



Ministry of Housing,
Communities &
Local Government

**Ministry of Housing, Communities & Local
Government**

Fry Building
2 Marsham Street
London
SW1P 4DF

www.gov.uk/mhclg

Chris Ketley
Chair, Newhaven Town Deal Board
chris@knilljames.co.uk

15 July 2021

Robert Cottrill
Chief Executive, Lewes District Council
Robert.cottrill@lewes-eastbourne.gov.uk

Dear Mr Ketley and Mr Cottrill,

Newhaven Town Deal

In September 2019, the Government announced the initial 101 places invited to develop Town Deal proposals as part of the £3.6 billion Towns Fund.

Newhaven was included in this initial 101 places and we were pleased to receive Newhaven's Town Investment Plan in January. We are grateful for your hard work, and that of your team and Town Deal Board, in developing this set of project proposals to deliver long-term and sustainable economic growth in Newhaven.

I am delighted to be offering you a Town Deal for Newhaven to a value of up to £19.3 million. The draft Heads of Terms for this deal are attached to this letter. A list of the projects that we are content to support within this funding envelope is also attached, with conditions as appropriate; it is for Newhaven to choose which projects to proceed with.

I understand that you will need to secure the agreement of the Town Deal Board to take up this offer. I would therefore request that you do so and return to us the signed Heads of Terms as confirmation by 5 August 2021. My officials are of course on hand to answer any questions you may have.

This is an exciting opportunity to come together to drive long-term economic and productivity growth in Newhaven, particularly as we meet the challenges presented by Covid-19. I look forward to working with you to make Newhaven's plans a reality.

Yours sincerely,

THE RT HON ROBERT JENRICK MP

Heads of Terms Newhaven

Introduction

Situated around nine miles from Brighton, in the South East of England, Newhaven is a contact point to the continent through the ferry service. Found at the mouth of the River Ouse with strong natural assets, Newhaven is a charming place to both live and visit. Nevertheless, it faces several key challenges: high levels of 'at risk' employment, a high vacancy rate, poor skills attainment, and disproportionate impacts on Job-Seekers Allowance (JSA) claimants due to the Covid-19 pandemic.

Government will work with Lewes District Council and its Town Deal Board to support the delivery of a Town Deal, with the goal of ensuring all Newhaven residents have a share in the town's success.

The commitment

This document lays out the Heads of Terms offer to Newhaven, under the Towns Fund. This is not a contractually binding document and the offer is subject to various conditions being met. The Heads of Terms will act as a Memorandum of Understanding for the future development and delivery of Newhaven's Town Investment Plan and project proposals. It sets out joint expectations as Newhaven enters the business case development phase.

Government will provide up to **a total of £19.3 million from the Towns Fund**, which will be used to enable Newhaven to be recognised as a key gateway to the UK with a thriving port. It will see the Town Centre revitalised as a vibrant hub, with sustainable travel options and a good quality of life for residents with access to leisure and recreational facilities. Additionally, the town's industry will be a point of pride with established businesses and new enterprises having capitalised on advancements in technology to increase productivity as well as providing a range of employment opportunities. As well as championing creative freedom in fast-growing sectors, it will celebrate the energy of its industry centring on innovation and draw upon its existing assets.

Newhaven has proposed a range of projects that will contribute towards achieving this vision. These include:

- Re-connecting Our Town
- Build Our Economic Strength
- Re-imagining our Town Centre
- Delivering An Active Community
- Implementing Destination Newhaven
- Developing Better Journeys for All
- Maintaining Maritime Vitality

Newhaven will need to prioritise these projects within the funding envelope being offered. Funding for individual projects will be subject to successfully completing Phase 2 of the Towns Fund process. This includes detailed project development and business case assurance at local level.

Process, governance and assurance

Local partners will work with government to demonstrate the feasibility, viability and value for money of their projects by developing and submitting the Town Deal Summary Document,

including (as per the Further Guidance and Stage two guidance: business case development):

- A list of agreed projects
- Details of business case assurance processes followed for each project
- An update on actions taken in relation to the Heads of Terms key conditions and requirements
- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Undertaking Public Sector Equalities Duty analysis
- Approval from the Town Deal Board and Lead Council

Newhaven should conduct project assurance in line with agreed routes for each individual project and should provide further details of planned private sector stakeholder engagement.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, Newhaven should confirm in writing details of projects being taken forward and a plan for addressing key conditions relating to those projects and the overall Town Investment Plan. This should be sent to towns.fund@communities.gov.uk, copied to the town lead.

Newhaven must then complete business cases for the projects being taken forward and submit the Summary Document within 12 months of the deal being agreed. MHCLG will then provide the agreed funding up to the maximum amount of **£19.3m** for those projects, provided that all conditions are met.

Signed:

Chair of the Town Deal Board

Chief Executive of lead Council

MHCLG Secretary of State / Minister

Date

ANNEX TO THE HEADS OF TERMS: PROJECTS WITHIN SCOPE OF THE TOWN DEAL

The Town Deal offer is a maximum of **£19.3 million** of MHCLG funding in total.

Within this maximum amount, Newhaven may take forward projects selected from those listed below.

This funding will be subject to successfully completing Phase 2 of the Towns Fund process as set out in the Towns Fund Further Guidance, including detailed project development and business case assurance at local level. It is also dependent on final spending profiles, including the RDEL/CDEL split being provided, and the further project-specific conditions set out below being met.

