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**REPORT TO: MORAY COUNCIL ON 6 MARCH 2024**

**SUBJECT: UK GOVERNMENT “OUR LONG-TERM PLAN FOR TOWNS”**

**BY: DEPUTE CHIEF EXECUTIVE (ECONOMY, ENVIRONMENT AND FINANCE)**

**1. REASON FOR REPORT**

- 1.1 This report asks Council to nominate elected members to sit on the Elgin Town Board and to note progress to establish the Board following the announcement on 1 October 2023 that Elgin is one of 55 towns in the UK to receive £20 million funding from the UK Government.
- 1.2 This report is submitted to Committee in terms of Section III(A)(2) of the Council’s Scheme of Administration relating to long-term financial plans.

**2. RECOMMENDATION**

**2.1 The Council is asked to:**

- (i) Note the progress in establishing an Elgin Town Board before the deadline of 1 April 2024;**
- (ii) Note the guidance in Appendix 1 as to representation on the Board;**
- (iii) Note the appointment of the chair of the Elgin Town Board will be done in consultation with our MP from those independent members to be invited to join the board as outlined in Para 4.4 ;**
- (iv) Note the proposed initial members of the Board;**
- (v) Note the proposed steps and timeline to prepare the 10 year vision and 3 year Investment Plan; and**
- (vi) Agree the nomination of elected members and nominated substitutes to represent the Council on the Town Board**

### **3. BACKGROUND**

- 3.1 The Long –Term Plan for Towns (LTTP) was published on 1 October 2023 and seeks to invest £1.1billion into 55 towns across the UK, including Elgin as one of seven towns in Scotland to each be awarded £20M.
- 3.2 The Plan recognises that through the governments existing programmes and lessons learned from other countries, the need for longer term funding certainty, building local partnerships, having a clear plan for delivery, joint working between central and local government and involving people and communities from the outset are key to success and have been embedded in the Plan.
- 3.3 A report to Council on 25 October 2023 (para 7 of minute refers) agreed that the Head of Economic Growth and Development liaises with the UK and Scottish Governments to progress governance arrangements to establish a Town Board.
- 3.4 Guidance was published on 18 December 2023, extracts relating to investment themes, Town Board governance and policy interventions are included in **Appendix 1**.

### **4. PROGRESS**

- 4.1 An initial informal Steering Group has met to help inform representation on the Board. The second meeting of the Group will agree representation in line with the Guidance and Council is asked to agree which elected members will sit on the Board. It is suggested that in order to maintain political balance on the group Members may wish to consider the Council Leader and Leader of the opposition, Members may consider having more than 2 Members on the board but this should be proportional to the size of the Board. At a recent webinar, it was suggested that between 2-4 elected members is proportional to a Board of around 15 members. The Board must be established by 1 April 2024 and will be able to consider Board representation through agreed Terms of Reference.
- 4.2 The Town Board is required to prepare a 10 year vision and a 3 year Investment Plan by 1 August 2024 and a timeline to draft, engage and finalise the Plan is set out in para 4.9. Members should note that the Plan is to be community driven, however where there is a staffing or other cost implication it is important that this is taken account of.
- 4.3 The Town Board is responsible for developing the Long-Term Plan, supported by the local authority. Town Boards should be chaired by an independent Chair, invited by the local authority and MP. It is proposed that the Chair will be chosen in consultation with our MP from the independent Members to be invited as outlined in para 4.4.

4.4 Board members must include the local MP, a senior Police representative and a maximum of two elected members. The Board can include a local MSP. It is proposed that the following organisations/ individuals are represented on the Board's first meeting and they then decide further representation from community and business, with sub-groups set up to ensure an inclusive approach is embedded;

- Angela Norrie, Elgin BID
- Jackie Andrews, Elgin Town Hall for the Community
- Alastair Kennedy, Elgin Community Council
- Police Scotland
- David Patterson, Moray College UHI
- Richard Lochhead MSP
- Douglas Ross MP
- NHS Grampian – representative TBC

It is proposed that in addition to the Head of Economic Growth and Development, the Transportation Manager, the Sport and Culture Services Manager and the Strategic Planning and Development Manager attend the Board. All officers will be advisers to the Board with no voting rights.

