

Name of Committee:	Full Council		
Committee Date:	22 nd November 2023		
Report Title:	Leigh Park Vacant Shop Scheme		
Responsible Officer:	Wayne Layton Executive Head of Regeneration and Economic Development		
Cabinet Lead:	Councillor Alex Rennie		
Status:	Non-Exempt		
Urgent Decision:	No	Key Decision:	No
Appendices:	Appendix A – Map of Leigh Park Shopping Centre		
Background Papers:	None		
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Report Number:	HBC/058/2023		

Corporate Priorities:

The paper seeks to introduce a policy whereby businesses can apply for loans to bring previously vacant Retail units into use in the Leigh Park shopping centre (as shown in appendix a). This supports the Council's key corporate objectives.

The first is Growth, the Council wants to encourage local entrepreneurs to set up businesses in the Borough that create jobs and bring vibrancy back to the key shopping area within Leigh Park.

Secondly the scheme will promote Pride in Place, by filling vacant shops this will hopefully encourage more people to return to our shopping districts and give local people more pride in their neighbourhood.

Executive Summary:

The Council's retail shopping centres have suffered over the past few decades because of an increase in globalisation and internet shopping which means that many of the smaller independent shops that once populated our high streets have found it more difficult to establish themselves on the high street.

The Waterlooville Vacant shop scheme launched by the Council in the summer demonstrated that there are businesses out there who do want to establish themselves in the Borough but one of the main barriers is that of capital funding to start up or expand their businesses. This scheme introduces the ability for applicants to apply for small grants that will allow them to convert vacant shop units within the Park Parade/Greywell Shopping area.

Recommendations:

That Full Council:

1. approves the use of up to £170,000 of the Council's Regeneration reserve to offer capital grants to businesses who wish to set up or expand in the Greywell shopping centre, and to administer the Leigh Park Vacant Shop Scheme.
2. authorises the Section 151 Officer to amend the capital programme to approve the use of £170,000 of the Council's Regeneration reserves for the Leigh Park Vacant Shop Scheme.

1.0 Introduction

- 1.1 Like most High Streets around the Country the Greywell shopping centre has a high vacancy factor and as a result of this there is increased anti-social behaviour and the general aesthetic of the shopping area is tired and run down in areas where there are vacant shop units.
- 1.2 Leigh Park is an area of high deprivation and an elderly population that are reliant on walking and public transport to access shops. There is also a great deal of people who struggle to even meet the cost of public transport so having a local shopping centre can be a lifeline for them.
- 1.3 Over recent years the High Street in Britain has evolved and where there use to be a number of independent retailers offering a myriad of different retail offerings. However, because of the expansion of supermarkets many of these independent shops have disappeared from out High Street.
- 1.4 The scheme is designed to encourage applications from businesses from retail, leisure and culture, entertainment and healthcare to try and encourage a more diverse offer for shoppers.
- 1.5 The Council doesn't own any of the buildings within the Shopping Centre itself and therefore can do little to control rental values in the area.
- 1.6 Business Rates are set by the Valuation Office based on the type of commercial property. The Council has a statutory obligation to collect Business rates and any reduction in these would have to be met by the Council's own budget and would require savings from other services the Council offers.

2.0 The Business Model

- 2.1 The scheme will initially be launched inviting businesses to submit an Expression of Interest for capital works to bring vacant shopping units into use. The Council will then sift through these expressions of interest and invite strong applications to submit a formal application. Following a period of due diligence by the Council grant awards will be made in early 2024.

3.0 Financials

- 3.1 The report requests the use of £170,000 of the Regeneration reserve and an amendment to the approved capital programme. The pot of money that is being made available for businesses to apply to is £150,000. The report further requests up to £20,000 to help support the administration of the scheme.
- 3.2 The Waterlooville Scheme was funded through the UK Shared Prosperity fund; this scheme is funded from the Council's own Regeneration Reserve that was created following the sale of the Brockhampton West site.

4.0 Budgetary Implications

- 4.1 There are no ongoing budgetary implications to the Council. A one-off capital grant is paid to the applicant and there are no ongoing revenue implications. The Council will monitor the applicants progress and this monitoring will be met from existing cash limited budgets.

