

REPORT OF: HOUSING, HEALTH AND ENGINEERING SERVICES
MANAGER

TO: NELSON TOWN DEAL BOARD

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TOWNS FUND FURTHER GUIDANCE AND PROPOSED BOUNDARY REVISION

PURPOSE OF REPORT

To provide information on the recently released Towns Fund Guidance. To agree a range of actions to progress towards a Town Investment Plan. To consider a revised boundary for the Town Deal.

RECOMMENDATIONS

The Board are asked to:

1. Note the Towns Fund Guidance and agree to receive reports to future meetings on a revised Terms of Reference for the Board, development of the Town Investment Plan and project priorities.
2. As part of a broader commission for Pendle, agree to commission a piece of research work to understand the impact of Covid on Nelson and how Towns Fund can support the town's recovery.
3. Agree that the Town Investment Plan will be submitted by January 2021 (cohort 3).
4. Agree that, in consultation with the Chair of the Board, Pendle Council commission any further work required to develop an evidence base that meets the requirements of the guidance.
5. Nominate upto three representatives to work with Pendle Council officers to develop an Engagement Strategy.
6. Recommend to Pendle Council's Policy & Resources Committee that the Town Deal boundary is revised to include Lomeshaye and Whitewalls Industrial estates.

REASON FOR RECOMMENDATION

1. To ensure that Nelson Town Deal complies with recently released guidance.
2. To ensure the most appropriate boundary for the Town Deal.

ISSUE

Towns Fund: Further Guidance

1. It has previously been reported to the Board that we were waiting for further guidance on the requirements of the Towns Fund. This was issued on 15th June and below is a summary of the key points of the guidance along with proposed actions.

Effect of Covid-19

1. The focus of the funding has not changed due to Covid-19 and it is recognised that for some towns the impact has been particularly acute. To take account of Covid the deadlines for submission have been pushed back. All towns should set out in their evidence base how Covid has impacted on the town and this impact should be reflected in the strategy and prioritisation.
2. Figures from the Office for National Statistics (ONS) have shown that people in deprived areas have suffered greater mortality rates from Covid-19 than in more affluent areas. A number of studies have also shown that the longer term health and economic impacts in such deprived areas are likely to be more severe. In deprived towns such as Nelson it is essential to understand how the recent pandemic is likely to impact so that our future strategy and projects will adequately respond to future challenges.

Proposed Action: *As part of a broader commission for Pendle, the Board agree to commission a piece of research work to understand the impact of Covid on Nelson and how Towns Fund can support the town's recovery*

Towns Fund Process

3. There will a two phase process (Appendix 1):

Phase 1 - Development of a Town Investment Plan (TIP) –There are 3 dates for submission (cohorts); July, October and January. The TIPs will be assessed by MHCLG. If not successful there is one further chance at submission. If successful a Heads of Terms offer will be made

Phase 2 - Development of agreed projects and business cases

4. As set out above, it will be essential to understand the likely impacts of Covid-19 on the town. We are still at an early stage of easing the lockdown but over the coming weeks the economic and social impacts will become better understood. Bearing this in mind, and the level of detail required in a Town Investment Plan, it is considered best to delay a submission until January 2021 to give us the best chance to put forward a well-evidenced proposal

Proposed Action: *The Board agree that the Town Investment Plan will be submitted by January 2021 (cohort 3)*

Towns Fund Purpose

5. The overarching aim of the Towns Fund remains to drive the sustainable economic regeneration of towns to deliver long term economic and productivity growth. This will be done through:

Urban regeneration

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, preparation, remediation, and/or development; and
- Making full use of planning tools to bring strategic direction and change.

Skills and enterprise infrastructure

- Driving private sector investment and small business development; and
- Ensuring towns have the space to support skills and small business development.

Connectivity

- Developing local transport schemes that complement regional and national networks; and
- Supporting the delivery of improved digital connectivity

6. Due to the particular problems of high streets and town centres it is set out in the guidance that our plans for the town centre should be included as part of the spatial strategy in our TIP. We have always seen the work we have been doing on the Future High Streets Fund and the town centre elements of the masterplan as supporting a wider Town Deal.
7. Many towns face serious social as well as economic challenges and it is suggested that towns incorporate this through a focus on 'inclusive growth' where all sections of society are able to benefit from the growth achieved.
8. Clean growth (growing the nation's income whilst cutting greenhouse gases) is a core principle for Towns Fund and we will need to show how our projects support this. As a minimum, they must not conflict with the achievement of the UK's legal commitment to cut greenhouse gas emissions to net zero by 2050.
- 9.

Proposed Action: *The Board should note that as we develop projects they need to include a focus on inclusive growth and green growth. This will be discussed further at future meetings.*

What should be in a Town Deal?

