

## Town Fund board

**Title: Town Deal**

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### Purpose of Report

To provide the Board with an overview on the Town Deal opportunity, and the key steps that would need to be taken to achieve a Town Deal for Stevenage.

### Executive Summary

On the 1st November 2019, government issued the Towns Fund prospectus inviting 100 towns to develop proposals to benefit from up to £25m funding each from a £3.6bn fund. The prospectus summarised the objectives of the Fund and the arrangements that are expected to be put in place to enable eligible towns to put forward Investment Plans to benefit from up to £25m funding.

The prospectus states the objective of the Fund is to drive the economic regeneration of towns to deliver long term economic and productivity growth through: regeneration, planning and land use; skills and enterprise infrastructure; and connectivity.

Included within this prospectus was an allocation of funding for each town, to be released in November / December 2019, to support the development of a Town Deal Board and preparation of a Town Investment Plan to set out the vision, governance, opportunities and business case for the town to benefit from government investment. For Stevenage Borough Council this sum is £173,000.

The prospectus identified a number of short-term actions that would need to be taken in order to put forward a Town Investment Plan and proposals for up to £25m. The prospectus also sets out a requirement for a Town Board to be established by the end of January 2020 and a Town Investment Prospectus to be developed and submitted in the first part of 2020.

Within the Towns Fund prospectus, the District or Borough level Council is asked to act as the lead body for the creation of the Town Deal Board and the subsequent Town Investment Plan. This should work in collaboration with other local partners.

There are several key steps to be taken. This includes:

- **Securing an independent Chair.** A recruitment and advertisement process is underway, supported by an external recruitment organisation, to advertise the role, seek applications and for a cross-partner panel to interview potential candidates. The intention is to have an independent Chair in post by the end of February 2020.
- **Creating a Town Deal Board.** This report will be presented to the first meeting of the Town Deal Board, with a programme of future meetings to be provided during 2020, with representatives drawn from a range of sectors and with different areas of expertise to support the development of a Town Investment Plan.
- **Developing a Town Investment Plan.**

### Background

The Towns Fund prospectus identified that towns are host to key businesses, employers, education centres and where the majority of people live, and serve as important centres for leisure, shopping and

other services. It also recognised that while each town has its own assets, there can be constraints to the growth and success of towns.

The prospectus sets out that proposals should drive long term economic and productivity growth through investment in connectivity, land use, economic assets including cultural assets, skills and enterprise infrastructure.

This could include:

- **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 prospectus sets out the first stage of agreeing a Town Deal. This will operate as a two-stage process:

- 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.



District and Borough Councils in the areas for the towns selected are designated as the Lead Council to develop a Town Deal Board, with this to be in place no later than the end of January 2020. The Town Deal Board will then be the vehicle to develop the vision and strategy, and produce a Town Investment Plan to inform the Town Deal. At this stage, further guidance on possible criteria for a Town Investment Plan is yet to be released.

The role of the Board is to:

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

The Town Deal Board should be convened by the Lead Council with an expectation that the governance structure and decision-making structures of the Town Deal Board should be made public and that the Town Deal Board should align with the governance standards and policies of the Lead Council including around whistle blowing, conflicts of interest, and complaints.

The prospectus states that Town Deal Boards are required to include:

- **Other tiers of Local Government**
- **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. 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. This should include 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.
- **Communities:** Each town will decide how best to involve their local community and communities should have a meaningful role in decision making for the future of their town, with an expectation of representation in the Board. This could include representatives from prominent civic or religious groups, or representatives of voluntary or community forums.
- **Other groups:** The Board could also include Job Centre Plus, anchor institutions such as FE or HE providers, hospitals, sports, culture or creative bodies or housing providers.
- **Other government agencies or arms-length organisation:** This could include agencies such as Homes England, culture, sport or other agencies.
- **Other private investors and developers:** National or international private investors and developers should be engaged early to understand their requirements for investment.

The Lead Council should publish the Town Deal Board’s governance structure and ways of working, such as a statement for how the board will engage stakeholders and agree decisions over time. The Board’s governance structure should be published no later than January 2020. Draft Terms of Reference for this new Board are attached as part of this report pack.

Once in place, it is the role of the Town Deal Board to work on a Town Investment Plan. This should set out investment priorities that could drive economic growth, supported by clear evidence and targeting investment into economic infrastructure, as well as making full use of existing powers, particularly in planning. The Investment Plan should complement other pre-existing strategy documents that have been developed with local partners, and where necessary build on these. This includes Local Industrial Strategies, Local Plans, Local Transport plans and other tools such as Skills Advisory Panel analysis.

Town Investment Plans are expected to 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
  - Ambitions for private sector investment and community involvement.

On 19<sup>th</sup> December 2019, the council completed and submitted a readiness checklist which covered whether:

- The town has existing partnerships that meet most of the criteria for a Town Deal Board
- There are strategies or plans in place aligned with what is required in a Town Investment Plan
- The town has the capacity and governance to deliver at pace. It is expected that most places will need time to develop their Board and plans to be ready to enter into a Town Deal.

## Policy Context

Local partners have worked closely with partners over the last few years to create a strong foundation to explore and secure future funding opportunities. Stevenage has already benefited from that

partnership ethos by securing Growth Deal funding from the Hertfordshire Local Enterprise Partnership, supported by local key partners as part of the previous Stevenage First board.

Stevenage, as the original new town, was designed to encourage sustainable growth. The Council's Local Plan, building on the aspirations of the original master plan, was adopted in May 2019 and seeks to build 7,600 new homes, 3 new neighbourhoods, 2,000 jobs and a revitalised town centre. The associated Infrastructure Delivery Plan (IDP), developed in conjunction with Hertfordshire County Council and other local stakeholders, details the key infrastructure the town needs to support this growth and make the town a success, and now supported by a Transport Strategy for the town to help better link residents with the opportunities for employment and learning in the town.

The Local Plan seeks to enable and encourage development and growth that will enhance and revitalise the town, address housing pressures, provide local jobs and bring forward regeneration across the town. However, it also performs an equally important role in terms of protecting the town's most important features and assets, which include not only its open spaces and heritage assets, but also its employment areas that are key to the economic prosperity of the town. These policies are also supported through the 'Stevenage Reimagined' culture strategy; the health strategy for the town; work on initiatives such as community wealth building; the success of the Stevenage Works employment project with North Herts College and other local construction partners.

Hertfordshire's emerging Local Industrial Strategy (LIS) provides Stevenage with a direction and support for how its world class businesses like GSK, Airbus and MBDA can grow and better connect with the town and region. The LIS focuses on:

- Accelerating development of the research and development cell and gene therapy cluster in and around Stevenage
- Developing an overarching skills strategy, and inclusion plan
- Prioritising infrastructure investments to increase productivity and provide inclusive growth
- Supporting key regeneration interventions such as the delivery of the vision for the Stevenage Central regeneration framework.

Local authorities in Hertfordshire have been working closely to develop the Hertfordshire Growth Board, and a programme of work to consider how to best prepare for the future growth of the county. This work is starting to consider how partners can draw in funding for infrastructure and work to ensure that growth enhances the opportunities of all residents in the county and delivers priority projects in a range of areas.

This policy background, strong alignment with the priorities of local partners, and progress on key programmes provides a good foundation for the work of a future Town Deal proposal.