

Report to: Cabinet
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Subject:

Re-opening High Streets Safely Programme

Purpose of report:

This report provides further information to members on the Re-opening High Streets Safely Fund (RHSS) programme that has recently been announced by central Government and the responses that have been received from Town and Parish Councils to questionnaires that were issued.

Recommendation:

That cabinet approves option 2 (hybrid approach)

Subject to the Council entering into a grant funding agreement with the Reopening High Streets Safely Fund for the activities to be claimed:

1. That Service Level Agreements are entered into with Town and Parishes as delivery partners in the project where relevant and as required by the funding where they are seeking to recover costs already incurred.
2. To engage with those towns that have responded and have requested assistance.
3. To engage with those remaining towns that have not responded but where our own risk assessments have identified areas for action.
4. That a small element of the funding (£10,000 in the first instance) is retained by East Devon District Council to lead on the measures identified as needed from the risk assessments (signage and stencilling), working alongside the towns and parishes that have responded.
5. That where possible and with the support of the Town or Parish, elements of delivery (signage and stencilling) are undertaken by East Devon District Council using the funding allowance retained by East Devon District Council.

6. That activities focus upon Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely.
7. In consultation with the towns and parishes we will seek to identify if there is a need for Business-facing awareness raising activities to ensure that reopening of local economies can be managed successfully and safely and small scale public facing safety messaging in the Action Plan areas.
8. If further activities are identified that the Council could usefully implement that would take expenditure in excess of £10,000, that delegated authority is given to the Service Lead for Place, Assets and Commercialisation in consultation with the Strategic Lead for Finance and the Portfolio Holder for Economy and Assets to approve such an uplift.

Reason for recommendation:

Following the responses received from a number of towns and parishes and our own town risk assessments, there is an emerging programme of works. We can put in place the necessary formalities required to facilitate the processing of financial claims, publicity requirements and record keeping to support those towns and parishes that are progressing with works.

We can offer assistance to those towns that have requested this.

We can approach those remaining towns that have not responded to our questionnaire and offer assistance.

Where issues have been identified we shall work with towns and parishes to implement small scale measures (signage and stencilling) that East Devon District Council can claim directly for (without the need for formal Service Level Agreements).

Local Authorities in receipt of RHSS funding allocations (East Devon District Council) must have financial management and control procedures put in place for the RHSS Fund activity together with a process that any Delivery Partners (potentially other tier authorities) must also follow.

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Financial implications:

Financial implications are highlighted within the report. Financial risk includes those around the complex claiming process and the risk of subsequently not meeting the strict criteria of the ERDF funding requirements resulting in claimed funds being clawed back.

Legal implications: The scheme is complex in detail 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, Legal Services can assist with this as instructed.

Equalities impact: Low Impact

Climate Change impact: Low Impact

Risk: Medium Risk

Activity:

- There are risks with many aspects of the programme in terms of delivery of high street/ neighbourhood shopping area adaptations e.g. changes to highway layouts, flow, parking and pedestrian routes.
- The activities deemed to be within scope of the programme are blunt i.e. they are aimed primarily at safety. Place making and place marketing activities are out of scope.
- There is no way of knowing how long social distancing measures will have to be in place and when they may change (either by being relaxed or tightened)
- Not all public areas need adaptation and inappropriate interventions could be detrimental.

Reputation and Communication:

- As high streets and neighbourhood shopping areas are already opening (from 15th June) it may be perceived as too little too late.
- In terms of communications, there is a fine balance between a message of welcoming people to towns and neighbourhood centres and the requirement to keep our communities safe.
- Stakeholder engagement – stakeholders may consider that they have either not been engaged or that this process takes too long.
- Press coverage has been slightly misleading suggesting it's a more general support fund for all high streets. Government requires quarterly reporting which may lead to negative PR if funds are not drawn down/deployed.
- Perception that the Council is prioritising some areas over others.

Financial:

- The money allocated is from the European Regional Development Fund (ERDF) and has to be reclaimed in arrears. East Devon District Council does not have an 'in-house' external funding team or ERDF claim officers. The expenditure has to be within the scope of the fund, must be deemed to be eligible (have complied with the timescale 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; the expenditure would have to be identified in an action plan and

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.