10. A Town Deal is an agreement in principle between government, the Lead Council and the Town Deal Board, confirmed in a Heads of Terms document. It will set out a vision and strategy for the town, and what each party agrees to do to achieve this vision. It will cover a period of upto 5 years.
11. Each town has been invited to put together proposals for up to £25 million from the Towns Fund – although MHCLG will consider more than £25 million in exceptional cases. Towns are not in competition with one another – the amount of funding they are able to access will be based on the quality of their proposals and not related to the proposals brought forwards by others. Town Deals should look to bring in money from other sources.

12. A range of themes are identified along with the types of outputs and expected outcomes.

The themes are:

- Local Transport
- Digital connectivity
- Urban regeneration, planning and land use
- Arts, culture and heritage
- Skills infrastructure
- Enterprise infrastructure
- Interventions should also align with a range of local and national strategies and policies e.g. Local Transport Plans, Local Industrial Strategies, FHSF

Proposed Actions: *The Board will need to ensure that our proposed projects align with the identified themes and would deliver the required outcomes. This will be discussed at future meetings. There will also be an opportunity to identify any gaps and consider further projects.*

13. In all instances, towns will be required to demonstrate how their interventions will lead to the agreed outcomes using a convincing, well-evidenced Theory of Change as set out in HM Treasury's Magenta Book. This guidance says that a key part of Theory of Change is 'synthesis of existing evidence'. There is a detailed list of evidence requirements.

14. Pendle Council Officers will need to look in more detail at our existing evidence base and consider what gaps there are where more evidence will be required. There is likely to be a need to commission further studies and funding has been allocated from the capacity building funding for this purpose.

Proposed Action: *The Board agree that, in consultation with the Chair of the Board, Pendle Council commission any further work required to develop an evidence base that meets the requirements of the guidance*

15. The fund is 90% capital. There may be a need for a small amount of revenue to support implementation of the guidance but this will be the exception.

16. Towns should indicate in their TIP where there exists any overlap with other government interventions, or where they plan to align Towns Fund monies with other investment. Towns should explore all options for other funding.

17. MHCLG wish to see co-funding and match funding where possible, but there is not a minimum amount set for public or private. Towns should demonstrate the level of buy-in already secured from a range of private sector players.

Town Investment Plans (TIPs)

18. TIPs should provide the strategic case for Town Deals, with the evidential and analytical basis for the selection and design of the projects proposed in it. They should set out a vision for the town with broad ownership and a strategy that can set the direction for the economic turnaround of the town over a decade, including economic recovery from the current crisis. They will be in two sections with section 1 providing details of the context, strategy, engagement and delivery and section 2 providing a prioritised list of projects. A detailed template will be provided at a later date.

Proposed Action: *Pendle Council will provide further reports to the Board on development of the TIP*

Board

19. The Governance and Membership requirements of Town Deal Boards are set out and are more detailed than in the initial prospectus e.g. publishing profiles of Board Members.

Proposed Action: *Pendle Council will review the existing Terms of Reference and seek the approval of the Board to any changes*

Community Engagement

20. Interventions in the TIP should have community support. Where possible, communities should be part of originating ideas, setting objectives and visions rather than just giving feedback on proposals that are already some way along. MHCLG want towns to demonstrate the buy-in they have secured with the community. A stakeholder engagement plan is required as part of the TIP. The guidance says that the business community should be engaged in the development of the TIP so that will also need to be considered in the engagement strategy

Proposed Action: *The Board nominate up to three representatives to work with Pendle Council officers to develop an Engagement Strategy*

Towns Fund Boundary

21. At the February meeting of the Board it was agreed that a report come back to the next meeting on the possibility of revising the boundary of the Nelson Town Deal area to include Lomeshaye and Whitewalls Industrial Estates.
22. The estates are on the edge of Nelson and provide major employment opportunities. Around 3,500-4,000 people are currently employed in Lomeshaye with a further 1500-1600 jobs expected when the extension of the estate is fully delivered. Whitewalls employs around 1700 people. As these are key centres of employment in the local area, and are on the edge of the existing boundary, it seems appropriate to include them.
23. Pendle Council officers have given further consideration to the boundary and are also proposing additional areas around Seedhill and Halifax Road. Within these areas are some sites owned by Pendle Council and Lancashire County Council that may be suitable for development over the period of the Town Investment Plan.
24. Including these additional areas would mean that there is the opportunity for Towns Fund to be invested in them in the future, if it was felt appropriate. This would be considered as part of the development of the Town Investment Plan and project proposals. Agreeing any extensions to the boundary at an early stage will mean that this can be taken into account when working on an evidence base.
25. If we wish to revise the boundary a recommendation will need to go to Pendle Council and the Council will need to seek approval through the Cities & Local Growth Unit at BEIS.
26. The Board are asked to recommend to Pendle Council's Policy & Resources Committee that the boundary is revised in line with the plan in Appendix 2.

