

For publication

Staveley Town Deal

Meeting:	Cabinet
Date:	15 th December 2020
Cabinet portfolio:	Leader Economic Growth
Directorate:	Economic Development

1.0 Purpose of the report

- 1.1 To update Cabinet regarding the Town Investment Plan that has been submitted to central government for Staveley as part of the national Towns Fund programme, as well as the next steps of that process.

2.0 Recommendations

- 2.1 That Cabinet note and endorse the Staveley Town Investment Plan submitted to the Ministry for Housing, Communities and Local Government on 11th December 2020.
- 2.2 That Cabinet note and endorse the allocation of resources to fund a masterplan review for Staveley Town Centre.
- 2.3 That Cabinet note the role that Chesterfield Borough Council will play throughout the 5 year Town Deal programme as the accountable body for the Towns Fund allocated to Staveley.

3.0 Reason for recommendations

- 3.1 To ensure that Cabinet is aware of the work underway within the Town Deal programme and the role that Chesterfield Borough Council will play as the accountable body for future funding within that programme.

4.0 Report details

Background and process

- 4.1 In September 2019 the government invited 101 places to develop proposals for a Town Deal as part of its £3.6bn Towns Fund. Staveley was one of the areas chosen to be eligible for this programme. A prospectus was issued in November 2019 which set out the aims of the programme and required eligible towns to establish a Town Deal Board to lead the process of developing a vision and strategy for each town. Capacity funding was also made available through the lead council for each area (Chesterfield Borough Council for Staveley) to support the Deal process. For Staveley this was £140k.
- 4.2 As stated in the November 2019 prospectus, 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.
- 4.3 Through submitting a Town Investment Plan aligned with these themes, each town is able to apply for up to £25m of Towns Fund investment. The funding should be at least 90% capital with revenue funding only requested by exception.
- 4.4 A Town Deal Board for Staveley was convened and first met in January 2020 with Ivan Fomin, Managing Director of MSE Hillier, appointed as the independent chair and Cllr Tricia Gilby as vice-chair. Using the capacity funding awarded for the Staveley Deal, a part-time Town Deal Manager was appointed and a consortium of consultants procured to develop the Town Investment Plan for Staveley. Further guidance for the Towns Fund was issued in June 2020. In addition to providing greater detail on the Deal

process, this guidance set out revised timelines for towns to submit their Town Investment Plans, recognising that responding to the Covid-19 pandemic had prevented areas from developing their plans.

- 4.5 To inform the Staveley Town Investment Plan, engagement activity took place during late summer and autumn 2020. This took a number of forms, including a community survey, focus groups and material generated through the central 'my town' website. A full engagement plan is included as appendix 1. Thinking Place consultants used this material to generate a vision for the Town Deal Board to consider. Specific proposals for projects to utilise the Towns Fund were also developed through this engagement activity, which together with proposals from wider stakeholders generated a long list of projects for consideration. A process of prioritisation took place, using the criteria set by government and the local vision, to reduce the longlist to a shortlist. The Town Deal Board was then able to approve 11 projects that have been included within the Town Investment Plan.
- 4.6 As well as details of each project, the plan sets out how the vision for Staveley will be delivered in the long term and how other funding, programmes and investment will support progress towards that vision alongside the specific Towns Fund projects. The Town Investment Plan was submitted to government on 11th December. A copy is included as appendix 2 (to be circulated on 11th December).
- 4.7 Following submission of the plan, government will assess the proposals and make a provisional funding allocation through agreeing Heads of Terms with the Town Deal Board. Allocations made for towns submitting proposals earlier in the process have typically been less than the amounts set out in the investment plans for those towns. However, it may be that later cohorts, including Staveley, are able to submit more robust investment plans having had more time to develop them and the benefit of learning from the earlier submissions.
- 4.8 The final stage of the process will be the development of a full business case for each of the projects included within the Town Investment Plan. As the accountable body for the fund, Chesterfield Borough Council will be responsible for running the business case assurance process. Provided business cases are sufficiently strong, funding will be provided to allow project delivery to commence.

