

Report To:	Cabinet	Date:	25th November 2019
Heading:	TOWN CENTRES FUNDING		
Portfolio Holder:	COUNCILLOR RELF, PORTFOLIO HOLDER FOR PLACE, PLANNING AND REGENERATION		
Ward/s:	ALL KIRKBY AND SUTTON WARDS		
Key Decision:	Yes		
Subject to Call-In:	Yes		

Purpose of Report

To update Cabinet on the progress of the Future High Streets Fund (FHSF) bid and to recommend the submission of a bid to the second stage of the Fund. To update Cabinet on the Towns Funding for Kirkby and Sutton.

Recommendation(s)

1. To note the Council's successful first stage bid to the Future High Streets Fund and the acceptance of £95k revenue funding from the Fund.
2. To support the submission of a bid to the second stage of the Future High Streets Fund.
3. To note the acceptance of the £324k revenue funding for the Towns Deal for Kirkby and Sutton (£162k per town)
4. To delegate authority to the Portfolio Holder for Place, Planning and Regeneration, to oversee the process for setting up a joint board, producing a Joint Town Investment Plan and submitting a business case to access Town Deal funding for Kirkby and Sutton.

Reasons for Recommendation(s)

The Future High Streets and Town Deal funding present a tremendous opportunity to secure investment for Kirkby and Sutton. Transformative regeneration benefits would be realised for the towns, with areas re-purposed, reducing over-reliance on retail and helping to create a sustainable future for the towns, delivering long term economic and productivity growth.

Alternative Options Considered

1. Not to progress a bid to the second stage of the Future High Streets Fund. **Not recommended** - Funding opportunities for town centres are limited and the Council has been awarded a revenue grant of £95k to support preparation of the bid.
2. Not to accept the opportunity provided through the Town Deals initiative for Kirkby and Sutton- **Not recommended**. Funding opportunities for town centres are limited and the

Council has been awarded a revenue grant of £162k for each town to support preparation of the Town Investment Plans and business cases.

Detailed Information

1. Future High Streets Funding

The Council has been notified that we have successfully progressed to the Business Case Development Phase of the Future High Streets Funding, as one of 100 towns. A business case development grant of £95k has been paid to the Council. The revenue grant is being used to engage specialist advisers to assist with the preparation of the business case and to fund internal resource.

Authorities can bid for up to £25m, but the expectation of Government is that most successful bids will be between £5m - £10m. Guidance suggests that if bids are higher that they be submitted as separate packages. A Delivery Manager has been allocated by the Ministry of Housing, Communities and Local Government (MHCLG) who is supporting us through the process.

Key dates for the application process are detailed below.

Key dates

- Submit Rough Order of Magnitude (ROM) capital cost estimate - submitted 8th November with indicative profile of capital expenditure;
- Early draft business case submission 15th March 2020;
- Final business case submission 30th June 2020;
- Successful bids announced summer/autumn 2020.

If the bid is successful, capital spend for the FHSF funding would need to be profiled between financial years 2020-21 to 2023-24. Any co-funding could be spent after these dates.

Gleeds have been appointed as specialist advisers to undertake the work required to produce the business case for the bid submission. Gleeds is a worldwide management and construction consultancy, with a team based in Nottingham undertaking the work. They previously undertook a feasibility study for Sutton town centre in 2018 which informed the town centre masterplan. They therefore have the necessary expertise, experience and knowledge. The bid will be based on projects identified through this process.

An initial visioning workshop was held on 21st October with Cabinet members, who will form a project board to oversee the bid. The opportunity sites currently being considered include:

- Low Street / Brook Street – number of vacant units may provide an opportunity for acquisition and re-purposing
- Council Brook Street Offices - variety of potential uses as a conversion
- Old Market Place is a well located asset, important strategically with development potential. Proximity to Sutton Academy to be explored
- Fox Street site has potential for a variety of uses: residential, community, food and drink.

We will be commencing public and stakeholder consultation about the proposals in the next few months to determine the level of support. The proposals will then be developed appropriately in readiness for submission of the business case.

The Future High Streets Funding was discussed at Scrutiny Panel B on Thursday 7th November, as part of the panel's review of town centre regeneration.

2. Towns Fund

The prospectus for the Fund was issued in early November and further information is now available about the process, as detailed below:

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

Stage 2: Prepare a business case to apply for funding – further guidance will include information about the amount of capital and revenue funding available, and the interventions that can be supported through the fund.

