

Town Deal Agenda

Thursday, 9 December 2021 at 10.00 am

Via Microsoft Teams

For further information, please contact Hastings Town Deal: Towndeal@hastings.gov.uk

		Page No.
1.	Welcome and apologies 10:00	
2.	Declarations of interest 10:05	
3.	Minutes of the last meeting (3rd November) and matters arising 10:10	1 - 4
4.	Programme progress update 10:20 <ul style="list-style-type: none">• Town Deal Grant Funding Agreement• Project update• Decisions of the Town Deal Investment Panel – statement to the board• Project progress report by theme/project• Communications update	5 - 12
5.	Any other business 10:45	
6.	Date of next meeting: TBC	

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Agenda Item 3 Public Document Pack

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Present:

Carole Dixon (Co-chair)	Hastings Community Network
Graham Peters (Co-chair)	Team East Sussex
Andrew Harvey	New River REIT
Carole Crathern	NHS East Sussex CCG
Catherine Parr	Hastings Business Improvement District
Clive Galbraith	Hastings Area Chamber of Commerce
Cllr Kim Forward	Hastings Borough Council
Helen Kay	Hastings Opportunity Area
James Harris	East Sussex County Council
Jane Hartnell	Hastings Borough Council
Jess Steele	Heritage Action Zone
Kate Adams	Hastings and Rother Cultural Leaders Group
Liz Coleman	Hastings and Rother Interfaith Forum
Sally-Ann Hart	MP for Hastings and Rye
Sean Dennis	Hastings Area Chamber of Commerce
Stuart Mitchell	New River REIT
Terry Hume	Public Health East Sussex

Others in attendance:

Rebecca Collings	Towns Hub Coordinator
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HBC Programme Team present:

Chantal Lass
Hannah Brookshaw
Ian Sycamore
Pranesh Datta
Ruth Kynoch
Stephen Dodson
Allison San Diego

64. WELCOME AND APOLOGIES

As this is the last meeting Rebecca Collings will be attending as Town Hub Coordinator, thanks were extended to her and the Towns Hub team for all of the support it has given to Hastings Town Deal from the very early stages and during the development of the Town Investment Plan. Rebecca in turn wished Hastings well with the next stages of business case development and project delivery.

Apologies were received from:

Candice Miller, Dan Shelley, Darrell Gale, Francis Brown, Liz Gilmore, Lourdes Madigasekera-Elliott, Sonia Blizzard, Steve Manwaring and Victoria Conheady

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65. MINUTES OF THE LAST MEETING (24TH AUGUST) AND MATTERS ARISING

Accepted as an accurate record.

There were no matters arising.

66. PROGRAMME PROGRESS UPDATE

a. Town Deal Grant Funding Agreement

Pranesh Datta updated:

- The Grant Funding Agreement (GFA) is yet to be received from the Department of Levelling Up, Housing and Communities (DLUHC), although it has been indicated that our submission has been approved and it is expected that the details of the GFA will mirror our submission. The GFA will be circulated once it is received
- Late notification was received that an offer of 5% of the grant value will be available to support development of projects. This has been offered to all project leads
- Project completion date is still expected to be March 2026, despite the delays
- It is hoped the submission of summary documents will be streamlined and be submitted on a programme theme level rather than on a project by project basis – confirmation is awaited. This will reduce the need to hold board meetings for each business case approval. Pranesh apologised for the delays and for having to move meetings around so much to accommodate the Towns Fund processes

Authority is sought for the Co-Chairs to sign the GFA on behalf of the Town Deal Board, provided there is no significant change from our submission. This was agreed by the meeting.

Jess Steele advised of the difficulties experienced by Hastings Commons due to the delay in the announcement of the outcome of the Community Renewal Fund bids, which has been expected since last August.

MP Sally-Ann Hart advised that she continues to lobby regarding this matter and there have been a lot of complaints from other MPs. She has been advised that there has been a lot of uptake, the bids are being considered and an announcement is expected soon.

Jane Hartnell offered to write to the Secretary of State on behalf of the Town Deal Board expressing the difficulties and asking for the timescales for delivery of projects to be extended.

Action: Jane Hartnell

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b. Decisions of the Town Deal Investment Panel

As agreed at the June board meeting, responsibility to assess business cases was delegated to the Town Deal Investment Panel.

Pranesh confirmed that the panel met on 21st October and assessed and approved the first two fast-track business cases (Hastings Coworking and Innovation Space and Churchfields Business Centre Incubation Units).

The meeting ratified the decision of the Investment Panel. Jess Steele abstained from the ratification, due to a conflict of interest.

