

NEWCASTLE-UNDER-LYME BOROUGH COUNCIL

**EXECUTIVE MANAGEMENT TEAM'S
REPORT TO CABINET**

Choose an item.

09 September 2020

<u>Report Title:</u>	Advanced Town Deal Funding
<u>Submitted by:</u>	Head of Housing, Regeneration and Assets
<u>Portfolios:</u>	Corporate and Service Improvement, People and Partnerships
<u>Ward(s) affected:</u>	The two Town Deal areas cover the majority of Wards in the urban area but primarily Newcastle Town and Kidsgrove.

Purpose of the Report

To outline that the Council has been invited to develop proposals for the Government's Advanced Town Deal Funding for both Newcastle and Kidsgrove. As part of this the Council has been awarded funding to develop these proposals in line with the Advanced Town Deal Prospectus and timelines.

Recommendation

That

1. Cabinet supports the development of proposals for the Government's Advanced Town Deal Funding for both Newcastle and Kidsgrove and that the Executive Director Commercial Development and Economic Growth in consultation with the Section 151 Office and the Portfolio Holder for Corporate and Service Improvement, People and Partnerships is authorised to:
 - 1.1 Continue to work with both of the Town Deal Boards to develop the proposals for Newcastle and Kidsgrove Advanced Town Deal Funding and to make any minor alterations to funding allocations.
 - 1.2 Negotiate the terms and any contracts for accelerated funding payments to external delivery partners where they will be the lead partner in delivery.
 - 1.3 Negotiate on any property matters including purchase, lease or sale relating to the accelerated funding projects.
 - 1.4 Assess the procurement options linked to the delivery of each of the accelerated funded projects, and should this be required that they have the authority to finalise the specification, undertake the tendering process, if required to complete any post tender negotiations and award the contract.

Reasons

The Council has been invited to develop proposals for the Government's Advanced Town Deal Funding for both Newcastle and Kidsgrove. The awards are additional funding and not part of the main Town Deal Funding that both Newcastle and Kidsgrove are currently developing 2 further bid documents that will be submitted at the end October 2020.

1. **Background**

- 1.1 In June 2020 the Government announced that it was accelerating the £3.6bn Towns Deal Funds to ensure that towns and high streets get the support they needed due to the impact of the Covid virus. Accordingly £96 million funding has been brought forward for Advanced Town Deals, so that each of the towns selected for a deal will receive funding of between £500k and £1m to help meet the immediate challenges they are facing. To that end Newcastle has been awarded £1m and Kidsgrove £750k respectively to submit a package of projects in line with the Advanced Town Deal Prospectus and timelines.
- 1.2 Officers have been working with the two Town Deal Boards for Kidsgrove and Newcastle, and AECOM as appointed consultants for the Town Deal to consider projects that fit with both the emerging themes of the Town Investment Plans and the priorities specified by Government for the accelerated funding which are:
- Improvements to or new parks and green spaces and sustainable transport links;
 - Improvements to town centres including repurposing empty commercial properties;
 - Demolition or site remediation where this will have an immediate benefit.

2. **Issues**

- 2.1 The project proposals had to be submitted by August 14th 2020 and if approved the funding to deliver the projects will be released in September 2020 with a clear instruction that all of the projects have to be completed and all of the funding spent by the end of March 2021. All proposals are required to have the agreement of the Council's Section 151 Officer to be considered.
- 2.2 **The current proposed projects for Kidsgrove**
- Kidsgrove Sports Village, to accelerate delivery of leisure provision in Kidsgrove through enablement works at Kidsgrove Leisure Centre and supporting the provision of a 3G public access football pitch at The Kings Church of England Secondary School.
 - Clough Hall Park, health and well-being improvements for all ages.
 - Provision of a Pump Track at Newchapel Recreation Ground (?Chinky Park?), building on the existing community developed provision in that area.
- 2.3 **The current proposed projects for Newcastle:**
- Clearance of buildings at the former Zanzibar nightclub site, a high profile gateway site to enable its development for residential purposes.
 - Acquisition and demolition of a former health centre at Knutton (subject to a satisfactory purchase price being agreed) to enable site assembly for residential development in line with the emerging masterplan for Knutton Village which is shortly to go out to public consultation.
 - Refurbishment of a vacant shop unit in Newcastle town centre to provide a base for partners to offer an employment support service for people needing to find routes back to employment.
 - Town centre connectivity, supporting the provision of safe and secure routes into Newcastle town centre, supporting provision of facilities for a trial of e-scooters as a sustainable transport option and extending the proposed scale of town centre WiFi in co-operation with Newcastle under Lyme Business Improvement District.

