

North East Derbyshire District Council

Cabinet

5 December 2019

Towns Fund Board

Report of Councillor Martin Thacker MBE JP, Leader of the Council & Portfolio Holder for Overall Strategic Leadership

This report is public

Purpose of the Report

- To update Cabinet on the Government's Towns Fund allocation for Clay Cross.

1 Report Details

- 1.1 On 6 September 2019 the Government announced that 101 places had been invited to develop proposals for a new generation multi-million pound Town Deal and confirmed that Clay Cross was included in this list.
- 1.2 On 1 November 2019 the Government released the Towns Fund Prospectus which set out more details of the proposals for creating a sustainable future for the 101 towns contained within the Programme. The Prospectus states that through the £3.6 billion Towns Fund investment programme a Towns Deal securing investment from the Towns Fund of up to £25 million per place can be agreed. The Prospectus states that this is dependent on Government receiving high quality proposals that meet the objective of the Fund. The Prospectus sets out the process for agreeing a Town Deal, indicating that it will operate in two-stages with Government providing further guidance on stage 2 in due course. The Prospectus sets out the two stages as follows:

Stage 1; providing capacity support to places to put the structures and vision in place in order to move to the next stage of agreeing a Deal.

Stage 2; places to use their locally owned Town Investment Plan to put together a business case to apply for funding for interventions.

Further details of the Prospectus are available from:

[MHCLG - Towns Fund Prospectus](#)

- 1.3 The capacity funding and support allocated to the District Council is £140,000. This funding is allocated according to population size using the Office for National Statistics' categorisation of small, medium and large towns. It can be used to support

the development of proposals for a Town Deal. The Prospectus states that in the development of a proposed Town Deal the District Council, as the lead Authority, will be required to develop a Town Deal Board which will serve as an advisory function and will be the vehicle through which the vision and strategy for the Town will be defined. This Board will produce a Town Investment Plan which will inform the Town Deal proposals including the amount of investment to be secured through the Towns Fund. The role of the Town Board is to:

- Develop and agree an evidenced based Town Investment Plan
- Develop a clear programme of interventions
- Coordinate resources and influence stakeholders

1.4 The Clay Cross Town Deal Board will cover the area as defined by the Office of National Statistics, and a copy of the area is provided at **Appendix 1**. As lead Authority, the District Council will convene the Town Deal Board and make arrangements for its governance structure and its decision-making processes. Additionally, the Town Deal Board will align its standards and policies with the District as the lead Council around ethical standards for Board members and conflicts of interests and complaints.

1.5 The Prospectus provides guidance on who should be represented on the Town Deal Board, recognising that no two towns are the same, and that where there are successful partnerships in existence these should be built upon. The Prospectus sets out the following requirements and guidelines in relation to Town Deal Board composition.

Town Deal Boards must include:

- **Other tiers of Local Government:** We expect all tiers of Local Government to be a part of the Town Deal Board:
 - **Town and Parish Councils:** Town and Parish Councils have an important role to play in convening stakeholders and providing localised perspective, as they are closely connected to the communities they serve.
 - **Upper-tier Authorities:** bring crucial understanding of the important role towns play within the wider regional economy – as well as strategic leadership and powers that will be of value to the partnership.
 - **Mayoral Combined Authorities and Combined Authorities:** provide a strategic overview of an area and many hold powers that will be critical to delivering the Towns Fund e.g. transport.
- **Members of Parliament:** The MP (or MPs) representing the town should be invited to engage in the process of designing and agreeing the Town Investment Plan.
- **Local businesses and investors:** Driving economic growth and building productivity will require entrepreneurship and investment from business. It will therefore be essential to draw on their leadership and capability to help understand challenges and develop the key proposals. Existing investors currently active in the area also have an important role to play; their experience of driving development in specific regions should be drawn on to identify the best

uses of public and private funds. We expect to see representation on Town Deal Boards through large employers and SMEs.

- **Local Enterprise Partnerships (LEPs):** LEPs bring a strong specialism in economic development strategy, business engagement, and the local skills system – through Skills Advisory Panels – ensuring Town Investment Plans are informed by local economic strategies e.g. Strategic Economic Plans and Local Industrial Strategies.
- **Communities:** Each town will decide how best to involve their local community, building on the MyTown campaign. Communities should have a meaningful role in decision-making for the future of their town, and Town Deal Boards should draw on the local knowledge and insight that communities can provide on the barriers to driving local growth and productivity. We expect this to be achieved by including community representatives from prominent local civic and faith organisations in the governance structure, such as representatives from local community forums, voluntary and community sector organisations, or Councils of the Voluntary Sector.