4.5 The Long-Term Plan to be developed will set out a 10 year vision and the 3 year Investment Plan will set out how the funding will be allocated and spent over the next 3 years. There are three investment themes: safety and security, high streets, heritage and regeneration and transport and connectivity. Interventions under these themes have already been assessed as having a strong case for investment, value for money and benefit to cost ratio and can be included in the Investment Plan. Any "off menu" interventions will require an outline business case to be provided. The UK Government will assess plans as they come in, and release 2024 to 2025 capital and revenue funding once plans are approved.

4.6 As well as being a member of the Town Board, the Guidance advises that MPs should be individually involved in reviewing the Long-Term Plan prior to submission. Each Long-Term Plan must list the MPs involved in the Town Board and whether each are supportive of the final Long-Term Plan submitted. Town Boards in Scotland and Wales may also wish to share their Long-Term Plan with the local MSP, although there is no requirement to do so.

4.7 While one or more MPs not supporting the Long-Term Plan will not prevent the UK Government considering it, the government is keen to see broad local consensus for the interventions put forward. In the absence of such agreement, Ministers reserve the right to defer sign off until broad consensus is secured.

- 4.8 The recruitment process for Levelling Up Fund project staff has started, subject to confirmation of funding, with the aim of establishing a core team for 3 years to be funded through the Levelling Up Fund and the LTTP capacity funding, working closely with services and other project managers to maximise outputs and evaluate outcomes.
- 4.9 The proposed timeline to develop the 10 year Vision and 3 year Investment Plan to meet the deadline is;
- Appointment of project staff - March 2024
  - Town Board established - before 1st April 2024
  - First Board meeting to agree Terms of Reference, project assessment criteria, governance and procedures - early April 2024
  - Board meeting to consider projects - late April 2024
  - Public engagement on projects - May 2024
  - Draft Investment Plan considered by Board - June 2024
  - Report draft Investment Plan to Council - June 2024
  - Finalise Investment Plan and 10 year vision and submit to UK Government - July 2024
- 4.10 Officers are liaising with other local authorities in Scotland on detailed governance arrangements.

## **5 SUMMARY OF IMPLICATIONS**

### **(a) Corporate Plan and 10 Year Plan (Local Outcomes Improvement Plan (LOIP))**

Town Centre regeneration is a key element of economic development which is a priority in the Corporate Plan. The funding could support employment, training and skills opportunities with regeneration of the town centre supporting and enhancing the regional role of Elgin as a place to live, work and invest.

Projects to support safety and security and transportation projects all support the Corporate Plan objectives for safer, connected communities.

A Community Wealth Building Plan will be developed to support the programme of projects seeking to maximise economic benefit.

### **(b) Policy and Legal**

The funding could support delivery of the statutory Moray Local Development Plan 2020 and the Elgin Transport Strategy and Active Travel Strategy.

Legal support will be required for any partnership projects, statutory processes and subsidy control advice may be required as the programme progresses.

### **(c) Financial implications**

The £20 million funding is 25% revenue and 75% capital. £50k capacity funding has already been received from the UK Government with a further £200k to be released on 1<sup>st</sup> April 2024. The £50k already

received will be used towards staffing costs set out in (e) to support the Board until the Investment Plan is submitted to the UK Government. It will be up to the Board how the £200k capacity funding is to be used.

Funding will be released over a 7 year period, and local authorities have the flexibility to spend it over 10 years. The local authority remains the accountable body for funding and executing plans.

Projects included within the Investment Plan may result in increased maintenance costs for the Council as previously reported and it is important that projects are designed from the outset to minimise ongoing costs to the Council and that the Council considers these costs.

