

Clay Cross Town Board

Investment Plan Framework

Board Paper – 19th June 2020

1. *Background*

The £3.6 billion Town Fund has been established to enable towns to address growth constraints through Town Deals. Up to £25 million is available for each town and will help to **drive sustainable economic regeneration of towns and deliver long term economic and productivity growth**, with a focus on regeneration, improved transport, better broadband connectivity, skills, enterprise and culture. There is a clear focus on sustainability and commitment to achieving net zero carbon emissions by 2050. In addition, the guidance emphasises the importance of ensuring that the strategy will support town centre viability.

The Town Deal Board will be the vehicle through which the vision and strategy for the town is defined. The Board will oversee production of the Town Investment Plan (or the Plan), which will be the basis upon which the Town Deal is agreed with Government. The Plan will set out a comprehensive investment programme for each town including private, public and third sector schemes.

Initial guidance¹ was issued by Government which provided information about the two-stage process for agreeing a Town Deal. The first stage involves the preparation of the Town Investment Plan and the second the development of a Town Fund Business Case based on the selected content of the Plan, as agreed with government.

Further guidance has now been published providing further detail in relation to the process, eligibility criteria and the structure of the Investment Plan. It reinforces the emphasis on effective engagement, based on a clear stakeholder engagement plan, as a key factor when government assesses and agrees the Town Deal.

The Town Board has begun the process of establishing a vision for Clay Cross and scoping potential areas of intervention. Based on continued baseline analysis, this will provide the platform for developing the Investment Plan.

2. *Towns Fund Further Guidance*

Updated guidance has now been issued by MHCLG to enable towns to finalise Investment Plans and work with the Ministry for Housing, Communities and Local Government (MHCLG) to agree the Town Deal. Key points outlined within the updated guidance are detailed in Table 1.

¹ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/843843/20191031_Towns_Fund_prospectus.pdf

Table 1: Summary of key issues within updated guidance

Theme	Investment Plan requirements
Process and pathway	<p>The updated guidance provides clarification in relation to the pathway for agreeing the Town Deal and starting implementation (Annex 1). The process is structured in two phases:</p> <ol style="list-style-type: none"> 1. Development of the Investment Plan overseen by the Town Board. The Plan will be assessed by MHCLG and terms offered where submissions are of sufficient quality²; 2. Development of business cases for projects, which will allow Government to release funding for implementation. <p>The guidance indicates that MHCLG will accept submissions in three cohorts (July, October and January) at a point at which the Plan is appropriately developed. Support will be provided to the Boards through the Towns Hub to inform an assessment of readiness.</p>
Intervention framework	<p>Guidance confirms that towns can develop proposals for up to £25 million from the Towns Fund (or more in exceptional circumstances), which levels of funding determined based on the quality of the proposed interventions.</p> <p>The Towns Fund is available for 6 years from 2020-21. It is expected that the Fund will focus primarily on infrastructure, with 90% expected to comprise capital funding. Some revenue funding may be made available in to support capital projects.</p> <p>Interventions should be feasible and sustainable in the long-term, building on existing assets and strengths, setting out a well evidenced theory of change</p> <p>The investment framework within the guidance outlines potentially appropriate interventions and the outcomes that should be evidenced.</p>
Investment Plan structure and aspirations	<p>Guidance sets out clear expectations for the structure of the investment plan. This is outlined below.</p> <p>The investment plan should:</p> <ol style="list-style-type: none"> i. Include long-term strategic planning, and be based on sound evidence and analysis, with an understanding of the town's context. It should also include a set of intervention proposals with a clear strategic fit, guided by evidence of 'what works' or by case studies of success from elsewhere. ii. Demonstrate how programme and project-level planning responds to Covid-19 impacts in the short, medium and long term, and how it supports recovery and aligns with clean growth principles. iii. Make clear the unique characteristics and assets of the town and set a path towards a realistic and sustainable future for the local economy, bearing in mind local assets. iv. Maximise the contributions from a variety of local stakeholders, demonstrating their buy-in and setting ambitions for ongoing collaboration. v. Take into account all published guidance relating to clean growth and community engagement. Each element should be related to the local context. vi. Make a case for an appropriate amount of Towns Fund investment based on need, evidencing other available funding.

² Where Investment Plan submissions are not deemed to be of sufficient quality, the Town Board will be offered one further opportunity to submit.