Town Deal Boards may also include (either in their governance structure or in their engagement activity):

- **Jobcentre Plus:** provide information on working with people furthest from the labour market, and work closely with the voluntary and third sector to support people into work.
- **Anchor Institutions:** have strong convening power, as well as a significant role in the local economy. They may include:
 - The wider business community
 - Universities and Further Education Colleges
 - Academies and Schools
 - Hospitals
 - Development corporations
 - Local sports teams
 - Cultural and creative institutions
 - Housing sector including housing developers and housing associations
- **Arms-length bodies and other non-departmental government agencies:** such as Homes England, the Environment Agency, and the Historic England have expertise in delivering interventions, and existing place-based networks across the country, which can bring local expertise, as well as the ability to engage with issues at a regional level.
- **Other private investors and developers:** national or international private investors and developers should be engaged early to understand their requirements for investment and identify the best use of public and private funding.

1.6 As lead Authority the District Council will be required to publish the Town Deal Boards governance structure and ways of working, and whilst the Town Deal Boards serves as an advisory function to the lead Council, its members will be expected to adhere to the Nolan Principles and it will be required to have clear Terms of Reference and agree to a Code of Conduct for its members.

1.7 At this time the proposed potential membership of the Town Deal Board is being considered further giving regard to the guidance within the Towns Fund Prospectus. The Prospectus requires that the first meeting of the Town Deal Board should be convened and have taken place before the end of January and therefore, as reflected in the Recommendations, the Chief Executive in consultation with the Leader will finalise proposals for its membership and first meeting.

1.8 **Town Investment Plans**

1.8.1 The Town Deal Board will be required to develop a well-evidenced Town Investment Plan, setting out a clear understanding of the area that focuses on its assets, opportunities and challenges.

1.8.2 The amount of investment from the Towns Fund that can be secured will depend on the strength of the Town Investment Plan which should set out the investment priorities that could drive economic growth within the town. The Investment Plan will need to be supported by clear evidence showing how targeted investment into the economic infrastructure meets the objectives of the Fund.

1.8.3 The Town Investment Plan should complement other pre-existing strategy documents for the area and align with the Local Industrial Strategy and other key strategic documents that support economic growth. Additionally proposed investment from the Towns Fund should be aligned with the Government's clean growth objectives where possible, whilst ensuring that projects deliver good value for money, and as a minimum must not conflict with the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.

1.8.4 Furthermore, the Investment Plan should capture existing Government and local initiatives and suggest better ways of coordinating investments within the town. The Prospectus indicates that the Town Investment Plan will include:

- Background, context and evidence of need for suggested interventions
- A vision for the town, complementing agreed or emerging local economic strategies
- A high-level description of priority areas for the short, medium and long term, including:
 - Activity that can be locally funded
 - Projects that could be supported by public investment (including through the Towns Fund), with high level cost estimates

1.8.5 Government will publish additional guidance and more details on these interventions setting out details of the capital revenue split, with further business case guidance in due course. At this point, Town Investment Plans will be further developed to add detail to the priorities that could be funded through the Fund and capital projects are expected to be at the core of the projects submitted for Town Deal funding.

1.8.6 The Prospectus sets out clearly that lead Councils and the Town Deal Boards should seek to engage actively with private investors and developers early, and as part of

this engagement, opportunities for private investment should be identified collaboratively.

- 1.8.7 When Government released the Towns Fund Prospectus they also requested that each lead Authority submit a readiness questionnaire in order to gauge each town's preparedness for the Town Fund process.
- 1.8.8 The readiness form was intended to capture information about where each town stands in relation to the key actions required to develop and agree a Town Deal (such as forming a Board and developing a Strategy). The questionnaire contained 47 questions which provided information to enable Government to quickly identify places that already had relevant arrangements in place and allow more time to those places that were less ready. This questionnaire was returned by the deadline of 19 November.
- 1.8.9 In their communications to the lead Authorities Government also launched the MyTown Campaign to provide communities with the opportunity to share pride in their town and provide ideas for Town Deals. This would be delivered through the MyTown Facebook and Twitter pages as well as an online platform that would be launched in due course. This would support Local Authorities with their engagement activities. Each Local Authority was asked to name a communications contact to assist with the MyTown Campaign and also to identify a lead officer for day-to-day contact for the Towns Fund as part of the submission for the readiness form.

