

**South Ayrshire Council**

**Report by Director of Strategic Change and Communities  
to Cabinet  
of 28 November 2023**

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**Subject: Business Relief Programme**

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**1. Purpose**

- 1.1 The purpose of this report is to note that a business relief programme to mitigate the impact of the transport restrictions as a result of the former Ayr Station Hotel fire was launched on 20 November 2023 (including direct business support and a package of town centre events, together with a marketing and communications plan) and to seek approval to fund this activity from former Covid 19 discretionary funds.

**2. Recommendation**

**2.1 It is recommended that the Cabinet:**

- 2.1.1 notes that a business relief programme to deliver support to Ayr town centre was launched on 20 November 2023;**
- 2.1.2 notes the funding of a range of activities in the town centre to drive footfall in the weeks up to Christmas, including free parking;**
- 2.1.3 notes the funding of a marketing campaign branded as ‘Ayr is open for business’ to further drive footfall;**
- 2.1.4 approves that funding for this will be provided by utilising the former Covid 19 discretionary grant fund for businesses which has remained unspent and carried forward since 2022 up to a total value of £389,000; and**
- 2.1.5 grants delegated authority to the Director of Strategic Change and Communities to consider any additional actions to support businesses and increase footfall utilising the remainder of this budget to a total value of £361,000(balance of Covid 19 discretionary funds).**

**3. Background**

- 3.1 The fire at the former Station Hotel in Ayr on 25 September has closed Ayr train station, resulting in a significant reduction in footfall, with a clear detrimental impact on retailers, particularly those based in and around the main walking thoroughfares to the town centre.

- 3.2 Whilst the disruption caused to rail travel will impact trade across the town centre, this is particularly acute in the immediate vicinity of the train station. Traders rely heavily on passengers exiting the train station. The challenge for traders is further compounded by road traffic restrictions. It is therefore proposed that an emergency business support package is provided to support businesses most impacted by reduced pedestrian flows resulting from the closure of Ayr Train Station.
- 3.3 Retail sales across key areas of the town are impacted. This is due to ongoing travel disruption through road closures, making access to Ayr town centre by foot, bus, car and train more difficult. With the road disruption forecast to continue throughout November and December, support is needed to develop a programme of activities and a marketing campaign to bring footfall into Ayr for the busiest retail time of the year.

#### **4. Proposals**

- 4.1 The Council previously received discretionary funding to support businesses affected by Covid19 and economic shocks. Of the discretionary funding received, £750,000 remains unallocated. It is proposed to allocate £389,000 from the remaining balance to fund a programme of support that will mitigate the damage incurred as a result of the Ayr Station Hotel fire. A £250,000 relief scheme has been established. A further £50,000 has been allocated for Ayr Town Centre events and £50,000 allocated for marketing and comms activities to create a compelling campaign to attract shoppers into Ayr throughout the festive period. In order to further encourage people to visit Ayr, parking charges will be waived from Sunday November 19 until Monday 8 January 2024. It is anticipated that this will require an additional £39,000. Details of the Business Relief Programme are set out in [Appendix 1](#).
- 4.2 Members are asked to grant delegated authority to the Director of Strategic Change and Communities to consider any additional actions to support businesses and increase footfall utilising the remainder of this budget to a total value of £361,000 (balance of Covid 19 discretionary funds).

#### **5. Legal and Procurement Implications**

- 5.1 Grant conditions and an award letter will be drafted in conjunction with Legal to support grant awards.
- 5.2 There are no procurement implications arising from this report

#### **6. Financial Implications**

- 6.1 The total Covid19 Discretionary Business Grant Fund uncommitted reserves now stands at £750,000. The Business Relief Programme requires a budget of £389,000 from this uncommitted reserve which will be allocated as follows:
- £250,000 for direct grants to companies most affected. The grant amounts are determined using the methodology set out in [Appendix 1](#);
  - £50,000 for events activities that will increase footfall into town;
  - £50,000 for marketing and promotion to attract people into Ayr; and
  - £39,000 for the estimated shortfall as a result of offering additional free parking in Ayr to encourage footfall.

6.2 In the interest of expedience, the business grants have been initially funded through the Economy and Regeneration base budget. This enabled the programme to be launched expeditiously and, if the proposed funding is approved, ensure that the Economy and Regeneration/ Marketing, Ayrshire Roads Alliance and DSA budgets are reimbursed for any costs incurred during the intervening period.

