

**TONBRIDGE & MALLING BOROUGH COUNCIL**  
**ECONOMIC REGENERATION ADVISORY BOARD**

**17 June 2019**

**Report of the Chief Executive**

**Part 1- Public**

**Matters for Recommendation to Cabinet - Non-Key Decision (Decision may be taken by the Cabinet Member)**

**1 BUSINESS RATES RETENTION PILOT SCHEME INITIATIVES – UPDATE**

**This report sets out an update on the Business Rates Retention Pilot Initiatives, and seeks approval to scope out a shopfront improvement scheme for local centres and parades.**

**1.1 Background**

- 1.1.1 In December 2017, it was announced that the Borough Council, as part of a Kent-wide submission, had been successful in bidding to Central Government to become a Business Rates Retention Pilot ahead of planned reforms in 2020/21. The retained business rates growth is being used in two ways – supporting authorities to manage additional costs associated with growth (the Financial Sustainability Fund) as well as supporting authorities to drive forward housing growth and economic development.
- 1.1.2 At the Advisory Board meeting in November 2018, Report ERG 18/28 highlighted a range of proposed economic initiatives to be funded through the Business Rates Retention Pilot based on expected income. One of the initiatives set out in Report ERG 18/28 was to provide grants of up to £5,000 to independent town and district centre businesses or property owners to help renovate and improve their commercial frontages. A total funding pot of £100,000 was agreed in order to deliver this initiative. Progress on this, and other initiatives is set out below.
- 1.1.3 In addition, now that the 2018/19 financial year has passed, a more accurate figure has been calculated for the income received through the Pilot Scheme. This has illustrated that the total sum towards economic regeneration from the Pilot is £567,000 rather than the original estimate of £315,000 for each of the three West Kent authorities. This means that, subject to approval from Kent County Council, there are further opportunities for delivering initiatives that support growth in the local economy. It is suggested that a report comes back to the next Advisory Board with possible projects for consideration, including a local centres shopfront improvement scheme.

## **1.2 Business Rates Retention Pilot Initiatives**

1.2.1 The following initiatives were endorsed at the board meeting in November 2018:

- Town and District Commercial Frontages Grant Scheme (to be delivered during 2019/20).
- Tonbridge Town Centre Initiatives – including pop-up shop initiative (2018/19), contribution towards Christmas activities (2019/20) and a pilot wi-fi initiative (2020/21).
- Malling Centres Promotion through Visit Kent (2019/20).
- Flexible Co-Working Space for start-ups at Kings Hill (2019/20)
- Business Accommodation Grant Scheme (2020/21).

1.2.2 The Town and District Commercial Frontages Grant Scheme is the furthest advanced and information on this initiative is provided in section 1.3.

1.2.3 Under the Tonbridge Town Centre initiatives scheme, a pop-up shop to support creative start-up businesses was delivered in the lead up to Christmas 2018 (17 October – 09 December 2018) in partnership with Tonbridge Creates. In addition to providing a High Street outlet to a number of start-up businesses, links were also made with students at West Kent College, who were given an opportunity to show case their work, and with students at Oakley School who were able to gain valuable work experience. In addition, the shop held a series of creative workshops which were attended by over 250 people. This project followed on from a previous pop-up shop which was piloted in February 2018.

1.2.4 The other initiatives are yet to be launched, although it is clear from progress made to date on the co-working space at Kings Hill that the level of funding originally envisaged for this project is unlikely to be required.

## **1.3 Town and District Centres Commercial Frontages Scheme**

1.3.1 The Town and District Centres Commercial Frontages Grant Scheme was launched at the end of March 2019, with 350 letters sent out to eligible premises in 10 settlements across the borough – Tonbridge, West Malling, Snodland, Borough Green, Larkfield, Kings Hill, East Peckham, Hadlow, Aylesford and Wrotham.

1.3.2 As of May 2019, 101 businesses had responded to the letter to ask for the guidance notes and application form. Of these, 6 applications have been approved – 3 from Tonbridge and 3 from West Malling – amounting to just over £12,000 of grant funding contributions towards shopfront improvements. These improvements have included re-rendering and painting, new signage, and the refurbishment of (or introduction of new) awnings.

1.3.3 Three further applications (from businesses in Tonbridge, Borough Green and West Malling) are currently going through the necessary internal checks for improvement works.

1.3.4 The Borough Council is working closely with Kent Rural Retailers (a branch of Action with Communities in Rural Kent) to help businesses that take up the offer with pulling together their applications and the required associated paperwork, and also, where requested, providing general business support and advice. Through this service, and through correspondence with the Economic Regeneration Team, it is expected that at least a further 12 applications will be submitted in the next few weeks.

#### **1.4 Potential Additional Economic Initiatives**

1.4.1 As mentioned at the start of this report, there is scope to undertake additional economic initiatives using the income from the Business Rates Retention Pilot. One potential opportunity could be to expand the above shop frontages scheme into other parts of the borough. It is therefore proposed that some initial scoping is undertaken to look into the possibility of delivering a similar scheme for our local centres and parades across the Borough, albeit with a lower level of funding due to the smaller number of shops that would be eligible to apply under such a scheme. The Economic Regeneration Team already has a good working relationship with the local independent businesses in the local centres and parades as a result of work undertaken with them during 2015-2017 as part of the District and Local Centres projects, which were funded through the High Street Innovation Fund.

1.4.2 The initial scoping would entail:

- High level audit of frontages within local centres and parades – identifying whether there is a strong need for intervention.
- Discussions with a small sample survey of local independent businesses to ascertain the level of interest.
- Producing an outline framework for the programme – including eligibility criteria and levels of grant funding.

1.4.3 The intention would then be to report back to the board on this initiative, along with other potential initiatives for the consideration of the advisory board.

#### **1.5 Legal Implications**

1.5.1 There are no legal implications arising from this report.

#### **1.6 Financial and Value for Money Considerations**

1.6.1 These initiatives will be funded through the Business Rates Retention Pilot Scheme.

## **1.7 Risk Assessment**

1.7.1 Not applicable.

## **1.8 Equality Impact Assessment**

1.8.1 The decisions recommended through this paper have a remote or low relevance to the substance of the Equality Act. There is no perceived impact on end users.

## **1.9 Recommendations**

1.9.1 That the contents of this report **BE NOTED**.

1.9.2 That permission to undertake initial scoping work on a local centres shopfront improvement scheme **BE APPROVED** with a view to coming back to the next advisory board with information on this scheme along with a list of potential other initiatives.

The Cabinet Member for Economic Regeneration and the Chief Executive confirm that the proposals contained in the recommendation(s), if approved, will fall within the Council's Budget and Policy Framework.

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