

STROUD DISTRICT COUNCIL
STRATEGY AND RESOURCES COMMITTEE

1ST FEBRUARY 2024

Report Title	Establishment of Stroud District Market Towns Vitality Fund			
Purpose of Report	To propose the establishment of a Market Towns Vitality Fund for Stroud District.			
Decision(s)	<p>The Committee RESOLVES to:</p> <p>a) Approve the sum of £200k from the Business Rates Pilot Reserve for the Market Towns Vitality Fund.</p> <p>b) Approve the approach to operation of the Market Towns Vitality Fund, as set out in section 2 of this report</p>			
Consultation and Feedback	The principle of establishing the Market Towns Vitality Fund (MTVF) was approved at Strategy and Resources Committee on 23 rd November 2023. The concept has also been discussed at two meetings of the Market Towns Forum (comprising the relevant town councils and the district Chamber of Commerce), most recently on 9 January 2024. These discussions have informed the approach set out in this report.			
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Options	There is an option to not support the recommendation to introduce the MTVF. This is not recommended as to do so would hinder the development of local initiatives to benefit the vitality of the High Street in our Market towns.			
Background Papers	None			
Appendices	None			
Implications (further details at the end of the report)	Financial	Legal	Equality	Environmental
	Yes	Yes	No	No

1. BACKGROUND

- 1.1 With the ongoing transition of high streets nationally from retail to experience destinations, there is a need to support our district's Market towns. Combined with the growing concern as businesses leave the high streets due to factors such as inflation, high energy costs, wider cost of living pressures, and the continued growth of online retail provision, it is important to continue developing our work with our town and parish council partners and other key stakeholders, to ensure that we are doing all we can to promote thriving market towns for our residents, businesses and visitors.
- 1.2 Our Council Plan (2021-2026) outlines our commitment to support high street businesses in the area, to deliver local incentives to increase footfall, and to grow a sustainable visitor

economy, including the night-time economy. Similarly, the Economic Development Strategy prioritises boosting our market towns and rural vitality and our Local Plan has a well-established focus on supporting market towns and their hinterlands. To deliver against these priorities, and to respond to the challenge of empty shops given the decline of retail in many places, we are proposing to introduce a Market Town Vitality Fund (MTVF), aimed at supporting the vitality of our market towns during the ongoing challenging economic climate.

- 1.3 This proposal was discussed at the Strategy and Resources Committee meeting on 23 November 2023, where it was agreed to carry out further engagement with our Market towns and other partners, to help shape the design and operation of the MTVF. Final proposals for MTVF would then be brought to this meeting (1 February 2024).
- 1.4 Engagement with the Market Towns Forum has now taken place (in November 2023 and January 2024) and the proposals in section 2 have been shaped by that engagement. Membership of the Market Towns Forum comprises representatives from each of the Town Councils and the district Chamber of Commerce.

2. PURPOSE AND APPROACH TO THE MARKET TOWNS VITALITY FUND (MTVF)

2.1 Purpose

- 2.1.1 The purpose of the MTVF will be to support locally led initiatives to promote the vitality of the High Street and address key priorities identified by different market towns across the district. Details of the initiatives will not be prescribed at this stage but could include (for example) tackling the impact of empty shops, promotions and campaigns to promote greater footfall/spend, pop-up shops, schemes to beautify the High Street and other projects.

2.2 Funding Levels and Eligibility

- 2.2.1 A new allocation of £200k will be included in the 2024/25 budget, to be drawn from the Business Rates Pilot Reserve. This will be committed to specific projects across the district's market towns over the financial years 2024/25 and 2025/26 and will also cover SDC costs associated with running the Market Towns Vitality Fund.
- 2.2.2 The market towns eligible for this funding will follow the settlement hierarchy established in both the adopted and emerging Local Plans for the district. Accordingly, this will include the five 'Principal Market Towns' of Dursley, Nailsworth, Stonehouse, Stroud and Wotton-under-Edge, plus the four 'District Centres' of Berkeley, Cam, Minchinhampton and Painswick.

2.3 Community Engagement and Partnership

- 2.3.1 Boosting engagement and partnership and strengthening relationships with market towns, who know their own places best, will be at the heart of the whole approach to the MTVF.
- 2.3.2 Engagement will focus initially on the identification of main priorities and potential projects for each market town. This process will be led by the Council's Economic Development Team and will include different approaches to gather input from a variety of stakeholders and interested parties, working closely throughout with the relevant Town Council and engaging the relevant ward members. The engagement process will also seek to utilise

and not duplicate any consultation exercises that have been carried out by others, such as the District Chamber of Commerce.

