

**Report Title: Programme progress update to Hastings Town Deal Board**

**Date: 9<sup>th</sup> December 2021**

**Report by: Town Deal Programme Team**

## **1. Town Deal Grant Funding Agreement**

Hastings Borough Council received a Grant Funding Offer letter 15<sup>th</sup> 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 23<sup>rd</sup> 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 9<sup>th</sup> 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"> <li>Transformation of 20,000 s.q ft of vacant retail space to office and commercial leisure facility</li> <li>Increased footfall, spend, and no of jobs in the town centre from investment</li> <li>Total of 79 FTE gross jobs growth is expected in the Town centre.</li> </ul> Sum total: <ul style="list-style-type: none"> <li>75 jobs DWP (mix of part-time and full time equivalent to 40 to 45 FTE Jobs)</li> <li>16 jobs Gym group</li> <li>and 18 additional indirect jobs from</li> </ul>	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"> <li>• Uptake of health and fitness among residents</li> </ul>	
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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