

ABERDEEN CITY COUNCIL

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| COMMITTEE | City Growth & Resources |
| DATE | 10 November 2021 |
| EXEMPT | No |
| CONFIDENTIAL | No |
| REPORT TITLE | Place Based Investment Programme |
| REPORT NUMBER | COM/21/259 |
| DIRECTOR | Gale Beattie |
| CHIEF OFFICER | Richard Sweetnam |
| REPORT AUTHOR | Stuart Bews |
| TERMS OF REFERENCE | 1.1.7 |

1. PURPOSE OF REPORT

- 1.1 The purpose of this report is to update Committee on the applications received and to seek instruction from Committee on the allocation of the remaining £545,000 from the Place Based Investment Programme (PBIP) Fund. The report also asks members to commit to an allocation from the anticipated 2022/23 Place based Investment Programme Fund.

2. RECOMMENDATION(S)

That the Committee:-

- 2.1 Awards up to £44,014 to the Belmont Filmhouse for the Accessibility Programme of Works project;
- 2.2 Awards up to £32,750 to Aberdeen Arts Centre for the Children's Theatre project;
- 2.3 Awards up to £164,680 to Aberdeen Performing Arts for the Repair, Rebuild, Revitalise project;
- 2.4 Awards up to £40,000 to Aberdeen Inspired for the City Centre Parklets Phase 2 project;
- 2.5 Awards up to £124,471 to Woodside Gateway for the Street Design project;
- 2.6 Awards up to £50,000 to Greyhope Bay for the Greyhope Bay Centre project;
- 2.7 Awards up to £41,460 to Donside Village for the Tillydrone Gateway Feature;
- 2.8 Agrees to commit to an award of up to £400,000 from the anticipated 2022/23 Place Based Investment Fund to the Inchgarth Community Centre Extension

project, subject to a successful outcome from the Regeneration Capital Grant Fund 2022/23 with an offer of grant of at least £1,500,000; and

- 2.9 Agree that any remaining funds from 2021/22 be allocated to any other approved project which may require additional resources following consultation with Convener of City Growth and Resources committee.

3. BACKGROUND

- 3.1 The 2020-21 Programme for Government announced the creation of a Place Based Investment Programme Fund with £275million of capital funding to support community led regeneration, town centre revitalisation, community wealth building and 20 minute neighbourhoods (neighbourhood location where people can access most of their basic needs within a 20-minute walk.) It is a multi-annual capital fund with the Scottish Government distributing £38 million this financial year to local government, of which £975,000 was allocated to Aberdeen City Council to be administered locally.
- 3.2 The main objectives of the Place Based Investment Programme Fund are:
- to link and align place-based initiatives and establish a coherent local framework to implement the Place Principle;
 - to support place policy ambitions such as town centre revitalisation, community led regeneration, 20 minute neighbourhoods and Community Wealth Building;
 - to ensure that all place-based investments are shaped by the needs and aspirations of local communities;
 - to accelerate ambitions for net zero, wellbeing and inclusive economic development, tackling inequality and disadvantage, community involvement and ownership.
- 3.3 The Place Based Investment Programme Fund has been launched following the closure of the Scottish Government Town Centre Fund, however the focus within The Place Based Investment Programme Fund is targeted at the Place Principle. The Place Principle was adopted by Scottish Government and COSLA as a basis for collaborative working to ensure that future local investment is relevant to local communities and for the benefit of local people. Bringing relevant services, enterprise, and communities together to make our towns and neighbourhoods more viable. The Place Based Investment Programme, alongside the developing Place Framework, aim to embed the Place Principle.
- 3.4 Under the five year Programme Councils will receive an annual share of the fund of the following values: £38m in 2021/22, £33m in 2022/23, £23m in 2023/24, £23m in 2024/25 and £23m in 2025/26. For 2021/22 Aberdeen City Council received an allocation of £975,000.
- 3.5 On 25th August 2021 City Growth and Resources Committee allocated up to £430,000 to the proposed new play equipment within Union Terrace Gardens. This report brings options for the allocation of the remaining £545,000 as instructed by that same Committee.

