

Report to: Cabinet

Date of Meeting: 6th January 2020

Report Title: Town Deal

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Purpose of Report

Hastings is one of the only 101 towns eligible to bid for up to £25 million from the Town Fund which was launched by the government in November 2019. This report sets out the purpose of the fund, and both the partnership and work arrangements which need to be put in place to access the Town Fund.

This is a significant opportunity to help kick-start the next phase of Hastings' regeneration using the drawdown of the Town Fund and leveraging of other public and private investment to maximise its impact.

The report seeks both support for the 'direction of travel' and authority to spend up to £173,029 'capacity' funding in delivering a successful town bid.

Recommendation(s)

1. To delegate authority to the Director of Operational Services or his nominee in consultation with the Lead Member for Regeneration and Culture to:
 - Establish a Town Board and agree its membership with the relevant partners including with local businesses and the community.
 - To procure services and expertise to develop a Town Investment Plan and agree the Town Deal using the £173,029 awarded by the government to support this initiative.
 - To establish a project team to oversee the development of the plans and its implementation in conjunction with the County Council and other partners as appropriate.

Reasons for Recommendations

1. The government recently launched the Towns Fund with the objective of driving the economic regeneration of towns such as Hastings and delivering long term economic and productivity growth. The Towns Fund will provide up to £25 million public investment by central government through the agreement of a Town Deal.
2. There is also the possibility of additional funding which may come from other sources or branches of government and private investment, to support the implementation of a Town Deal. It offers an opportunity for Hastings to address many of the remaining social and economic challenges in the town as a whole.

Introduction

1. The government announced the launch of the Town Fund on 6th September 2019. It published the prospectus for the fund on 1st November 2019, inviting 101 towns to develop proposals for a Town Deal, as part of the £3.6 billion Fund. The Fund will provide towns with the tools to design and deliver a growth strategy for their area.
2. Hastings is one of the eligible towns and the Fund will provide up to £25 million public investment through the agreement of a Town Deal. It is anticipated additional public funding opportunities will be aligned to the objectives of the Town Deal, for example, a Town Deal could be part funded by the Town Fund, National Lottery Funds, Arts Council England, Shared Prosperity Fund, other grants and private investment sources etc.
3. The final Town Deal agreed with the government will depend on comprehensive regeneration plan for Hastings for which the Town Fund provides an element of public investment.
4. It is expected that the agreed Town Deal will be an important strategic and a 'call for action' document for the council and partners for the next five to ten years. It will represent our vision, ambition, corporate priority and a significant amount of our resource commitment over the short and medium term. It will also join up many of the 'asks' in our Local Plan, Corporate Plan and our various strategies including the Anti-Poverty Strategy, Housing Strategy and the Climate Change Strategy. It will be our 'go to' document mapping out our ambitions for the future in concrete programmes of activity. It will also be our prospectus to funders and investors showing Hastings is open for business.
5. It will deliver jobs, homes, skills and action to reduce our carbon emissions. It must include activities which ensure residents in the outer areas of the town directly benefit from the proposed investment.
6. Seven towns in the South East LEP area can bid for the Towns Fund; being Colchester, Grays, Harlow, Hastings, Margate, Newhaven and Tilbury.
7. The attached link provides further information to the Town Fund prospectus:
<https://www.gov.uk/government/publications/towns-fund-prospectus>
8. The government has also indicated that further guidance will be published on the fund sometime in early January 2020.

Objective of Town Fund

9. The objective of the Fund is to drive the economic regeneration of towns to deliver long term economic and productivity growth through:
 - i. **Urban regeneration, planning and land use:** ensuring towns are thriving places for people to live and work, including by increasing density in town centres; strengthening local economic assets including local cultural assets; site

acquisition, remediation, preparation, regeneration; and making full use of planning tools to bring strategic direction and change

- II. **Skills and enterprise infrastructure:** driving private sector investment and ensuring towns have the space to support skills and small business development
- III. **Connectivity:** developing local transport schemes that complement regional and national networks, as well as supporting the delivery of improved digital connectivity.

Preparing for a Town Deal

10. This first part of the Town Deal has a 2 stage process:

- **Stage 1:** Convene a board; work with the community to develop a well-evidenced Town Investment Plan. This will set out a clear understanding of the area, focusing on its assets, opportunities and challenges.
- **Stage 2:** Use Town Investment Plan to develop business case(s) to apply for funding for interventions (further guidance to be issued in early 2020).

11. HBC has been provided with £173,029 'capacity funding' to prepare for the town deal and to deliver the following:

- A. Convene Town Deal Board
- B. Run business and wider community engagement events
- C. Develop Town Investment Plans
- D. Commission technical expertise for business case development.

12. It is proposed to procure the support of experienced consultant and technical expertise to develop the programme. The 'capacity funding' will be used to both employ a company with the range of experience to deliver the above and to cover additional HBC internal resourcing requirement. The final proposals will face scrutiny by the Treasury and need to match the standard of evidence in its ['Green Book'](#).

Timeline (current pre-election government)

13. The government's Town Deal prospectus sets out the initial timelines for agreeing Town Deals:

- Capacity funding distributed to Lead Councils in November 2019
- Readiness checklist completed by 19th December 2019
- All towns to have established and held the first Town Deal Board meeting by end of January 2020
- All towns to have completed Town Investment Plans by end of summer 2020.