2 Conclusions and Reasons for Recommendation

- 2.1 The Towns Fund Prospectus sets out clearly the expectations of the Council as the Lead Authority and the timeline for establishing the Town Deal Board and the Investment Plan. As the Town Deal Board has to be convened by the end of January 2020 and the Town Investment Plan completed and submitted by summer 2020, the recommendation reflects these requirements.

3 Consultation and Equality Impact

- 3.1 At the time of writing this report there are no immediate consultation and equality impact issues, as this is not a change to Council policy but an implementation of a Government initiative.
- 3.2 In determining the membership of the Town Deal Board the Council will give due regard to its equality duties where possible to ensure that it reflects these.

4 Alternative Options and Reasons for Rejection

- 4.1 Given the requirements within the Prospectus and the significant funding that could be available to Clay Cross it is of strategic importance to the Council that it actively participates in the Towns Fund process, therefore there is no alternative option.

5 Implications

5.1 Finance and Risk Implications

- 5.1.1 There are no immediate finance and risk implications arising from the information and actions detailed within this report. However, going forward it is important that the Town Deal Board is convened correctly and any future Investment Plan is substantiated by evidence which supports its vision and the requirement for funding interventions.
- 5.1.2 It is essential that the Council is able, in working in partnership with the Town Deal Board, to provide high quality proposals to meet the objectives of the Government fund and that it will follow further guidance that will be published by Government in due course.
- 5.1.3 It is essential that the Investment Plan and its proposals align with the objectives of the Towns Fund because if it does not it will be unlikely that any Towns Fund allocation will be agreed.

5.2 Legal Implications including Data Protection

- 5.2.1 There are no immediate legal implications arising from this report however, as set out previously, the Town Deal Board will be convened by the lead Council with its governance and decision making processes being made public. Furthermore, the Town Deal Board will be required to align with the governing standards of the Council including its policy around whistleblowing, conflicts of interest and complaints. Therefore, further work will be required to clarify these governance structures and ensure that members of the Town Deal Board are aware of their responsibilities and their requirement to behave in line with an agreed Code of Conduct based on the Nolan Principles.

5.3 Human Resources Implications

- 5.3.1 There are no immediate human resource implications in relation to the proposals within this report and the additional £140,000 Capacity Funding can be used to assist with the work that is required to develop the Town Deal Board and also the Town Investment Plan. However, at the time of receiving the Capacity Funding the Council was undertaking a restructure of its Senior Management Team, particularly focusing on economic growth and regeneration. Consequently, consideration will be given to whether some interim additional is required that could be financed through savings from vacancies within the Senior Management structure.

6 Recommendations

6.1 That Cabinet:

- (1) Requests that the Chief Executive, in consultation with the Council's Leader, finalise arrangements for the Town Deal Board membership taking into account the guidance within the Prospectus.

- (2) Receives a further report on the composition of the Town Deal Board and proposals for the development of the Town Investment Plan and its scope and aspirations at a future Cabinet meeting.

7 Decision Information

<p>Is the decision a Key Decision? A Key Decision is an executive decision which has a significant impact on two or more District wards or which results in income or expenditure to the Council above the following thresholds: BDC: Revenue - £75,000 <input type="checkbox"/> Capital - £150,000 <input type="checkbox"/> NEDDC: Revenue - £100,000 <input type="checkbox"/> Capital - £250,000 <input type="checkbox"/> <input checked="" type="checkbox"/> Please indicate which threshold applies</p>	No
<p>Is the decision subject to Call-In? (Only Key Decisions are subject to Call-In)</p>	No
<p>Has the relevant Portfolio Holder been informed</p>	Yes
<p>District Wards Affected</p>	Clay Cross
<p>Links to Corporate Plan priorities or Policy Framework</p>	Yes

8 Document Information

Appendix No	Title	
1	Map of Area	
<p>Background Papers (These are unpublished works which have been relied on to a material extent when preparing the report. They must be listed in the section below. If the report is going to Cabinet (NEDDC) or Executive (BDC) you must provide copies of the background papers)</p>		
None		
Report Author		Contact Number
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Appendix 1