3.6 Officers placed information on the remaining funds on the Aberdeen City Council website including an application form and supporting guidance documents. Eleven applications were received and are summarised within the table below. Further detail on each project is also provided within the appendix to this report. All applications have been assessed by officers against the fund criteria. Where a project is proposed to be unsuccessful, or only partially successful in their grant request, the reasons are summarised within the officer review outcome column of table 1.

Table 1.

| Applicant | Project | Total Project Cost | Grant Requested | Officer Review Outcome | Grant Proposed to award from PBIP 21/22 |
|-------------------|---|---------------------------|------------------------|---|--|
| Belmont Filmhouse | Belmont FilmHouse Accessibility Programme | £78,574 | £61,294 | Remove revenue costs of £17,280 for Community engagement programme and Community engagement and Learning manager as not eligible. | Partially successful £44,014 |
| OpenSpace trust | St Mary's Chapel Refurbishment | £357,287 | £357,287 | Unsuccessful - failed to address a number of PBIP objectives. - no evidence of Community led regeneration provided. No evidence of supporting LOIP objectives provided. Officers will support Open Space Trust to explore other | £0 |

| Applicant | Project | Total Project Cost | Grant Requested | Officer Review Outcome | Grant Proposed to award from PBIP 21/22 |
|------------------------------|--|---------------------------|------------------------|--|--|
| | | | | funding options where the project may have a fit with criteria | |
| Aberdeen Arts Centre | 31 King Street: The Children's Theatre | £37,750 | £32,750 | Successful | Up to £32,750 |
| Aberdeen Performing Arts | Repair, Rebuild, Revitalise | £207,680 | £182,680 | Partially successful – removed cost of crowd barriers. As these will not be permanent features but occasional use which is not in line with fund expectation | Up to £164,680 |
| Aberdeen Inspired | City Centre Parklets Phase 2 | £40,000 | £40,000 | Successful | Up to £40,000 |
| Grampian Housing association | Preservation of Historical Building on Victoria Road School Site | £74,015 | £49,015 | Unsuccessful – this is a temporary piece of work to preserve a site until building works commence. There is no community engagement for this element of work which funds are sought for. | £0 |

| Applicant | Project | Total Project Cost | Grant Requested | Officer Review Outcome | Grant Proposed to award from PBIP 21/22 |
|------------------|----------------------------|--------------------|-----------------|------------------------|---|
| | | | | | Up to £45,000 |
| Woodside gateway | The Street Design Project | £124,471 | £124,471 | Successful | Up to £124,471 |
| Greyhope Bay | Greyhope Bay Centre | £240,000 | £50,000 | Successful | Up to £50,000 |
| Donside Village | Tillydrone Gateway feature | £53,460 | £41,460 | Successful | Up to £41,460 |
| TOTAL | | | £938,957 | | £497,375 |
| | | | | | |

3.7 An application was submitted by Aberdeen City Council on behalf of Inchgarth Community Centre for a proposed extension. This project has been invited to a stage 2 application of the Regeneration Capital Grant Fund following approval of a stage 1. The application is seeking up to £400,000 to complete the required funding package and it is recommended that this be committed from the anticipated 2022/23 Place Based Investment Fund to enable confirmation of match funding to be provided with the Regeneration Capital Grant Fund Stage 2 submission. This is an unusual approach to take, however it is the only practical measure available due to the timescales of the funding programmes to ensure that we can confirm the match funding is in place and ensure the submitted application has the best chance possible of success. It must be noted that there is no intention to set a precedent in this approach and it is driver by the desire to progress the stage 2 application to the Regeneration Capital Grant Fund without delay.

