

Report to: **Cabinet**



Date of Meeting 12 May 2021

Document classification: Part A Public Document

Exemption applied: None

Review date for release N/A

---

## **ERDF Welcome Back Fund**

### **Report summary:**

East Devon has benefitted from the Reopening High Streets Safely Fund (RHSSF) programme announced by central Government and funded through the European Regional Development Fund (ERDF) which commenced on 1 June 2020 with the Council receiving an allocation of £130,992. Following consultation with towns and parishes, a report went to Cabinet on 21 July 2020 and a hybrid delivery approach was approved with subsequent use of delegated authority.

The Welcome Back Fund (WBF) is an extension of RHSSF and East Devon District Council's funding agreement will be varied to accommodate the additional allocation of £230,991. There is a WBF Form for the Council to complete, that builds upon the RHSSF action plan that needs to be submitted by 30 May 2021. Once agreed, the Council can then start to claim for additional allocation and activity.

This report summarises both where we are with the existing RHSSF but also sets out how the Council needs to take forward the WBF and within the recommendations include the delegations needed to deliver on the interventions permitted through the WBF and the recovery of spend incurred.

Due to the WBF being an extension of the RHSSF this report will cover both.

### **Is the proposed decision in accordance with:**

Budget Yes ☒ No ☐

Policy Framework Yes ☒ No ☐

### **Recommendation:**

That Cabinet note:

1. The Reopening High Streets Safely Fund deployment to-date and additional Welcome Back Fund allocation.

That Cabinet resolve:

1. To endorse the broad programme / potential spend set out in the table found at para 3.7 of this report, subject to refinement of service delivery requirements, targeted stakeholder feedback and procurement.
2. To delegate to Service Lead – Growth, Development & Prosperity to engage with targeted stakeholder engagement to refine specific projects and proposals.
3. Delegate authority to Service Lead – Growth, Development and Prosperity in consultation with the Portfolio Holder for Economy & Assets to deliver the WBF project (including entering into contracts, agreeing specific spends, recruiting temporary posts and adapting the project to reflect changes in funding guidance together with individual Service Leads requirements on delivery of interventions)

That Cabinet recommend to Council;

1. To approve and provide the budget for the appointment of such temporary posts as are required to support the WBF project.

**Reason for recommendation:**

The recommendations will enable Officers to develop an emerging programme of works, facilitate the processing of financial claims, publicity requirements and record keeping to support towns and parishes where the Council will undertake works. Where Parishes or Towns ask for assistance, we can work with them to deliver interventions.

Local Authorities in receipt of WBF funding allocation (East Devon District Council) must have financial management and control procedures in place for the WBF activity.

Officer: Tim Child, Service Lead – Place, Assets & Commercialisation  
[tchild@eastdevon.gov.uk](mailto:tchild@eastdevon.gov.uk)  
01395 571692

Andy Wood, Service Lead – Growth, Development & Prosperity  
[awood@eastdevon.gov.uk](mailto:awood@eastdevon.gov.uk)  
07740 024918

---

Portfolio(s) (check which apply):

- ☐ Climate Action and Emergencies
- ☒ Coast, Country and Environment
- ☐ Council and Corporate Co-ordination
- ☒ Culture, Tourism, Leisure and Sport
- ☐ Democracy and Transparency
- ☒ Economy and Assets
- ☐ Finance
- ☐ Strategic Planning
- ☐ Sustainable Homes and Communities

**Equalities impact** Low Impact

**Climate change** Low Impact

**Risk:** Medium Risk; The activities deemed to be within scope of the programme are blunt – not all activities will qualify for use of this fund. In terms of reputational and communication, there is a fine balance between a message of welcoming visitors and the requirement to keep our communities safe and there is a risk that the Council is perceived as prioritising some areas over others. In terms of financial risk, the money allocated is from ERDF and has to be reclaimed in arrears. The Council does not have an ‘in-house’ external funding team or ERDF claim officers. Expenditure has to be within the scope of the fund, must be deemed to be eligible (have complied with the timescales of the fund and ERDF procurement and publicity requirements where applicable) together with a fully evidenced audit trail. If we are to process claims by another tier authority, which we encourage not to, there must be a Service Level Agreement between East Devon District Council and that Delivery Partner Local Authority. Even if successfully claimed, works and expenditure could be subject to verification and potential clawback.

