

**ANGUS COUNCIL**

**POLICY & RESOURCES COMMITTEE – 28 JANUARY 2020**

**TOWN CENTRE FUND 2019/20 – PROGRESS UPDATE**

**JOINT REPORT BY DIRECTOR OF COMMUNITIES AND DIRECTOR OF FINANCE**

**ABSTRACT**

This report provides an update on delivery of the projects agreed for funding from the Scottish Government's Town Centre Fund allocation for 2019/20. The report also seeks delegated authority for officers to agree with local members any further changes to ensure delivery of the projects and use of all the funds available.

**1. RECOMMENDATION**

**1.1** It is recommended that the Committee:

(i) note the contents of this report and the progress being made to deliver the agreed projects;

(ii) note the challenges and risks associated with utilisation of the full funding awarded as set out in the report;

(iii) agree that in order to best ensure full utilisation of the Town Centre Fund monies allocated to the Council the budget flexibility arrangements set out in paragraph 4.3 of this report be implemented;

(iv) agree to delegate to the Director of Communities authority, following consultation with the Director of Finance and local ward members, to make any further changes to the Town Centre Fund projects (including the addition of new projects if funds allow) to ensure delivery of the agreed projects and use of all of the funds available as set out in Section 5 of this report; and

(v) agree that should it be required funding of up to £27,000 from the Council's uncommitted General Fund Balance be provided as part of the budget flexibility arrangements set out in Section 4 of this report;

(iv) note that another update report will be provided to this Committee by the Director of Finance later in 2020.

**2. INTRODUCTION**

**2.1** Reference is made to Report 289/19 submitted to the Council meeting of 5 September 2019 which set out the proposed projects to be implemented using the Town Centre Fund allocation Angus Council has received for 2019/20 from the Scottish Government. The Council agreed that 26 projects across the 7 burgh towns be taken forward. Report 289/19 noted that a progress update would be provided to this Committee in January 2020.

### **3. PROGRESS UPDATE**

- 3.1 Since September officers from a number of services have been working to investigate the delivery options and costs associated with all of the agreed projects and this has included engaging with a number of community groups whose proposals were either awarded funding or who are interested in delivering some of the projects. Appendix A attached provides an update on the latest position across all of the projects.
- 3.2 A simple grant application form and guidelines have also been developed for those projects where the Town Centre Fund monies are to be passed on to groups to deliver agreed projects. This helps ensure that the terms and conditions of the funding placed upon the Council can be complied with. This includes having the information required to provide updates to Scottish Government over the next 12 months.
- 3.3 Appendix A includes estimated cost information for each project but in several cases these estimates remain indicative while detailed plans and costing work takes place. The Appendix shows full and exact utilisation of the funding allocated but in practice variances will arise.

### **4. RISKS TO UTILISATION OF FULL FUNDING**

- 4.1 Although officers will be working hard and monitoring projects very closely it will be very challenging to ensure that the exact amount of funding awarded to the Council in total and to each of the 7 burghs is spent in full without exceeding the funding which has been allocated, i.e. in practical terms it will not be possible to spend exactly £1.080 million.
- 4.2 It is also likely that final costs for individual projects will differ from the current estimates and this may mean having to adjust the project programme by finding new projects or reducing the scope of existing projects to best ensure the funding allocated to the Council is appropriately and fully utilised. Those projects being undertaken by community groups where the Town Centre monies are being provided as a grant are fixed amounts and this has been made clear in the grant application form and guidelines.
- 4.3 To ensure the Council utilises its full funding allocation from the Town Centre Fund the Committee is asked to approve the following arrangements to provide flexibility:-
  - a) Authority be given to exceed the total funding allocated (£1.080 million) by up to 2.5% (£27,000); and
  - b) Authority be given to adjust the allocations to individual burghs by up to +/- 10%

Both of these measures will give flexibility to officers (working with local members – see Section 5 below) to deliver all of the agreed projects and are being recommended solely to reduce the risk of some of the Town Centre funding going un-used and having to be returned to the Scottish Government.

### **5. DELEGATED AUTHORITY**

- 5.1 As members are aware the timescales for using the Town Centre Fund have been challenging from the outset and this remains the position. For the reasons given in Section 4 above flexibility to manage the programme of projects and the funding is needed and this includes being able to quickly adjust the project programme to respond to changing circumstances.

- 5.2 In addition to the financial flexibility proposals in Section 4 above it is also recommended that the Committee agree to delegate to the Director of Communities authority, following consultation with the Director of Finance and local members, to determine any further changes to the Town Centre Fund projects (including the addition of new projects if funds allow) to ensure delivery of the agreed projects and use of all of the funds available. Allowing adjustments to be made in this way, without having to revert back to Committee, is essential to avoid delays. It remains the intention to deliver all of the 26 projects previously agreed in September 2019 (Report 289/19).
- 5.3 A further progress report will be provided later in 2020 by the Director of Finance to this Committee at an appropriate point to ensure members are formally advised on project delivery and outcomes.

## **6. FINANCIAL IMPLICATIONS**

- 6.1 The Council's allocation from the Town Centre Fund is £1.080 million and is provided as a capital grant to the Council which means it must be spent on capital projects. By their nature capital projects can be challenging to deliver within an exact cost envelope. The proposals in this report will provide flexibility to best ensure that the funding allocated to Angus Council is used in full and the risk of having to return unused funds to Scottish Government is minimised.
- 6.2 The budget flexibility arrangements set out in Section 4 mean that should it be necessary a sum of up to £27,000 would be required from Council resources. It is recommended that should such funding be required it be provided from the Council's uncommitted General Fund balance which at 31 March 2019 stood at £7.22 million.

**Report Author: Ian Lorimer, Director of Finance**  
**Email Details: FINANCE@angus.gov.uk**