

## **The Retail Support Initiative overview**

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### **Purpose of the Report**

To report on the operation of the Retail Support Initiative (RSI) during 2018/19 and approve the operating criteria for 2019/20.

### **Public Interest**

Supporting and helping to improve the retail offer in the towns and villages across Area East.

### **Recommendations:**

- (1) To note the report
- (2) To approve the updated operating criteria of the RSI scheme for 2019/20
- (3) To consider a top up to the RSI budget of £5000 from the Members Discretionary Budget for 2019/20

### **Background**

#### **Retail Support Initiative**

The RSI was originally set up in 2006 (following a pilot which started the previous year in Wincanton & Bruton). For many years it has proved to be an effective way of supporting and engaging with a wide range of retail and service outlets across the Area. Throughout this period regular performance reports have been brought back to this Committee.

Members have previously considered expanding the eligibility to provide cross sector support for small businesses in Area East. Whilst the merit of widening the criteria was supported, it was also recognised that this could not be achieved within the limited budget, without diluting the benefit to the retail sector, because a large number of businesses employing 5 or less would have been eligible. As a result, the focus of supporting retail/service sector businesses operating in town centres/villages has continued.

A number of revisions were made to the scheme for 2012/13 and these included:

- The inclusion of farm shops and 'exceptional' support for projects, which add to the viability of town/village centres (loyalty schemes or similar)
- Inclusion of grant assistance towards half the actual payment due for business rates for new businesses (which do not compete with another business) in their first 2 years of trading

The scheme continued to operate on a similar basis until Autumn 2014 when a ‘top-up’ scheme for Wincanton was implemented - this had been approved at the Area East Committee in July 2014. The only subsequent change was in June 2016 when £300 previously available for business improvement was removed from the Wincanton ‘top up’ scheme to give more focus on shopfront improvement.

### **Operation of Retail Support Initiative during 2018-19**

Appendix 1 shows a breakdown of the grants awarded during 2018/19.

16 RSI information packs were sent out during the year with some of this interest still current which may convert to applications in the future.

The scheme of delegation limit is £1,000 (in line with other grants and the Council’s scheme of delegation). Grant requests can be considered at any time in consultation with the Chairman and Ward Member(s). Applications for amounts over £1000 are considered by Area East Committee.

A combination of face to face visits and email are used to remind businesses about the scheme annually and a leaflet drop will be undertaken in the main towns during the Summer - Face to face visits will be undertaken by members of the Locality team as requested by specialists (Economic Development).

A copy of the eligibility criteria approved in May 2018 is attached at Appendix 2 - this is unchanged apart from the eligible units for the Wincanton top-up which have been amended to reflect changes in unit occupancy and could be applied to any unit which has been vacant for six months providing it meets the other RSI requirements. It is therefore suggested that this operating criteria is rolled forward for 2019/10. Once a delivery plan for Wincanton Town Strategy is in place, the RSI will be reviewed again to ensure that proposed interventions complement this and avoid overlap

### **Financial Implications**

The unallocated budget at the end of June 2019 is as shown in the table below:

<b>Revenue element</b>	<b>Capital</b>	<b>Wincanton ‘top-up’</b>
£2581.50	£1212	£10000

There is £10,200 available in the Members Discretionary budget for allocation in 2019/20. If members agree the above recommendation, there will be £7581.50 revenue element for allocation in 2019/20.

### **Implications for Council Plan**

Complementing the economy theme which seeks to support our town centres in adapting to the changes in our high streets and consumer trends