Projects	Funding offer limit	Match	Expected outputs and outcomes	Conditions	Fast track (Y/N)
Re-connecting Our Town This project designed a number of interventions that will better connect the cycling and walking infrastructure across the town, improving pedestrian permeability and creating new heritage trails that will contribute towards visitor economy	£1.06m	£0.25m	<ul style="list-style-type: none"> • 5 new visitor trails • 1 new pedestrian crossing • Perception of place improved for residents 	<ul style="list-style-type: none"> • N/A 	Y
Build Our Economic Strength The delivery of new employment space will create employment and skills development opportunities for local residents, bringing more people into work, reducing unemployment and	£5.43m	£15.15m	<ul style="list-style-type: none"> • Increase in amount of enterprise space (sqm): 2254m • New hubs for social enterprise SME's and start-ups: 1 • Remediation and development of under-utilised / dilapidated sites: 2 • Employment Created / Safeguarded (FTE): 71 • New affordable homes for local residents: 90 	<ul style="list-style-type: none"> • N/A 	N

related issues			<ul style="list-style-type: none"> Number of new learners assisted: 83 		
Re-imagining our Town Centre This project focused on the conversion of the disused first floor of the Newhaven Library building on the High Street, which would be re-imagined as a community and creative hub that would drive footfall into the town centre and create new enterprise and community spaces to drive investment.	£1.31m	£0.052m	<ul style="list-style-type: none"> Jobs Created / Safeguarded: 16 New enterprise space (sqm): 385 Refurbished community space (sqm): 270 	<ul style="list-style-type: none"> N/A 	N
An Active Community This project involves the delivery of a range of land and water-based recreation initiatives across Newhaven will provide residents with a significantly enhanced variety of opportunities to engage in active pursuits and contribute to the town's strong social capital.	£3.42m	£1.048m	<ul style="list-style-type: none"> Delivery of new public spaces: 2 Upgraded sports facilities & parks: 3 Refurbished community & greenspace (sqm): 66,273 FTE jobs created / safeguarded: 26 Number of new learners assisted: 47 	<ul style="list-style-type: none"> Provide a more detailed delivery plan that covers risks, interdependencies and mitigation measures. Provide further detail on the impact of this project through inclusion of a broader range of outcomes. 	N
Destination Newhaven This project focuses on the	£5.84m	£1.2m	<ul style="list-style-type: none"> 1 upgraded historical building Increase in visitor numbers (%): 63 	<ul style="list-style-type: none"> Provide a more detailed delivery plan that covers risks, interdependencies and 	Y

renaissance and renovation of Newhaven Fort - a Scheduled Ancient Monument and key visitor attraction			<ul style="list-style-type: none"> FTE Jobs directly safeguarded: 7 	<p>mitigation measures.</p> <ul style="list-style-type: none"> Quantification of outputs and outcomes is needed in order to proceed with this project. 	
<p>Better Journeys for All</p> <p>Through this project, sustainable transport would be encouraged with a comprehensive and integrated network of public transport that would serve the town itself, providing connections to the wider region and linking with 'Reconnecting our Town' to ensure improved accessibility by foot and bicycle.</p>	£6.47m	£0.1m	<ul style="list-style-type: none"> Increase in amount of enterprise space (sqm):1680 FTE jobs created / safeguarded: 17 Number of new learners assisted: 120 Enhanced public transport infrastructure (new digital bus shelters with real-time information): 3 	<ul style="list-style-type: none"> Provide confirmation of partnership arrangements: "Brighton & Hove Buses and East Sussex College Group to deliver an agreed training framework, as well as potential agreements with Lewes District Council and Newhaven Port & Properties over access to these facilities for appropriate large vehicles." Quantification of outputs and outcomes is needed in order to proceed with this project. 	N
<p>Maintaining Maritime Vitality</p> <p>The new Marine Gateway would help to improve perceptions of Newhaven and encourage visitors to stay longer in the town - thereby increasing spending within the local economy. New enterprise space</p>	£1.16m	N/A	<ul style="list-style-type: none"> New enterprise space (sqm): 270 Commercial space refurbished (sqm): 300 FTE Jobs created / safeguarded: 125 Number of enterprises utilising high quality, affordable and sustainable commercial spaces: 5 	<ul style="list-style-type: none"> N/A 	Y

would also be provided through re-purposing of under-utilised space within the existing Terminal building					
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General conditions

There are also the following requirements for the process and governance:

- **TIP Improvements:** Provide further details of planned private sector stakeholder engagement.
- **Assurance:** The business cases for each project will be taken through Lewes District Council, in line with local assurance processes.
- **Public Sector Equalities Duty (PSED) and other assessments:** Lewes District Council will undertake programme-wide level impact assessment, relevant project-level impact assessment to meet their Public Sector Equalities Duty as well as carry out relevant Environmental Impact Assessments.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, Newhaven should provide the following information to towns.fund@communities.gov.uk, copied to the town lead (annex a in business case guidance):

- Details of the projects being taken forward (including for each project the capital/revenue split and the financial profile)
- Overall capital/revenue split and financial profile for the Town Deal
- A plan for addressing key conditions relating to those projects and the overall Town Investment Plan.

Newhaven must complete business cases for the projects being taken forward and submit the Town Deal Summary Document within 12 months of accepting this offer. Business cases should follow the Lead Council's usual assurance processes and be undertaken in partnership with the Town Deal Board.

If the town wishes to alter the projects being developed, change them for other projects, or otherwise depart from the conditions placed on the projects above, they will inform the Towns Hub as soon as possible setting out clear justifications and evidence. A form for requesting such changes is in the business case guidance.