It was explained that a meeting for all project leads has been set up for later this month and that it had been difficult to set this up initially due to the delay in receiving successful confirmation of our project profile submission.

Kate Adams queried whether the business cases included inclusive measures such as access and disability access. For instance, the Courtyard development does not have any disability access.

Pranesh explained that accessibility was asked to be arranged as part of the Courtyard development. Unfortunately, due to funding falling short this was not possible but as part of our project re-profile, funds were requested to go towards provision of lift access to the Courtyard. In terms of other projects, there is an equalities statement and equalities measures that projects are asked to address. With regards to the two business cases that have already been approved, confirmation will be sought that suitable access will be provided. **Action: Pranesh**

The importance of ensuring that the design of developments is scrutinised was noted and the investment panel will ensure it will take an even more robust approach than it already has.

c. Project Progress Report by theme / project

The timeline of business case submission was presented. It was noted that these are currently indicative and may be subject to change.

d. Communications update

Hannah Brookshaw updated:

- The blog and social media channels are continuing to get good engagement and the number of followers and views continues to increase
- The Tone of Voice guide has been updated and will be circulated shortly
- The programme team was invited by the Towns Hub to give a presentation on Hastings Town Deal branding as an example of one of the strongest in the programme
- One condition in the Heads of Terms was to consider how we are going to address encouraging more private investment in the town. The Town Investment Plan has attracted some positive attention, and conversations with different levels and size of investors are underway. Support is also being

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received from the Towns Hub through workshop sessions with potential investors

- The project leads meeting will be an opportunity to link with other project leads and find out more about each other's projects

67. NEXT STEPS

Pranesh explained the next steps:

- Offer of 5% upfront payment to project sponsors for project development if required (conditions and arrangements to be confirmed) – the offer is being kept open to allow project leads further time to consider this
- Continuing with business cases for all projects – Mott MacDonald have been working with project leads to assist with the development of their business cases. It has been noted that the economic case has proven to be difficult to complete and a workshop for project leads will be arranged
- Project leads meeting – is taking place at 11am on 23rd November 2021
- Establishing the Town Deal Programme Team – a report was approved by HBC Cabinet last Monday, 1st November to start organising delivery of the programme, subject to receipt of the GFA
- Drafting each project's Grant Funding Agreement, including detail of claims process – work is now in progress
- Programme level Equalities Impact Assessment and project level, where required – the team are looking at which projects will need these, and work will start soon
- Base line for Monitoring and Evaluation – basic evaluation criteria and measurements have been signed up to, although these may change and further guidance is still awaited. Project leads will be kept in the loop
- Planning Performance Agreements with project leads – a survey will be sent to project leads to help identify the challenges and what additional support will be needed for each project. A planning officer will be asked to attend one of the project leads meetings to talk about any issues from their perspective

68. DATE OF NEXT MEETING:

10am, Thursday, 9th December via Microsoft Teams

Agenda Item 4

Report Title: Programme progress update to Hastings Town Deal Board

Date: 9th December 2021

Report by: Town Deal Programme Team

1. Town Deal Grant Funding Agreement

Hastings Borough Council received a Grant Funding Offer letter 15th November 2021. Copy attached – Appendix 1.

The board is requested to note the offer letter for reference. Some questions remain on the cash flow arrangements to the council and these will be discussed with DLUHC and the local lead as appropriate.

Key highlights as stated previously:

- Approval of all projects submitted – with a grant value total of £23.01m
- Approval of Management Allowance totalling £1.215m over 5 years
- Programme completion by March 2026
- Confirming with DLUHC how they would like the summary documents submitted

2. Project update

- a. Project 'kick off meetings' with approved projects instigated
- b. Churchfield Business Centre – construction on site
- c. Request for 5% project development upfront contribution received from HBC (Town Centre Core projects); Hastings Commons (combined Town to Sea Creative Quarter projects), East Sussex College Group, ESCC – public realm and garden town project
- d. Planning Performance Agreement – survey questions sent to all project leads to assess needs
- e. First project lead meeting held on 23rd Nov 21
- f. Minister Neil O'Brien has asked for a fortnightly highlight report on the progress of town deals – this will be prepared by our local lead contact at DLUHC with input from the programme team

3. Decisions of the Town Deal Investment Panel – statement to the board

The Town Investment Panel is a subgroup of the Town Deal Board. It has been given delegated responsibility to assess business cases and make final recommendations on projects together with the accountable body (HBC) and its representative - the section 151 officer.

This note is to confirm the decision of the Town Investment Panel and the Section 151 officer.

