote visitor opportunities to Herefordshire in the autumn, over the Christmas period, and start of 2022.
 - Encourage Herefordshire residents to safely return to Hereford and market town centres for retail, events and leisure activities, buying locally to support economic recovery.
 - b) Supporting and promoting the safe and successful reopening of the public environment to support the recovery of trade in Hereford and in particular the market town centres of Bromyard, Leominster, Ledbury, Ross on Wye and Kington. The activities which will support the recovery of local trade and tourism through re-establishing safe access to local facilities, such as:
 - Safe re-opening of public conveniences (toilets) including new temporary facilities (toilets) provision.

- ‘Beautification’ activities
 - Non-permanent public realm adaptations.
 - Improvement of green spaces and provision of outdoor seating areas.
 - Support and promote a safe public environment for a local area’s visitor economy
6. In accordance with the WBF national guidance the council can claim against eligible activities from 1 April 2021 claiming back funds from MHCLG in arrears. MHCLG have also enabled all previous RHSSF and WBF funding to be spent over an extended period until the end of March 2022.
7. All these activities must adhere to the following conditions as identified in the funding agreement:
- Local authorities will need to ensure that all procurements are awarded in line with the Public Contract Regulations 2015, the council’s contract procedure rules and the ERDF Procurement requirements as set out in Appendix A”. Local authorities will need to ensure that funding is managed in accordance with State Aid law (even though EU state aid law no longer applies in the UK post-Brexit);
 - The ERDF branding requirements will need to be followed. 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.

Community impact

8. Implementing the Welcome Back Action Plan will enable local communities to safely return to Hereford and the market towns as current lockdown restrictions are lifted, reducing the risk of transmission of the virus through measure and communications regarding social distancing.
9. Enabling the re-opening of Hereford and the market towns 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 and visitors to safely return to Hereford and market town centres will support economic recovery, and reduce the risk of business closures and job losses.
10. Successfully implementing this grant supports a central objective of the council’s 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.

Environmental Impact

11. The WBF provides grant funding to support the safe re-opening of Hereford and market towns, and the soonest possible recovery of the visitor economy. As such the RHSFF 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, and to take 'staycation' holidays in the county reducing travel (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 1 April 2021 can be claimed back from MHCLG in arrears. The grant funding agreement requires all activities, including those previously allocated through the RHSSF, to be completed by 31 March 2022.
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 which will be utilised to fund a dedicated Senior Project Manager in the Project Management Office (PMO) to oversee implementation of the fund.

Revenue or Capital cost of project (indicate R or C)	2019/20	2020/21	2021/22	Future Years	Total
Revenue	£0	£0	£172,188	£0	£172,188
TOTAL					

Funding streams (indicate whether base budget / external / grant / capital borrowing)	2019/20	2020/21	2021/22	Future Years	Total
WBF ERDF Grant from MHCLG	£000	£000	172,188	£000	£172,188
TOTAL					

Revenue budget implications	2019/20	2020/21	2021/22	Future Years	Total
	£000	£000	£000	£000	£000
<i>note any impact on revenue budget, good or bad</i>					
TOTAL					

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 under 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 2022, failure to complete the project activities will constitute an event of default which would allow 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.

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 March 2022 which could result in clawback of the grant paid by MHCLG	A Senior Project Manager has been identified to oversee the delivery of the WBF, and a Project Board in place to manage implementation and monitor delivery risks.
Funds are spent on ineligible activity that cannot be reclaimed	Proposed activities have been established in accordance with the guidance published by MHCLG, and MHCLG have approved the Action Plan (Appendix A) as per letter in Appendix B.

Consultees

21. Bromyard, Kington, Ledbury, Ross on Wye, Hereford and Leominster town clerks

Appendices

Appendix A – Welcome Back Fund Action Plan

Appendix B – Approval letter from MHCLG

Background papers

Welcome Back Fund

Please include a glossary of terms, abbreviations and acronyms used in this report.

Welcome Back Fund - WBF

Ministry of Home, Communities, and Local Government – MHCLG

European Regional Development Fund – ERDF

Grant Funding Agreements – GFA