### **Other Implications**

None

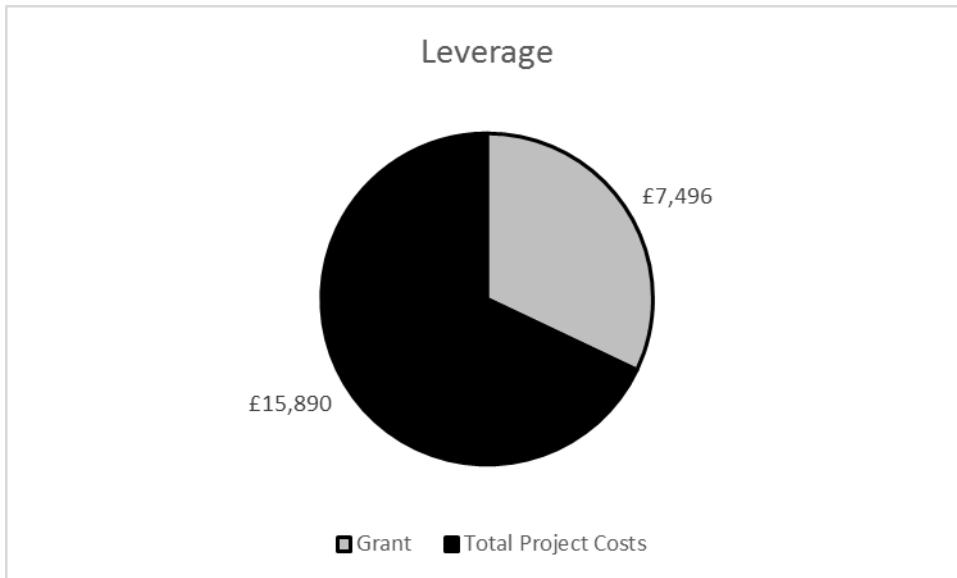
### **Background Papers:**

Area East Committee Agenda and Minutes July 2014 and May 2018

Appendix 1

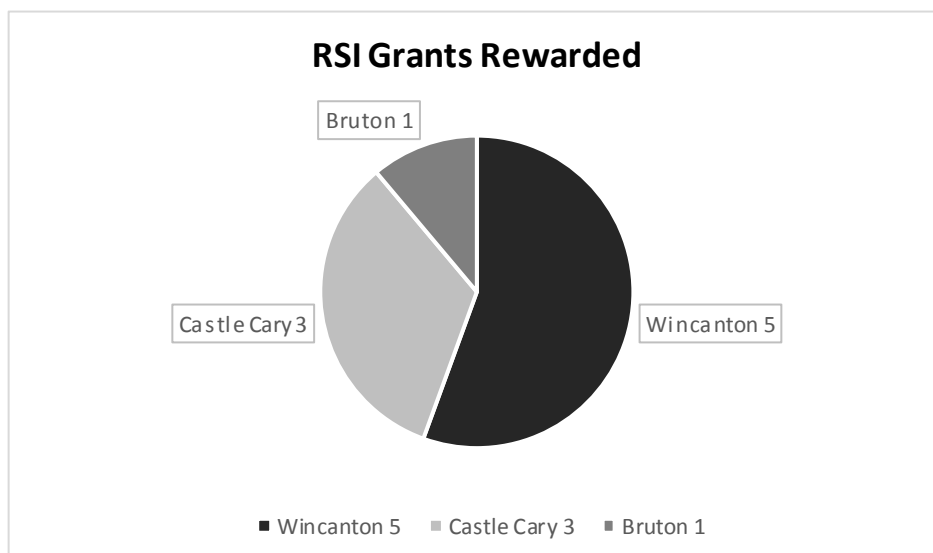
**Retail Support Initiative 2018-19**

The graph below shows the proportion of grant against overall scheme costs:



During the period April 2018 to June 2019, 7 grants were awarded under delegated powers and 2 awarded at Committee.

From April 2018 to June 2019, 5 grants were awarded to businesses in Wincanton, with 3 grant in Castle Cary and 1 in Bruton. No grants being awarded to other rural areas.



## Appendix 2

### Retail Support Initiative

#### Proposed operating criteria 2019/20

Percentage contributions cannot exceed 50% of costs and **no** retrospective applications are eligible (i.e. in respect of works that have already been commissioned/started).

Applications over £1000 will be considered by Area East Committee on a monthly basis. Amounts up to £1000 may be considered at any time as a delegated grant in consultation with the Chairman & Ward Member(s).

Area-wide grant levels: **£1,500 to a maximum 50% of project costs as follows:**

#### Eligible costs:

- Shop-front improvements, if they enhance the High Street
- Business rates assistance – a contribution to the amount payable for new businesses (which do not compete with another business) in their first 2 years of trading
- Exceptional projects which add to viability of towns/villages

#### Wincanton top-up

In addition to the area-wide scheme, the 'top-up' scheme for Wincanton also offers:

- Maximum grant £1,000 for businesses wishing to move into one of the eligible units in the town **which have been empty for at least six months prior to receiving an application.**

Grants are only available to proprietors/owners with one business/premise and will not exceed 50% of project cost.

#### Process

Applications for grants are assessed and recommendations made on the basis of a fully completed application form and 2 'like for like' quotes. Self-help/DIY schemes may complete the application form and supply a project budget with supporting information.

All grant recipients must accept that the grant may be used for publicity purposes by the District Council. Payment of the grant is done retrospectively, for a completed programme of works on the basis of receipted invoices. Exceptionally officers, in consultation with the Chairman, may release partial payments where there is clear justification for doing so.

The existing assessment and current scoring mechanism favours businesses:

- Employing more than 2 people
- In prominent places
- Key rural stores/Post Offices
- Retailers

**The award is subject to the following standard conditions:**

- The grant award may be used by SSDC for promotional/publicity purposes
- Grants are paid for approved works/purchases on production of receipted invoices
- Awards are subject to a summary of the benefit of the scheme being supplied
- Applicants will normally be expected to draw down the grant within 6 months of the offer and if not will have to inform us of the reason(s) for the delay. If there is a valid reason, officers can provide a 6-month extension, but beyond this the grant would either be withdrawn or referred to Area East Committee to be reaffirmed
- That appropriate consents are obtained
- Works requiring listed building/planning consents or building regulation consent will be required to be signed off by the appropriate officer prior to the release of funds
- If, within 3 years of a grant award the business ceases to trade, the District Council reserves the right to reclaim the grant on the following basis: year one –100%, year 2 – 75%, year 3 – 45%