

This report will be made public on 16 March 2021

Report Number **C/20/87**

From: Councillor David Monk
Date: 16 March 2021
Status: Non-Key Decision
Corporate Director: Ewan Green, Director of Place

SUBJECT: FOLKESTONE & HYTHE DISTRICT HIGH SREETS FUND

SUMMARY:

This report proposes to extend the Folkestone and Hythe High Street Fund initiative for external grant applications due to the impact of the coronavirus lockdown on its delivery.

REASONS FOR RECOMMENDATION:

The Leader is asked to agree to the recommendations so that the initiative can continue beyond the end date that was originally envisaged when the Cabinet decision was made.

RECOMMENDATIONS:

1. To receive and note Report C/20/87.
2. To agree to extend the High Street Fund initiative for external applications to 31 March 2022 or until the funds have been allocated.

1. INTRODUCTION

- 1.1. The Cabinet of Folkestone & Hythe District Council approved in February 2019 (Cabinet C/19/21) the establishment of a £3 million fund of earmarked reserves to support high streets across the district “looking to deal with a number of adverse pressures”. The mechanism for investing and managing this fund was subsequently agreed by Cabinet in September 2019 (Cabinet C/18/74).

2. THE FOLKESTONE & HYTHE HIGH STREETS FUND (HSF)

- 2.1. The key uses of the HSF are to (a) take forward major capital investments opportunities and other initiatives led by F&HDC to help transform Folkestone town centre, the largest town in the district; and to (b) provide contributory funding to external organisations to take forward initiatives to address issues and improve Folkestone and other key High Streets in the district.
- 2.2. In September 2019 Cabinet agreed to £2.2 million of District HSF being allocated to Folkestone town centre and the remaining £800,000 to be made available to ten other high streets across the district at Cheriton, Sandgate, Hythe, New Romney, Lydd, Hawkinge, Dymchurch, Elham, Lyminge and Sellindge.
- 2.3. To external organisations the HSF provides grants of £5,000 to £50,000 towards individual projects that will improve the above high streets, and in normal circumstances this is expected to comprise a maximum of 50% of the total project cost.
- 2.4. Cabinet (C/18/74) agreed that ‘the scheme will run until either 31st March 2021 or until the funds are allocated’. However, as a result of the pandemic which has resulted in national lockdowns and periods of Tier 3 and Tier 4 restrictions since March 2020, there has been some delay in the progress of the initiative and the expected level of spend.

3. PROGRESS TO DATE

- 3.1. There has been progress in both elements of the HSF – external applications to the fund and FHDC-led initiatives, to date.

HSF grants to businesses and partner organisations

- 3.2. The table below summarises the external applications made to the HSF. This shows the number of applications that have been agreed across the high streets of the district, those that have been rejected or withdrawn, applications still pending revisions and new applications made recently that are awaiting consideration by the Decision Panel.

Table 1: Folkestone & Hythe District High Street Fund Applications

	Agreed				Rejected	Cancelled/Withdrawn	Pending	New	
	No.	Grant Awards	Total Project Costs	Match Funding levered				No.	Grant sought
Folkestone	14	£282,057	£612,600	£330,543	3	4	1	7	£173,522
Cheriton	2	£11,600	£21,600	£10,000	1				
Sandgate	2	£53,500	£56,000	£2,500				1	£1,918
Hythe	6	£59,743	£296,247	£236,504	2	1	2	4	£48,000
Dymchurch	2	£36,000	£69,216	£33,216					
St Mary's Bay	1	£2,469	£4,938	£2,469					
New Romney	6	£24,891	£69,232	£44,341	7			7	£141,704
TOTAL	33	£470,260	£1,129,833	£659,573	13	5	3	19	£365,144

3.3. In summary the table above shows that:

- Just over £280,000 has been awarded to businesses and organisations in Folkestone for improvements to the high street and this has levered in an additional 117% of investment by the private sector or other organisations.
- For a further six high streets across the district, grants amounting to £188,000 have been awarded, with Hythe, Dymchurch and New Romney receiving the largest amounts at circa £60,000, £36,000 and £25,000 respectively.
- There are a further 19 new applications awaiting consideration and are seeking grant funding of around £365,000, which are focused on Folkestone, Sandgate New Romney and Hythe.