5.0 Options

5.1 Option 1 – Do Nothing

- 5.1.1 The Greywell shopping centre and Park Parade in Leigh Park consists of 85 retail units, as of the 4th November 14% of these units were empty, some of these are larger units. The precinct also has a disproportionate amount of retail units that are involved in hair and beauty services, in fact 1 in 5 units are in this sector.
- 5.1.2 The shopping centre itself is a lifeline for local people and having a vibrant shopping centre that has a range of retailers is key to the future success of the local centre.

5.2 Option 2 – Introduce a Vacant Shop Scheme

- 5.2.1 The Council are looking to incentivise a wide range of businesses to the Leigh Park shopping centre. The main shopping precinct in Leigh Park, (Park Parade and the Greywell shopping centre) currently has 12 vacant units, which represents around 14% of all the shops in that area. Some of these are large units that have been empty for some time. The Council recently promoted a vacant shop scheme for Waterlooville of which we had 30 applicants demonstrating that there was a call for this type of support to stimulate growth. Currently 20% of all the retail units within the shopping area are related to provision of hair and beauty services. The Council, through this initiative, will be seeking bids in particular from retail, leisure & culture, entertainment and healthcare to try and encourage a more diverse offer for shoppers.

- 5.2.2 A new butchers has been established in Greywell and has established itself, we are looking to encourage more independent businesses like this.

6.0 Conclusion

- 6.1 The Council are keen to take positive action to regenerate the Shopping Centre in Leigh Park and therefore by making it easier for shops to locate to the area is one way the Council can stimulate growth.

7.0 Implications and Comments

7.1 S151 Comments

Changes to the Council's capital programme require Full Council approval or its delegation, this report asks for a delegation to amend the Council's approved capital programme and to approve the release from reserves.

Members should be assured that the Council has £10.3M in "Capital Receipts" within our reserves. Of this sum, £8.9M has been set aside specifically for regeneration schemes. After the release of the proposed funds to support this scheme. The balance will be £8.7M, this is still a reasonable amount to support future regeneration schemes.

I am therefore content that this scheme is an appropriate use of the Capital Regeneration reserve.

7.2 Financial Implications

The financial implications are addressed in detail in the body of this report.

7.3 Monitoring Officer Comments

It is a matter for Full Council to agree any additions to the budget.

There are no significant governance implications arising from this report outside of those aspects already referenced in the body of the report.

Members are reminded that they are under an obligation to exercise their fiduciary duty carefully. The meaning of fiduciary duty can be summarised as a duty to conduct administration in a business-like manner with reasonable care, skill and caution and with due regards to the council's rate payers.

Legal Implications

The Council has a general power under section 1 of the Localism Act 2011 to do anything an individual may generally do provided it is not prohibited by other legislation and the power is exercised in accordance with the limitations specified in the Act. Therefore, the Council is able to operate this grants scheme.

7.4 Equality and Diversity

No foreseen impact.

7.5 Human Resources

No foreseen impact.

7.6 Information Governance

No foreseen impact.

7.7 Climate and Environment

No foreseen impact.

8.0 Risks

- a. The key risk for the Council is that the applicant, once approved, is unable to fully meet its obligations under the grant agreement because either the property they're looking to rent falls through or match funding doesn't materialise.
- b. The Council will carry out due diligence on each application to ensure amongst other things security of tenure and of funding. Grants will be made in arrears after the applicant has incurred expenditure and on production of relevant evidence to mitigate the Council's risk exposure.

9.0 Consultation

No consultation has been carried out with members of the public, but this is based on the Council's experience gained through the

10.0 Communications

A full communication will be devised between the Council's communications team and the project team. This is likely to involve promotion on social media and press releases.

Agreed and signed off by:		Date:
Cabinet Lead:	Councillor Alex Rennie	14/11/23
Executive Head:	Wayne Layton	14/11/23
Monitoring Officer:	Jo McIntosh	14/11/23
Section151 Officer:	Steven Pink	14/11/23