Timeframe

- A board to be established and led by a representative of the local business community;
- Capacity funding to be received November 2019- **£324,038** (£162, 019 per town);
- Readiness checklist to be submitted by 19th December 2019: to gauge how quickly we will be able to prepare for a Town Deal;
- Town Deal Board to be convened (including publication of town boundary) by end of January 2020;
- Further guidance published early 2020;
- Town Investment Plan to be produced by the end of Summer 2020;
- Town Deal to be agreed during 2020-21.

The objective of the Fund is to drive the economic regeneration of towns to deliver long term economic and productivity growth through:

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

The **Town Deal Board** and **Town Investment Plan (TIP)** will inform the second stage of agreeing a Town Deal: which will include completing a business case.

Where towns are preparing to agree a Town Deal and are already involved in the Future High Streets Fund, Government expect plans to be aligned, whilst still meeting the separate objectives of the funds.

Capacity funding

The Council will set out how the capacity funding will be spent, and how it will support the process of developing the Town Investment Plan. The funding is to be used for: convening the Town Deal Board, running business and wider community engagement events; developing Town Investment Plans and providing technical expertise for business case development.

#MyTown Campaign

As part of the deal we will engage with communities to find out what people value about their town and how they want to see it grow. Government is developing a communications and community engagement toolkit which will be complemented by a media campaign.

Towns Fund Board

The governance structure and decision-making structures of the Board will be made public, together with a statement for how the board will engage stakeholders and agree decisions. The Board will need to set out clear Terms of Reference, and agree a Code of Conduct, serving an advisory function to the Council, with board members required to adhere to the Nolan Principles.

(<https://www.gov.uk/government/publications/the-7-principles-of-public-life/the-7-principles-of-public-life--2>)

Town Deal Boards can build on pre-existing governance structures and relationships, if they meet the guidance. The Board will need to align with the governance standards and policies of the Council including whistle blowing, conflicts of interest and complaints.

The Board will need to include:

- Upper-tier authorities
- Member of Parliament
- Local businesses and investors; large employers and SMEs
- Local Enterprise Partnership
- 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, by including community representatives from prominent local civic and faith organisations in the governance structure, local community forums, voluntary and community sector organisations.

The structure may also include (either in the governance structure or through engagement activity): Jobcentre Plus; wider business community, Universities and Further Education, Academies and Schools, Hospitals, Local sports teams, Cultural and creative institutions, housing developers and housing associations, government agencies such as Homes England, Environment Agency, and Historic England, other private investors and developers.

Town Investment Plan

The Town Investment Plan (TIP) will set out investment priorities to drive economic growth, supported by clear evidence and targeting investment into the economic infrastructure listed around the objective of the fund, as well as making full use of existing powers, particularly in Planning. TIPs should complement existing strategies and where necessary build on these. It will be important to align with Local Industrial Strategies, Skills Advisory Panel analysis, local environmental strategies, Local Plans and Spatial Development Strategies, and Local Transport Plans. Plans should be cognisant of the wider approach being taken through the Midlands Engine and aligned with the government's clean growth objectives where possible. The plan should focus on High Value for Money interventions with capital projects at the core that will drive economic growth.

The plan should include 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; ambitions for private

sector investment and community involvement. Council should seek to engage private investors and developers early. As part of this engagement, opportunities for private investment should be identified collaboratively.

Joint Town Investment Plans

There is provision for local places to produce a joint Town Investment Plan with a shared Board where for example towns are next to each other and/or are part of the same continued urban area; have significant overlap in terms of economic and social geography and Board representatives would significantly overlap. It is therefore recommended that a joint board for Kirkby and Sutton is utilised for the fund. If this is agreed the Council will need to seek confirmation from Government.

Implications

Corporate Plan:

Accessing the FHSF and Town Deals funding and implementing projects and initiatives would support the Economic Growth and Place theme, through making Ashfield a location and destination of choice for business and visitors and a desirable place to live for all residents.

Legal:

No implications identified at this stage.

Finance:

Budget Area	Implication
General Fund – Revenue Budget	£95k revenue funding received for FHSF £324,038 (£162,019 per town) revenue due to be received in November 2019 through the Town Deals funding.
General Fund – Capital Programme	Not applicable
Housing Revenue Account – Revenue Budget	Not applicable
Housing Revenue Account – Capital Programme	Not applicable

Risk:

Risk	Mitigation
None identified – revenue funding has been received and is being used to fund consultancy and internal resources	

Human Resources:

No implications identified at this stage.

Equalities:

No implications identified at this stage – an equalities assessment will be undertaken on project proposals.

Other Implications:

No implications identified at this stage.

Reason(s) for Urgency

Not applicable

Reason(s) for Exemption

Not applicable

Background Papers

None

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