

The Retail Support Initiative update

Assistant Director *Helen Rutter, Communities*
Service Manager: *Helen Rutter, Area Development Manager- East*
Lead Officer: *Pam Williams, Neighbourhood Development Officer, Area East*
 Terena Isaacs, Community Support Assistant, Area East
Contact Details: *pam.williams@southsomerset.gov.uk or 01963 435020*
 terena.isaacs@southsomerset.gov.uk or 01935 462248

Purpose of the Report

To provide an update for Members on the operation of the Retail Support Initiative (RSI) during 2014/15 and approve the operating criteria for 2015/16.

Public Interest

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

Recommendations

That Members:-

1. Note the update report.
2. Agree the grant operating criteria detailed at Appendix 1.

Background

Members will be aware 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.

In May 2009 Members 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 of the large number of businesses employing 5 or less who 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 two years of trading
- Removal of interior works and equipment purchase for new businesses
- Removal of promotion/marketing support
- Removal of the Tourism Accommodation funding

These revisions have continued to form the basis for the operation of the scheme until last Autumn when a 'top-up' scheme for Wincanton was implemented - this had been approved at the Area East Committee in July 2014.

Current Operation

Appendix 2 shows a breakdown of the five grants awarded during 2014/15 by type and location. Since March 2015 there has been significantly more interest in the scheme with 10 application forms sent out. Whilst these will not necessarily all translate to full eligible applications this renewed interest is encouraging.

A copy of the eligibility criteria is attached at Appendix 1. At this stage it is not suggested that any alterations are made from the current operating criteria beyond bringing the delegation limit to £1,000, in line with other grants and the Council's scheme of delegation. A slightly higher scheme of delegation gives applicants more flexibility because grant requests can be considered at any time in consultation with the Chairman and Ward Member(s). Applications for amounts over £1,000 would continue to be considered by Area East Committee.

A combination of face to face visits and email are used to remind businesses about the scheme annually. More face to face follow-up was undertaken August/September 2014 as we also undertook an exercise to encourage eligible retail businesses to apply for Government's Retail Relief scheme. This provided up to £1,000 a year off annual business rates, last year and this year for retail businesses with a rateable value of up to £50,000.

As part of our more general monitoring of our principal retail centres we undertake shop occupancy surveys. The table below shows the most recent shop surveys conducted in Wincanton, Castle Cary and Bruton with details of the number of shops open and empty units within the towns.

Town	Date	Number of open retail units	Number of closed retail units
Wincanton	March 2015	83	12
Castle Cary	March 2015	60	3
Bruton	March 2015	30	2

The graph at Appendix 3 shows occupancy trends since February 2011 in the three towns.

Financial Implications

If Members chose to approve the £1,500 award recommended in the previous report the remaining budget is shown in the table below:

	Revenue element	Capital	Wincanton 'top-up'
Unallocated budget 2015/16 as at April 2015*	£9,500	£1,212	£8,700

If Members chose not to approve the award recommended in the previous report the remaining budget is as shown in the table below:

	Revenue element	Capital	Wincanton 'top-up'
Unallocated budget 2015/16 as at April 2015*	£10,000	£1,212	£9,700

Implications for Corporate Priorities

A strong economy which has low unemployment and thriving businesses

Other Implications

Included within the Area Development Plan

Background Papers

Area East Committee Agenda and Minutes July 2014

Retail Support Initiative

Operating criteria 2015/16

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

Applications over £1,000 will be considered by Area East Committee on a monthly basis. Amounts up to £1,000 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 two 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 7* units currently empty in the town, these are listed at Appendix 2 **or**
- Maximum £300 available to new **and** existing businesses for business improvements and marketing initiatives. For new businesses this could be used towards stock too.