Table 1: Summary of key issues within updated guidance

Theme	Investment Plan requirements
Alignment and linkages	<p>The plan should act as a ‘wrapper’ for a wider programme of intervention, based on other public or private funding sources:</p> <ul style="list-style-type: none"> • Maximising leverage in support of local priorities - Towns Fund investment may help ‘crowd-in’ and leverage other sources of funding, leading to synergies, win-wins and multiplier effects. • Established funding sources - the Investment Plan should indicate where there is overlap with other government interventions and the potential for alignment. • Sequencing funding processes – timescales for funding should be noted in the Investment Plan alongside details of any linkages, synergies or interdependencies • Co-funding and match funding should be used where possible - there is no minimum private sector investment or match funding, but attempts to secure private investment should be evidenced
Assessment criteria	<p>The criteria for assessing the Investment Plan and associated evidence base is outlined in Annex C of the guidance, focused around:</p> <ul style="list-style-type: none"> • Impact – including evidence of need and the scale of opportunity; • Strategy – the strength of the vision and economic rationale, coherence of the plan based on the linkages between needs and interventions, and alignment with other initiatives; and • Partnerships – strength of collaboration with communities and stakeholders, as well as evidence of collaboration with the private sector. <p>The project approval process will take into account:</p> <ul style="list-style-type: none"> • the level of alignment with the intervention framework; • the use of evidence on what works and/or good practice; • indicative benefit cost ratio (BCR) – grounded in sound judgements about additionality; • technical quality; and • the scale of outputs and outcomes proposed and whether the full potential for match funding has been leveraged.

3. Structure of the investment plan

Based on the updated guidance, the proposed structure for the Investment Plan is outlined in Table 2. The guidance indicates that the Plan should be prepared in two sections:

- **Section 1** – outlining current conditions within the designated area, focusing on challenges and strengths, detailing the strategic ten-year vision for the town, and setting out a robust delivery framework underpinned by engagement;
- **Section 2** – details of projects and a prioritisation of interventions, including likely value for money and funding arrangements.

It is envisaged that the investment plan will be prepared as a clear and relatively concise document, supported by appropriate evidence and technical reports in the form of appendices. This could include (amongst other things) market analyses, details about the governance and delivery arrangements, including membership of key groups, and letters of support.

Table 2: Investment Plan Structure

Town Investment Plan: SECTION 1	
1. Context analysis	<ul style="list-style-type: none"> • Map of agreed town boundary and other relevant context • The main challenges facing the town • Evidence of need, relevant to proposed projects • The town's assets and strengths • Key opportunities for the town
2. Strategy	<ul style="list-style-type: none"> • Town vision, and headline outcomes and/or targets for 2030 or beyond • Strategy, outlining strategic planning, objectives and targets, spatial strategy, underlying evidence, analysis and rationale, and a description of priority areas for the short, medium and long term. • Mapping of all strategies, partnerships, programmes and investments relevant to the vision and strategy, and how they will be aligned
3. Engagement and delivery	<ul style="list-style-type: none"> • Clear evidence of buy-in from local businesses and communities, description of how they have been engaged throughout the development of the plan, and how engagement will continue • Demonstration of commitments from private sector stakeholders, and ambitions for private-sector investment going forwards • High-level plan of business case development and appraisal for each project including the identification of the accountable body • High-level delivery plan with justification of deliverability
Town Investment Plan: SECTION 2	
4. Prioritised list of projects	<p>For each project, the Investment Plan should set out:</p> <ul style="list-style-type: none"> • Project description, rationale and alignment with intervention framework • Theory of Change, projected outputs and outcomes • Estimates of project costs, timescales, spend profile, and estimated BCR • Funding secured from other sources • Community and private sector involvement and major interdependencies • Scoring as a basis for prioritisation

4. Vision, Priorities and emerging proposals

To provide strategic guidance and governance, the Clay Cross Town Board (CCTB) has been established, made up of key stakeholders drawn from public and private sector partners. The CCTB has collectively established its priorities for Clay Cross:

- Use of existing public assets, with new development focused on the town centre;
- Skills and training for the 21st century;
- Physical and digital connectivity.

These priorities are consistent with the overarching principles of the Towns Fund and will underpin the Clay Cross Investment Plan.

The priorities that have been established by the CCTB have been further developed following a project workshop with members of the Board, and a number of specific proposals are beginning to emerge. These are outlined in Table 3, alongside emerging thinking around potential interventions.

As part of the approach, the emerging propositions will be reviewed having regard to the intervention framework outlined within the updated Towns Fund Guidance.