14. The timelines are subject to further guidance being published in January 2020.

Town Deal Board

15. The government's prospectus strongly suggests that a Town Deal Board be established using key existing partnerships that may already be present in the town.
16. The Town Deal Board will be the vehicle through which the vision and strategy for the town is defined. It will produce a Town Investment Plan and inform the Town Deal, including the amount of investment secured through the Towns Fund.
17. Its key tasks will be as follows:
 - A. Develop and agree an evidenced based Town Investment Plan
 - B. Develop a clear programme of interventions
 - C. Coordinate resources and influence stakeholders.
18. The Town Deal Board will serve as an advisory function to Hastings Borough Council as the lead authority and programme management for the Town Fund and Deal. However, it will be a body of real significance locally, regionally and with government and critical to the development of a programme with wider buy in.
19. It is suggested that the Board be established by utilising the capacity and roles of existing partnership structures such as the Hastings Local Strategic Partnership, Hastings and Rother Task Force, Hastings Opportunity Area, and other related partnerships. It is critical not to produce another initiative focused board, but work with partners in a strategic and resource efficient way. Given the timescales set by the government, the work to establish the board has been commenced.

Lead Authorities Roles

20. HBC is expected to be the lead authority and take the management role for the Town Fund. This includes taking responsibility for procuring, managing and maintaining all the support services until the Investment Plan is agreed and business plan produced. Responsibility for programme delivery will be identified in the final Town Deal agreement and its implementation plans. More guidance is expected from the government regarding delivery structures.
21. A deal developed in co-operation with East Sussex County Council is essential as the tier of Local Government leading on transport, education, digital skills, and public health. Early discussion at officer level has been very positive.
22. Close co-operation will other partners including the Local Enterprise Partnerships will be required to ensure the Town Fund augments draws down other funding, which places a sharp focus on joined up working at all levels in order to maximise the value and impact of the programme to Hastings.

Timetable of Next Steps

23. Please include a list of key actions and the scheduled dates for these:

Action	Key milestone	Due date (provisional)	Responsible
Preparing the 'readiness check list'	Submission of the checklist to central government	19 th December 2019	Victoria Conheady – Assistant Director
Town Deal Board	Consulting on the board with partners Agreeing the Terms of Reference and establishing the Board	December 2019 / January 2020 31 st January 2020	Victoria Conheady – Assistant Director
Town Investment Plan	Publication of the Investment Plan and the draft proposal for the Town Deal	Summer 2020	Town Board Supported by - Pranesh Datta, Economic Development Manager
Town Deal	Negotiation and agreement of the Town Deal proposal with the government	2020/2021	Simon Hubbard, Director of Operational Services

Wards Affected

All

Implications

Please identify if this report contains any implications for the following:

Equalities and Community Cohesiveness

The Town Deal should directly address issues of social mobility, skills and access to local jobs in maximising its impact. If other funding streams are also brought into play, it will also address wider health and wellbeing issues.

Risk Management

As part of the project, management process a governance structure including a risk log and assessment will be developed and maintained from the outset.

The initial risks relate to the establishment of a cohesive board and procuring the level of special expertise and leadership to support the development of the Investment Plan and the Town Deal. The government has not yet fully published all its guidance and until this is available, a full assessment of any potential risks is not possible.

Economic/Financial Implications

This fund has the potential to lever investment of up to £25m of government funds as well as further public and private investment. The development of the bid should carry no financial implications and the deal itself will need to address the cost of the council resourcing this programme.

Human Rights Act

n/a

Organisational Consequences

Officer resources will be required to deliver and manage the Town Deal work, as detailed above. Arrangements will be made for both the development phase and then for the longer term programme. The council will seek to fund additional cost pressures from the fund itself where this is legitimate.

Local People's Views

The guidance clearly identifies the need for community engagement, as well as involvement of current structures. The Town Board will need to identify the consultation and communication strategies to ensure public awareness and engagement is maximised.

In the meantime, officers have produced a communications plan from mid-December until end of January, which will be updated and continue to be a living document as further guidance is released by government.

The communication plan currently includes:

- Production of a Town Deal webpage and Frequently Asked Questions which will sit in the Regeneration area of the website, along with a homepage banner. This will go live on 20 December in line with the publication of the Cabinet papers.
- Issuing of a press release, in line with publication of cabinet papers, informing the public about the Town Deal fund and the Council's intention (subject to Cabinet approval) to develop a town deal bid and set up a board as per the prospectus guidance
- Councillors briefing informing them about the fund and the key messages
- Setting up and holding a Town Deal board meeting by the end of January 2020, publish board structure and governance documents on the council's website.

Anti-Poverty

The Board will need to consider how the needs of the most excluded can be built into the thinking of the draft Deal.

Climate Change

The Town Investment plan will be informed by our developing climate change strategy. This includes consideration of potential investment options in renewables, development and encouragement of low carbon buildings and transport infrastructure assets.

Additional Information

The attached link provides further information to the Town Fund prospectus:

<https://www.gov.uk/government/publications/towns-fund-prospectus>

Officer to Contact

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