

**Report to** Cabinet  
11 November 2020  
**Report of** Director of place  
**Subject** Norwich Town Deal Bid

**Item**

**8**

## **KEY DECISION**

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### **Purpose**

To consider the successful award of a £25million Town Deal for Norwich and whether to accept the heads of terms proposed.

### **Recommendation**

To accept the Norwich Town Deal offer as detailed in the exempt appendix.

### **Corporate and service priorities**

The report helps to meet the corporate priority Inclusive economy

### **Financial implications**

The draft Heads of Terms offers a sum up to £25million subject to the successful completion of project assurance work. At this stage there is no formal funding commitment from the council, any funding to support the projects contained with the Towns' Fund bid is to be formalised during the project assurance work.

**Ward/s:** All Wards

**Cabinet member:** Councillor Waters - Leader

### **Contact officers**

Ellen Tilney, Economic Development Manager

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Graham Nelson, Director of Place

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### **Background documents**

None

# Report

## Background

1. The government launched the Towns' Fund prospectus in November 2019, inviting 101 towns to bid for up to £25million each to drive forward long term economic and productivity growth via the development of a Town Deals Investment Plan. For the purpose of the Town's Fund, the eligible area of Norwich was the built-up area as defined by the Office for National Statistics, available on the council's website [here](#).
2. The council established the Town Deals Board in January 2020 as detailed at cabinet in March 2020. This met on a monthly basis to develop proposals in line with the key themes and requirements of the funding and Norwich's 2040 Vision.
3. Eligible areas were able to bid for the funding in one of three tranches. Norwich's bid was submitted to the Ministry of Housing, Communities and Local Government,(MHCLG), in the first tranche and was agreed at cabinet in July 2020. The detail of the bid is commercially sensitive, it consisted of eight projects grouped in two themes (skills and enterprise infrastructure and urban regeneration) and can be summarised as follows:

<b>Skills and enterprise infrastructure</b> This package of projects supports how we will grow the digital and creative economy and ensure our residents and businesses have the advanced skills in digital, construction and engineering they need to prosper.
<ul style="list-style-type: none"><li>• <b>Digital hub</b> – a new city centre workspace with start-up and grow on space for digital businesses.</li></ul>
<ul style="list-style-type: none"><li>• <b>The Halls</b> – investment to update and refurbish the venue including the development of a state-of-the-art making space for collaboration and high value cross sector partnerships between culture, digital and tech.</li></ul>
<ul style="list-style-type: none"><li>• <b>Digi-tech factory</b> – a new skills facility providing digital tech, engineering and design courses.</li></ul>
<ul style="list-style-type: none"><li>• <b>Advanced construction and engineering centre</b> – a new technological advanced training facility, supporting the application of digital technology to construction, manufacturing and engineering sectors.</li></ul>
<b>Urban regeneration</b> These projects offer opportunities for significant levels of housing growth and employment space creation to accommodate the needs of a growing city.
<ul style="list-style-type: none"><li>• <b>East Norwich</b> – investment to accelerate the development of a new high-quality urban quarter in east Norwich.</li></ul>
<ul style="list-style-type: none"><li>• <b>Revolving fund</b> – investment to unlock brownfield sites to deliver modern homes and workspaces for the growing economy.</li></ul>
<ul style="list-style-type: none"><li>• <b>Public realm</b> – investment to enhance the city centre public and urban spaces and improve connectivity and navigation.</li></ul>
<ul style="list-style-type: none"><li>• <b>Branding</b> – communicating what the city has to offer by developing a commercial proposition for Norwich as <b>the place</b> for business and a city to live, learn and invest in.</li></ul>