**Links to background information** [Welcome Back Fund: allocations per local authority](#)  
[Welcome Back Fund Guidance](#)  
[Welcome Back Fund Frequently Asked Questions \(FAQs\)](#)

**Link to [Council Plan](#):**

Priorities (check which apply)

- ☒ Outstanding Place and Environment
  - ☐ Outstanding Homes and Communities
  - ☒ Outstanding Economic Growth, Productivity, and Prosperity
  - ☐ Outstanding Council and Council Services
- 

**Report in full**

**1.0 Background – Delivery by East Devon District Council of Reopening High Streets Safely Fund (RHSSF)**

- 1.1 The Reopening High Streets Safely Fund programme commenced on 1<sup>st</sup> June 2020. East Devon District Council was given an allocation of £130,992. Following consultation with towns and parishes, a report went to Cabinet on the 21<sup>st</sup> July 2020 and a hybrid delivery approach was approved with subsequent use of delegated authority.
- 1.2 Through November and December 2020, local high street businesses were surveyed about what measures would assist them in terms of reopening safely. Businesses identified that the following additional support would help them operate more safely, (in order of priority):
- A visitor/ public-facing campaign to restore confidence in shopping on the High Street
  - Access to online business advice (one Stop Shop type of website with all relevant resources, guidance and checklists)
  - Dedicated Information Officer to advise on latest legislative and temporary measures in place
  - Dedicated helpline/ contact for specific questions
  - Dedicated council patrols to monitor and enforce high street/ retailer compliance with Covid-19 safe trading measures
- 1.3 Through RHSSF the following interventions are currently being delivered:

**Management and Administration:** In-house programme Management

**Strand 1: Support to develop an action plan for how the local authority may begin to safely reopen their local economies:** Programme Monitoring (Footfall data)

**Strand 2: Communications and public information activity to ensure that reopening of local economies can be managed successfully and safely:** The Stay Local Shop Safe campaign that has been rolled out across the district through a wide variety of media

**Strand 3: Business-facing awareness raising activities to ensure that reopening of local economies can be managed successfully and safely:** The appointment of 2 Covid Compliance Officers providing information and advice to high street businesses

**Strand 4: Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely:** This has included the installation of public hand sanitiser stations in high streets and pavement stencilling with social distancing messages. Beer Parish Council, as Delivery Partner, have delivered Neighbourhood Shopping area adaptations (a Legal agreement has been entered into with Beer Parish Council to facilitate this activity).

- 1.4 It should be noted that the process has been extremely challenging for a number of reasons:
- Definitive fund guidance has been slow to emerge and has been iterative
  - The need for ERDF compliance (particularly in relation to procurement and publicity and branding)
  - Resourcing the programme with so many competing priorities in responding to a pandemic
  - The ongoing uncertainty, particularly given that the programmes focus was on reopening which has been ‘bumpy’ at times due to the numerous lockdowns and reopening events. Note that the end date for RHSSF was extended from 31.03.2021 to 30.06.2021 because of the evolving lockdown situation and because so many Local Authorities were struggling with delivery.
  - The quantity of towns and high streets in East Devon
- 1.5 The RHSSF has been aimed at high streets and neighbourhood shopping areas, this has meant that some of our busy local economy areas such as seafronts, were not within the scope of the fund.