## **7. Human Resources Implications**

7.1 Not applicable.

## **8. Risk**

### **8.1 *Risk Implications of Adopting the Recommendations***

8.1.1 The recommendations will target relief to those businesses most affected by the Ayr Station fire. There is a risk that demand for support will exceed the allocated amount. If this risk materialises, it will be mitigated by director discretion, to expand the allocated budget up to £750,000.

### **8.2 *Risk Implications of Rejecting the Recommendations***

8.2.1 The risks associated with rejecting the recommendations are that businesses are at risk of insolvency or are likely to lay off staff. Rejecting the recommendations increases the risk of both job and business losses in the region.

8.2.2 Rejecting the recommendations risks closure of independent retail premises in the town centre, weakening the towns appeal and retail offer.

8.2.3 Rejecting the recommendations may impact on the reputation of the Council and leave core budgets in Economy and Regeneration/Marketing and DSA with overspend issues if Covid Recovery monies are not reallocated in support.

## **9. Equalities**

9.1 The proposals in this report have been assessed through the Equality Impact Assessment Scoping process. There are no significant potential positive or negative equality impacts of agreeing the recommendations and therefore an Equalities Impact Assessment is not required. A copy of the Equalities Scoping Assessment is attached as [Appendix 2](#).

## **10. Sustainable Development Implications**

10.1 ***Considering Strategic Environmental Assessment (SEA)*** - This report does not propose or seek approval for a plan, policy, programme or strategy or document otherwise described which could be considered to constitute a plan, programme, policy or strategy.

## **11. Options Appraisal**

11.1 An options appraisal has not been carried out in relation to the subject matter of this report.

## 12. Link to Council Plan

12.1 The matters referred to in this report contribute to Priority 2 of the Council Plan: Live, Work, Learn.

## 13. Results of Consultation

13.1 There has been no public consultation on the contents of this report.

13.2 Consultation has taken place with Councillor Bob Pollock, Portfolio Holder for Economic Development, and Councillor Ian Davis, Portfolio Holder for Finance, ICT and Procurement, and the contents of this report reflect any feedback provided.

13.3 Consultation has also taken place with Councillor Julie Dettbarn, Chair of the Financial Inclusion MOWG, and the contents of this report reflect any feedback provided.

## 14. Next Steps for Decision Tracking Purposes

14.1 If the recommendations above are approved by Members, the Director of Strategic Change and Communities will ensure that all necessary steps are taken to ensure full implementation of the decision within the following timescales, with the completion status reported to the Cabinet in the 'Council and Cabinet Decision Log' at each of its meetings until such time as the decision is fully implemented:

<i>Implementation</i>	<i>Due date</i>	<i>Managed by</i>
Launch Business Relief Fund	20 November 2023	Service Lead - Economy and Regeneration
Deliver Events to increase Footfall	15 December 2023	Service Lead - Destination South Ayrshire
Deliver Promotions to increase Footfall	18 December 2023	Service Lead - Organisational Development and Customer Services

**Background Papers**      **Report to Cabinet of 29 August 2023 - [Covid-19 Recovery Project and LACER Funding Review](#)**

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**Date: 22 November 2023**

## **Ayr Station Closure - Business Relief Programme**

### **Background**

The main exit from Ayr Train Station leads directly on to Smith Street. The fire at the Train Station Hotel on the 25th of September has closed Ayr Train Station, resulting in a significant reduction in footfall, with a clear detrimental impact on retailers, particularly those based around the main walking thoroughfares to the town centre.

Whilst the disruption caused to rail travel will negatively impact trade across the town centre, this is particularly acute in the area closed to the train station, with traders in this area relying heavily on those exiting the train station for sales. The challenge for traders is further compounded by road traffic restrictions. It is therefore proposed that an emergency support fund is provided to support those businesses most impacted by reduced pedestrian flows resulting from the closure of Ayr Train Station.

Whilst direct business support is proposed for those businesses worst affected by the station closure, retail sales across the town will also be impacted. With the station forecast to be closed for a period of 9 weeks covering the vital festive period, measures to encourage footfall into the town are also required.

A programme of additional events in the town centre has been developed, to encourage more people to overcome travel restrictions and drive footfall into the town centre, supported by a wider promotional scheme.