IMPLICATIONS

Policy: None directly arising from this report

Financial: None directly arising from this report

Legal: None directly arising from this report

Risk Management: None directly arising from this report

Health and Safety: None directly arising from this report

Sustainability: None directly arising from this report

Community Safety: None directly arising from this report

Equality and Diversity: None directly arising from this report

APPENDIX

1 – Towns Fund Process

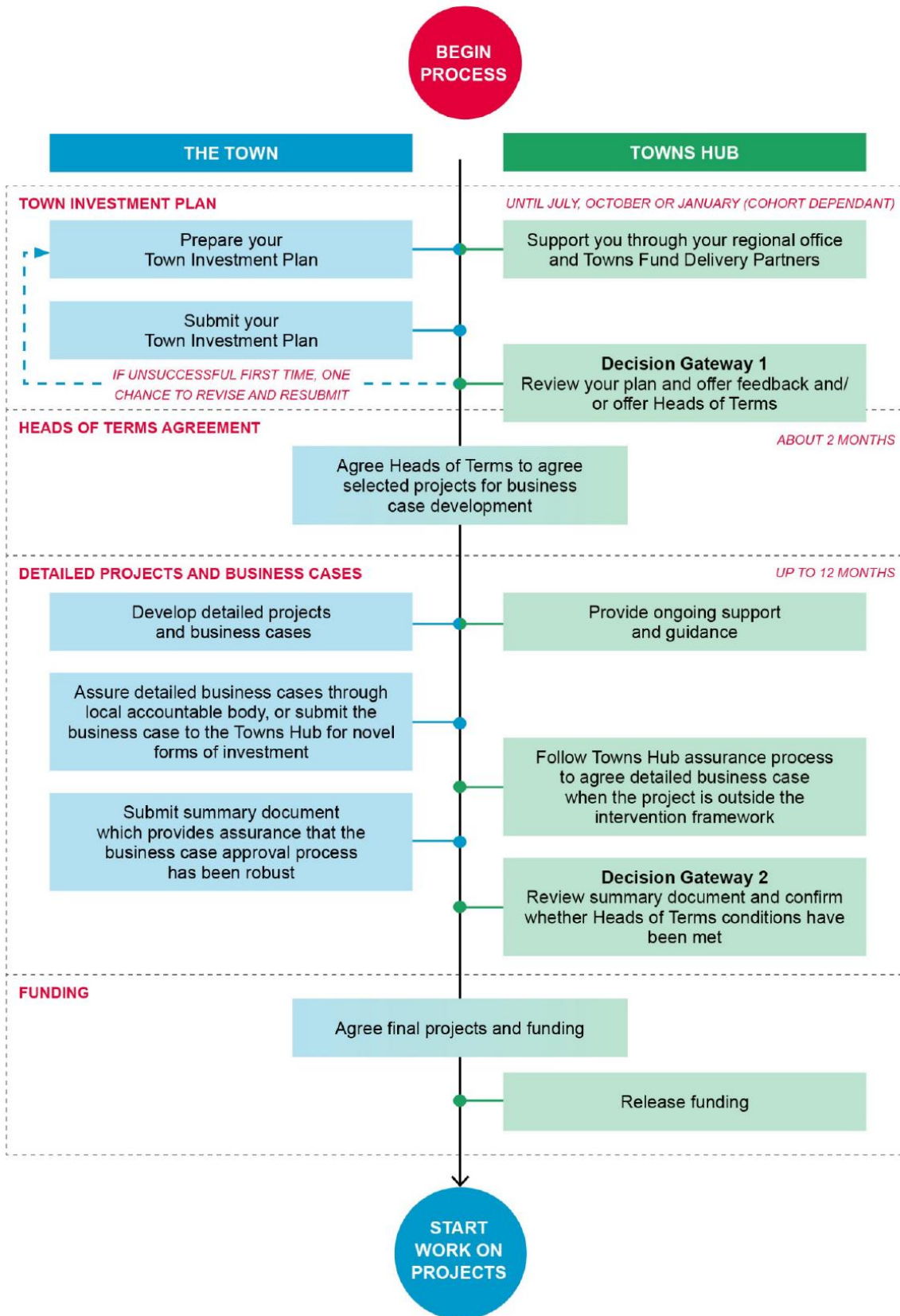
2 – Proposed Extended Boundary

LIST OF BACKGROUND PAPERS

Towns Fund Guidance

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

TOWNS FUND PROCESS



PROPOSED EXTENDED TOWN DEAL BOUNDARY

Plan attached with the papers as a separate pdf file.