

SUBJECT: Proposed Funding to Caldicot Town Team for 'Caldicot Goes Pop!'

MEETING: Cabinet

DATE: 4th May 2016

DIVISION/WARDS AFFECTED: Green Lane

1. PURPOSE:

- 1.1 To seek approval to release £4,446 of s106 contributions received from ASDA to support the Caldicot Town Team's business case to create a 'pop up shop' unit in the town centre, enabling potential business start-ups to run a test trading retail unit or an event in a prominent location.

2. RECOMMENDATIONS:

- 2.1 To agree the release of £4,446 of s106 contributions, received from ASDA, to support the Caldicot Town Team's business case to create a 'pop up shop' unit in the town centre.

3. KEY ISSUES:

- 3.1 Caldicot Town Team was established in 2013, following a report prepared by consultants 'the Means', which identified the need to set up a Town Centre Partnership to "bring together public and private interests in the town around an agenda clearly focused on improving the vitality and vibrancy of the town centre".
- 3.2 The Town Team is now a fully constituted Community Interest Company (CIC) and has been integral to the success of events, activities and projects in the Town Centre, since its formation.
- 3.3 S106 funding, amounting to £225,000.00 in total, has been received from ASDA in relation to schedule 3 of the planning agreement which allows support for:
- 'the establishment of a town centre partnership for the purpose of developing and implementation of an action plan and financial budget for the improvement and promotion of Caldicot Town Centre'.
- 3.4 The Caldicot Town Team submitted a Business Case application to the Severnside Programme Board on 9th March 2016, seeking funding to run a project which will enable potential business start-ups to run a test trading retail unit or an event in a prominent location within Caldicot town centre with a view to revitalising the high street and improve both public and business perception and opportunities within the town.

A budget of £4,446 has been produced which covers the cost of signage above the premises, leaflet and brochure production, website and social media advertising, and newspaper adverts along with rates, rental and utilities. Publication designs are currently being drawn up by pupils from local primary and secondary schools.

The Town Team would be eligible for the 80% rate discount as a charitable company. This will reduce the cost of rates down from £7,230 to £1,446 for the year. (Calculation based on multiple of 0.482p) An added benefit to this, is the savings of £7,230 to the landlord as the property would be occupied, reducing the rates payable by landlord.

Ongoing running costs of the property are minimal, with just electricity and broadband to be paid. A phone line will not be active.

Insurance quotes, including Public liability are around £650 for the year.

Caldicot Town Team have also applied for private funding through a range of groups, these are currently ongoing. If successful the funds raised would be repaid to Monmouthshire County Council to replenish the S106 funding Pot.

3.5 The Severnside Programme Board approved the application for referral to Cabinet at its meeting of 9th March 2016.

4. REASONS:

4.1 To enable the Caldicot Town Team to run the pop-up shop project - improving footfall, vibrancy and confidence in the town through reducing the number of empty shop units.

4.2 To comply with requirements that applications for funding support from s106 ASDA contributions can only be recommended for approval by the Severnside Programme Board, but must be approved by Cabinet.

5. RESOURCE IMPLICATIONS:

5.1 S106 contributions to a value of £225,000.00 have been received towards 'Town Centre Partnership Promotion & Improvement'. The amount requested is significantly within the remaining balance of £181,290.00 available.

6. WELLBEING OF FUTURE GENERATIONS IMPLICATIONS (INCORPORATING EQUALITIES, SUSTAINABILITY, SAFEGUARDING AND CORPORATE PARENTING)

The primary positive impact of the proposal, if implemented, will be to promote local prosperity and potentially in promoting local employment opportunities. See appendix for full evaluation.

7. CONSULTEES:

Whole Place Manager

Sevenside Whole Place Programme Board
Senior Leadership Team

8. BACKGROUND PAPERS:

'Caldicot Goes Pop!' business case (attached)

9. AUTHOR: Judith Langdon, Whole Place Officer

10. CONTACT DETAILS:

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Business Case

To: Severnside Program Board

Ref: Funding - Caldicot Goes Pop! - Enterprise and Empty Shop Project

Date: 26/02/2016

Purpose

Caldicot Town Team wish to apply for funding under S106 to run a project which will enable potential business start-ups to run a test trading retail unit or an event in a prominent location within Caldicot town centre with a view to revitalising the high street and improve both public and business perception and opportunities within the town.

