

## **Towns Fund Guidance – Summary for Town Board**

### **1.) Introduction and overview of process**

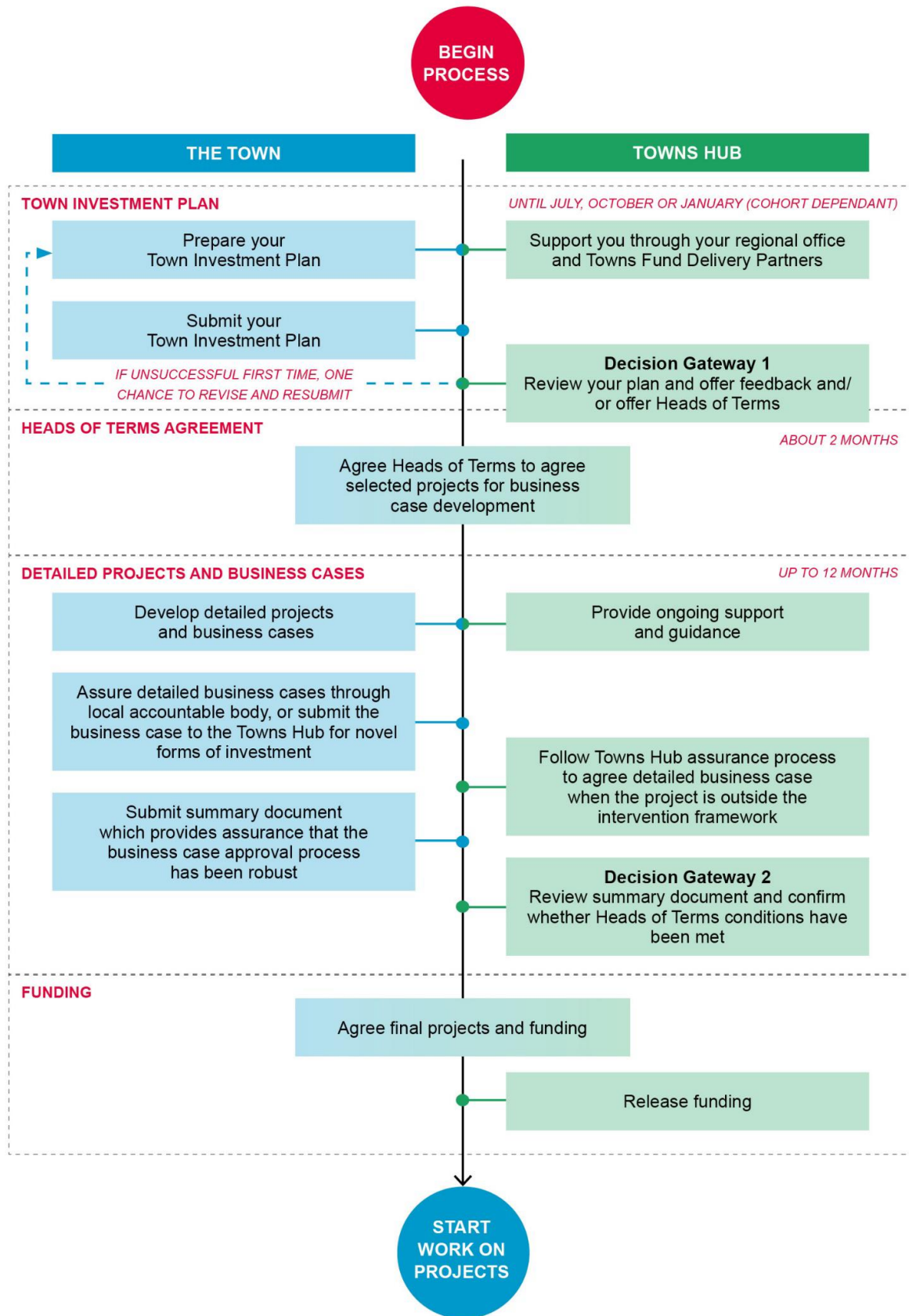
The guidance confirms that the focus of the Towns Fund, and the interventions that will be supported, have not changed. However, the guidance does state that Town Investment Plans (TIP) should set out how COVID19 is impacting on the local economy and how this is reflected in their strategies. Towns should flag if they want to use their Town Deal as a key part of their recovery plans and set out how their proposed projects fit with other recovery measures.

There will be two phases, with a decision gateway at the end of each:

- 1.) First, towns will develop TIPs, which will be assessed by MHCLG to inform a Heads of Terms offer (given the submission is of sufficient quality).
- 2.) Towns will then develop agreed projects and business cases in detail, and government will assess that information before releasing funding for implementation.

Towns will be able to submit their TIPs in three cohorts, depending on when they will be ready. Should towns fail to submit a TIP of sufficient quality, they will be given one more opportunity to do so. If they fail a second time, they will no longer be eligible for a deal. The Towns Hub (the Central Towns Team from within the Cities and Local Growth Unit) will provide support to each town to ensure they are able to complete the process.

The diagram below shows the process in more detail:



## 2.) Towns Fund Purpose

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

- Urban regeneration
- Skills and enterprise infrastructure
- Connectivity

TIPs should be guided by sustainability – economic, environmental, and social. The government has committed to a legally binding target to achieve net zero greenhouse gas emissions by 2050 and interventions should contribute towards this.

## 3.) Content of a Town Deal

Town Deal is an agreement in principle between government, the Lead Council and the Town Deal Board, confirmed in a Heads of Terms document. Towns are invited to bid for up to £25m, although more will be considered in exceptional cases. Towns should not bid for the full £25m or more unless there is an objective rationale to do so. Towns are not in competition with each other – funding will be related to the quality of the proposals. The fund is 90% capital.

