

Cabinet

Item
7(i)

Wednesday 14th October 2020

Report of	Assistant Director Place and Client Services	Author	Matthew Brown ☎ 507348
Title	Colchester Town Deal		
Wards affected	All wards affected		

1. Executive Summary

- 1.1 This report seeks Cabinet approval for the submission of Colchester's Town Investment Plan which forms a key element of the Town Deal programme; to Government on 29th October 2020 for and on behalf of Colchester's 'We are Colchester' (Town Deal) board.

The report presents the ambition and vision for Colchester which has been developed by Colchester's 'We are Colchester' (Town Deal) board, the incredible and once-in-a generation opportunity this scale of investment would represent for Colchester, and the process to develop the basis of the Town Investment Plan. It sets out the requirements on CBC in its ongoing role as facilitator and secretariat to the 'We are Colchester' board, and its role as Accountable Body for delivery of a £25m capital programme if Colchester's bid is successful.
- 1.2 The Town Investment Plan has been developed through a partnership of Colchester Borough and Essex County, with further facilitation and support provided and resourced by Government. The 'We are Colchester' board was established in January 2020 and comprises of 12 board members representing a wide range of stakeholders with an interest in Colchester.
- 1.3 The partners within the 'We Are Colchester' board recognise that the challenges and opportunities facing Colchester will best be addressed through a collaborative approach to achieving inclusive and sustainable economic growth.
- 1.4 The Town Investment Plan provides a platform for strategic intervention at a scale which will achieve transformation in the overall economic prosperity of Colchester and compliments wider economic stimulation for example the Government's Local Industrial Strategy, the emerging North Essex Economic Strategy, Colchester's own Economic Growth Strategy refresh, partners strategic plans including Essex County Council (ECC), SE LEP, Health, Education providers and Business. It supports several wider government policy drivers including climate change and green growth, health & wellbeing and recovery from Covid-19.
- 1.5 The Town Investment Plan has been articulated through an overall vision and statements explained in detail in section 5 of this report. The Town Investment Plan (TIP) includes a strategy, a suite of related Strategic Investment Programmes. A prioritised set of projects contained within each Strategic Investment Programme will be agreed by Town Deal Board; these are summarised within this report. No material changes will be made to these from the point of this report being endorsed by CBC's cabinet.
- 1.6 The accountability for preparing the Town Investment Plan rests with the board, however CBC and its partner local authority ECC have facilitated this work which is outlined later in this

report. However; CBC is required to formally agree to undertake this role of Accountable Body (under the oversight of the Town Deal Board) on an ongoing basis beyond the submission of the TIP in late October 2020. This will include developing business cases to support the projects proposed and interventions identified, then if the MHCLG funding is awarded, the management and delivery of a £25m capital programme in line with CBC's existing and established governance models.

1.7 To summarise the current status of this work and subsequent actions; the Town Investment Plan and Strategy are currently being finalised for approval by Town Deal Board. The key next steps will be:

- Finalisation of bid / Town Investment Plan and approval to submit (CBC, ECC and Town Deal Board): October 2020.
- Agree heads of terms CBC and MHCLG: November/December 2020.
- Development of business cases, further engagement, review and update governance and TOR for board, develop and deliver detailed Communications and Engagement Plan; for the programme as a whole and within specific projects and programmes: throughout 2021.
- Final approval of Town Deal and release of <£24m funding (if successful): anticipated late 2021.
- Delivery and implementation phase: projects funded by Town Deal: 2021-2026.

2. Recommended Decision

2.1 It is recommended that Cabinet:

- a) Agrees the principles of the 'We are Colchester' (Town Deal) Vision, Strategy and Strategic Investment Programmes, and the illustrative examples of projects; which together form Colchester's Town Investment Plan;
- b) Agree to delegate the submission of the final bid to Government 29th October 2020 to the Strategic Director; Policy & Place in the light of the 'We are Colchester' (Town Deal) board's final decision.
- c) Agrees to CBC's ongoing commitment to the Town Deal Programme, including developing business cases that build on the project concepts submitted within the Town Investment Plan; throughout 2021;
- d) Agrees to CBC's role as accountable body to the resultant £25m capital programme (if the bid is successful) including S151 approval in the programme delivery timeframe of 2021-2026; and CBC's ongoing role as secretariat to Town Deal Board;
- e) notes that as part of the next stages work of developing full business cases; full consideration will be given to the ongoing revenue implications of for example the maintenance and management of physical assets created through this programme, notably enhanced public realm and green infrastructure.
- f) notes that the Town Investment Plan will contribute to delivery of several of CBC's New Strategic Priorities and several of the objectives and actions contained in the Council recovery programme (Covid-19) agreed at Cabinet 3rd June 2020;
- g) notes the partnership structures which are in place and planned in order to facilitate the development of next stages of work (Business Case);
- h) notes that development of Business Cases (throughout 2021) will include significant and on-going engagement and consultation.