The Town Investment Panel met on 9th November 2021 to consider the business case for Priory Meadow Phase 1a, a ‘fast track’ project. The business case was approved as representing high value for money, with a high level of certainty around achieving that value for money. There is also alignment with the strategic objectives of the Town Investment Plan as well as national, regional, and other local policy. Summary details of the project and assessment is below.

Project Business case assessment report: November 2021

The Priory Meadow Phase 1a business case has been independently assessed by Steer Group* and have been recommended for approval by the Town Deal Investment Panel and confirmed by HBC’s S151 Officer as able to proceed to delivery and implementation.

The overall assessment of the economic case is that the scheme will deliver a high benefit cost ratio of >2.0, taking account the need for intervention, outputs and outcomes. It presents high value for money. Risks that were identified on the first review have been discussed in a feedback meeting and resolved. “Therefore, it is our assessment that this project represents **high** value for money, with a **high** level of certainty around achieving that value for money”.

Project name and sponsor	Description	Assessment comments	Proposed outputs and outcomes	Project cost and Towns Fund offer
Priory Meadow Phase 1a New River REIT / HBC	The project will transform 20,00 sq ft of vacant retail space in the former New Lock premises in Priory Meadow Shopping Centre into a Job Centre Plus on the ground floor and a proposed 24-hour budget gym on the first floor.	Alignment with national, regional, and local policy has been provided and is compelling. The project supports realisation of the principles of the Hastings Town Investment Plan, including Inclusive Economic Growth and Health and Wellbeing. As a shovel-ready project, the immediate job creation would support local and regional policies (e.g., Hastings & Rother Task Force Six Point Plan). Revitalisation of Hastings town centre, a more deprived area, aligns with the government’s ‘levelling up’ agenda to reduce regional disparities post-pandemic. Carbon neutral construction processes	<ul style="list-style-type: none"> Transformation of 20,000 s.q ft of vacant retail space to office and commercial leisure facility Increased footfall, spend, and no of jobs in the town centre from investment Total of 79 FTE gross jobs growth is expected in the Town centre. Sum total: <ul style="list-style-type: none"> 75 jobs DWP (mix of part-time and full time equivalent to 40 to 45 FTE Jobs) 16 jobs Gym group and 18 additional indirect jobs from 	Project value £990,000 Towns Fund grant £337,000 New River REIT private match £750,000

		<p>support the national aims for net zero carbon by 2050.</p> <p>A strong evidence-based case for change has been made regarding the declining retail economy and the need for greater diversity by utilising vacant retail space. The intervention is needed to stimulate stronger footfall in the town centre and ultimately contribute to Hastings' recovery from the pandemic.</p>	<p>economic boost and presence of offer / service / employment</p> <ul style="list-style-type: none"> • Uptake of health and fitness among residents 	
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The Town Deal Board is requested to note the decisions of the Town Investment Plan as the project will now proceed with the implementation of the two projects detailed.

The accountable body will supply a summary document containing details of these projects to DLUHC in due course. The summary document to be signed by the Town Deal Board co-chairs prior to submission when all the sub projects in the programme theme has had their business cases approved.

4. Project Progress Report by theme / project

Project (programme) theme	Project Title	Fast-track	Business case indicative submission date - updated
Enterprise & Employment infrastructure	Hastings co-working, flexible office, community space	Yes	24/09/2021
	Churchfields (fast-track)	Yes	27/09/2021
	Enterprise Space, Ponswood	Yes	26/11/2021
Green Low Carbon Skills and Economy	Green construction, energy and vehicle training centre	No	20/12/2021
	Broadening Futures Together	Yes	20/12/2021
Hastings Castle World Heritage Destination	Hastings Castle	No	21/02/2022
Town to Sea Creative Quarter	OB Creative Digital Hub	No	14/04/2022
	Cambridge Rd (Eagle Hse)	No	14/04/2022
	12 Claremont	No	14/04/2022
Town Centre Core	Wellington Place/Sports Direct	No	23/05/2022
	Priory Street/ESK	No	23/05/2022
	Priory Meadow shopping centre	No	14/03/2022
	Priory Meadow shopping centre (Fast Track element)	Yes	07/10/2021
Town Centre Public Realm and Green Connections	Public Realm & Green connections	No	23/05/2022
Town Living	Town Living	No	14/03/2022
Accelerator Project extension	The Courtyard (the Source) installation of lift	Yes	N/A

5. Communications update

Update to be given verbally in meeting



Department for Levelling Up,
Housing & Communities

**Department for Levelling Up,
Housing and Communities**

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www.gov.uk/dluhc

Graham Peters, Carole Dixon
Co-Chairs, Hastings Town Deal Board

Tel: 0303 444 0000

Jane Hartnell
Managing Director, Hastings Borough Council

11 November 2021

Dear Mr Peters, Ms Dixon & Ms Hartnell

Re: Hastings Town Deal Grant

Thank you for confirming the projects you wish to take forward as part of Hastings Town Deal.