Accelerator projects

- 4.9 In July 2020, Staveley was invited to put forward proposals for a series of accelerator projects that could be delivered within the 2020-21 financial year up to a total of £500k. These were to be projects aligned with the Towns Fund intervention framework. There was a very short period in which proposals had to be sent to government but 5 projects were identified as being deliverable within the year and the funding was subsequently confirmed. The projects are listed in section 1 of the Town Investment Plan. Funding for the projects has come through Chesterfield Borough Council as the accountable body for the Town Deal programme.
- 4.10 Good progress has been made with 4 of the 5 projects and they remain on track to spend in full by the year end. The 5th project (a 3G sports pitch at Springwell Community College) has subsequently been delayed until later in 2021. However, confirmation has been obtained that the Towns Fund allocation is still available to support this project in 2021-22.

Staveley's Town Investment Plan

- 4.11 The plan sets out a vision for Staveley and two key pillars that have emerged from the engagement work undertaken within the community and with stakeholders – leisure and living; business and skills. Four objectives were then set to deliver against these thematic pillars:
- **Innovation & Enterprise:** Attract new jobs and investment, building on the strengths and assets of Staveley, in particular manufacturing, construction and rail to deliver sustainable and inclusive economic growth.
 - **Inclusive Growth:** Improve the ability of Staveley's communities to take advantage of future job opportunities and build resilience to challenges through improved access to skills and enhanced transport.
 - **Place:** Rejuvenate the physical character of Staveley, in particular its town centre, building on its sense of place and rich heritage, to become a distinctive and vibrant destination that is well connected to existing and new communities and attracts new residents.
 - **Health & Wellbeing:** Maximise opportunities to enhance health and wellbeing, attract visitors and address climate change, making the most of and improving access to Staveley's green setting and rural assets.
- 4.12 Four packages of 11 projects are then described that will take Staveley further towards these objectives over the next 5 years. These form the

Towns Fund, a total of c. £26.5m having been requested to fund those projects (a number of towns have requested over £25m of funding and Staveley has also done so having taken advice from its assigned government lead).

Staveley Town Centre

- 4.13 The most common issue identified through the consultation carried out to inform the Town Investment Plan was the need to improve the quality of Staveley town centre. One of the 11 projects submitted includes a series of interventions designed to deliver significant change within the town centre and to complement other projects within the plan. However, those interventions were drawn from work undertaken to inform the 2009 masterplan for Staveley town centre. Since that time there has been relatively little development of the plan and many of its proposals are yet to be delivered. The Town Deal Board agreed that, given the importance of the town centre within the Deal process, there should be a full refresh of the 2009 masterplan. This would provide an up to date framework for development of the town centre, taking account of the significant changes to the economic, social and environmental context since then. This would include an opportunity to reflect on the future role that town centres are likely to play post-Covid and the opportunities for developing the town centre in light of the significant population growth Staveley will experience over the next 20 years.
- 4.14 Given the need for this work to inform the development of projects within the Town Investment Plan, Chesterfield Borough Council has agreed to use retained business rates income to fund the masterplanning work and is in the process of procuring the capacity needed to undertake this work. A budget of £50k has been set aside to appoint a lead firm to review and refresh the masterplan and to fund specialist studies and engagement activities as required. The Town Deal Board will receive regular reports on the masterplan refresh, which will allow it to revise the projects within the Town Investment Plan as appropriate in line with the revised masterplan proposals. Once the masterplan is fully revised it will come to the Borough Council's Cabinet for approval.

Next steps

- 4.15 Following the submission of the Town Investment Plan, there are likely to be questions and clarifications from government as it assesses the plan. There will then be a discussion with the Town Deal Board regarding the

overall funding to be provided, Heads Of Terms will be agreed and the Deal announced. For the first cohort of towns submitting investment plans, this process took around 3 months. The second phase of the process is the development of full business cases for each of the projects contained within the approved investment plan. Assurance of each business case will be undertaken by Chesterfield Borough Council as the accountable body for the Towns Fund or, in exceptional cases, directly by central government. There will be up to a year available for carrying out this second phase. A summary of the business cases and assurance process will then be reviewed by government prior to any funding being released.

