

ST EDMUNDSBURY BOROUGH COUNCIL

HAVERHILL AREA WORKING PARTY

**Minutes of a meeting held on Wednesday 6 May 2009 at 5.00 pm
in the Conference Room, Samuel Ward Arts and Technology College,
Chalkstone Way, Haverhill**

PRESENT: Councillor A Whittaker (Chairman)
Councillors Aitkens, Cox, Mrs Gower, McManus, Mrs Richardson and
Mrs Rushbrook

BY INVITATION: Haverhill Town Councillor Mrs McManus

77. Substitutes

No substitutions were declared.

78. Apologies for Absence

Apologies for absence were received from Councillors Ager and Redhead, and Gordon Mussett, Clerk to Haverhill Town Council.

79. Declaration of Interests

Members' attention was drawn to the statement contained under the above heading on the agenda which referred to declarations being made at the outset of the meeting by some Members that had dual membership on Haverhill Town Council. However, the relevant Members present at the meeting considered this declaration was not necessary and therefore, no declarations were made in respect of this matter.

Other Members' declarations of interests are recorded under the item to which the declaration relates.

80. Queen Street Shop Fronts Grant Scheme

The Working Party considered Report Z687 (previously circulated) which sought approval for the Queen Street Shop Fronts Grant Scheme.

It had been recognised that a number of shop fronts in Queen Street, Haverhill would benefit from enhancement and investment. The Shop Front Grant Scheme had been developed having received funding of £25,000 each from both the Borough Council and Suffolk County Council from their Local Authority Business Growth Incentive funding allocation. On 12 March 2009, the Working Party had approved the principles of the Scheme which were endorsed by the Cabinet on 25 March 2009 (Cabinet Minute 164 referred).

On 23 April 2009, the Working Party resolved to defer approval of the Queen Street Shop Fronts Grant Scheme to enable the officers to obtain supplementary information to inform further consideration of the Scheme. This information had now been incorporated into Report Z687.

Attached to Report Z687 for the approval by the Working Party were:-

Appendix A: Grant Process Flow Chart. This provided an overview of the process of the scheme and would be sent out to prospective applicants at the launch of the scheme;

Appendix B: Details of the Scheme. This provided full details of the scheme, its operation and the conditions of the grants. This would also be sent out to prospective applicants at the launch of the scheme;

Appendix C: Application Form. This would be made available to prospective applicants on enquiry to the Council; and

Appendix D: Application Scoring Criteria. This was the system which would be used to assess each application.

The issue of design costs had caused concern in respect of which party should fund the design work to support grant applications, particularly given the potential that a significant number of applicants could be unsuccessful in obtaining a grant. One consequence of an application being unsuccessful was that applicants would remain charged with design fees without the assistance of a grant to support these costs. Such an outcome would operate contrary to the intentions of the Scheme, particularly as several potential applicants had not been planning to undertake any shop front renovation in the current economic climate. Section 3.6 of the report outlined how this issue could be addressed, which included:-

- (1) that the Borough Council met all design costs of both successful and unsuccessful applicants;
- (2) the applicants paid for all design costs and bore the risk that they may be unsuccessful; and
- (3) local shopfitters would agree to undertake design work in advance on the condition that successful applicants would be able to include design costs in grant eligible works but that they would bear the risk of not being paid for design work undertaken for applicants who were unsuccessful in obtaining a grant.

The advantages and disadvantages of applying each option were also addressed and noted by the Working Party. To formalise Option (3), the Borough Council would be required to enter into a partnership with shopfitters as a legal requirement. This would comprise of a formal agreement which would contain:-

- (a) an undertaking from the shopfitters to provide design work in return for guaranteed work if the applicants they supported were successful; and
- (b) an undertaking to follow the requirements of Queen Street Design Guide in all design work.

To select these shopfitters, the Council would follow the same adopted procurement procedures undertaken by the Council when entering into contracts for services. This process was based on achieving value for money whilst encouraging fair and open competition. The Working Party noted that in order to achieve consistent and good quality design work, two or three local shopfitters would be engaged in the partnership.