### **Budget Requirement**

- Ayr Station Closure - Business Relief Fund: £250,000
- Events Budget : £50,000
- Marketing and Promotion: £50,000

### **Ayr Station Closure – Business Relief Fund - £250,000**

#### Boundary of Scheme

This grant is specifically aimed at businesses based in the following locations in Ayr; Smith Street, Burns Statue Square, Parkhouse Street, Killoch Place, Alloway Street, Kyle Street. (Includes Burns Statue Arcade off Burns Statue Square and Cow Wynd off Alloway Street).

Businesses on Smith Street are deemed to be most impacted by the closure of the main exits from Ayr Train Station and as such will receive increased financial support. Likewise, the closure of Station Bridge Road is directly impacting either side of station bridge.

The scheme will be restricted to the following post codes:

#### **Area 1**

KA7 1TF – Smith Street

KA7 1SU – Burns Statue Square (businesses based between numbers 35 and 47 ONLY)

#### **Area 2**

KA7 1SU – Burns Statue Square

KA7 1SW – Burns Statue Arcade

KA7 2EA – Killoch Place

KA7 1RS & KA7 1RZ – Kyle Street  
 KA7 1SH & KA7 1SP – Alloway Street and Cow Wynd  
 KA7 2HH – Parkhouse Street  
 KA7 2EU (13 Beresford Terrace ONLY)  
 Beresford Terrace (North of Traffic Lights at junction of Beresford Terrace and  
 Parkhouse Street ONLY)

**NOTE:**

Given the closure of station bridge, two key businesses, will be considered for a one-off payment. Respectively £10,000 and £5,000.

**Criteria of Scheme**

The programme will provide a payment to qualifying businesses within the geographical boundary described above.

Grant values will vary depending on proximity to the Ayr Train Station and impact of reduced footfall relating to nature of trade.

Grant values will be determined on the following criteria:

**AREA 1 – Maximum impact area**

Smith Street, south of the Kyle Street junction and business based between 35 and 47 Burns Statue Square

**Value of Grant**

Main trade is the sale of small value goods. Grant Award: £5,000

Main trade is the sale of small value services, delivered onsite. Grant Award: £3,000

**AREA 2**

**Value of Grant**

Rateable Value over £18,000 main trade is the sale of small value goods. Grant Award: £3,000

Rateable Value over £18,000 main trade is the sale of small value service, delivered onsite: Grant Award: £2,000

Rateable Value under £18,000 main trade is the sale of small value goods. Grant Award: £2,500

Rateable Value under £18,000 main trade is the sale of small value service, delivered onsite: Grant Award: £1,500

**Non Eligible Businesses**

**Professional Services**

As grants are aimed to compensate businesses due to reduction in footfall, it is assumed that only minimal disruption to trade will have been experienced by professional service businesses, such as Estate Agents, Accountants, Legal Services and Travel Agents. As such, these businesses are not eligible for direct financial support through this scheme.

### Taxi Drivers

Taxi Drivers impacted by the closure of the Ayr Station Taxi rank, are also not eligible under this scheme. While disruption to normal trading conditions will have had some detrimental impact, the mobile nature of these businesses minimises the impact.

### National Chains

The scheme aims to support local independent traders. As such national chains are not eligible for funding. Local franchise owners are however eligible.

### Application and Appraisal Process

The scheme utilises procedures developed for the Small Business Grant, delivered during the Covid-19 pandemic. Alterations to procedures have been reviewed with internal audit prior to scheme launch.

Given the urgent nature of the scheme, an emailed application form is used to instigate the process and the appraisal follows previously established Covid-19 response guidelines. Appraisals are carried out by Business Gateway Advisors, with verifications carried out by two Economy and Regeneration Officers and the Economy and Regeneration Service Lead.

### **Events Activity Budget: £50,000**

Whilst the businesses on the main throughfare routes from Ayr Train Station are those impacted the most, the closure of Ayr Train Station is impacting on trade throughout the town as consumers are put off by the additional travel burden. To drive footfall to the affected area, a more compelling reason to overcome travel restriction must be given. A programme of events is now being delivered over the festive period. This aims to drive footfall into the top of the town.

### **Marketing and Promotion of Ayr: £50,000**

Informing South Ayrshire residents and beyond of events taking place, travel information and appealing to them to support the town during this challenging period, is be key in driving footfall. An additional marketing and promotional budget has been assigned to promote the town during the festive period.