4. The results of the first tranche were announced by MHCLG. Norwich was one of only seven places that were successful and have been offered a town deal.
5. This resulted in the successful award of a £25million Town Deal to Norwich which represents a significant investment towards transformative regeneration and economic recovery in line with the objectives set out in the Norwich 2040 Vision and the council's Economic Strategy.
6. The acceptance of the offer by the council requires the chief executive to accept the heads of terms. The detail of the proposed heads of terms are set out in the exempt appendix.
7. The Town Deal Board would remain in place to oversee the delivery of the programme, there would also be the opportunity to add to the membership of the Board with specific expertise as required to support specific projects. Minutes, agendas and supporting research would be published on the Norwich City Council website see previous link.
8. A full-time programme manager and part-time administrator would be needed to oversee the programme. It is expected that this will be fully funded by the programme. An internal programme board would also be established to support programme management and the delivery of projects including finance, communications, engagement/consultation activities with designated projects leads reporting the progress of each project strand.
9. There would be a requirement to provide match funding/leverage against the Town's Fund monies for specific projects. Match funding would come from a number of different sources and would not be drawn solely from city council funds. The precise level of match funding to be contributed from city council would be fully determined during the project assurance stage and reported to cabinet for approval.
10. Within two months of the deal being signed the following information would be required to be provided:
  - a) Details of the projects being taken forward (including for each project the capital/revenue split and the financial profile)
  - b) Overall capital/revenue split and financial profile for the Town Deal
  - c) The actions taken to address the conditions for selected projects
  - d) Clarification of how engagement with local communities has specifically influenced decisions around Norwich's Town Deal proposals.
11. A business case must be completed for each of the projects within the Town Investment Plan within 12 months of accepting the funding offer. The Lead Council (Norwich City Council) would be expected to complete business case following its usual assurance processes and in partnership with the Town Deal Board (guidance on business case requirements would be provided in due course).

12. The Towns Deal Board met on 2 November to consider the proposed offer and agreed that the offer should be accepted, although in doing so, it was agreed that flexibility should be requested to allow grant monies to be moved between different projects to allow local control and efficiency of spend. Further updates on the progress of this process will be brought to cabinet along with the final details of any match funding requirements.

## Integrated impact assessment



**NORWICH**  
City Council

The IIA should assess **the impact of the recommendation** being made by the report

Detailed guidance to help with the completion of the assessment can be found [here](#). Delete this row after completion

### Report author to complete

<b>Committee:</b>	Cabinet
<b>Committee date:</b>	11 November 2020
<b>Director / Head of service</b>	Director of Place
<b>Report subject:</b>	Norwich Town Deal Bid
<b>Date assessed:</b>	26 October 2020

	Impact			
Economic (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Finance (value for money)	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The Towns Fund represents a significant opportunity to attract £25million to support economic development and urban regeneration projects in line with the Norwich 2040 Vision and Norwich Economic Strategy.
Other departments and services e.g. office facilities, customer contact	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
ICT services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Economic development	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	The opportunity to attract up to £25million will unlock the delivery of key objectives within the Norwich Economic Strategy and 2040 Vision. Funding to support additional programme management resource has also been included within the bid.
Financial inclusion	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It has not been possible to quantify the impact upon financial inclusion at this stage but several of the projects within the final Town Deal bid will contribute positively to economic inclusion, skills support and job creation.
Social (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Safeguarding children and adults	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<u>S17 crime and disorder act 1998</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

	Impact			
Human Rights Act 1998	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Health and well being	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It is not possible at this stage to evaluate the impact of Towns Fund projects on Health & Wellbeing but those contained within the bid have all been designed to support a positive contribution to this agenda via increasing economic participation and opportunity to benefit from economic and jobs growth resulting from the projects funded via the Towns' Fund.
Equality and diversity (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Relations between groups (cohesion)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Eliminating discrimination & harassment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Advancing equality of opportunity	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It is not possible at this stage to evaluate the impact of Towns Fund projects on equality but those contained within the bid have all been designed to support a positive contribution to equalities.
Environmental (please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Transportation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	The Towns Fund bid does not include transportation projects due to the imminent announcement on the Transforming Cities bid and commencement of a significant range of transport projects within this programme

	Impact			
Natural and built environment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It is not possible at this stage to evaluate the individual impact of Towns Fund projects on the natural and built environment but all of those included have been designed to support clean growth and regeneration of brownfield sites.
Waste minimisation & resource use	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Pollution	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Sustainable procurement	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Energy and climate change	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	It is not possible at this stage to evaluate the impact of Towns Fund project on energy and climate change but all of the projects included within the bid have been developed to support clean growth and development of skills associated with a transition to a carbon zero economy.
(Please add an 'x' as appropriate)	Neutral	Positive	Negative	Comments
Risk management	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



## Recommendations from impact assessment

### Positive

The Norwich Town Deal bid represents a significant opportunity to attract substantial government investment in economic regeneration and skills infrastructure in Norwich in line with the Norwich 2040 Vision and the Norwich Economic Strategy. It is fully aligned with the New Anglia Economic Strategy and Local Industrial Strategy and will make a major contribution to delivering key priorities and outcomes outlined within these documents in partnership with a wide range of key stakeholders.

### Negative

### Neutral

### Issues