Subsequent to the last meeting of the Working Party on 23 April 2009, the officers had consulted other authorities that had operated similar schemes to seek advice and best practice. However, because this Scheme had been designed specifically to address the issues of Queen Street, it was difficult to apply the same approaches undertaken by these other authorities.

A detailed discussion was held and the majority of Members considered that Option (1) detailed above was not appropriate and agreed that applicants should be given a choice of either Option (2) or Option (3) in respect of meeting shop front design costs.

Consideration was also given as to the number of shopfitters that should be approached to provide free design work and the majority of Members considered three companies would be an appropriate amount to select. Some discussion was also held regarding the *'partnership'* and the Borough Council's Legal Executive present at the meeting informed the Working Party that in legal terms, the *'partnership'* would be better described as a *'partnering arrangement'* as there were no financial implications to the agreement. Therefore, the Working Party considered that under Item 21 of Appendix B, where reference was given to *'partnership'*, this would be amended to read *'partnering arrangement'*.

Consideration was then given to Item 31 of Appendix B to the report which referred to the repayment of the grants if during a period of three years from the date the grant was awarded, shop owners/lessees disposed of their interest in the property to which the grant was related, that the sum should be repaid to the Borough Council, reducing at a rate of one third per year. Concern was expressed that shopkeepers in this predicament may have difficulties refunding the grant, particularly if a difficult economic climate prevailed at the time. Similarly, taxpayers should not be expected to subsidise businesses if insufficient effort had been made to sustain the business. Members therefore, considered that each case should be judged on its own merits and reference to this should be included in the text of Item 31.

The Working Party also noted that whilst the application checklist contained in Appendix C made reference to ensuring the applicant made provision for written proof of permission from the landlord, if required, this was not included in the application form itself. Therefore, it was agreed that the form should be amended to reflect this condition of awarding the grant.

Members also considered that it was imperative that good quality design work should be provided by the shopfitters that were selected to provide this service. It was suggested that a selection criteria should be devised and each eligible shopfitter would be assessed primarily on the quality of their work. It was agreed that a Working Group be formed of appropriate officers involved with the Scheme and Councillors Cox, McManus and Mrs Richardson to finalise the selection criteria for the 'approved' shopfitters.

The Working Party concluded that the scheme was extremely beneficial for Queen Street and would substantially improve the appearance of this area should sufficient applicants sign up to the scheme. Subject to the amendments detailed above, the Working Party voted unanimously on the recommendations.



RECOMMENDED:- That

- (1) the offer to applicants of the Queen Street Shop Fronts Grant Scheme of a choice of Option 2 or Option 3 in respect of meeting shopfront design costs, as detailed in Section 3.6 of Report Z687, be approved;**
- (2) subject to the following amendments, precise details of the Scheme, as set out in Appendices A, B, C and D to Report Z687, be approved:-**
 - (a) Appendix B: Item 21, to replace reference to 'two local shopfitters' by 'three local shopfitters', and replace reference to 'partnership' by 'partnering arrangement';**
 - (b) Appendix B: Item 31, to insert reference to ensuring each case would be judged on its own merits; and**
 - (c) Appendix C: to insert reference in the application form itself that written proof of permission from the landlord to undertake the works would be provided, if required; and**
- (3) to enable free design work to be offered to applicants as referred to in Option 3 of the Scheme, a working group comprising Councillors Cox, McManus and Mrs Richardson and appropriate officers be established to devise criteria to enable the selection of three local shopfitting companies to work in a partnering arrangement with the Borough Council.**

80. Dates of Future Meetings

The Working Party confirmed the following dates for future meetings in 2009:-

11 June;
23 July;
10 September;
22 October; and
10 December.

All dates were Thursdays, and all meetings to commence at 4.00 pm with the exception of 11 June and 22 October 2009 which would commence at 4.15 pm.

The meeting concluded at 5.45 pm

CHAIRMAN