## **2.0 Welcome Back Fund (WBF)**

- 2.1 The WBF is an extension of RHSSF and East Devon District Council’s funding agreement will be varied to accommodate the additional allocation– There is a WBF Form for the Council to complete (that builds upon RHSSF action plan) –that needs to be submitted by 30<sup>th</sup> May. Once agreed, we can then start to claim for additional allocation and activity (we can deliver/ spend before the agreement is in place, but that expenditure would be at EDDC’s risk). A new dedicated resource will be needed to undertake this work in May (at risk) as there is no capacity within the Place, Assets & Commercialisation staff base to undertake the programme management and ERDF action plan, governance and claims process.
- 2.2 Spend must occur by 31 March 2022, is revenue only and must be additional spend – it will not pay for existing costs.
- 2.3 East Devon’s allocation of the WBF is £230,991 and reflects the fact that additional funding is allocated specifically to support coastal resorts across England to safely welcome tourists in the coming months. The RHSSF’s focus was not to support these areas, rather to support high streets and neighbourhood centres. We must reflect this when considering how spend is allocated bearing in mind that East Devon have received greater allocation than non-coastal Districts.
- 2.4 The current projection is that £51,490 of the RHSSF will be unspent. The guidance allows this underspend to be amalgamated with the WBF meaning that £282,481 (assuming this level of underspend) in total is available for delivering the WBF.
- 2.5 The WBF will support continued delivery of the 4 activity strands summarised in 1.3 of this report, together with 2 new strands as summarised below.

## 2.6 Support to promote a safe public environment for a local area's visitor economy.

The local authority will want to effectively support and promote the safe and successful reopening of the public environment for local trade and tourism.

To boost the look and feel of their high streets, local authorities may invest in activities to make high streets welcoming and promote the visitor economy.

The fund allows a more flexible approach around supporting public space, it does not necessarily need to be adjacent to commercial areas, making it easier to support for example promenades.

*Note: It should be noted that of course for some Local Authorities, inland towns and cities, their WBF programme will continue to be focussed upon their town and city centres and main high streets/ shopping areas. The focus for East Devon, however, may perhaps shift to the forthcoming visitor season and the disproportionate impact on our main coastal resort towns.*

This includes but is not limited to:

- Placed based marketing, for example, supporting safe celebration events on high streets and in local towns.
- Marshals.
- Public space maintenance.
- Maintenance of public conveniences (toilets) including new temporary facilities (toilets) provision.
- Beautification activities including graffiti removal.
- Non-permanent public realm adaptations.
- Activities that future proof the high street.
- Improvement of green spaces and provision of outdoor seating areas.

There is scope to pay the salaries of staff or consultants to develop this work, but it is important that the local authority can evidence that this is additional activity beyond what was already underway prior to the grant being received.

Events and celebrations should respect the most recent social distancing guidelines as per the Safer Public Places guidance and the Guidance for managing beaches, the countryside and coastal areas.

## 2.7 Support local authorities to develop plans for responding to the medium-term impact of Covid-19 including trialling new ideas particularly where these relate to the High Street.

This strand is complementary to strand 1 but recognises that the impact of Covid-19 on local economies will be significant. Local authorities can, under this strand, use the fund to develop plans for responding to these impacts. This could include, but is not limited to, undertaking research to inform the development of a local strategic plan.

The strand will support opportunities to further develop pilot projects and strategic responses to address and reverse the long-term impacts of covid-19 on local economies, particularly where they relate to the high street.

Furthermore, the Fund can be used to develop plans for responding to these impacts, including considering how other funding streams could help address those challenges in the future.

The two local MPs for the District are actively encouraging the use of WBF funding to support the development of bids to the Levelling-Up Fund.

In addition, where temporary changes to the public realm are being proposed as a part of a trial the respective local authority should work in partnership with public sector landowners as appropriate.

- 2.8 Expenditure and claim process: The funding is claimed in arrears and therefore there is a level of risk incurred by the Council if a submitted claim is rejected or grant money received is subsequently 'clawed back' following audit.
- 2.9 Delivery partners – it is possible for other bodies (there's a list that includes other tiers of government, Business Improvement Districts, Destination Management Organisations) to undertake delivery. To do this the Council would need to enter into a formal legal agreement with them and we submit their claim for funding. We have done this with Beer Parish Council, but there are significant resource issues in terms of putting the legal agreements in place, ensuring compliance with the programme and the risk of a claim being unsuccessful.