- Risk can be lowered (not removed) by East Devon District Council directly undertaking a number of the smaller interventions identified by the risk assessment and action plan process. For smaller, low cost works (signage and stencilling) we can work within the scope of the programme and perhaps shield other tier authorities from the bureaucracy of the programme and some financial risk.
- For larger interventions, if found to be required or already commenced, the action plan process must clearly set out the interventions and delivery parties which in turn will be set out in a Service Level Agreement between the authorities.

Links to background information:

[Reopening High Streets Safely Fund guidance](#)

[Reopening High Streets Safely Fund - Frequently Asked Questions](#)

[Covid-19-Recovery Framework](#)

[Safer Public Places – Urban Centres and Green Spaces guidance](#)

Link to Council Plan:

Outstanding Economic Growth, Productivity and Prosperity

The funding programme allows local authorities in England to put in place additional measures to establish a safe trading environment for businesses and customers, particularly in high streets.

Report in full

1. Background

- 1.1 The Re-opening High Streets Safely Fund (RHSS) programme has recently been announced by central Government (further detail is provided in Appendix 1). East Devon District Council has been given an allocation of £130,992 (based on population as a proxy for footfall). The monies are from the European Regional Development Fund (ERDF). East Devon does not have a single large town that is the main retail centre for the district. Instead it has one medium sized town (Exmouth) and a number of smaller towns (Office for National Statistics: Understanding towns in England and Wales: an introduction, published July 2019). There are no Business Improvement Districts (BIDs) in East Devon. It should also be acknowledged that many of the district's shops selling essential items have remained open throughout the Covid-19 crisis, providing an essential lifeline to our communities and making the necessary adaptation to be Covid-19 compliant.
- 1.2 East Devon District Council have already implemented extensive measures to support retailers, manage our public spaces and communicate effectively. Environmental Health's Commercial team has been providing business advice and updates on the latest government advice and contributing to a Better Business for All project preparing a Covid 19 recovery toolkit for business that is hosted by the SW Growth Hub <https://www.heartofswgrowthhub.co.uk/covid-19-support-for-business/>

- 1.3 The EDDC website has all the latest links for advice <https://eastdevon.gov.uk/environmental-health-and-wellbeing/food-hygiene-and-safety/coronavirus-updates/coronavirus-advice-for-food-businesses/> In addition, Streetscene have been implementing a range of measures to support social distancing in our public spaces and the Council's Operational Health and Safety Officer has been approaching town's offering support with high street risk assessments
- 1.4 This is an opportunity to prepare for the next phase of recovery, so that our places are safe and welcoming and support our businesses.
- 1.5 There is an onus in the guidelines on the receiving Local Authority to **'ensure that it is engaging businesses, business organisations, lower tier authorities such as parish councils and other relevant stakeholders'** and the documentation states that 'Our (the Government's) expectation is that **funding should be managed at the lowest responsible tier of local government where it is possible and appropriate to do so'**.
- 1.6 To that end and following Cabinet Briefing on 15th June, East Devon circulated a letter (Appendix 2) and questionnaire (Appendix 3) to all Town and Parish Councils the findings of which would enable us to consider how best to utilise how and where financial and more practical support is most needed.

2 Responses received

- 2.1 The following summarises the responses received:
- 7 towns and parishes have responded to say that they either don't have any shops or clusters of shops and/or do not wish to participate in the programme.
 - Axminster, Beer, Budleigh Salterton, Exmouth, Seaton and Sidmouth have responded. Seaton and Axminster requesting assistance in terms of developing risk assessments/ action plans. Budleigh Salterton, Sidmouth and Beer having developed plans, and starting to implement a number of measure wish to access funding and work with us to ensure the continued robustness of their interventions. Exmouth have undertaken a walk around audit, and would like to work with us to develop interventions. Note that we have not received responses from the towns of Honiton and Ottery St Mary.
 - At the moment, there is no full quantification of the financial costs of the measures that have been identified as appropriate.
- 2.2 What we have now is quite a complex picture, clearly there are towns and a village that want to work with us but also potentially a small number of towns that have not made contact (to date) but where our own town risk assessments have highlighted issues. Added to that is the complexity (and potential risk) of meeting the ERDF funding requirements.
- 2.3 The feedback from some of the councils was that they have not undertaken their own risk assessments and are keen to work with the District council to ensure the safety of their High Streets.

