

REPORT TO INFRASTRUCTURE SERVICES COMMITTEE - 13 MAY 2021

SCOTTISH GOVERNMENT PLACE BASED INVESTMENT PROGRAMME

1 Reason for Report / Summary

- 1.1 This Report provides details on the monies from the Scottish Government Place Based Investment Programme for distribution to Aberdeenshire's regeneration areas and town centres.

2 Recommendations

The Committee is recommended to:

- 2.1 **Agree the criteria to be used for the distribution of the Scottish Government Place Based Investment Programme 2021/2022 noted in point 4.2;**
- 2.2 **Agree the process for the distribution of funds noted in point 4.6;**
- 2.3 **Delegate authority to the Director of Infrastructure Services to approve applications for funding from the Scottish Government Place Based Investment Programme 2021/22 following consultation with the Chair, Vice Chair and Opposition Spokesperson of Infrastructure Services Committee, the Council Leader, and the Chief Executive;**
- 2.4 **Instruct the Director of Infrastructure Services to report back to Committee with details of applications approved under recommendation 2.3; and**
- 2.5 **Agree to align the remaining 5-year Place Based Investment Programme from 2022 onwards with a Place Strategy, which builds on the existing Regeneration Strategy.**

3 Purpose and Decision-Making Route

- 3.1 The 2020-21 Programme for Government announced the creation of a Place Based Investment Programme with £275million (successively increased to £325 million) of funding to support place-based working and regeneration, including community led regeneration, town centre revitalisation, Community Wealth Building and 20-minute neighbourhoods. A proposal has been made by the Government to distribute £23million per annum in funding to local government from this programme. The intention is that this fund would contain high level criteria similar to the Town Centre Fund but also covering place (regeneration), 20-minute neighbourhoods and Community Wealth Building. The year one allocation is likely to be more due to the Barnett formula and the distribution formula and allocations are subject to consideration and agreement

through COSLA. Allocations are likely to be announced at the end of April 2021.

- 3.2 The Place Based Investment Programme subsumes the previous Scottish Government Town Centre funds that were launched in tranches between 2019 and 2020 and provides greater continuity and a programme-based structure to these funds. The fund is for capital projects, and for the current financial year projects that are well prepared, contribute towards the objectives in section 4, with developed business cases can be taken forward.
- 3.3 Twenty-two projects were allocated funding under previous funding rounds, all of which are either complete or on track for completion. The fund was extended for twelve months in recognition of Covid restrictions. All projects from the 2019/2020 fund are now required to have contracts in place or works started by 31 March 2021 and monies fully claimed by September 2021.
- 3.4 Timescales are tight. It is currently being proposed that the fund will be launched in May, with projects started or contracts in place by 31 March 2022. If not used, funds will have to be returned to the Scottish Government so there is an urgency in allocating the 2021-22 fund.

4 Discussion

- 4.1 Due to the tight timescales and the need to be proactive and ready to allocate the funding it is recommended that the Committee delegate authority to the Director of Infrastructure Services to approve the applications for the distribution of the 2021/2022 fund, following consultation with the Chair, Vice Chair, Opposition Spokesperson of the Infrastructure Services Committee, Council Leader and Chief Executive. Now that there is certainty of future allocations, it will be possible in 2022 to bring decisions to Area Committees / Infrastructure Services Committee as appropriate.
- 4.2 The scope of the programme is much broader than previous funds, although the monies remain relatively limited. The target outcomes are:
 - Local Resilience: creating, in every place, relevant choices for better futures, with the capacity to continue to influence, adapt and benefit from these as things change.
 - Inclusive Growth: growing the right environment for local economic resilience, tackling inequality, creating opportunities for all, and distributing the benefits fairly.
 - Low Carbon; contributing towards a net zero carbon Scotland and responding locally to the climate change emergency.
 - Community Wealth: reshaping local relationships and infrastructures to ensure local wellbeing and local benefits flow from the commercial, public and social economies.
- 4.3 In addition to addressing strategic risk at a local level and contributing to overarching national policy outcomes, the Framework and Programme will have three specific objectives:

- Enable more partnering across sectors – by establishing a network of anchor collaborations, each acting as a focus for local resilience, service reform, net zero carbon, and community wealth building.
- Retain and attract people and businesses to once vibrant places – through supporting ambitious local change programmes which embed collective leadership across services and sectors and apply the Place Principle to the use of all assets.
- Increase footfall, social interaction, and economic activity in our Town Centres – by proactively clustering services and purpose in the right places and applying the Town Centre First Principle.

4.4 The programme has 4 main components listed below:

4.4.1 **Place / Regeneration**

It is proposed that capital projects within the four regeneration towns are eligible to apply. Some previous regeneration projects could not be supported because they were peripheral to the town centre. These would now be able to move forward, if they deliver the necessary outcomes.