### **3.0 Proposals**

- 3.1 The delivery of RHSSF to date has been evolving and iterative (by both the RHSSF and EDDC). This has made the management process highly resource intensive, if there are lessons to be learned from the initial programme it is the need for a comprehensive management plan/ strategy and to identify and set the big themes/ priorities for delivery from the start.
- 3.2 East Devon is very soon to embark upon what could potentially be one of the busiest and most challenging visitor seasons the District has experienced for many years and there are a set of broad proposals/ funding allocations that build upon the existing RHSSF programme adding further measures specifically aimed at supporting key visitor destinations.
- 3.3 In addition, the WBF also offers the potential to utilise funding both for the immediate local economic restart as well as the potential to develop plans for responding to these impacts, including considering how other funding streams could help address those challenges in the future - pursuing longer term economic investment by investing in the development of bids to the Levelling Up Fund.
- 3.4 Before the commencement of the RHSSF delivery role out, the Council undertook consultation with towns and parishes, the findings of which shaped the programme; consultation with local businesses further informed and refined activity.
- 3.5 The WBF activity proposals set out below include a broad programme of activities that will be managed and delivered by the Council, building upon that work delivered to date and responding to the most urgent and pressing needs of the district as it opens up as well as putting in place longer term plans for responding to the medium and long term impact of Covid-19.

- 3.6 We will undertake further targeted stakeholder engagement to further shape and refine delivery on the ground but do not intend a similar programme of consultation as we did for RHSSF.
- 3.7 Potential programmes / activities – all indicative with agreement of Service Leads still needed.

WBF Activity Strand	Delivery Lead	Activity Area	Estimate value
N/A		Management & Administration 4% of WBF allocation - £230,991 (£9,239.64)	See below
1		Action Plan Manager – to coordinate and assist with delivery of projects and submission of claims to ERDF.	Estimated £30,000 (to include the Management & Administration amount)
1	Place & Prosperity Team	Footfall data (programme monitoring)	Estimated <£10,000
2	Communications/ Streetscene/ all	Public Facing Communications (visitor facing) – new emphasis on public spaces, visitor areas, public safety and management of visitor numbers	Estimated £30,000
3	Environmental Health	Covid Compliance/ Information Officers – July 21 – December 2021 (Business facing) including 15% Fixed Rate Costs.	Estimated £26,000
5	Environmental Health/ Community Safety Officer	Marshals - Ideally for half term week commencing 31/05/2021 and for the summer Holidays 26/07/21 to 30/08/2021. Covid Marshals would be available to all towns but with priority deployment as follows: Exmouth, Axminster, Honiton, Seaton and Sidmouth	Estimated <£25,000 (subject to quote)
5	Streetscene	Public Space maintenance, toilets reopening, enhancements to public spaces	Estimated £70,000
6	Growth, Development & Prosperity	Research to inform the development of a local strategic plan over a longer term, The development of datasets including footfall, vacancy rates and sentiment data.  To develop Levelling Up Fund proposals for : Exmouth & Seaton	Estimated £100,000
		<b>Figure exceeds funding available of £282,481, need to refine service delivery needs and outcome of procurement</b>	<b>£291,000</b>

--	--	--	--

---

**Financial implications:**

Financial details out laid out in the report. As explained there is a risk that expenditure incurred although in good faith and best intentions of meeting the requirements of ERDF might when reclaimed not be reimbursed. The mitigation will be to have knowledgeable dedicated resource overseeing the process as set out.

**Legal implications:**

The scheme is detailed in the related Government guidance and care must be taken to ensure that all of the requirements of the scheme are complied with and actioned accordingly to reduce and mitigate risk, given particularly that the funding is paid in arrears. Legal Services can assist with this and advise on any individual action as instructed. Otherwise there are no specific legal implications requiring comment.