

Meeting of the Cabinet – 12 February 2014

Report of the Director of Urban Environment

High Street Innovation Fund & Empty Shops Grant

Purpose of Report

1. To seek the approval of the Cabinet for the expenditure of the High Street Innovation fund & the remainder of the Empty Shops Grant

Background

2. Along with many traditional Town Centres across the country, the Borough's centres have for a number of years faced an increasing number of challenges to their vitality and role. The common cited reasons for this often mask a more complex set of circumstances including ongoing structural change within the retail sector, changing patterns in consumer demand, the growth in online retailing and, in recent years the surrounding economic climate.
3. The Council has over the last decade made a number of interventions to seek to improve the fortunes of its Principal and Local Centres and these include:
 - 3.1 The preparation of Area Action Plans and Regeneration Strategies in order to guide and support appropriate and sustainable investment and development.
 - 3.2 The creation of the arms length company, New Heritage Regeneration Limited, to coordinate borough wide development, initially in Dudley and Brierley Hill Town Centres in partnership with the Council
 - 3.3 The securing of significant amounts of external funding from Advantage West Midlands, the Heritage Lottery Fund, the European Regional Development Fund, English Heritage and Section 106 receipts towards land acquisition, development and environmental projects
 - 3.4 The creation and/or support of Partnership groups such as the former Brierley Hill Regeneration Partnership, Dudley and Brierley Hill Town Centre Partnerships and Local Centre Partnerships
 - 3.5 The delivery of a Town Centre events programme

Empty Shops Grant

4. In April 2009, in response to the worsening economic climate, particularly on the nation's High Streets, the Department for Communities and Local Government (DCLG) produced advice for local authorities and town centre partnerships called "Looking after our Town Centres". This advice attempted to provide practical help for town centres and high streets and it;
 - Set out the benefits of looking after town centres, showing how strong partnerships and positive management can help keep them attractive and vibrant places
 - highlighted the range of powers, guidance and tools that can help town centres and showed some examples of the creative approaches that partnerships are already taking in response to the downturn
 - explained the steps that the Government is taking to help local authorities and their partners take positive action, particularly in enabling temporary use of vacant shops
5. One of those initiatives was providing funding for bringing empty shops back into temporary if not permanent use. This funding was announced in August 2009. A total of £3m was made available in England and allocated to the 57 most deprived authorities based on the index of Multiple Deprivation. Each qualifying Local Authority, of which Dudley is one, received £52,623, with no time limit for its expenditure
6. Whereas the Council has a relative free hand to use the Empty Shops Grant on any projects it thinks appropriate to bring empty shops back into use, subject to any planning (listed buildings or conservation areas) building control restrictions or licensing laws, DCLG guidance suggests that could be used on such projects as :
 - Using vacant shop windows to post information about their local area
 - Applying removable designs to windows to brighten areas and detract from the vacant front
 - Using vacant shops for use as galleries, museums, or as community services centres.
7. On the 10th February 2010 Cabinet approved the allocation of the Empty Shops Grant on the basis of £10,000 to each of the principal town centres (Dudley, Brierley Hill, Stourbridge and Halesowen and £790 to each of the Borough's 16 centres with the request that the relevant Area Committees be requested to match this funding from their Capital allocation for each of the centres in their area. This funding was subsequently augmented by £4,730 of Area Committee capital funding which remains available for spend.
8. A number of successful projects have been carried out in Dudley and Brierley Hill Town Centres, based on the installation of window vinyls in empty units promoting regeneration activity and the centres' heritage, and on interim uses for arts and cultural projects

9. Spend of the remaining Empty Shops Grant has however proven challenging. Gaining agreement of property owners to engage in the programme has proven to be very difficult for a variety of reasons, and any work to properties without the full agreement of the occupier could place the Council at liability of legal action for damage.

High Street Innovation Fund

10. On the 30 March 2012 the Council was awarded £100,000 from the Department of Communities and Local Government (DCLG) from a £10m funding package titled the High Street Innovation Fund.
11. Following lobbying by the Council, an extra £10,000 was secured from DCLG in 2012 as part of a package of funds given to Local Authorities who had submitted unsuccessful bids for the Mary Portas Pilot initiative
12. The Government has promoted the fund as an opportunity to support innovative local approaches to managing and revitalising high streets, using the wide range of tools available to local partners – such as business rate discounts, planning and meanwhile uses – to tackle the challenge of empty properties, make the most of the unique experience high streets offer, support local enterprise, and adapt the high street to take on new roles. Examples cited by DCLG of how empty shops might be brought back into use include:
 - Support for business rate discounts for new start-up businesses taking on empty properties.
 - Supporting community uses of empty properties..
 - The consideration by local authorities and other landlords to consider 'meanwhile use' as a way of reinvigorating the high street. This aims to reanimate vacant spaces by allowing local people and community groups to experiment with new projects and enterprises, thereby relieving the burden for landlords of an empty property, and supporting high streets by stimulating new footfall and users in the town centre.
 - Supporting local skills improvements/social enterprises by developing an apprenticeship scheme to train young people in shop-fitting and refurbishment.
13. Given the difficulties encountered to date referred to Paragraph 9 in spending Empty Shops Grant, and the desire to allow all areas in the Borough to benefit from both sources of funding it is proposed to open up both grants to applications to be made via Community Forums
14. It is proposed that eligibility for funding be restricted to projects:
 - within defined Principal or Local Centres in the Borough
 - that are not required by virtue of a planning condition, enforcement action or other statutory requirement

- which will not incur ongoing revenue costs for the Council

15. It is proposed that suitable projects could include;

- Proposals to improve the appearance or condition of empty shops
- Proposals to improve vacant or unsightly land
- Proposals to improve 'grot spots'
- Match funding to support funding bids for the above
- Activities and events to support centres economic vitality

Finance

16. A total of **£167,361** is available from the Empty Shops Grant, Area Committee delegated Capital Budget and High Street Innovation Fund

Law

17. Pursuant to Section 1 of the Localism Act 2011, the Council has the general power of competence to do anything that individuals generally may do

Recommendation

18. It is recommended that the Cabinet

- approve the allocation of the Empty Shops Grant and High Street Innovation Fund on the basis outlined in paragraphs 14 to 16
- authorise the Director of the Urban Environment in consultation with the Cabinet Member for Economic Regeneration to prepare eligibility criteria for the allocation of Empty Shops Grant and High Street Innovation Fund and issue grants to eligible applicants up to the limit of the DCLG grant allocations
- That the Director of Corporate Resources be authorised to determine applications for funding from the High Street Innovation Fund and the remainder of the Empty Shops Grant, based on recommendations from Community Forums, in the same manner as the existing Community Forums Area Grants process.



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List of Background Papers

Meeting of the Cabinet – 10th February 2010; Report of the Director of the Urban Environment; Empty Shops Grant