

Report to:	Leader of the Council
Date:	26 July 2021
Title:	This is Newhaven – the Newhaven Town Deal
Report of:	Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration and Planning
Cabinet member:	Cllr Zoe Nicholson, Leader of the Council
Ward(s):	Newhaven North and Newhaven South
Purpose of report:	To provide an update on the bid to the Towns Fund for Newhaven and delegate authority to sign the Heads of Terms
Decision type:	Non-Key
Officer recommendation(s):	<p>(1) To note the Town Deal offer of £19.3million from Government.</p> <p>(2) To delegate authority to the Chief Executive to agree, on behalf of Lewes District Council, the Heads of Terms with Government, as set out in Appendix 1, to enable the Newhaven Town Deal to be progressed.</p>
Reasons for recommendations:	<p>(1) The Council has received a provisional offer of £19.3million for the Newhaven Town Deal.</p> <p>(2) The Council must agree Heads of Terms for the Town Deal before 5 August 2021 to enable the bid to progress to the next stage.</p> <p>(3) Newhaven remains a regeneration priority for the Council, building upon Enterprise Zone designation and investment from a range of partners, and the formation of the Newhaven Town Deal Board.</p>
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1 Introduction

- 1.1 The overarching aim of the Towns Fund is “*to drive the sustainable economic regeneration of towns to deliver long-term economic and productivity growth*”. The core elements of this goal are:

- **Urban Regeneration**

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, preparation, remediation, and / or development
- Making full use of planning tools to bring strategic direction and change.

- **Skills and Enterprise Infrastructure**

- Driving private sector investment and small business development
- Ensuring towns have the space to support skills and small business development.

- **Connectivity**

- Developing local transport schemes that complement regional and national networks
- Supporting the delivery of improved digital connectivity.

- 1.2 The Leader should note that the funding available is primarily capital, and as such must be used to provide infrastructure rather than deliver training programmes or other revenue-funded initiatives. The Towns Fund programme lasts for six years.

2 This is Newhaven

- 2.1 'This is Newhaven' is the Town Investment Plan (TIP) submitted by the Council in January 2021. The Plan has been developed with the Newhaven Town Deal Board, which comprises a range of public, private and community stakeholders including Maria Caulfield MP, South East Local Enterprise Partnership and Newhaven Town Council.

- 2.2 The TIP set out an overarching Vision, underpinned by 5 core themes and a number of guiding principles. The Plan identified seven Strategic Programmes for investment and a total Government funding ask of just under £24.7million.

2.3

Strategic Programme	Component Projects	Total Towns Fund Ask (£)	Total Programme Cost incl. Co-Funding (£)
Re-connecting our Town	<ul style="list-style-type: none"> • Pedestrian Gateway • Wayfaring & Visitor Trails 	£1,057,027	£1,307,273
Building our Economic Strength	<ul style="list-style-type: none"> • Norton Road Business Park • Avis Way Improvement Plan • Social Enterprise Incubator • The Old Boatyard • Business Grants Programme 	£5,430,190	£20,579,320
Re-imagining our Town Centre	<ul style="list-style-type: none"> • Community & Creative Hub 	£1,305,700	£1,357,700
An Active Community	<ul style="list-style-type: none"> • Eastside Recreation Ground • Fort Road Rec Ground • Newhaven FC • Denton Island Slipway 	£3,421,000	£4,469,000
Destination Newhaven	<ul style="list-style-type: none"> • Newhaven Fort 	£5,841,000	£7,041,000
Better Journeys for All	<ul style="list-style-type: none"> • Hydrogen Hub 	£6,473,500	£6,573,500

	<ul style="list-style-type: none"> • Multimodal Superhubs • Body, Paint & Trim Facility 		
Maintaining Maritime Vitality	<ul style="list-style-type: none"> • Marine Gateway 	£1,155,000	£1,155,000
TOTAL		£24,683,416	£42,482,792

- 2.4 Following a recent speech from the Prime Minister on 15 July, the Council has received a Town Deal offer worth up to £19.3million. A copy of the letter from the Secretary of State for Housing, Communities and Local Government, which includes the Heads of Terms, is attached as Appendix 1 to this report.
- 2.5 This does not mean that the Council has received £19.3million of funding. We must now agree the proposed Heads of Terms, provide an updated Delivery plan and, over the next 12 months, provide detailed business cases for each of our Strategic Programmes (in line with HM Treasury Green Book guidance) before we can access this funding.

