



**SOUTH
KESTEVEN
DISTRICT
COUNCIL**



Council

Thursday, 23 May 2024

Report of Cllr Ashley Baxter
Leader of the Council, Cabinet Member
for Finance and Economic
Development

Grantham Market Place - Possible interventions to encourage footfall and support businesses

Report Author

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Purpose of Report

To consider potential support measures for local businesses that may be adversely affected by the redevelopment of the Market Place in Grantham through the Future High Street Fund.

Recommendations

That Full Council considers the options set out in paragraph 4 of this report in respect of potential support measures for local businesses who may be adversely affected by the current works of the Market Place in Grantham.

Decision Information

Does the report contain any exempt or confidential information not for publication?

No

What are the relevant corporate priorities?

Connecting communities
Sustainable South Kesteven
Enabling economic opportunities

Which wards are impacted?

Grantham St Wulframs;
and neighbouring wards

1. Implications

Taking into consideration implications relating to finance and procurement, legal and governance, risk and mitigation, health and safety, diversity and inclusion, safeguarding, staffing, community safety, mental health and wellbeing and the impact on the Council's declaration of a climate change emergency, the following implications have been identified:

Finance and Procurement

- 1.1 The Council has the authority to create a specific reserve but the use of the reserve will need to be underpinned by clear and transparent criteria to ensure its use is in accordance with the stated aims.
- 1.2 The Council has no power to suspend or waive business rates where businesses may be affected by temporary disruption. However, the businesses have been notified that they are able to contact the Valuation Office Agency and seek a reduction in their rateable value. Details can be found here: [Business rates: If your business or premises change - GOV.UK \(www.gov.uk\)](https://www.gov.uk/business-rates-if-your-business-or-premises-change)
- 1.3 The Council has committed over £379k of its own financial resources towards the FHSF projects so any further contributions will be additional to this amount.

Completed by: Richard Wyles, Deputy Chief Executive and Section 151 Officer

Legal and Governance

- 1.4 A clear criteria would need to be set associated with the allocation of any funds from the Council to independent businesses via an application process, as outlined in option 1 of this report under paragraph 4. The Council would also need to satisfy itself that any requirements associated with the Subsidy Control Act 2022 were met prior to the allocation of any funding being made through such a scheme.

Completed by: Graham Watts, Monitoring Officer

2. Background to the Report

- 2.1 In February 2021, Cabinet agreed a £5.56m Programme of Works in respect to the Future High Street Fund (FHSF), which would support a programme of improvements to Grantham Town Centre. This included £1.8m for the redevelopment of the Market Place. All schemes had to be financially complete by 31 March 2023.

- 2.2 The application was followed by a protracted grant acceptance process during which the Government issued and agreed a 'Memorandum of Understanding' with the Council. Further delays were caused by the Pandemic. Consequently the Council, along with many other Local Authorities, sought an extension to the programme until 31 March 2025. This was granted in February 2024.
- 2.3 The 'Market Redevelopment' scheme will see public realm improvements at the junctions of Conduit Lane and Market Place where it meets at West Gate, as set out in **Appendix 1**. The highway is being re-constructed by removing the existing tarmac surface and replacing it with a York stone sett paving design to match existing materials. The project will raise the current road height to deliver a single level structured, interconnected space, capable of delivering a regular Market and programme of town centre events.
- 2.4 As the Highway Authority, Lincolnshire County Council (LCC) are the Council's delivery partner and, following a competitive tender process, they have selected Taylor Woodrow as their contractor.
- 2.5 The works started on 7 May 2024 and are anticipated to take sixteen weeks. Assuming no delays, works should conclude by 19 August 2024. Whilst this is the advertised date 'on site', LCC have allowed for a longer programme of works, until 11 October 2024, to allow for any potential slippage in the scheme. Potential risks include unknown utility locations and ground conditions.
- 2.6 Since the contractors arrived on site the Council has received some criticism and concerns from businesses in the vicinity. These businesses feel the works are having a detrimental effect on their business, through reduced footfall and falling sales. This has led to concern over profitability and their ability to sustain activity over this period.
- 2.7 In applying to the FHSF the Council has committed £379,000 of 'match funding'. This funding provided for the employment of a 'Grantham Engagement Manager' and 'Support Officer', as well as the development of an 'Action Plan' to support businesses both during the works through engagement, marketing and events; and after; by creating opportunities to sustain activity to stimulate demand and interest in Grantham Town Centre. These activities would be devised with a stakeholder partnership known as a 'Town Team'.
- 2.8 Despite two attempts to recruit and retain a Grantham Engagement Manager, the post is currently vacant. A fresh recruitment process is underway, and it is hoped and appointment can be made by the end of May. In the interim, other Officers are progressing several activities to mitigate against any potential reduction in footfall including:
- 2.9 **Engaging with local businesses:**
- Officers have written to businesses to inform them about the works programme, distributed information through social media and regularly visited the locality to understand and respond to any raised concerns. The SKDC website has been

enhanced with information, news and will soon include a Frequency Asked Question section.