Further to the Heads of Terms issued on 8 June 2021 and subject to completion of the conditions and satisfactory Summary Documents, Department for Levelling Up, Housing and Communities ('DLUHC') agrees to allocate funding up to **£24.3 million** across financial years 2021/22 to 2025/26. Please note that first payments for projects will be subject to DLUHC's review and approval of Summary Documents and monitoring & evaluation plan. Following that, payments in future years will only be made subject to satisfactory spend and progress against agreed project milestones, outputs and outcomes.

The indicative allocation for each year, based on the information you have provided to date, is set out in Annex A. The agreed funds will be issued annually as non-ringfenced grant payments under **Section 31 of the Local Government Act 2003**. It is for Section 151 officers to determine eligible project expenditure, but this must be within the total Town Deal award and must support the projects agreed by DLUHC.

DLUHC's requirements of the Town Deal Board and its accountable body:

- The accountable body must implement for each business case the project assurance process specified in the Heads of Terms. After that the accountable body must submit to DLUHC the [Summary Documents of the business cases](#). The accountable body need not submit Summary Documents for projects for which DLUHC has already requested a full business case. I encourage you to complete this process as quickly as possible, and my team stand by to support you.
- DLUHC should be **notified in writing of the dates when you expect to submit summary documents**, either through CLGU Leads or directly to the Towns Fund inbox. This will ensure that summary document review by DLUHC can take place in a timely way and funding can be released, subject

to the documents being approved. The Department should also be notified if these dates change at any point.

- Submit any planned changes to spend, outputs or outcomes, cost-benefit projection/value for money, or the monitoring and evaluation plan as a project adjustment request to the relevant Towns Fund lead. Note that if the proposal is to cancel or replace a given project, DLUHC cannot guarantee that equivalent funding will be assigned to alternative projects.
- Pay due regard to responsibilities under the accountable body's **Public Sector Equality Duty** as set out in **Section 149 of the Equality Act 2010** when apportioning Town Deals funding.
- Comply with DLUHC's mandatory **monitoring and evaluation** requirements, signing up to a monitoring and evaluation plan including relevant indicators and targets for these indicators, and reporting twice a year on inputs, activities and outputs. This includes collecting accurate data and using the agreed metrics and methods as set out in our [M&E guidance](#) shared in April 2021. DLUHC reserves the right to quality assure data and conduct site verifications. Subsequent grant payments will be made after the annual reporting cycle has concluded.
- Adhere to the [Towns Fund Communication and Branding Guidance](#) issued in May 2021.

I would encourage you to start preparing your summary documents as soon as possible, taking advantage of the support on offer from your named lead. The documents should be submitted by email to towns.fund@communities.gov.uk, **no later than 30 June 2022**.

I would like to thank you again and look forward to working with you to make your plans a reality.

Yours sincerely,



Beatrice Andrews

Deputy Director - Funding Delivery, Cities and Local Growth Unit

Department for Levelling Up, Housing and Communities

Enc. Annex A - Financial profiles

Annex A Financial profiles

Total budget	20/21(£)	21/22 (£)	22/23 (£)	23/24 (£)	24/25 (£)	25/26 (£)	Total (£)
	-	2,350,800	6,760,000	8,067,400	4,603,500	2,518,300	24,300,000

Project	Total (£)
Enterprise and Employment Infrastructure	1,082,500
Green Low Carbon Skills & Economy	2,945,100
Hastings Castle World Heritage Destination	3,325,000
Town to Sea Creative Quarter	3,852,300
Town Centre Core	8,000,000
Public Realm and Green Connections	2,815,100
Town Living	1,000,000
*Accelerator Project Extension (Source Park courtyard lift installation)	65,000
Programme Management	1,215,000
Total	24,300,000

RDEL/CDEL	20/21(£)	21/22 (£)	22/23 (£)	23/24 (£)	24/25 (£)	25/26 (£)	Total (£)
RDEL	-	174,000	350,000	320,000	259,000	139,000	1,242,000
CDEL	-	2,176,800	6,410,000	7,747,400	4,344,500	2,379,300	23,058,000

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