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

*Eligible empty units in Wincanton at July 2014:

3 Market Place – The Red Lion#
13 Market Street – formerly Boots Chemist#
6 High Street – formerly Chicken Grill/Yummy Yummy#
6 High Street – Digital Error
24 High Street – formerly Green Dragon
36 High Street – formerly Alldays
1-3 High St – formerly Brocks#

now occupied/partly occupied

Process

Applications for Grants are accessed and recommendations made on the basis of a fully completed application form and two ‘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:

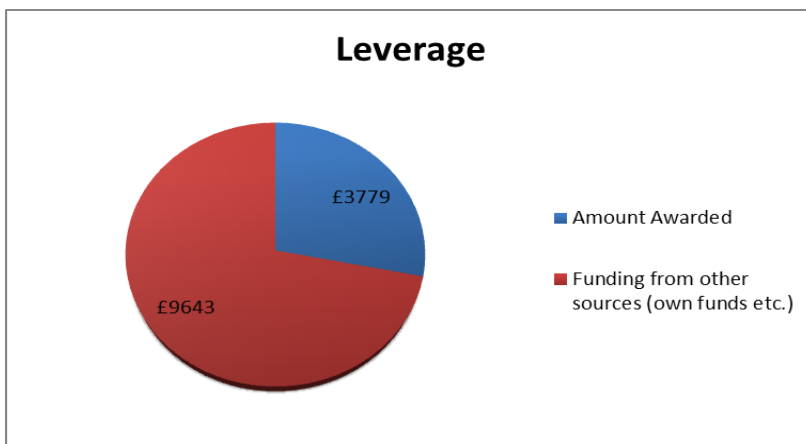
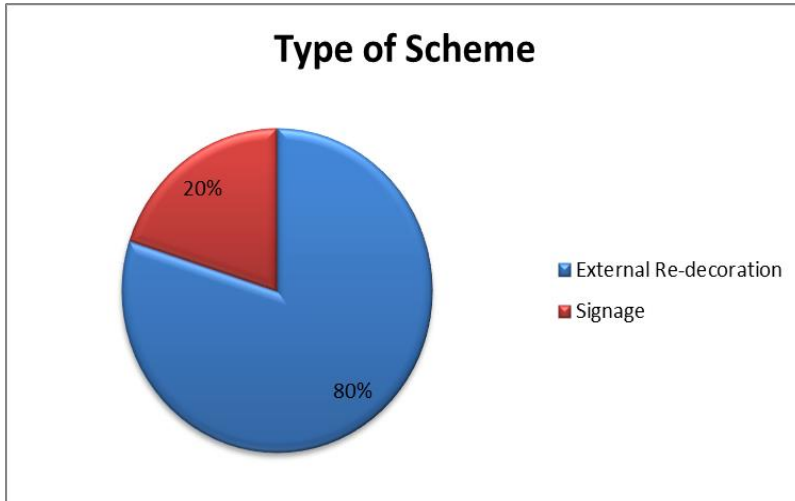
- employing more than 2 people
- in prominent places
- key rural stores/Post Offices
- retailers

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 six 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 Area East Committee to be re-affirmed;
- 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 three 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 two – 75%, year three – 45%.

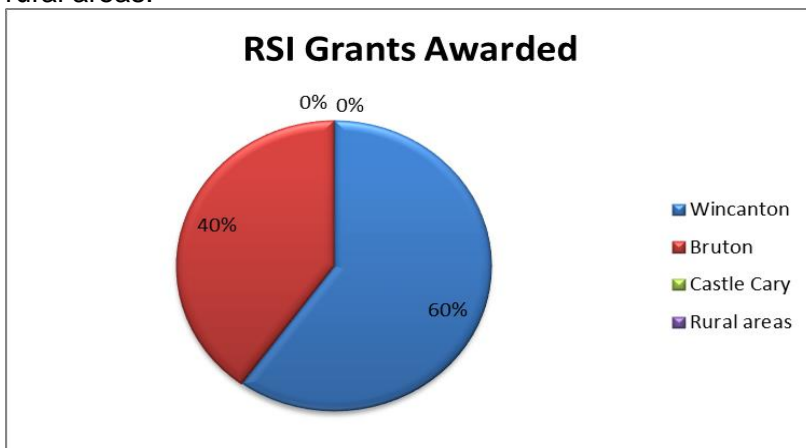
Retail Support Initiative 2014-15

The graph below shows the purpose for which the grants were awarded and the second graph shows the proportion of grant against overall scheme costs.



During April 2014 – March 2015, 4 grants were decided under delegated powers and 1 awarded at Committee.

From April 2014 – March 2015, 3 grants were awarded to businesses in Wincanton, 2 grants were awarded to businesses in Bruton, with no grants being awarded to Castle Cary or other rural areas.



Shop Occupancy Trends

The graph below shows the shop occupancy trends since February 2011.