5.0 Alternative options

- 5.1 In terms of the Town Deal process itself, the option of not submitting a Town Investment Plan has not been considered since this would leave the area with no prospect of securing up to £25m of investment.
- 5.2 Each project within the Town Investment Plan has been assessed by the consultant team working on the plan and this has informed the shortlisting and choice between different options for the final project list considered by the Town Deal Board.
- 5.3 Alternatives have been considered for the work required in Staveley Town Centre. These are:
 - Do nothing – this option would not provide an up to date context for the Town Investment Plan projects and risks interventions being delivered that do not bring about the required changes and improvements in the town.
 - Light touch review – a much lighter touch review of the 2009 masterplan could be undertaken. This is unlikely to fully explore the changes to the economic context, key trends that will shape the role of the town centre in the future, how covid-19 will affect future developments and the impact of the significant housing growth planned for the Staveley area. Without revising the plan in light of these factors it is unlikely to provide an effective framework for future developments in the town centre or securing other funding.
 - Use in house resources – consideration has been given to the use of in-house capacity to undertake the work. Whilst the council will

be an active client for the work, it does not at present have the capacity nor all the specialist capabilities required for a full refresh of the 2009 masterplan.

- 5.4 Alternatives have not been considered for providing the accountable body for the Towns Fund as the government guidance states this should be the lead body which in turn is defined as the Unitary, Borough or District council in which the town is situated.

6.0 Implications for consideration – Council Plan

- 6.1 The priorities within the Staveley Town Investment Plan align well with the current council plan. In particular the Town Deal priorities align strongly with the following objectives:

- Chesterfield Borough – a great place to live, work and visit
- Vibrant town centres
- Build a stronger business base
- Develop an inclusive and environmentally sustainable approach to growth
- Improve our environment and enhance community safety for all our communities and future generations
- Help our communities to improve their health and wellbeing
- Reduce inequality and provide support to vulnerable people

The Staveley Town Deal will also make a positive contribution to the council's Covid recovery planning and its response to the Climate Change Emergency.

7.0 Implications for consideration – Financial and value for money

- 7.1 At this stage there have been no direct costs to the council as government capacity funding has been provided to fund the Town Deal Manager role and the consultants appointed to develop the Town Investment Plan. However, this funding is limited and so options are being prepared for sustaining the required capacity within the council for the duration of the Town Deal programme. These will include:

- Bidding for capacity funding within the Town Investment Plan
- Seeking contributions from partners within the Town Deal Board
- Charging a programme management fee to each of the projects that are funded

- Utilising retained business rates
- A combination of the above

- 7.2 With the exception of the masterplanning work described above, there is no direct financial match funding from Chesterfield Borough Council being provided to any of the projects within the Town Investment Plan. However, there are likely to be indirect costs to the council in delivering projects where it is the sponsor and in supporting partners in deliver of their projects. This activity will need to be factored into future business planning.
- 7.3 By the time funding is in place for any of the projects they will have gone through several stages of assessment and assurance, which will provide the council as the accountable body with confidence regarding the value for money of each. The council is already providing the accountable body function for the accelerator projects and has significant experience of doing this for government funded programmes.
- 7.4 The work to refresh the 2009 town centre masterplan will be funded using the Markham Enterprise Zone retained business rates previously allocated by Council to the Joint Growth Unit as the objectives of the Town Deal align strongly with the purposes for which those rates are retained. The costs are estimated to be c. £50k though the exact amount will be determined following a procurement exercise.
- 7.5 Although further government guidance is awaited, the existing guidance indicates that funding for delivery of projects within the Town Deal will be allocated to the accountable body on an annual basis at the start of each year. Project sponsors will then be able to claim that funding from the council during the year as eligible spend is incurred.