- 2.3.3 As the engagement process moves forward, there will also be an emphasis on sharing ideas and emerging priorities across all market towns, as there may well be some initiatives that will be more appropriately delivered across more than one market town. There is an established Market Towns Forum that would provide a useful mechanism for this sharing of knowledge and intelligence, and the Economic Development Team will also work with Market towns to widen participation further.
- 2.3.4 The process of engagement will be informed by existing strategies and plans, as they relate to Market towns. These strategies and plans already have a strong evidence base and grounding in consultation and will include (for example) the Economic Development Strategy, the adopted and emerging Local Plans for the District and the emerging Cultural Strategy.
- 2.3.5 The engagement process will also be informed by research into successful approaches and ideas to boost vitality that have been successfully implemented elsewhere, as well as opportunities for funding and other support that is available from the Council and other partners.

2.4 Allocation of MTVF

- 2.4.1 The amount of funding to be allocated to individual Market towns will not be prescribed at this stage. This will be determined by the challenges and opportunities identified through the engagement process, and the priorities and actions to address these.
- 2.4.2 As mentioned above, there may be some projects that are more appropriately delivered on a wider geographic basis, potentially even district-wide, to benefit more than one Market town.
- 2.4.3 In determining the allocation of funding, there will be a focus on achieving the greatest possible impact from the money available. Whilst match-funding will not be a requirement, the engagement process will also seek to identify potential other sources of funding that could assist in making a project happen.
- 2.4.4 Funding will typically be allocated to the relevant Town Councils who will be leading on project delivery. For some projects, such as those being delivered across more than one market town, it may be appropriate to allocate funding to a different constituted body, such as the Stroud District Chamber of Commerce.
- 2.4.5 Decisions on funding for specific MTVF initiatives will be delegated to the Strategic Director of Place, in consultation with the Strategic Director of Resources and the Chair and Vice-Chair of Strategy and Resources Committee. The relevant ward members will be kept informed of any funding awarded and how this is used.

2.5 Indicative Timetable

- 2.5.1 Preparation for the engagement process described in section 2.3 will begin shortly after the scheme is approved. Priorities and potential actions for MTVF support will be identified during the spring and summer period, with decisions on funding support to be made in Autumn 2024.
- 2.5.2 Although considered unlikely, there may need to be further engagement to identify projects if the full allocation of funding is not taken up.

2.5.3 There will be a 'light-touch' and proportionate process of project monitoring and reporting established, to ensure that actions and desired outcomes from funded projects are being achieved.

3. IMPLICATIONS

3.1 Financial Implications

The value of the fund will be set at £150k with additional administration costs of £50k. The total of £200k can be allocated from the Business Rates Pilot Reserve. Strategy and Resources Committee has previously agreed the principles of distributing that reserve, which include supporting local businesses.

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3.2 Legal Implications

Whenever the council gives funding to persons other than individuals, it needs to consider the Subsidy Control Act 2022 which is in force to ensure that financial assistance given using public money causes minimal distortion to UK competition and the UK's international obligations. The Act applies to 'enterprises' which are defined as "persons engaged in economic activity that entails offering goods or services on a market, to the extent that the person is engaged in such an activity". Passing the funding onto the Town Councils in itself is unlikely to be considered subsidies because the Town Council will not be acting as an enterprise offering goods or services.

The Town Councils will need to be mindful of the Subsidy Control Act 2022 when deciding how to use the funding so that it complies with Act if it intends to give direct or indirect financial assistance to one or more enterprises.

Appropriate terms and conditions on the payment, use and monitoring of the funding given to the Town Councils can be prepared by One Legal.

One Legal
Email: legalservices@onelegal.org.uk

3.3 Equality Implications

There are no equality implications arising from a decision to support the establishment of the MTVF. There may be equality implications arising from specific projects supported by the MTVF, but these will be identified at the appropriate time, along with any actions required.

3.4 Environmental Implications

There are no environmental implications arising from a decision to support the establishment of the MTVF. There may be environmental implications arising from specific projects supported by the MTVF, but these will be identified at the appropriate time, along with any actions required.