3 Options.

3.1 There are two options for moving forward with the allocation of this funding. These are set out below with the benefits, risks and considerations for each option.

3.2 OPTION 1

- (i) Allocating an ERDF claim expenditure limit to the towns and parishes that have responded, on the basis of funding per no. of town centre retail units.
- (ii) The expenditure and subsequent claim would have to be eligible, within the funding programme scope, identified by an Action Plan, and would require necessary formal Delivery Partner arrangements are put in place to facilitate claims (e.g. enter into a Service Legal Agreement with the council).

3.3 The **benefit of Option 1** is that the towns and parishes are able to have direct control over the implementation and expenditure in relation to their Reopening High Street Safely fund activities. However this would be subject to ERDF eligibility and would still require the administration of claims to be made through the District council.

3.4 The **risks and considerations for Option 1** are:

- (i) Whilst the number of retail/other businesses is an indicator of potential need/scale, it does not necessarily highlight the extent of the physical issues necessary to achieve a Covid compliant high street/ neighbourhood shopping area and as indeed identified in our own risk assessments of each town. Equally it is for the towns and parishes in consultation with their business/wider community to agree what are the most appropriate activities in their area. This is a requirement of the funding programme. It is this that identifies the nature and quantum of activity.
- (ii) ERDF monies are subject to a claims process on eligible expenditure. It should be emphasised that this is not a grant that has been allocated to the council to distribute out from this point to other tier authorities. East Devon District Council in its role as the local authority in receipt of the Reopening High Streets Safely Funding will have to enter into Service Level Agreements with other tier authorities that are identified as delivery partners. Activities and claims for expenditure must be eligible in accordance with strict criteria.

3.5 OPTION 2

This is a hybrid approach, as follows:

- (i) That a small amount of funding (£10,000) is retained by East Devon District Council to co-ordinate and procure the delivery of small-scale activities (signage and stencilling) identified in each High Street, in consultation with the towns and parishes that have responded.
- (ii) To engage with those remaining towns that have not responded but where our own risk assessments have identified areas of concern.

- (iii) In circumstances where Town and Parishes have already commenced delivery of activities, that the necessary formal Delivery Partner arrangements are put in place to facilitate their financial claims.
- (iv) That activities would focus upon Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely.
- (v) In consultation with the towns and parishes that have responded, we will seek to identify if there is a need for Business-facing awareness raising activities to ensure that reopening of local economies can be managed successfully and safely and small scale public facing safety messaging in the Action Plan areas.

3.6 The benefit of Option 2 is that it takes into account the fact that a number of towns and parishes are already undertaking a programme of works but also that a number of towns may wish to implement much smaller scale interventions (signage and stencilling) that, with their agreement could be implemented directly by East Devon District Council. By East Devon retaining a small budget it will enable there to be a degree of agility in responding to changes in circumstances i.e. changes in social distancing guidelines.

3.7 The risks and considerations for Option 2 are considered to be:

- (i) Utilisation of ERDF funding and the requirements for claiming has an inherent risk of claims being denied or clawed back.

4 Conclusion and Next Steps.

- 4.1 From the previous discussion at Cabinet Briefing on June 15th the favoured approach was that the funding be allocated to the towns and parishes, most likely on the pro rata basis, according to retail business numbers (as outlined in option 1).
- 4.2 However, in the intervening time, there are three new issues which have come to the fore. First, the responses received from the towns and parishes has now placed an emphasis on the need for taking control of the delivery of this work in isolation. Second, the further guidance received from government earlier this week has identified a greater administrative burden for both the District Council and the towns and parishes with the requirement for Service Level Agreements to be in place with each organisation. Thirdly, the council's own risk assessments that have been undertaken since that Cabinet Briefing have identified work that could be undertaken within towns, some of which have not responded, and may need to be addressed to ensure public safety.
- 4.3 Taking these issues into account, on balance, it is therefore considered that option 2 is the recommended approach to facilitating the needs of our towns and parishes and drawing down the funding allocation.
- 4.4 If this recommendation is approved, officers from relevant teams will prepare and submit an Action Plan to the funding body. This will set out a clear proposed

programme of interventions that are assessed to be eligible across the towns and parishes and will enable us to enter into formal funding discussions with the Reopening High Streets Safety Fund.