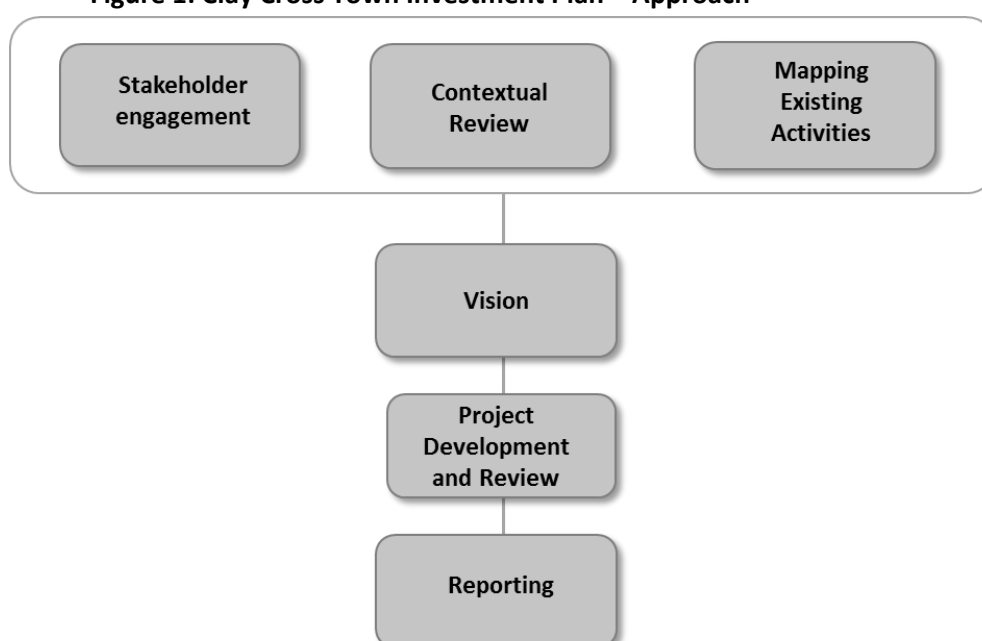
Table 3: Emerging proposals for the Investment Plan

Towns Fund Theme	Proposals and potential interventions
Urban regeneration, planning	<p>Improving the quality of the town centre – (i) ongoing work to explore the scope for a significant redevelopment around Market Street / Bridge Street, with links to High Street; (ii) opportunities for ‘infill’/complementary housing on some sites</p> <p>Active Environment – including (i) Sharley Park Leisure Centre; (ii) potential private sector gym, (iii) green/ped/cycle linkages, (iv) active and cultural assets at Sharley and/or Kenning Park</p> <p>Clean Growth Accommodation – including (i) clean growth development at Coney Green and/or Egstow Park; (ii) linkages to Clay Cross Biomass and existing businesses</p> <p>Co-location of Public Services – including opportunity for the town centre redevelopment, creating a ‘public sector hub’ allowing the release of sites for other uses including housing</p> <p>Cultural capital - proposals to be scoped in further discussion with NEDC, Chesterfield College, Derby University and key local employers</p>
Skills and enterprise infrastructure	<p>Education infrastructure – proposals to be scoped in further discussion with NEDC, Chesterfield College, Derby University and key local employers</p> <p>Research, Innovation and Skills – proposals to be scoped in discussion with employers, Derby University, D2N2 and other relevant stakeholders</p>
Connectivity	<p>Digital Infrastructure Plan – potential interventions including (i) a co-working enterprise centre and (ii) free town centre wifi</p> <p>Green Infrastructure / Key Cycle network - including green cycle and pedestrian linkages between Coney Green, Egstow Park and the Town Centre</p> <p>Town Centre Traffic Management – including elements of the Town Centre redevelopment project focussed around Market Street / Bridge Street</p>

5. Approach

The approach underway to developing the Town Investment Plan is summarised in Figure 1.