**South Ayrshire Council  
Equality Impact Assessment  
Scoping Template**

Equality Impact Assessment is a legal requirement under the Public Sector Duty to promote equality of the Equality Act 2010. Separate guidance has been developed on Equality Impact Assessment's which will guide you through the process and is available to view here: <https://www.south-ayrshire.gov.uk/equalities/impact-assessment.aspx>

Further guidance is available here: <https://www.equalityhumanrights.com/en/publication-download/assessing-impact-and-public-sector-equality-duty-guide-public-authorities/>

The Fairer Scotland Duty ('the Duty'), Part 1 of the Equality Act 2010, came into force in Scotland from 1 April 2018. It places a legal responsibility on Councils to actively consider ('pay due regard to') how we can reduce inequalities of outcome caused by socio-economic disadvantage, when making strategic decisions. [FSD Guidance for Public Bodies](#) in respect of the Duty, was published by the Scottish Government in March 2018 and revised in October 2021. See information here: <https://www.gov.scot/publications/fairer-scotland-duty-guidance-public-bodies/>

### 1. Policy details

Policy Title	Ayr Station Hotel Fire - Business Relief Programme
Lead Officer (Name/Position/Email)	Calum.McPhail@south-ayrshire.gov.uk

**2. Which communities, groups of people, employees or thematic groups do you think will be, or potentially could be, impacted upon by the implementation of this policy? Please indicate whether these would be positive or negative impacts**

Community or Groups of People	Negative Impacts	Positive impacts
Age – men and women, girls & boys	-	-
Disability	-	-
Gender Reassignment (Trans/Transgender Identity)	-	-
Marriage or Civil Partnership	-	-
Pregnancy and Maternity	-	-
Race – people from different racial groups, (BME) ethnic minorities and Gypsy/Travellers	-	-
Religion or Belief (including lack of belief)	-	-
Sex – (issues specific to women & men or girls & boys)	-	-



Sexual Orientation – person’s sexual orientation i.e. LGBT+, lesbian, gay, bi-sexual, heterosexual/straight	-	-
Thematic Groups: Health, Human Rights & Children’s Rights	-	-

**3. What likely impact will this policy have on people experiencing different kinds of social disadvantage i.e. The Fairer Scotland Duty (This section to be completed for any Strategic Decisions). Consideration must be given particularly to children and families.**

Socio-Economic Disadvantage	Negative Impacts	Positive impacts
Low Income/Income Poverty – cannot afford to maintain regular payments such as bills, food, clothing	-	-
Low and/or no wealth – enough money to meet Basic living costs and pay bills but have no savings to deal with any unexpected spends and no provision for the future	-	-
Material Deprivation – being unable to access basic goods and services i.e. financial products like life insurance, repair/replace broken electrical goods, warm home, leisure/hobbies	-	-
Area Deprivation – where you live (rural areas), where you work (accessibility of transport)	-	-
Socio-economic Background – social class i.e. parent’s education, employment and income	-	-

**4. Do you have evidence or reason to believe that the policy will support the Council to:**

General Duty and other Equality Themes Consider the ‘Three Key Needs’ of the Equality Duty	Level of Negative and/or Positive Impact (High, Medium or Low)
<b>Eliminate unlawful discrimination, harassment and victimisation</b>	Low
<b>Advance equality of opportunity</b> between people who share a protected characteristic and those who do not	Low
<b>Foster good relations</b> between people who share a protected characteristic and those who do not. (Does it tackle prejudice and promote a better understanding of equality issues?)	Low
Increase participation of particular communities or groups in public life	Low

Improve the health and wellbeing of particular communities or groups	Low
Promote the human rights of particular communities or groups	Low
Tackle deprivation faced by particular communities or groups	Low

### 5. Summary Assessment

<b>Is a full Equality Impact Assessment required?</b> (A full Equality Impact Assessment must be carried out if impacts identified as <b>Medium and/or High</b> )	<b>NO</b> <input type="checkbox"/>
<b>Rationale for decision:</b>  <b>This report recommends that Cabinet approve changes to a previously agreed funding. Members' decision on this has no specific equality implications</b>	
<b>Signed :</b> Calum McPhail <b>Coordinator Economy Development</b>  <b>Date:</b> 09 November 2023	