
Towns Fund Accelerated Funding

SYNOPSIS

To seek Committee approval for the acceptance of grant funding
from MHCLG relating to the Towns Fund

1. Relevant Background Details

In September 2019 the Ministry of Housing, Communities and Local Government (MHCLG) announced a £3.6 billion Towns Fund to support over 100 places across England, of which Corby was included in the list of towns.

The Towns Fund invites the Council to agree a Town Deal with government, as a means of accessing external funding of £25m per place to facilitate economic regeneration and deliver long term economic and productivity growth.

Corby's Town Deal Board was formed in January. Since that time stakeholder engagement sessions have been held, along with a detailed baselining review of Corby undertaken to inform and support the development of the Town Investment Plan.

In June 2020 MHCLG published guidance outlining the Towns Fund bidding process and framework for producing a Town Investment Plan. Over the coming months work will continue through the Town Deal Board to establish the vision and projects that will form the Town Investment Plan, which will be the basis of Corby's bid for up to £25m. It is anticipated Corby's bid will be submitted in January 2021.

As part of a nationwide announcement for all places in the Towns Fund cohort, on July 1st 2020 the Council was offered Accelerated Funding of £750,000 to deliver capital projects this financial year. This report outlines that offer and recommended projects to take forward.

2. Report

On 1st July 2020 Corby was offered a grant of £750,000 to fund capital projects. The grant must be used to support capital spend within the intervention framework set out in the Towns Fund guidance (appendix 1), and projects must be completed this financial year.

Whilst the funds can be used to support any eligible Towns Fund intervention, MHCLG are encouraging projects that will support towns in responding to immediate COVID related challenges, including:

- Improvement to or new parks and green spaces and sustainable transport links
- Improvements to town centres including repurposing empty commercial properties
- Demolition or site remediation where this will have an immediate benefit

To secure this grant the Council must confirm to MHCLG by 14th August what it will use the grant for, confirming spending is in line with the Towns Fund intervention framework, will represent value for money and that the projects can be delivered this financial year.

It is understood that this grant is not a top slice of Corby's opportunity to bid for £25m as part of the Towns Fund. There is no match funding requirement, although further detail from MHCLG is awaited on the precise terms of the grant and if clawback is applicable. All projects must be state aid compliant and the Council will need to have any contractual arrangements in place for grants to third party projects.

Project ideas have been sought from members of the Town Deal Board and internally within the Council. The culminating long list of projects is outlined in appendix 2. Given the short timescales from announcement to acceptance, detailed feasibility assessments have not been possible, although an initial assessment of compliance with the Towns Fund intervention framework and state aid has been made.

Committee is asked to accept the grant offered by MHCLG and progress the long list of projects identified in appendix 2, noting they will be subject to further due diligence, assessment with MHCLG to confirm suitability, and prioritisation to ensure the grant funding is spent this financial year.

3. Options to be considered

- i) Accept the grant funding offered by MHCLG, noting the attached list of projects.
- ii) Select alternative projects for the grant funding, noting the Towns Fund intervention framework.
- iii) Do not accept the grant funding.

4. Issues to be taken into account:-

Policy Priorities

The project is in line with the Council Corporate policies of economic development, and creation of jobs.

Financial

There is no direct financial impact on the Council at this stage. Projects will need to be managed within the total £750,000 grant.

Legal

Independent legal advice will be sought to ensure projects are state aid compliant. Further, any grant funding to third parties will be formally documented by contract.

Performance Information, Human Rights, Community Safety

N/A

Sustainability

Projects should align with the Governments clean growth objectives where possible, and not conflict with commitments to cut greenhouse gas emissions.

Equalities

An equality impact assessment will be undertaken as part of specific projects.

Best Value

Project proposals must demonstrate value for money, in particular that any public funding used to support third parties directly benefits the town and its community.

Risks

1. Failure to implement the projects in sufficient time to meet the end of this financial year deadline, which will be mitigated through robust project management. The consequence of this risk could be clawback of the grant funding.
2. If the project cost is in excess of the external funding, then the Council may have to meet the balance.
3. The projects highlighted are greater than the grant funding available, requiring prioritisation of those projects with greater certainty of delivery.

5. Conclusion

The Council has been offered grant funding of £750,000 from MHCLG. The grant is to be spent on Corby town, in line with the Towns Fund intervention framework, with specific projects related to the immediate COVID challenge encouraged.

Whilst the timescales for accepting the offer and delivering the projects are challenging, this represents an excellent opportunity to kick-start local initiatives in the wake of recent months.

6. Recommendation

That the Committee:

- i) Accept the grant funding offered by MHCLG, noting the attached list of projects; and
- ii) Delegate approval to the Head of Property Services to determine the final projects taken forward, in consultation with the Leader of the Council and the Chair of the Town Deal Board.

Background Papers	None
External Consultations	Consultation of project ideas via Town Deal Board, as outlined in appendix 2.
List of Appendices	Appendix 1 – Towns Fund Intervention Framework. Appendix 2 – Towns Fund Accelerated Funding Project Proposals.
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