

<b>Report to:</b>	<b>EXECUTIVE CABINET</b>
<b>Date:</b>	26 August 2020
<b>Executive Member:</b>	Cllr Oliver Ryan, Executive Member (Finance & Economic Growth)
<b>Reporting Officer:</b>	Jayne Traverse, Director of Growth
<b>Subject:</b>	<b>MINISTRY OF HOUSING, COMMUNITIES &amp; LOCAL GOVERNMENT - RE-OPENING THE HIGH STREET SAFELY ALLOCATION</b>
<b>Report Summary:</b>	The report provides information on the funding to support actions that will aid the safe reopening of the High Street following the relaxation of measures imposed during COVID19.
<b>Recommendations:</b>	<p>That Executive Cabinet be recommended to:</p> <ul style="list-style-type: none"> <li>(i) Note the purpose and associated risks of the Government's Reopening Highstreets Safely fund;</li> <li>(ii) Accept in principle, subject to the Grant Funding Agreement terms and conditions, the allocation of £200,741;</li> <li>(iii) Accept the risks of entering into the Grant Funding Agreement and approves that:</li> <li>(iv) Delegate Authority to the Director of Growth to enter into the Grant Fund Agreement on behalf of Tameside MBC;</li> <li>(v) Delegate Authority to the Director of Growth to manage the programme of works associated with the Grant Fund Agreement and to drawdown and incur all expenditure related to delivery on the basis set out in this report. On-going performance and reporting will be provided as required.</li> </ul>
<b>Corporate Plan:</b>	<p>The funding purpose aligns with the following Corporate Plan objectives:</p> <ul style="list-style-type: none"> <li>1. A sustainable environment that works for all;</li> <li>2. Nurturing our communities;</li> <li>3. Living healthier lives.</li> </ul>
<b>Policy Implications:</b>	Whilst measures resulting from this fund will be temporary, they are still in line with the Tameside Unitary Development Plan as identified under <i>(S1) Town Centre Improvement</i> in identifying and implementing improvements where necessary.
<b>Financial Implications: (Authorised by the statutory Section 151 Officer &amp; Chief Finance Officer)</b>	<p>The Council has been allocated £200,741 by the Ministry of Housing, Communities &amp; Local Government from the - Re-opening the High Street Safely Fund.</p> <p>Expenditure on eligible activities from 1<sup>st</sup> June 2020 can be claimed back from CLGU in arrears once the funding agreement has been signed. All these activities must adhere to strict regulations which are attached to the funding as outlined in section 1.3.</p> <p>The guidance states that "Given the nature of the funding and size of the award it is encouraged that the use of the funding is completed by the end of 2020 to address the immediate needs."</p>

Spend from the allocation will need to be closely monitored in order to ensure that the allocation is able to cope with the likely changes throughout the release from lockdown and changes in government guidelines.

**Legal Implications:  
(Authorised by the Borough  
Solicitor)**

As set out in the main body of the report the Council has not had sight of the grant funding agreement yet but once received legal services will provide a review of the document to highlight any risks to the council.

It is expected that those risks will primarily be in relation to compliance with the terms of the grant to avoid the danger of the Ministry not repaying the council for the funding it has paid up front.

In addition the council will have to keep any state aid issues under review again to ensure compliance.

Therefore it is essential that there are robust management and reporting mechanisms in place.

**Risk Management:**

The risks are outlined within section 11.0 of the report.

**Background Information:**

The background papers relating to this report can be inspected by contacting Anne Heath, Economic Development Officer.



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## 1. SCOPE OF THE FUND

- 1.1 The authority will be able to spend its allocation of £200,741 on eligible activities from 1 June 2020 and claim it back from Cities and Local Growth Unit (CLGU) in arrears once the funding agreement has been signed. The default position is that claims will be paid quarterly for eligible expenditure under the guidelines and will be claimed monthly in arrears. The guidance and the latest FAQ's are included with this report.
- 1.2 The funding covers four areas of eligible activity:
- (a) Support to develop an action plan for how the local authority may begin to safely reopen their local economies;
  - (b) Communications and public information activity to ensure that reopening of local economies can be managed successfully and safely;
  - (c) Business-facing awareness raising activities to ensure that reopening of local economies can be managed successfully and safely;
  - (d) Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely.
- 1.3 All these activities must adhere to strict regulations attached to the funding which include:
- Local authorities will need to ensure that all procurements are awarded in line with the Public Procurement Regulations;
  - Local authorities will need to ensure that funding is managed in accordance with State Aid law;
  - 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 HMG logo must be used alongside the ERDF logo.
- 1.4 There are also three main categories where activities cannot be supported:
- **Activity that provides no additionality** - This funding is intended to be additional funding on top of that existing activity;
  - **Capital expenditure** – This funding is intended to help local authorities address the short-term issue of re-opening their local economies. It can support some temporary changes to the physical environment, but those changes should not be anticipated to last beyond 12 months, or until no longer required for social distancing;
  - **Grants to businesses** – Funding cannot provide direct financial support to businesses to make adaptations to premises, purchase PPE, purchase goods or equipment or offset wages or other operating costs.