8.0 Implications for consideration - Legal

- 8.1 As the accountable body for the Towns Fund, there will be legal considerations for the council as it manages this programme. As noted above, it has a strong track record in fulfilling this role for other similar funding programmes. Contracts have already been issued for the projects awarded funding through the accelerator fund (where the sponsor is not the council). A process will need to be put in place to issue funding contracts with sponsors of each project funded through the Towns Fund and consideration given to how project sponsors will be held to account

for delivery.

- 8.2 Procurement of the capacity required for the refresh of the 2009 Staveley Masterplan will take place through the normal approved processes.

9.0 Implications for consideration – Human resources

- 9.1 The continuing role as the accountable body and the need to coordinate the Town Deal programme beyond the life of the current capacity funding means that there is a need for more resource to be allocated beyond the current temporary and part-time Town Deal Manager. As noted above, options are being developed to fund this. The council has also been able to use retained business rates to appoint an interim director post, the responsibilities of which include providing strategic capacity to the Town Deal process. HR approvals are being sought for the ongoing programme management capacity required.

10.0 Implications for consideration – Risk management

Description of the Risk	Impact	Likelihood	Mitigating Action	Impact	Likelihood
Towns Fund allocation is less than the amount requested	M	M	Staveley Town Deal Board will need to set out a process for further prioritisation and/or scaling back of projects. The development of full business cases may well lead to a reduction in level and/or number of project asks.	L	M
Project sponsors are unable to develop strong business cases and/or cashflow delivery of projects	H	M	Further government guidance is expected including how to support project sponsors through subsequent	M	L

			<p>phases. Resource options are being developed to ensure robust programme management. Ability to cashflow will be a key part of the business case development process</p>		
<p>Communities and stakeholders do not remain engaged and/or see the impact they desire from the fund</p>	M	M	<p>There has been good engagement in developing the investment plan and a well balanced set of projects responding to community priorities has been put forward. An engagement plan in in place to ensure this continues through the next phases. The promotion of the accelerator projects has helped to maintain the profile of the work whilst the investment plan is developed.</p>	M	L

11.0 Implications for consideration - community wellbeing

11.1 The Town Investment Plan outlines a number of projects that would contribute directly and positively to community wellbeing in the Staveley area. The plan also sets out the engagement that has taken place with the

community to inform the priorities set. Health and wellbeing is one of the four thematic priorities around which the plan has been developed.

12.0 Implications for consideration – Economy and skills

- 12.1 A key rationale for the Towns Fund has been to drive growth in towns that may otherwise be left behind in terms of the economy and skills. The projects within the Staveley Town Investment Plan have been assessed in terms of the contribution they will make to the future economy of the area. The investment of c. £25m clearly has the potential to make a transformational impact in this regard and two of the four thematic priorities in the plan relate directly to economy and skills.

13.0 Implications for consideration – Climate Change

- 13.1 Each project within the Town Investment Plan has been considered from the perspective of the contribution it can make to low carbon growth as this is a key criteria set by government for Town Deals. The plan sets out how the projects will help to drive more sustainable growth in the Staveley area, in turn contributing to the council's response to the declared Climate Change Emergency.

14.0 Implications for consideration – Equality and diversity

- 14.1 An equality and diversity assessment has not been made of the Town Investment Plan. It will be proposed that the Town Deal Board build this into the next phase of the process where full business cases for each project will be developed.

Decision information

Key decision number	Non key 185
Wards affected	Lowgates & Woodthorpe, Middlecroft & Poolsbrook, Hollingwood & Inkersall, Barrow Hill & New Whittington

Document information

Report author	
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Background documents	
These are unpublished works which have been relied on to a material extent when the report was prepared.	
<i>This must be made available to the public for up to 4 years.</i>	
Appendices to the report	
Appendix 1	Staveley Town Deal – Engagement Plan (Dec 2020)
Appendix 2	Staveley Town Investment Plan (TO BE CIRCULATED ON 11 th DECEMBER)