- 4.5 The feedback that has been received so far suggests that this funding allocation will not be fully utilised due to the limited extent of activities found to be required and within the eligibility criteria.

APPENDIX 1

An Overview of the Re-Opening High Streets Fund

This summary is based on our best interpretation of the information that is currently available. We expect the release of further information and guidance to be ongoing.

Activities covered by the Fund

- **Support to develop an action plan for how the local authority may begin to safely reopen their local economies.** See comment below regarding baselines.
 1. **Communications and public information activity to ensure that reopening of local economies can be managed successfully and safely** (Must use ERDF and HMG Publicity Guidance);
 2. **Business-facing awareness raising activities to ensure that reopening of local economies can be managed successfully and safely;** and
- **Temporary public realm changes to ensure that reopening of local economies can be managed successfully and safely** - To ensure that public spaces that are next to businesses are as safe as possible, temporary changes will need to be made to the physical environment. These changes can help improve consumer confidence and increase, safely, the number of active consumers. It should be noted that these measures are focused specifically at High Streets* and Neighbourhood Shopping Areas**.

Outputs and Outcomes

When submitting claims for the funding, we will be required to provide information on the outputs and outcomes that have been achieved through the spending. There will be a need to set baselines against which outcomes can be measured particularly relating to the current footfall or the number of businesses reopening in our high streets. (*Cost of incurring these baselines, assuming they are not already available, can be covered as part of the costs associated with developing an action plan.*) Upon seeking further clarification from the RHSSF team they have stated that 'We recognise, however, that not all councils will be able to provide footfall counts nor will they have access to a count for each High Street or Neighbourhood shopping area where RHSS fund activity is taking place'. And a very recent communication now offers the number of businesses reopening and the number of businesses closed as outcome measures together with an option to suggest other outcome measures.

The **Outputs** that we need to provide information on are set out in the table below:

No. of CV-19 Action Plans
No. of CV-19 Public Information Campaigns

No. of CV-19 Business Facing Campaigns
No. of CV-19 Communication Officers
No. of CV-19 High streets* with temporary CV-19 adaptations
No. of CV-19 Neighbourhood shopping areas** with temporary CV-19 adaptations

*A High Street is defined as a cluster of 15 or more retail addresses within 150 metres.

**A neighbourhood shopping area is defined as a cluster of 14 or less retail addresses within 150 metres. A request for further clarification regarding this definition has indicated that the minimum number of retail addresses is 2.

Expenditure and reimbursement

Expenditure for reimbursement under this grant will be eligible from **1 June**. Given the nature of the funding and size of the award 'the Government' would encourage use of the funding by the end of this calendar year to address immediate needs in 2020, the end date for claims however is the end of March 2021.

Financial Partnering with other Tiers of Authority

Local Authorities (LA) in receipt of RHSS funding are able to deliver activity in support of the fund through Delivery Partner arrangements with other tiers of authority, if they are identified as the most appropriate provider for the in scope activity.

To allow other tiers of authority to deliver activity and defray RHSS funding the follow is required:

- Where a LA in receipt of RHSS funding identifies a different tier of authority as a Delivery Partner, this must be reflected in any action plans, set out within the information RHSS will capture for the LA via a Grant Plan Form and in the Grant Funding Agreement. The Grant Plan Form will required the:
 - Names of those Delivery Partner LA tiers
 - The activity they will undertake
 - Brief details of why they are best placed to deliver it
- The LA will need a Service Level Agreement (SLA) with the Delivery Partner LA tiers
- The LA in receipt of the RHSS funding maintains responsibility for the full ERDF and RHSS compliance of any Delivery Partner.
- Full defrayal of costs will be required by the Delivery Partner LA tiers and payment will be in arrears by the LA in receipt of the RHSS funding.
- All expenditure must be at cost.

Records and Use of Branding

It will be essential that all evidence/records of activities undertaken and spend made must be kept for the life of the project and for the relevant retention period.

All publicity material, press releases, posters, marketing activity – must be in the correct format and have the correct EU and HMG logos.

ACTIVITIES IN SCOPE AND OUT OF SCOPE OF THE PROGRAMME

Activities out of scope

There are some activities that will not be eligible for funding. These include:

- Activity that provides no additionality
- Capital expenditure
- Grants to businesses

• **Activity that provides no additionality** - For example, if there is already a communications officer on staff then this funding cannot be used to subsidise their salary, but it can support a new temporary role to support the implementation. Similarly, if the authority's own in-house public works department undertakes works (e.g. additional road markings) the staff costs associated with this activity would not be eligible, although additional materials purchased for this purpose would be eligible.