Table 2.

| Applicant | Project | Total Project Cost | Grant Requested | Officer Review Outcome | Grant Proposed to award from PBIP 22/23 |
|---|--------------------------------------|--------------------|-----------------|------------------------|---|
| Aberdeen City Council – on behalf of Inchgarth Community Centre | Inchgarth Community Centre Extension | £1,900,000 | £400,000 | Successful | Up to £400,000 |

4. FINANCIAL IMPLICATIONS

- 4.1 The Council has been allocated £975,000 in 2021/22. Further funds will be allocated for 2022/23 in due course by the Scottish Government. Up to £430,000 was allocated for the Union Terrace Gardens Play Park Project by this Committee in August with options to allocate the remaining £545,000 being brought forward in this report. This report makes recommendations to allocate £497,375. This would leave a balance of £47,625 which is intended to be held in reserve in the event of any approved project requiring additional resource.
- 4.2 The full £975,000 must be committed by 31st March 2022 and this is considered to be a commitment of expenditure which can be evidenced by a fully awarded contract or commencement of works. The eligible costs for which the grant can be used are capital costs incurred by the local authority or third parties which are in line with the main objectives of the fund. These costs must be additional to that which is already or would otherwise be allocated to the 2021/22 budget. The Programme is therefore not a substitute for existing or committed spend. All projects recommended to receive funds have demonstrated that they can achieve this.
- 4.3 It is essential that the projects comply with the set requirements to avoid issues around eligibility and repayment of grant to Scottish Government if conditions are not complied with.
- 4.4 Any funds which remain uncommitted at 31st March 2022 will be expected to be returned to the Scottish Government.

5. LEGAL IMPLICATIONS

- 5.1 Grant Agreements will require to be put in place between Aberdeen City Council and those organisations which are awarded grant funding

6. MANAGEMENT OF RISK

| Category | Risk | Low (L) Medium (M) High (H) | Mitigation |
|-----------------------|---|-----------------------------------|---|
| Strategic Risk | No risks identified | L | None |
| Compliance | Non-compliance with grant conditions will require return of grant | L | External Funding team are familiar with the compliance requirements and will advise and monitor projects as required to ensure compliance |
| Operational | No risks identified | L | None |

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|------------------------------|---|---|--|
| Financial | <p>As per the grant conditions the money must be committed by the end of Financial Year 2021/22</p> <p>Any unspent, or unallocated funds will require to be returned to Scottish Government</p> <p>Covid – Any future lockdowns may cause delays to delivery. Failure to deliver within agreed timescales would result in non-compliance and loss of funds.</p> <p>There is a risk that Aberdeen city council is not awarded any Place Based Investment Programme Funding for 2022/23</p> | L | <p>Projects recommended to be awarded funding have demonstrated their ability to deliver within the required timescales within the application.</p> <p>Close project monitoring will take place throughout to ensure these timescales will be met.</p> <p>Scottish Government has committed to the Place Based Investment Programme as a multi-year fund. Calculations to determine Council allocations were agreed through COSLA.</p> |
| Reputational | Risk of reputational damage if funds are not spent in accordance to the grant conditions | L | Officers will work with projects to ensure proposals and applications meet the conditions of grant |
| Environment / Climate | No risks identified | L | None |

7. OUTCOMES

| <u>COUNCIL DELIVERY PLAN</u> | |
|---|---|
| | Impact of Report |
| Aberdeen City Council Policy Statement | All applicants were requested to detail the contribution of their project to Aberdeen City Council policy and strategies. |
| Aberdeen City Local Outcome Improvement Plan | |
| Prosperous Economy Stretch Outcomes | All applicants were requested to detail the contribution of their project to the LOIP as part of the application process. |
| Prosperous People Stretch Outcomes | All applicants were requested to detail the contribution of their project to the LOIP as part of the application process. |

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| Prosperous Place Stretch Outcomes | All applicants were requested to detail the contribution of their project to the LOIP as part of the application process. |
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8. IMPACT ASSESSMENTS

| Assessment | Outcome |
|-----------------------------------|--------------|
| Impact Assessment | not required |
| Data Protection Impact Assessment | not required |

9. BACKGROUND PAPERS

COM/21/176 Place Based Investment Programme report to City Growth And Resources Committee on 25th August 2021.

10. APPENDICES

Appendix 1 - Place Based Investment Fund – Summary of applications received.

11. REPORT AUTHOR CONTACT DETAILS

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