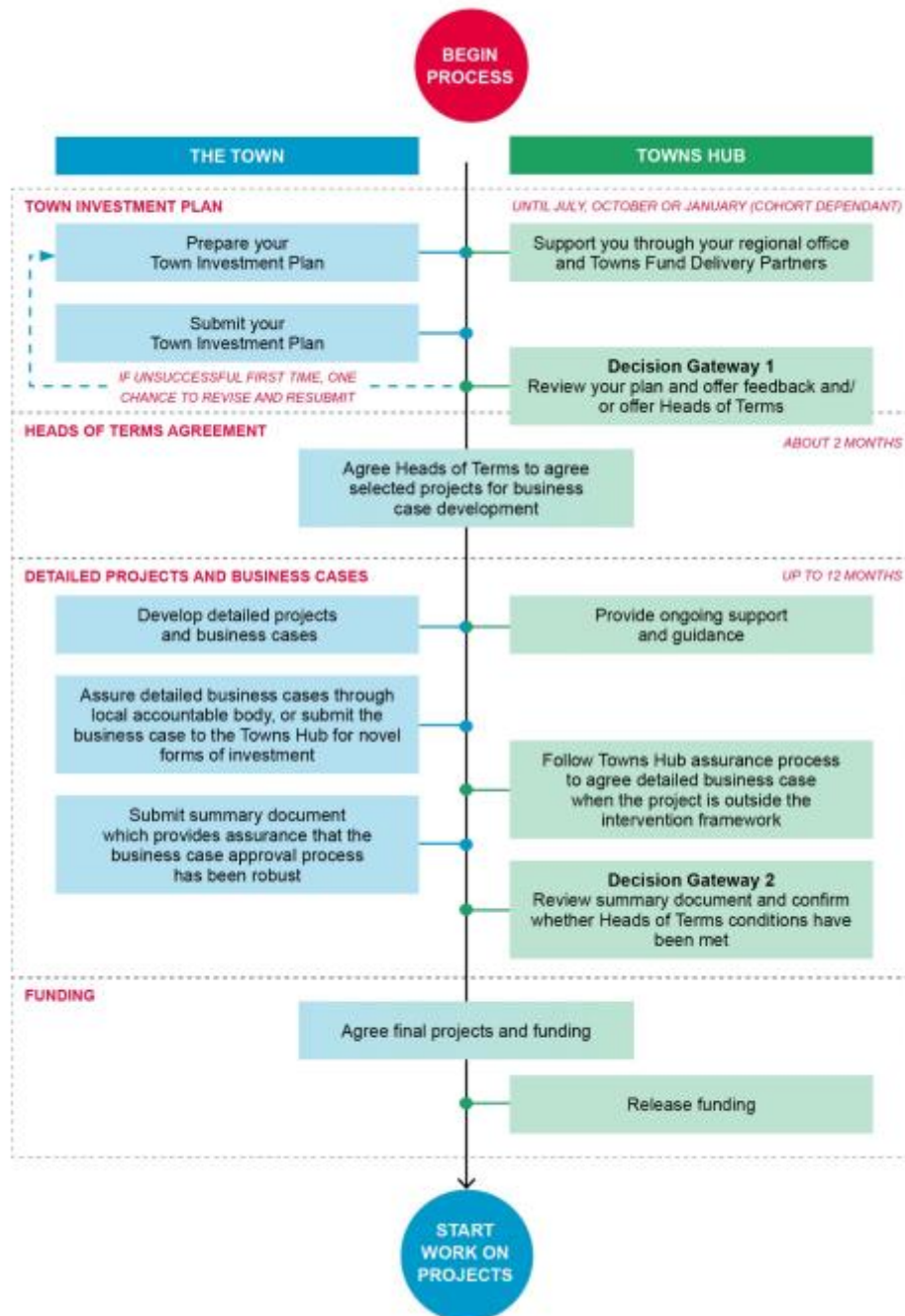
Figure 1: Clay Cross Town Investment Plan – Approach



The process to develop the Investment Plan is as follows:

- (i) **Contextual review** – this is building on the substantial existing base of socio-economic, market and technical evidence. Significant progress has been made since commencement and this will be further developed to provide a detailed and granular understanding of existing conditions. The findings will be drawn together to produce a clear analysis of Strengths, Weaknesses, Opportunities and Threats relevant to the development of Clay Cross over the next ten years.
- (ii) **Stakeholder engagement** – a programme of engagement with local stakeholders, based on the engagement strategy. Technical consultations will continue throughout the plan development period, while wider public engagement will be carefully structured and staged to ensure clear compliance with the requirements outlined within updated guidance for the Towns Fund;
- (iii) **Mapping existing activities** – current activities and initiatives will be mapped, including those led by the private sector, which will inform an assessment of gaps in provision;
- (iv) **Vision** – building upon the evidence base and stakeholder engagement, the strategic vision and objectives will be reviewed and refined to provide a foundation for a targeted programme of interventions, focusing on the key priorities of the CCTB;
- (v) **Project development and review** – the existing proposals will be reviewed and developed through the development of logic models. These will show the linkages between the contextual conditions, intervention, inputs, outputs and outcomes, consistent with MHCLG guidance. Project profiles, setting out what each project will involve and how it will be delivered, will be prepared. In addition, programme spreadsheet models will be developed by theme to identify the phasing of costs and benefits. Based on this, a process of prioritisation will be undertaken based on critical success factors – including strategic fit, feasibility, affordability and value for money. The prioritisation framework is outlined in Annex 2.
- (vi) **Draft and final reporting** – a draft final report will be produced for review by the Town Deal Board. Following comments and amendments a final report will be prepared.

Annex 1: Investment Plan preparation pathway



Annex 2: Project Scoping and Prioritisation Framework