- 2.4 To facilitate delivery within the specified deadline it will be necessary to move at pace to ensure delivery. To this end a number of procurement decisions and partnership arrangements will need to be put into place.

3. **Proposal**

- 3.1 The Council has been working closely with both Town Deal Boards to develop the proposed projects listed above. It is appropriate that the Council supports the overall proposals and officers are authorised to further develop and deliver the projects.
- 3.2 In order to meet the deadlines set by the advanced funding it will be necessary to ensure that the Boards give the necessary approvals and the Council is ready to issue contractors where required quickly. The Council's constitution outlines a several delegations that are already in place to enable the respective Executive Directors to make decisions; some of these are in consultation with the relevant Portfolio Holder whilst others remain with Cabinet. It is appropriate that Cabinet give delegated authority to the respective Executive Directors and Portfolio Holders to progress with the procurement and contracting where required.

4. **Reasons for Proposed Solution**

- 4.1 Progressing the Advanced Town Deal bid documents does not guarantee any funding however there are clear interdependencies with the Town Deal Funding bid documents and as such the need for a consistent approach for the successful delivery of both.

5. **Options Considered**

- 5.1 The MHCLG wants to see that towns have good partnerships which are able to deliver within both the Advanced Town Deal deadlines and prospectus. Therefore the current governance model in place to deliver the Town Deal Funding is an essential part of providing the level of confidence required both externally to MHCLG but also internally to both officers and members accordingly.

6. **Legal and Statutory Implications**

- 6.1 The Council Constitution Appendix 4 Delegation Misc (2014) outlines:

- (18) To procure goods and services within existing agreed budget provisions and in accordance with Standing Orders Chief Executive and all Executive Directors or Head of Business Improvement, Central Services and Partnerships
- (19) To carry on tendering and negotiation procedures in accordance with the Council's Rules
- (20) To accept any tender

The aim of this report is to clarify the delegation where required from Cabinet to the respective Executive Director.

7. **Equality Impact Assessment**

- 7.1 The nature of the projects are intended to seek benefits for all residents of the Borough.

8. **Financial and Resource Implications**

- 8.1 The Council has been allocated £1,750,000 capacity funding; this comprises £1m for Newcastle Town and £750k for Kidsgrove Town. This funding will be paid via a s31 grant

to the Council, to support the development of Advanced Town Deal Funding and Investment projects for the areas subject to a both bids being successful.

9. **Major Risks**

9.1 The Council will need to show clear leadership and ambition to work with partners, local businesses and local communities to develop Advanced Town Deal Investment Plans. Clearly if this is not achieved it could then have a negative impression and reduced level of confidence from within MHCLG that the Council may also not be in a position to successfully deliver any subsequent Town Deal Funding Award both to time and budget.

10. **Sustainability and Climate Change Implications**

10.1 There are no implications at this stage.

11. **Key Decision Information**

11.1 This is a key decision as it involves the expenditure of more than £50,000, however due to the tight timescales set by the funding round it is necessary to consider the delegation of decisions.

12. **Earlier Cabinet/Committee Resolutions**

12.1 Cabinet approved the establishment of the Newcastle and Kidsgrove Town Deal Board, appointment of project management support and consultancy, plus working to develop Investment Plans on 4th December 2019.

13. **List of Appendices**

13.1 None

14. **Background Papers**

14.1 Government guidance is available at <https://www.gov.uk/government/publications/towns-fund-further-guidance>.