

CIIr Steve Siddons

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Rt Hon Robert Goodwill MP

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Rt Hon Robert Jenrick MP

Secretary of State for Housing, Communities and Local Government

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Dear Cllr Steve Siddons and Rt Hon Robert Goodwill MP.

I am writing to inform you of the outcome of the Future High Streets Fund Competition.

Now more than ever, it is vital that we continue to support our town centres and high streets, so we can once again see them bustling and thriving. We recognise the significant impact COVID-19 is having on the businesses and communities that make them successful and that is why we have already provided a substantial £2bn support package. This includes a business rates holiday, cash grants, business, the job retention scheme as well as deferral of income tax payments. We have also provided an additional £1.1bn to local authorities via the Additional Restrictions Grant to provide wider business support, and more than £11.6bn has been dispersed in grants to just under 1 million businesses in England. On top of this, our £50m Reopening High Streets Safely Fund has ensured businesses have been able to trade safely.

As you are aware, you submitted a strong Expression of Interest and were therefore invited with 100 other places to submit a full business case for up to £25 million in capital funding. Our assessment process, as set out in the Future High Streets Fund business case guidance, ensured a balanced approach, taking account of value for money, the deliverability of projects and strategic fit with the fund. This assessment process also considered the supplementary information you provided through the clarifications exercise.

Whilst your business case met the gateway criteria, our assessment concluded that it unfortunately did not meet the stringent test for overall value for money required by the Treasury as a condition for the fund. As set out in the assessment criteria, a minimum central BCR of 2:1 was required (or between 1.5:1 and 2:1 where the business case evidenced a strong strategic case, significant non monetised benefits and a strong justification for a BCR below 2:1).

Our review of your business case and revisions (done in accordance with our value for money criteria and government guidance) highlighted issues with your BCR calculation, which demonstrated a lack of evidence to support a category of benefits included. Regrettably our assessment concluded your BCR did not therefore meet the minimum threshold.

The department is therefore unfortunately unable to award any funding on this occasion. I know this news will be disappointing and I have asked my officials to get in touch with yours following this letter, to provide detailed feedback. I hope this support will be useful to your council and help with future funding applications to the department.

The Government remains firmly committed to levelling up all parts of the UK and supporting a strong recovery from the effects of Covid-19. We were therefore very pleased to announce a £4bn Levelling Up Fund at the recent Spending Review. The detail of this is being worked through and will be made public in due course. There will be future opportunities through this fund to bid for investment and therefore you may well be able to make use of the work done already. I am also looking forward to shortly reviewing your town investment plan in your bid for up to £25m for Scarborough, as part of a Towns Deal.

I'd like to take this opportunity to offer my sincere thanks to you and your council for all the work you have put into the competition. I look forward to my department and Scarborough Borough Council continuing to work closely together, as we continue to help our local economies to recover, adapt and evolve from COVID-19.

I have copied this letter to Michael Greene, Chief Executive of Scarborough Borough Council.

RT HON ROBERT JENRICK MP