3.4. Overall, almost £650,000 of high streets funding to external organisations has been approved to date. Together with the amount being sought in new projects this amounts to just over £835,400 with 54% of this funding potentially being directed to Folkestone and 46% to other high streets in the district.

3.5. A short summary of the external projects supported to date is set out in Appendix A.

FHDC-led Folkestone Town Centre Initiatives and Investments

3.6. There are a number of initiatives that are being taken forward by FHDC in Folkestone town centre and these include:

- Acquisition of the building vacated by Debenhams when it announced its closure in 2018 and work to consider future uses for the building.
- Supporting printing and installation of window vinyls for the vacated Debenhams – the Folca building.
- Public realm improvements including an ongoing planting scheme for Sandgate Road, heritage street lighting and street signage schemes (all in conjunction with Folkestone Independent Retail Regeneration Group).
- Introduction of a new market offer Vegan Veganism trading once a month in Guildhall Street.

3.7. The table below summarises the allocation of funding from the HSF towards these initiatives to date.

Folca (Debenhams) acquisition	£400,000
Folca Design Feasibility	£29,932
Public Realm improvements	
Planting & removal of benches	£10,437
Bin replacement	£13,381
Heritage signage	£19,250
Heritage lighting	£177,000
Food Festival	£10,000
High Street Pop-up shop initiative	£20,000
High Streets Fund Officer (district-wide) & FTC support	£80,000
Total	£760,000

3.8. In January 2021, We Made That were commissioned to develop a Place Plan for Folkestone Town Centre over the coming months with a final report expected to highlight other initiatives that could be brought forward utilising the High Street Fund.

3.9. Looking at both the current HSF grant commitments to external organisations and the commitments to FHDC-led initiatives for Folkestone town centre, some £1.23 million of the £3 million High Streets Fund has been committed to date. If all new grant applications are also considered, this rises to almost £1.6 million.

3.10. The Cabinet decision allocated 80% (£2.2 million) of the High Streets Fund to Folkestone town centre and the remainder to other high streets in the district. Based on the current level of commitments some £1.04 million of the current commitments are in Folkestone which rises to £1.21million if the new grant applications are taken into account.

3.11. While there has been good progress with the High Streets Fund initiatives, the impact of the pandemic has caused delays. It is therefore recommended that the districts High Streets Fund remains open to external applications for grant funding to 31 March 2022 or until all the funds have been allocated.

4. LEGAL, FINANCIAL AND OTHER CONTROLS/POLICY MATTERS

Legal Officer's comments (NM)

4.1. There are no legal implications associated with the recommendations in this report. However, any grants that are made available to third parties by FHDC will need to be legally documented and the legal team can assist with this

Finance Officer's comments (DH)

- 4.2. Should the recommendation that the High Streets Fund remain open to external applicants until 31/03/2022 or until all the funds have been allocated be approved, the uncommitted balance of reserves is £961,592 (after the estimated £800k of projects for 21/22 as advised by Katharine Harvey as part of 21/22 budget setting), this can be drawn on for further grant funding should the estimated £800k of projects for 21/22 be exhausted.
- 4.3. There is also an approx. £155K of the original £468,410 of the £3 million reserve that was transferred to the 20/21 revenue budget (High Street Fund ED14) remaining, unspent in 20/21 due to the pandemic. The £155K can be carried forward to 21/22 (High Street Fund ED14) and be allocated to further grant expenditure.

Communications Officer's comments (KA)

- 4.4 If extended the communications team will continue to promote the scheme and successful applications.

5. CONTACT OFFICERS AND BACKGROUND DOCUMENTS

Councillors with any questions arising out of this report should contact the following officer:-

Dr Katharine Harvey, Chief Economic Development Officer

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Appendix A: External projects to date supported by the F&H HSF

A total of **33** external grants have been awarded district wide. Below is a summary of the projects successfully delivered with a F&H High Street Fund grant award.