## 2. OUTPUTS ASSOCIATED WITH ACTIVITY

- 2.1 There are several outputs to be achieved which relate to the number of:
- Covid-19 Action Plans produced;
  - Covid-19 Public Information Campaigns;
  - Covid-19 Business Facing Campaigns;
  - Covid-19 Communication Officers;
  - High Streets with Temporary Covid-19 Adaptations;
  - Neighbourhood Shopping Areas with Temporary Covid-19 Adaptations.

## 3. CLAIMING EXPENDITURE

- 3.1 Local authorities will be able to spend money on eligible activities from 1 June 2020 and claim it back from CLGU in arrears.

- 3.2 The default position is that claims will be paid quarterly. For costs to be eligible, local authorities will need to ensure that they can evidence how these costs are over and above any that they might otherwise incur.
- 3.3 A standard claims template will be provided and all claims are expected to contain the following information:
- A summary of expenditure;
  - Details of every transaction, irrespective of value, that is included in the project expenditure in the claim period;
  - Record of the outputs;
  - Details of procurements included in the claim;
  - A progress report for the claim period – a progress report will be required even if no funding is being claimed.
- 3.4 The guidance states that “*Given the nature of the funding and size of the award it is encouraged that use of the funding is completed by the end of 2020 to address the immediate needs.*” Spend from the allocation will need to be closely monitored in order to ensure that the allocation is able to cope with the likely changes throughout the release from lockdown and changes in government guidelines.

#### **4. RETENTION OF PROJECT RECORDS**

- 4.1 Evidence must be retained to demonstrate that any project expenditure is eligible and that costs have been defrayed.
- 4.2 These records will need to be retained through the life of the project and for the relevant retention period. Examples of evidence include:
- Invoices/receipts, purchase orders/contracts, payroll records, bank statements and accounting records;
  - Employment and salary costs must be evidenced by job descriptions; contracts of employment, payroll records and bank statements;
  - Core documents for any procurement carried out;
  - Copies of all publicity materials, including press releases, marketing activity and posters displayed in venues where activity takes place must be retained to demonstrate proactive activity and the correct use of the EU logo and required text.

#### **5. PUBLICITY REGULATORY REQUIREMENTS OF THE FUNDING**

- 5.1 The ERDF branding requirements must be adhered to.
- 5.2 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.
- 5.3 The HMG logo must be used alongside the ERDF logo.
- 5.4 The requirements to be considered and met include:
- Display the ERDF logo on all electronic and print publication materials used for information and communications supported by the Fund including:
    - advertisements, job advertisements, job descriptions and notices
    - leaflets, brochures, flyers and newsletters
    - promotional items
    - project documentation – e.g. reports, papers and letterheads
    - procurement material
    - social media tools

- posters (see below for more details)
- Display the ERDF logo on the relevant website – established specifically for Fund activities or a broader website used by the beneficiary, ensuring:
  - use of the colour ERDF logo
  - logo is visible upon landing, in viewing area and without the need to scroll
  - inclusion of a short description of the activities to be supported with aims and results
- Display of at least one poster of minimum A3 size, readily visible to the public (e.g. the entrance area of a public building) at the location of the activities being implemented and containing information on the work being delivered.
- Ensuring inclusion of a reference to ERDF, the logo and use of ERDF notes to editors in any media and press activities.

## **6. PROCUREMENT REQUIREMENTS OF THE FUNDING**

- 6.1 All procurement should be awarded in line with the Public Contracts Regulations.
- 6.2 Procurement exercises should therefore be carried out in an open and transparent way and an audit trail of the routes followed and the process will need to be retained. Consideration should also be given to the latest CCS guidance notes in direct response to the COVID-19 crisis.

## **7. STATE AID REGULATORY REQUIREMENTS OF THE FUNDING**

- 7.1 Local Authorities will need to ensure that funding is managed in accordance with State Aid law.

## **8. MONITORING REGULATORY REQUIREMENTS OF THE FUNDING**

- 8.1 Monitoring of the Local Authority will take place by CLGU.
- 8.2 This will include as a minimum some or all of the following measures:
  - Checks on Local Authority systems and processes for retaining an audit trail;
  - Spot checks on expenditure items included in claims.