Project Detail

The project is aimed at any community group, school, existing home business or individual within Severnside who has an interest in engaging and revitalising Caldicot, by offering them premises for up to a maximum of 1 week, free of charge to complete test trading.

Caldicot town centre (pedestrianised Newport Road area) currently has a vacancy rate of 9.6%. Of those occupied, 14.5% are taken up by A3/A4 class use (hot food/café)

By providing a ready-to-go shop unit, with no initial set up costs to the company/individual, we will be able to provide a viable, and exciting opportunity for all types of start-up businesses, ideas and even community events for the visitors of Caldicot. A complete advertisement package will be created advertising the shop, and what is taking place within it, to help maximise the potential for businesses/community groups that Caldicot town centre has to offer.

Business referrals, will be made to landlords within the town centre, should businesses/community groups want to take on a full time unit within the town.

Businesses would be charged at a rate of £10 per day, or £50 per week (whichever is cheapest) which would cover the costs of electricity and would contribute towards the rates and advertising budget. A Sub-let agreement would need to be signed by each business or community group

wishing to use the premises, which would cover the necessary terms and conditions. (See appendix for T&C's)

Finances

We have produced a budget of £4,446 which covers the entire cost of signage above the premises. Leaflet and brochure production, website and social media advertising, and newspaper adverts along with Rates, Rental and utilities. (Publication designs are currently being drawn up by pupils from local primary and secondary schools)

We would be eligible for the 80% rate discount as a charitable company. This will reduce the cost of rates down to from £7,230 to £1,446 for the year. (Calculation based on multiple of 0.482p) An added benefit to this, is the savings of £7,230 to the landlord as the property would be occupied, reducing the rates payable by landlord.

Ongoing running costs of the property are minimal, with just electricity and broadband to be paid. (We are anticipating wifi will be installed throughout the town, negating the need for broadband in the unit) A phone line will not be active.

Insurance quotes, including Public liability are around £650 for the year.

Caldicot Town Team have also applied for private funding through groups, these are currently ongoing. If successful the funds raised would be repaid to Monmouthshire County Council to replenish the S106 funding Pot.

Management

We have estimated that around 3 - 4 hours per week (average) will be required to manage this project, this takes into account bookings, signing and viewing agreements/insurances, meeting potential clients and advertising and marketing. We hope that this will be achieved and managed primarily by Directors, with the help and support of a local business within the town, acting as a key holder/caretaker.

Returns

Social and economic returns within the town will be a large part of the success of the project, with improved public perception, a decrease in empty retail units in the town and higher levels of footfall and income revenue for existing businesses.

With a rate of £10 pd/£50pw. Maximum income would be £3,650 or £2,600. Which would cover around 70% - 80% of the initial injection from S106 funding. Any extra income raised from donations or gifted funds would be invested into the continued running of this project or events/markets within the town. .

Results

To measure the success of the project, every business or community group that hires the use of the shop will complete a survey for us to understand the use, benefits they have received, footfall monitoring and the interest in the town. Referrals to landlords will also be documented in the survey.

Public perception and regular footfall counts will provide us with a clear view as to the success of the project, and will also hopefully provide us with more of an insight into what has or hasn't worked within the town centre.

Members of the public will also be asked to complete a survey over the space of the year to monitor what type of businesses make the biggest difference to the town centre, and to the buying habits of the public.

Summary

Caldicot Goes Pop! will take up a tenancy of 31 Newport road in Caldicot for a twelve month period, to enable start-up businesses/community groups, schools and university a prominent location with Caldicot for test trading of up to a maximum of one week. The project is expected to open during early March 2016. By providing this platform we are expecting businesses to seek further long term rentals within the town to continue trading. We will work with them and the landlord to provide pop up shops throughout the empty premises in the town. Funding will cover advertisement, rent, rates and utilities for 1 year. Current talks with potential businesses means we already have interest for around 5 weeks bookings, before official advertising has been released

Amount of funded requested:£4,446

Benefits: increased vibrancy and vitality within the town, fits with enterprise thread of Seven for Severnside plan. Provides a boost for local businesses and attracts new businesses to the area.

Recommendation: That the Programme Board agrees to the requested funding amount of £4,446 towards the Caldicot Goes Pop! Project.