The Town Deal should also be a ‘wrapper’ for other investments, whether from other government departments or private investors.

The guidance includes the table below with summary information on the interventions that should be targeted. More detailed information is included within the Appendix to the guidance.

Intervention Theme	Outputs	Target Outcomes
Local transport	<i>Increase in the number of bus services; new or upgraded cycle and walking routes; new or upgraded road infrastructure; pedestrianised streets</i>	<ul style="list-style-type: none"> <li>• Improved affordability, convenience, reliability, and sustainability of travel options to and from places of work</li> <li>• Improved affordability, convenience, reliability, and sustainability of travel options</li> </ul>
		<p>to and from places of interest (especially shops and amenities)</p> <ul style="list-style-type: none"> <li>• Reduced congestion within the town</li> <li>• Enhanced high street and town centre experience that prioritises the health, safety and mobility of pedestrians</li> </ul>
Digital connectivity	<i>Provision of full fibre infrastructure with local authority as anchor tenant</i>	<ul style="list-style-type: none"> <li>• Increased utilisation of digital channels, by businesses, to access and/or supply goods and services</li> <li>• Increased ability for individuals to work remotely/flexibly</li> <li>• Encouraging further investment from network operators</li> </ul>
Urban regeneration, planning and land use	<i>Remediation and/or development of previously abandoned or dilapidated sites</i>	<ul style="list-style-type: none"> <li>• Enhanced townscape that is more attractive and more accessible to residents, businesses and visitors</li> </ul>
Arts, culture and heritage	<i>New or upgraded museums, theatres, community spaces, etc.</i>	<ul style="list-style-type: none"> <li>• Improved arts, cultural and heritage offer that is more visible and easier for residents/visitors to access</li> </ul>
Skills infrastructure	<i>Increase in the capacity and accessibility to new or improved skills facilities</i>	<ul style="list-style-type: none"> <li>• Increased share of young people and adults who have relevant skills for employment and entrepreneurship</li> </ul>
Enterprise infrastructure	<i>Increase in the amount of high-quality and affordable commercial floorspace; increase in the number of shared workspaces or innova</i>	<ul style="list-style-type: none"> <li>• Increased number of enterprises utilising high-quality, affordable and sustainable commercial spaces</li> <li>• Increased number of start-ups and/or scale-ups utilising business incubation, co-working spaces</li> </ul>

There is some flexibility outside of this framework but there would be extra scrutiny in these cases.

Where possible and appropriate, TIP's should align their plans with other existing government funds and initiatives – including the Future High Streets Fund. Co-fund and match funding is preferred, and as a minimum there should be evidence that towns have fully explored investment opportunities.

#### **4.) Preparing a Town Investment Plan**

The TIP will be a long term, strategic document and will form the basis of agreeing a Town Deal. The guidance also provides an overview of the role, make-up and governance arrangements of the Town Board and our existing Town Board already meets these requirements.

The guidance also covers community engagement. The expectation is that communities should be part of originating ideas, rather than being consulted on proposals that are already well developed. We will need to demonstrate the buy-in we have from our local community. Each TIP should include a Stakeholder Engagement Plan to demonstrate how the town will involve the community.

As set out in the prospectus, the Town Investment Plans should:

- Set out investment priorities that could drive economic growth, supported by clear evidence, building on the strengths and assets of the town
- Demonstrate how investment will be targeted into the economic infrastructure listed around the objective of the fund
- Build on and add to existing partnerships and plans for the town, and complement pre-existing strategies such as Local Industrial Strategies, Skills Advisory Panel analysis, spatial strategies and local transport plans
- Consider the wider strategic approach, including Northern Powerhouse, Midlands Engine, the Oxford-Cambridge Arc and other pan-regional strategies
- Align with the government's clean growth objectives

The Town Investment Plan should be in two sections;

- section 1 setting out the context, strategy and process planning;
- section 2 setting out the details of project proposals. The expected content is set out below, and the templates for sections 1 and 2 of the Town Investment Plan will be provided directly from the Towns Hub.

We are asked to confirm, within four weeks of the publication of this guidance, which cohort we would like to come forwards in – submitting their TIP by 31st July 2020 for cohort 1, by the end of October 2020 for cohort 2, or by the end of January 2021 for cohort 3. There is no advantage in coming first.

As part of the first decision gateway, Town Investment Plans will be considered in two stages. The first stage will consist of a review of the TIP in its entirety (sections 1 and 2) using set criteria. Where there is clear evidence of all the standards being

met, TIPs will progress to the second stage of the review where the Towns Hub will then review in more detail the individual project proposals in section 2 of the TIP. Where the standards haven't been met, clear feedback will be given and there will be one more opportunity to resubmit the TIP at a later date, as agreed with the Towns Hub.

The guidance contains more detailed information on the review process criterion and evidence needed, which include:

- Level of need
- Scale of opportunities
- Strength of vision
- Collaboration with communities, private sector and local businesses

Where the TIP is of the required standard, government will assess the projects listed in the plan to decide on an initial funding offer. Final decisions will rest with ministers. At this stage, full business case development is not required. This stage will follow once Heads of Terms have been agreed.

The Heads of Terms will include:

- Allocated Towns Fund budget and financial profile
- List of projects to receive funding
- List of support agreed by other government departments (where applicable)
- Key conditions and requirements

## **5.) Business Cases**

Towns will have up to one year to develop agreed projects in detail and complete full business cases. The guidance includes more detailed information on the requirements of the full business case. Once these have been through the assessment process and signed off, year 1 of the funding will be released. There will then be regular feedback on progress to allow for monitoring and evaluation of projects. At least every 6 months Lead Councils will be required to provide a comprehensive set of data to government.