## **9. ADDITIONAL REPORTING REQUIREMENTS OF THE FUNDING**

- 9.1 Given the bespoke nature of this project there will be a need to provide some additional reporting requirements to evidence the outputs and outcomes of the investments being made.
- 9.2 Prior to undertaking any actions, a baseline data set for future measurement should be acquired, in particular relating to the current footfall in the high streets.
- 9.3 The costs of acquiring this baseline data, assuming it is not already available, can be covered as part of the costs associated with developing an action plan.

## **10 GRANT APPLICATION PLAN**

- 10.1 A Grant action plan (GAP) will be required which will enable the CLGU to sense check the work for eligibility and give CLGU an idea of the type of activities, from the draft action plans, that will be undertaken. The CLGU have emphasised that the GAP is not a bid and the allocation is secure. The main aim is to ensure eligibility of the expenditure submitted in subsequent grant claims.
- 10.2 The GAP will be used to form the funding agreement but can change even after it's signed. Assurance from CLGU has been sought and they recognise changes will probably be needed through the course of the programme and are happy to work with us to solve any problems/queries.
- 10.3 A dedicated contract manager will be appointed by the CLGU to work with the project lead throughout the programme.
- 10.4 Before beginning to spend grant, a baseline set for future measurement in particular relating to the current footfall in the high streets.
- 10.5 The costs of incurring these baselines, assuming they are not already available, can be covered as part of the costs associated with developing an action plan.

## **11. ACTION PLAN**

- 11.1 The action plan contains current prioritised works in line with the themes contained in the guidance that is attached to this report (appendix 1) together with costings. The works are centred around a communications plan (appendix 2) and small physical works programme (appendix 3) that will be identified by site surveys that are currently being undertaken. As the allocation is until the end of 2020 and a number of updates and re-issues of information may be required in line with government guidelines a contingency sum will be built into the action plan and be regularly monitored.
- 11.2 The messaging within the communications plan is led by professional advice provided by public health both nationally and locally. New local powers have recently been issued from central government to local authorities which enable local authorities to take decisions which may require any additional measures to be put in place if there is evidence of increasing risk of the spread of Covid-19 across the community. These powers come under the Covid Contain Framework. The emphasis of our local approach is to support local business proactively as much as possible in the first instance to help businesses and settings to understand, interpret and implement relevant national guidance to reduce the risk of Covid-19 transmission. This is part of the wider approach to preventing Covid-19 spread as part of our Local Outbreak Control Plan and involves all the wider support in place for local businesses via a range of council services and officers. Any further measures that would need to be taken within Tameside which may have any impact on local businesses in any part of the borough will be communicated clearly based on advice and information from public health and resourced from the contingency sums held for this type of currently unforeseen occurrence.

## **12. CONSULTATION**

- 12.1 A public consultation will be undertaken to give everyone the opportunity to participate in the project as far the strict criteria around the allocation will allow. The consultation will also provide an opportunity for the community to assist in highlighting 'pinch points' that may require temporary alterations in order to allow social distancing to take place.

- 12.2 The consultation will run from the 3 of August for 6 weeks ending on the 11 September and will be accessed through the authorities website. Everyone will be encouraged to participate and the consultation will have a dedicated communications running alongside to raise awareness.
- 12.3 Consultation has also taken place with local business owners, shopping centre management to inform of the allocation and to ensure that a co-ordinated approach can be undertaken
- 12.4 Members and the chairs of the town teams have also been contacted by the executive member for Finance and Economic Growth to brief them about the allocation, restrictions of the ERDF funding and the public consultation.

### **13. RISK**

- 13.1 The authority does not currently have the funding agreement that will be informed from the information contained in the GAP the authority submitted but the risks and conditions of the agreement will be assessed by Director of Finance in consultation with the Director of Governance & Pensions to accept and enter into the GFA on behalf of TMBC.
- 13.2 Local authorities will be able to spend money on eligible activities from 1 June 2020 and claim it back from Cities and Local Growth Unit (CLGU) in arrears.
- 13.3 The authority will have to incur expenditure and then claim back that expenditure on items in good faith that may be deemed ineligible by CLGU and will therefore have to stand the cost.
- 13.4 The regulatory requirements for eligibility are contained in the sections above and will be strictly adhered to and monitored.
- 13.5 Advice will be sought from CLGU on any items of expenditure where eligibility clarification is needed, therefore minimising the risk to the authority.

### **14. CONCLUSION**

- 14.1 The allocation will aid the authority with costs associated with the opening the high streets in line with current and future guidance on the Covid 19 pandemic and help the build back better economic resilience for the local economy.

### **15. RECOMMENDATIONS**

- 15.1 As set out at the front of the report.