

CABINET
14 JULY 2020

TOWNS FUND

**Responsible Cabinet Member – Councillor Heather Scott
Leader and all Cabinet Members**

Responsible Director – Paul Wildsmith, Managing Director

SUMMARY REPORT

Purpose of the Report

1. To update Cabinet on the Towns Fund Deal bid process and detail the proposed timetable for the forthcoming Town Investment Plan (TIP) which will form the application to the fund.

Summary

2. The report sets out the proposed strategic aims and ambitions of Darlington's Towns Fund Deal bid and highlight the necessary actions and timetable for the applications.

Recommendation

3. It is recommended that Cabinet agree submission of a Towns Fund bid by 31 July 2020.

Reasons

4. If successful and implemented it will contribute to the economic growth of the Borough

Paul Wildsmith
Managing Director

Background Papers

Towns Fund guidance – June 2020

| | |
|--------------------------------------------------|-------------------------------------------------------------------------------------|
| S17 Crime and Disorder | None at this stage |
| Health and Well Being | None at this stage |
| Carbon Impact and Climate Change | None at this stage |
| Diversity | There are no specific proposals that impact on diversity issues. |
| Wards Affected | None affected at this stage |
| Groups Affected | None affected at this stage |
| Budget and Policy Framework | Funding to develop bid received – no impact at this stage beyond the grant funding. |
| Key Decision | This is not a key decision |
| Urgent Decision | This is not an urgent decision |
| One Darlington: Perfectly Placed | The bid will take the priorities of ODPP into account. |
| Efficiency | None at this stage |
| Impact on Looked After Children and Care Leavers | This report has no impact on Looked After Children or Care Leavers |

MAIN REPORT

Information and Analysis

5. In February 2020 Cabinet agreed that the Council should progress the application to the government’s Towns Deal Fund and as part of the funding requirement set up a Towns Board to assist in the governance and development of the application to the fund. As part of the invitation to bid, the Council has been awarded £173,029 to assist in the development of the bid to the Fund which has been partially used to recruit a Town Fund Manager who will be the lead project officer for the bid.

6. The Towns Board, chaired by the Leader of the Council, has met earlier in the year however the impact of Covid19 has meant that subsequent meetings have been difficult to arrange however two meetings have been arranged for the month of July. At the initial meeting the Board approved the general direction of the emerging bid which included:-
 - (a) Working to deliver the vision around the Bank Top station area including the Cattle Mart site. There is great potential to regenerate the area around the station and the Victoria Road corridor to enhance the town’s economy, both directly and indirectly. Any funding from the Towns Fund would enhance the £25m Tees Valley Combined Authority (TVCA) funding for Bank Top Station, hopefully Government funding for the transport network and the £1m TVCA funding to improve Victoria Road plus private sector investment.

 - (b) The second area is the North Road corridor from the town centre to the Railway Heritage Quarter site. TVCA funding of £20m has been secured for the site and some of the bid could involve enhancing the site and the surrounding area, looking at shop front schemes and some acquisitions and developments such as infill housing. Bringing heritage assets back life will be

key to the bid.

- (c) The Town Centre will feature in the bid which will compliment £10m from the TVCA funded Indigenous Growth Fund for the town centre, and, if successful, the Council's bid to the Futures High Street Fund of approximately £7m.
 - (d) While the Towns Fund is predominantly aimed at funding capital works there may be an element of revenue funding which could be used to enhance work already underway on the Northgate initiative and the Mutual Gain work at Bank Top.
 - (e) As part of the bid it would also be appropriate to look wider at skills and employability within the Borough and work with partners including TVCA and Darlington College, to see how better outcomes for residents could be delivered.
7. In June 2020 the Council received new guidance on the Towns fund which is attached in **Appendix 1**. The guidance reaffirms the aims and purpose of the Towns Fund which is to drive the sustainable economic regeneration of towns to deliver long term economic and productivity growth. This will be done through:-
- (a) **Urban regeneration** - Ensuring towns are thriving places for people to live and work, including:
 - (i) Increasing density in town centres;
 - (ii) Strengthening local economic assets including local cultural assets;
 - (iii) Site acquisition, preparation, remediation, and/or development; and
 - (iv) Making full use of planning tools to bring strategic direction and change.
 - (b) **Skills and enterprise infrastructure:**
 - (i) Driving private sector investment and small business development; and
 - (ii) Ensuring towns have the space to support skills and small business development.
 - (c) **Connectivity:**
 - (i) Developing local transport schemes that complement regional and national networks; and
 - (ii) Supporting the delivery of improved digital connectivity.
8. The new guidance also states that bids should be guided by sustainability – economic, environmental, and social and clean growth represents a huge opportunity for the UK economy, and is a core principle of the Towns Fund.
9. There are three possible submission dates for Darlington's Town Investment Plan (TIP) – 31 July 2020, end of October 2020 and end of January 2021. All towns must have submitted Town Investment Plans by the end of January 2021. All towns will have a second chance to submit their TIP if they are not successful the first time. A substantial amount of work has been completed over the last few months and following discussions with the Town Board it is recommended that we submit our Town Investment Plan on 31 July 2020.

10. On 1 July 2020 the Council were informed that they would receive an interim payment of £1.0m from the Town Fund to commence projects. These projects need to relate to:
 - (a) Green space/sustainable transport links
 - (b) Town Centre Improvements, including empty commercial premises
 - (c) Demolition/site remediation – giving immediate benefit
11. Work has commenced to identify suitable projects to bring forward.

Financial Implications

12. The Council has received a capacity revenue grant of £173,029, to support the establishment of the Town Deal Board and development of the investment plans required as part of the bid to the Fund. There are no other implications at this stage.

Legal Implications

13. Heads of terms and a memorandum of understanding will need to be agreed should the bid be successful. Further details are set out on page 27 of **Appendix 1.**