2.10 Engagement with LCC / Taylor Woodrow:

Officers continue to have bi-weekly meetings with LCC and Taylor Woodrow, to relay concerns and to gather up to date and accurate information on project progress. This enables Officers at SKDC to be able to disseminate this information to local businesses. These meetings will ensure that the Council is kept informed about any updates regarding the progress of the project.

2.11 Compensation:

Whilst no compensation is available from the Highway Authority, Officers have researched potential opportunities for temporary rate relief, which may be available from the Valuation Office, if their premises are affected by severe local disruption (like flooding, building or roadworks). Support will be offered to affected businesses to understand how this support can be accessed.

2.12 Communications:

In addition to the comprehensive Communication Plan, as set out in **Appendix 2**, Officers are developing a proposal to offer businesses in the vicinity of the Works, the opportunity of a short promotional video. Once produced, this will be available for use by individual businesses as well as the Council as part of the Communication Plan. The Council has already used social media to update residents about the roadworks and to clarify that the businesses remain open during the roadworks.

2.13 Events:

A street entertainment programme commenced on Saturday 18 May 2024 to support market traders and businesses in the vicinity of the works. This programme will run every Saturday between 10am and 2pm for a period of eight weeks until 7 July.

A wider programme of entertainment is being prepared for the Summer 2024 school holiday period. This will include a variety of events to encourage new and existing visitors to the Town Centre.

A launch event is being planned for the October 2024 school half term holiday. This will include events to encourage new and existing visitors to the Town Centre and will include a showcase 'Market Place Opening Event'.

2.14 Monitoring Footfall:

The Council has re-commissioned footfall data from a specialist provider, 'Visitor Insights', which will allow Officers the opportunity to continue to monitor footfall throughout the period of the works.

2.15 This activity represents a short to medium term approach, which will ensure economic activity is sustained, both in the areas affected and wider Grantham for

the duration of the works. Once the new Grantham Engagement Manager has been appointed, a medium to long term plan will be created. If additional funding becomes available, it could support this activity moving forward.

3. Key Considerations

- 3.1 Works only commenced on 7 May 2024 and the Council is only just beginning to implement mitigation actions, which it anticipates will help continue to attract visitors to the town. It is likely that it will be several weeks before the Council can properly ascertain the extent of any decline in footfall and sales figures.
- 3.2 Councillor Matthew Bailey recently submitted a request for an extraordinary meeting of the Council which proposed the creation of a Market Place Hardship Reserve, further details of which are set out in option 1 below. It was subsequently agreed that the item would be included on the agenda for the Annual Meeting of the Council on 23 May 2024.
- 3.3 If Council be minded to agree to the setting up of such a fund, it would be necessary to consider how this would be administered together with the need to consider eligibility, a process to establish harm and possible compensation levels, as well as a method of distribution.

4. Other Options Available

- 4.1 **Option 1:** To create a Grantham Market Place Hardship Reserve of £50,000 to be funded from the General Fund Local Priorities Reserve. This would directly support local businesses affected by a reduction in footfall during the roadworks.
- 4.2 **Option 2:** Not to set up a Market Place Hardship Reserve. The general rule is that there is no compensation if a business is affected by road works. Successive governments have taken the view that businesses should not have the right in law to any particular given level of passing trade, and that traders must take the risk of loss due to temporary disruption of traffic flows along with all the other various risks of running a business.
- 4.3 **Option 3:** Continue with the already identified mitigation measures and the activities to promote the Market Place in the short and medium term and defer any decision on establishing a Market Place Hardship Reserve until a clearer picture emerges of any harm being caused by the works.
- 4.4 **Option 4:** Not to set up a Market Place Hardship Reserve, but increase the budget available to the already identified mitigation measures and the activities to promote footfall to the Market Place in the short and medium term. The level of this increase and the policy on its deployment to be discussed at the next meeting of the FEOSC.

5. Reasons for the Recommendations

- 5.1 To allow Council to consider all options set out in section 4 of this report, including the creation of a Grantham Market Place Hardship Reserve as proposed by Councillor Matthew Bailey.

6. Background Papers

- 6.1 A report recommending the final options for the capital projects supported by the Future High Street Scheme in principle offer of up to £5,558,818. Report for Cabinet, dated 2 February 2021, available online at:

[Future High Street Fund.pdf \(southkesteven.gov.uk\)](#)

- 6.2 Report detailing proposals for submission of a bid for the Future High Streets Fund for Grantham Town Centre, including match funding. Report for Finance, Economic Development and Corporate Services Overview and Scrutiny Committee, published 22 November 2022, available online at:

[Agenda for Finance, Economic Development and Corporate Services Overview and Scrutiny Committee on Tuesday, 30th June, 2020, 10.30 am | South Kesteven District Council](#)

7. Appendices

- 7.1 Appendix 1: Works Diagram
7.2 Appendix 2: Communication Plan