Folkestone

The fund supported the complete renovation of a local Mexican restaurant in line with granted planning permission which included the installation of toilet facilities for disabled people.

Grant awarded £45,000

Match funding 50%

Expanded CCTV programme for Cheriton (complete) and Folkestone Town Centre (underway). Enabling CSU member's direct access.

Grant awarded £50,000

Match funding 38%

Support for the refurbishment of existing basement area, accelerating the delivery of a scheme for a marketplace scheme for artisan food producers and additional on-site kitchen capacity (bakery and pizza)

Grant awarded £33,000

Match funding 50%

Support of external shop front works, including painting of external façade and door shutters.

Grant awarded £1,250

Match funding 50%

Internal refit in support of better training facilities for local trainees and apprentices within the health and beauty business.

Grant awarded £8,496

Match funding 50%

Delivery of a themed Escape Room in a vacant retail building in support of improving the leisure offer and a local heritage asset.

Grant awarded £45,000

Match funding 57%

Shop front refurbishment including the reinstatement of awnings and other heritage features and the fit out of basement to enable studio space for future community based workshops

Grant awarded £22,000

Match funding 44%

Dymchurch

Levelling and resurfacing the entire Parish Council Car Park used extensively by users of the high street. Improving user safety by removing pot holes and increasing capacity by marking car parking bays; also encouraging greener journeys with the provision of an electric car charging point.

Grant awarded £27,000

Match funding 50%

As part of a wider refurbishment programme of Martello 24, funding was awarded for new educational displays and a scaled model of the tower as part of the enhancement of visitor experience.

Grant awarded £9,000

Match funding 100%

Sandgate

Installation of CCTV along Sandgate High Street and car park to improve perception of safety by users of the high street.

Grant awarded £3,500

Match funding 50%

New Romney

Support for installation of new windows and widening of doors to enable better access for disabled people.

Grant award £2,469

Match funding 81%

Other grants awarded

Folkestone & Cheriton

Purchase of lighting in support of future events/Christmas

Grant award £5,000

Match funding 14%

External refurbishment of food and beverage premises to improve street scene

Grant award £7,500

Match funding 50%

Delivery of permanent art installation as part of festival of light to increase footfall

Grant award £10,000

Match funding 50%

Support business growth and restaurant set-up in vacant building

Grant award £22,987

Match funding 50%

Eternal shop front repairs and refurb, to shop front in Guildhall St to improve street scene

Grant award £3,000

Match funding 9%

External refurb and kitchen fit-out in support expansion of business

Grant award £13,450

Match funding 50%

External façade works to empty retail unit to improve street scene

Grant award £20,000

Match funding 20%

Planting scheme for Cheriton High Street

Grant award £1,600

Match funding 100%

Decals and refurb of shop frontage, disabled access and community space

Grant award £7,873.50

Match funding 42%

Hythe

Occupation of vacant premises and support in delivery of grocers, deli, café and bakery

Grant award £22,000

Match funding 13%

Public realm improvements including flower baskets and decorative display

Grant award £5,100

Match funding 50%

Contribution to restoration of former listed Bank building

Grant award £10,083

Match funding 50%

Support delivery of external façade repair and renovation, improving street scene
Grant award £10,000 **Match funding 48%**

Building refurbishment of vacant building and conversion to office space
Grant award £10,000 **Match funding 13%**

New vegan café delivery, supporting external and internal shop changes
Grant award £2,560 **Match funding 50%**

New Romney

Internal works to deliver additional services within a pharmacy
Grant award £5,500 **Match funding 14%**

Shop frontage works
Grant award £5,000 **Match funding 95%**

Shop façade repairs and improvements
Grant award £1,290 **Match funding 50%**

Replacement of existing windows and other shop frontage works
Grant award £6,000 **Match funding 88%**

Replacement of existing windows and other shop frontage works
Grant award £4,800 **Match funding 50%**

Sandgate

Public realm improvements
Grant award £45,000 **Match funding 100%**