• **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.

The Reopening High Streets Safely Fund Team are regularly issuing updates and revising their list of Frequently Asked Questions. In addition to the general out of scope principles listed above, Below is the table of specific activities that are either in scope or out of scope (from v4 of the FAQs revised 10.07.2020)

In Scope	Out of Scope
Updates to public realm changes, if social distancing rules are updated.	Place marketing signage or activity
Signage aimed at increasing safety <ol style="list-style-type: none"> 3. Pavement markings 4. Lamppost banners 5. Hoardings 	Cleaning <ul style="list-style-type: none"> • Staff or contractor costs for cleaning • Consumables Pressure washing
Financial Partnering with other Tiers of Authority <ul style="list-style-type: none"> • LA's in receipt of RHSS funds can where appropriate establish formal Delivery Partner arrangements with other Tiers of Local 	Financial support to businesses on the High Street / NSA <ul style="list-style-type: none"> • Grants to businesses • Provision of PPE / cleaning / shop adaptations

<p>Authority.</p>	<ul style="list-style-type: none"> • Financial support for a business to extend their licensing / permissions (e.g. for outdoor tables and chairs). • Business to business or Business to customer campaign collateral
<p>Traffic management on the High Street or NSAs</p> <ul style="list-style-type: none"> • Pedestrianisation of High Streets / NSAs • One way traffic systems that are temporary and linked to the pedestrianisation <p>Note the exclusion criteria for outputs P18 and</p> <p>P19:</p> <p><i>The CV-19 action plan must be focussed on activities that help ensure that Small and Medium Sized Enterprises, including Social Enterprises (see Notes below) in the area covered by the plan are able to build their resilience and adaptability in the context of the economic impact of CV-19. For example, ensuring that they can trade safely whilst CV-19 nonpharmaceutical interventions (NPIs) are in place such as social distancing measures.</i></p> <p><i>Action plans will be targeted at domestic and foreign-owned Small and Medium Sized Enterprises, including Social Enterprises; however, given the broad nature of this activity it is likely that they may indirectly benefit large companies too.</i></p>	<p>Staff or agency costs for traffic management</p>
<p>Widening footpaths</p> <ul style="list-style-type: none"> • Temporary barriers • Markings outside shops to manage queuing 	<ul style="list-style-type: none"> • Greening of streets • Artwork, planters, vinyls etc to increase attractiveness of area or disguise empty shops <p>Seating areas</p>
<p>On-street parking, where the temporary change is to remove existing parking facilities to allow for social distancing (e.g. by widening pedestrian routes)</p>	<p>Car parks</p> <ul style="list-style-type: none"> • Changes to signage • Changes to layout <ul style="list-style-type: none"> • Both public and private car parks are out of scope
<p>Information Officers working with SMEs to provide advice on safe reopening</p> <ul style="list-style-type: none"> • Employed by the Local Authority • External consultants which have been procured in an ERDF-compliant manner <p>1-2-1 advice to SMEs is eligible as long as it is available to all businesses on that High Street / NSA</p>	<p>Staff to manage or support the public on the High Street</p> <ul style="list-style-type: none"> • High Street ambassadors • Hosts • Stewards • Security staff • Public information officers

<p>Adaptations to existing cycle lanes within the defined high street and NSA areas linked to change to footpaths (to enable social distancing)</p>	<p>New cycle lanes Provision of cycle racks / storage</p>
<p>Hand sanitiser stations on supported High Streets / Neighbourhood Shopping Areas (NSAs) including the sanitiser for these stations only.</p>	<p>Toilets</p> <ul style="list-style-type: none"> • Adaptations to public or private toilets • New toilet facilities <p>Staff costs to clean or manage toilets</p>
<p>Communications and public information activity to ensure that reopening of local economies can be managed successfully and safely</p> <ul style="list-style-type: none"> • Digital • Media and press • Print and publications 	
<p>Creation or development of a Local Authority action plan to reopen High Streets safely</p>	
<p>Planters to be used as temporary public safety measures (barriers)</p>	