4.4.2 **Town Centres**

Town Centre investment is important throughout Aberdeenshire to sustain community life and economic confidence. The Place Based Investment Programme gives emphasis to projects which address systematic weaknesses in town centres, inequality, community wealth and economic vitality. It places importance on capital projects which are driven from a partnership perspective and from evidenced plans. The five-year programme allows projects to be developed in line with Local Place Plans in due course.

4.4.3 **Community Wealth Building**

It is unlikely that there will be many projects in this category for the current year, whilst the council has an advanced asset transfer policy, it does not have an advanced community wealth building policy. This could be advanced for the proceeding years of the programme and built into the Local Place Plans.

4.4.4 **20-Minute neighbourhoods**

This concept is also relatively new and will evolve over time, in particular through the creation of local Place Plans. The basic concept is for people to meet their basic needs from a 20-minute walk from their home. This strand of the programme may fund novel service provision, could consider more rural service provision or walking / cycling infrastructure that cannot be supported through Sustrans.

Criteria	Maximum Score
Deliverability	15
Place based evidence of need	10
Sustainability of project	10
Impact	15
Leverage	5
Carbon Reduction	5
TOTAL	65

- 4.5 To ensure we are prepared to receive applications, allowing enough time for project details to be finalised within the timescales, the Regeneration and Town Centre Team has consulted with the Area Managers, Area Project Officers, the Housing, Property, Transportation, Planning and Live Life Aberdeenshire services, and key community groups. A member briefing has been circulated to all Elected Members as part of the consultation.
- 4.6 The grant letter from the Scottish Government allows the council to grant monies to the private sector as well as third sector organisations. We are aware that this has been included for councils that have planned projects in place with the private sector. The limited funding available does not allow us to open this fund up to the private sector at this time, it will however be taken into consideration for the remainder of the programme and the mechanics of this can be explored through the Property Investment Fund, which is part of the regeneration strategy.
- 4.7 With limited funding and time constraints, it is recommended that:
- Current town centre funded, and regeneration projects are reviewed as a first step to ensure all projects are on target and do not require further funds.
 - The monies are used more effectively, by supporting fewer transformational projects rather than various smaller initiatives.
 - We do not do an open call for projects, instead we put projects forward to the application stage that have been highlighted through the consultation process, and that are in line with community plans.
 - The processes from the 2019/2020 funding are applied and the internal panel made up of officers from Economic Development, Area Managers, Transportation, Planning and Environment Services will assess applications before presenting them to the Director of Infrastructure Services following consultation with the Chief Executive, Council Leader and the Chair, Vice Chair and Opposition of the Infrastructure Service Committee for allocation of the funds.
- 4.8 It is anticipated that a new Place Strategy for Aberdeenshire can bring together the requirements for Local Place Plans being driven through the Planning Framework, community empowerment principles, a refreshed Town Centre First Principle, a refreshed Regeneration Strategy, and align with the council's own Area Plans and Community Planning plans.

5 Council Priorities, Implications and Risk

5.1 The Place Based Investment Programme will contribute to the delivery of the Strategic Priorities “Health and Wellbeing” with the Pillar “Our People” and “Economy and Enterprise” within the Pillar “Our Economy”.

5.2 The table below shows whether risks and implications apply if the recommendations are agreed.

Subject	Yes	No	N/A
Financial	x		
Staffing	x		
Equalities		x	
Fairer Scotland Duty		x	
Town Centre First		x	
Sustainability		x	
Children and Young People’s Rights and Wellbeing		x	

5.3 Finance officers are aware of the Capital Funding. It is expected that the Place Based Investment Programme will be received quarterly. The programme funds will be administered through the Economic Development capital budget.

5.4 There are staffing implications for different teams including Economic Development, Planning and Area Managers. It is not envisaged that additional staff will need to be employed to administer this fund. However, there may be a need to build competent applications for future years which will be considered in the refresh of the regeneration strategy.

5.5 An Equality Impact Assessment and a Town Centre First Principle Impact assessment are not required at this stage. Any implications in respect of these matters as well as implications in relation to the Fairer Scotland Duty, Sustainability and Children and Youngs People’s Rights and Wellbeing will be considered in the determination of the distribution of grants from the fund once the final details are received from the Scottish Government.

5.6 The following Risk has been identified as relevant to this matter on a Corporate Level:

- ACORP005 – Working with other organisations, partnership working – This will be mitigated by ensuring that all parties are clear on the objectives of the funding and that deliverables and timescales are agreed and robustly monitored through the grant / service level agreement process.

6 Scheme of Governance

- 6.1 The Head of Finance and Monitoring Officer within Business Services have been consulted in the preparation of this Report and their comments are incorporated within the Report. They are satisfied that the Report complies with the Scheme of Governance and relevant legislation.
- 6.2 The Committee is able to consider this item in terms of Section F1.1b of the List of Committee Powers in Part 2A of the Scheme of Governance as it relates to the approval of resources to support Economic Development.

Alan Wood
Director of Infrastructure Services

Report prepared by Christine Webster
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