**(d) Risk Implications**

There are a number of risks and opportunities including;

- A risk that the benefits of the £20M are not fully realised or evaluated- a detailed Monitoring and Evaluation Framework will be developed for the LTTP and for the much wider programme of activity including LUF projects and Moray Growth Deal projects.
- A risk that projects are not shovel ready- a project mandate will be prepared for all potential projects to be included in the Investment Plan and these will be scrutinised by the Board to ensure deliverable projects are included.
- A risk regarding inflation and construction costs, which will continue to be reflected in updated cost for projects including high optimism bias levels.
- A risk that the public are not engaged in the project- this will be managed through a strong and active Communications and Engagement Plan with dedicated 0.5 FTE staff resource funded through LUF and Moray Economic Partnership media budget. The local press have been very supportive and active on town centre regeneration projects and a partnership approach to communications and engagement will be key to keeping everyone informed and engaged as projects progress.
- An opportunity through the Moray Growth Deal, LUF and LTTP to develop and deliver a transformative programme of projects in Elgin. A joint approach to benefits realisation, monitoring and evaluation, Community Wealth Building and net zero will be promoted across the programme.

**(e) Staffing Implications**

Project management staff are being recruited to support and deliver the LUF projects and initial support for LTTP. This consists of a grade 11 Senior Project Manager and a 0.5FTE Project Officer, both 2 year contracts. In addition to this a 0.5 FTE Communications Officer post will be created to cover strategic economic growth projects, funded through Moray Economic Partnership media budget and LUF, also for 2 years.

Existing staff within Strategic Planning and Development, Community Support Unit, Transportation and Consultancy will continue to progress and deliver projects as part of their duties in delivering the Moray Local Development Plan 2020, Locality Plans, the ECCMP, Active Travel Strategy, Elgin Transportation Strategy, Surface Water Management Plan and their input and expertise will be required to develop details of projects. Sub groups are likely to be set up to develop and consider projects within the investment themes and Council officers time will be required to support this.

It is proposed that the Head of Economic Growth and Development will attend the Board, supported by the Transportation Manager, Sport and Culture Service Manager and Strategic Planning and Development Manager. All officers will attend in an advisory capacity with no voting rights.

The Investment Plan will have implications for Council services in administering the Funds, such as legal, finance and procurement and costs should be reimbursed through the capacity and revenue element of the funding.

**(f) Property**

None at this stage, however, Council owned property within the Town may be included within the Investment Plan.

**(g) Equalities/Socio Economic Impact**

The funding aims to support town centre regeneration and address economic disadvantage and in doing so, provide safer, more inclusive and accessible places.

An Equalities/ Socio Economic Impact Assessment will be undertaken on the Investment Plan.

**(h) Climate Change and Biodiversity Impacts**

Climate Change officers will be consulted on relevant projects within the Investment Plan and will also have the opportunity to propose projects for consideration by the Board. Projects within the themes are likely to offer significant opportunities to reduce carbon and enhance biodiversity.

**(i) Consultations**

The Depute Chief Executive (Economy, Environment and Finance), Head of Economic Growth and Development, Head of Governance, Strategy and Performance, Chief Financial Officer, Democratic Services Manager, Principal Climate Change Officer, Consultancy Manager, Sport and Culture Services Manager, Transportation Manager, Senior Engineer (Transportation), Senior Communications Officer and the Equalities Officer have been consulted and comments received have been incorporated into the report.

## **6. CONCLUSION**

- 6.1 The UK Government published “Our Long- Term Plan for Towns” which includes Elgin as one of 55 towns in the UK to receive £20M funding towards issues that matter most to local people, including high streets, heritage and regeneration, public safety and security and transportation.**
- 6.2 The Plan requires the Council to set up a Town Board by 1 April 2024 and prepare a 3 year Investment Plan by 1 August 2024.**
- 6.3 Work has progressed to establish the Board and this report asks Council to agree 2 elected members to represent the Council on the Board.**

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Background Papers:

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