Heads of Terms

- 2.6 There is a requirement for the Chief Executive of Lewes District Council, alongside the Chair of the Newhaven Town Deal Board, to sign the Heads of Terms, as set out in Appendix 1, and return to MHCLG by 5 August 2021.
- 2.7 It is recommended that authority be delegated to the Chief Executive to sign the Heads of Terms to allow Officers to progress with preparing the updated Delivery Plan and detailed business cases.

3 Consultation and Engagement

- 3.1 Cllr MacCleary, Lead Member for Regeneration and Prosperity, has also been consulted on the decision to sign the Heads of Terms and is in agreement that this should be implemented.
- 3.2 As part of the Towns Fund process, the Board has given due consideration to the extensive engagement that has taken place in Newhaven over recent years. This includes the Neighbourhood Planning process, the work of the Newhaven Enterprise Zone and those of other key stakeholders.
- 3.3 In addition, Government has run the #MyTown campaign for each of the shortlisted towns. This has shown key community focus on areas that are addressed by the seven strategic programmes proposed.
- 3.4 A 'Virtual Exhibition' and an online community survey were also utilised to engage with the local community despite the challenges created by the Covid-19 pandemic and informed the Town Investment Plan. Community and business engagement will be ongoing throughout the lifespan of the Towns Fund programme.

4 Corporate plan and council policies

- 4.1 The Council's Corporate Plan 'Re-imagining Lewes District Corporate Plan 2020-2024' sets out a number of areas that will be addressed by Newhaven's Town Investment Plan:

Building Community Wealth

- 4.2 The strategic programmes identified will contribute to reducing employment inequality, help the Council to prioritise investment into the local economy and increase training and employment opportunities for local residents. The extensive engagement undertaken and proposed will help to ensure that community views and aspirations are firmly embedded within the bid.

Sustainability and Climate Change

- 4.3 Providing new facilities and routes to enable more walking and cycling fits strongly with this theme of the Corporate Plan. The potential for provision of low-carbon public transport and infrastructure will help lead the ambition for cleaner air in the district – which is particularly important in Newhaven, and its Air Quality Management Area around the Town Centre.

5 Business case and alternative option(s) considered

- 5.1 As per the previous report to Cabinet (December 2020), the Town Investment Plan was developed with a full range of stakeholder and community involvement and projects are due to be delivered by a range of partners.
- 5.2 It is therefore considered that there are no appropriate alternative options to be considered. These have already been considered by the Town Deal Board in keeping with the required governance for this funding.

6 Financial appraisal

- 6.1 There are no financial implications arising directly from this report, as the key recommendations are to delegate authority to sign the Heads of Terms to permit the development of the detailed business cases.
- 6.2 A robust assurance process is being designed by Finance and Regeneration Officers to ensure that business cases are appropriate for the level of funding requested and will meet the objectives of the Towns Fund. This process will be reported to Members at a later date.

7 Legal implications

- 7.1 MHCLG's proposed Heads of Terms (HoT) are not contractually binding, although the offer of £19.3m is subject to various conditions being met. The HoT will act as a Memorandum of Understanding for the future development and delivery of Newhaven's Town Investment Plan and project proposals; and set out joint expectations as Newhaven enters the business case development phase.

8 Risk management implications

Risk	Impact	Likelihood	Mitigation
Council does not receive an offer of full Towns funding	3	4	The Council has received an offer to the value of 78% of our ask. Officers are now working with project partners to identify savings.
Failure to deliver projects within the Towns Fund programme timeframe	4	1	Deliverability is one of the key criteria that has been assessed for all proposals submitted in the Town Investment Plan.
Funding does not meet the needs of Newhaven's residents, businesses, and visitors	4	1	The programme has been informed by engagement with the local community and businesses to ensure needs are met.

9 Equality analysis

- 9.1 This report is focused on agreeing Heads of Terms for a strategic funding bid with the Government. As the business cases are subsequently developed, individual strategic programmes will have their own equality analyses undertaken as needed to ensure the Council's statutory duties are met.

10 Environmental sustainability implications

- 10.1 There are no significant environmental sustainability effects as a result of the recommendations in this proposal. Indeed, some of the strategic programmes accord strongly with the Council's environmental aims.
- 10.2 However as business cases are developed, the potential impact of each strategic programme will be considered in greater detail as required.

11 Appendices

- 11.1 Appendix 1: Letter from the Rt Hon Robert Jenrick MP enclosing Heads of Terms (dated 15 July 2021).

12 Background papers

[This is Newhaven – Town Investment Plan](#)