3. Reason for Recommended Decision

- 3.1 Approval of this programme and CBC's role as accountable body will enable CBC as lead LA to proceed and submit the bid on behalf of 'We are Colchester' board. By presenting a strong and coherent place-making vision and strategy, this programme will significantly enhance the profile of partners in 'We Are Colchester' including the two Local Authorities CBC with Essex County Council. It will substantially boost their capacity and capability to influence levels of national government and private sector investment in Colchester Town. As such, it will greatly boost Colchester's opportunities to realise its economic development, place-making, inward investment and regeneration ambitions now and on a long-term basis, whilst providing a framework which will guide the development of a specific programme of targeted interventions at a local level, ensuring these are strategically linked and have the highest possible impact.

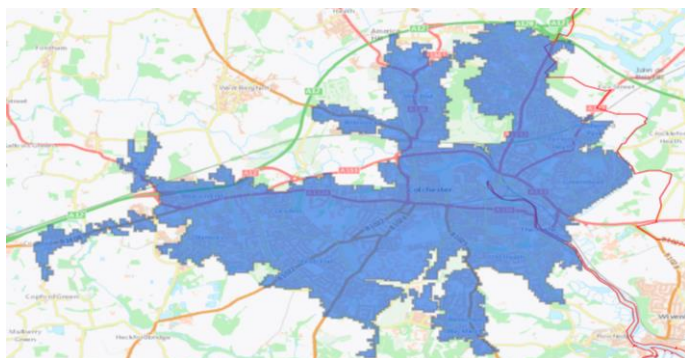
4. Alternative Options

- 4.1 No alternative options have been presented to Cabinet. Town Deal is recognised as a once in a generation opportunity for Colchester, and there are no other current or anticipated sources of funding and investment of comparable size and scope. Some of the interventions proposed in the Town Investment Plan see Town Deal as the funder of last resort as they are unlikely to attract suitable investment from other sources; and cannot be funded within the council's resources, particularly in the light of the current financial situation arising from Covid-19.

5. Background Information

- 5.1 In November 2019 Government launched its Town Deal Programme; see <https://www.gov.uk/government/publications/towns-fund-prospectus> and invited Colchester as one of 101 English towns to prepare and submit a Town Investment Plan and bid for upto £25m. In response, Colchester Borough Council (CBC) as the lead local authority in partnership with Essex County Council and others has developed a 'We are Colchester' (Town Deal) programme. The partnership is now preparing a Town Investment Plan (TIP) for Colchester which we will submit to Government on 29th October 2020. The TIP covers just the wider urban area of Colchester; population 136,300 (with a focus on the town centre) as area shaded in blue;

Figure 1: The Colchester Town Deal Map



- 5.2 The Town Deal Programme is based on a set of six specific intervention themes. These, themes and illustrative examples of the associated outputs and outcomes are included in guidance provided by MHCLG:

Figure 2: MHCLG Prospectus – Interventions in scope for investment

Intervention Theme	Outputs	Target Outcomes
Local transport	Increase in the number of bus services; new or upgraded cycle and walking routes; new or upgraded road infrastructure; pedestrianised streets	Improved affordability, convenience, reliability, and sustainability of travel options to and from places of work
		Improved affordability, convenience, reliability, and sustainability of travel options to and from places of interest (especially shops and amenities)
		Reduced congestion within the town
		Enhanced high street and town centre experience that prioritises the health, safety and mobility of pedestrians
Digital connectivity	Provision of full fibre infrastructure with local authority as anchor tenant	Increased utilisation of digital channels, by businesses, to access and/or supply goods and services
		Increased ability for individuals to work remotely/flexibly
		Encouraging further investment from network operators
Urban regeneration, planning and land use	Remediation and/or development of previously abandoned or dilapidated sites	Enhanced townscape that is more attractive and more accessible to residents, businesses and visitors
Arts, culture and heritage	New or upgraded museums, theatres, community spaces, etc	Improved arts, cultural and heritage offer that is more visible and easier for residents/visitors to access
Skills infrastructure	Increase in the capacity and accessibility to new or improved skills facilities	Increased share of young people and adults who have relevant skills for employment and entrepreneurship
Enterprise infrastructure	Increase in the amount of high-quality and affordable commercial floorspace; increase in the number of shared workspaces or innovation facilities	Increased number of enterprises utilising high-quality, affordable and sustainable commercial spaces
		Increased number of start-ups and/or scaleups utilising business incubation, acceleration and co-working spaces

- 5.3 In response to the MHCLG prospectus, 'We are Colchester' (Town Deal) programme was established and formally launched in January 2020. It comprises of a board; chaired by an independent person and representing key organisations and stakeholders, supported by an Advisory Group and Assemblies, with further key organisations and interests represented.

Figure 3: We Are Colchester – governance and approach



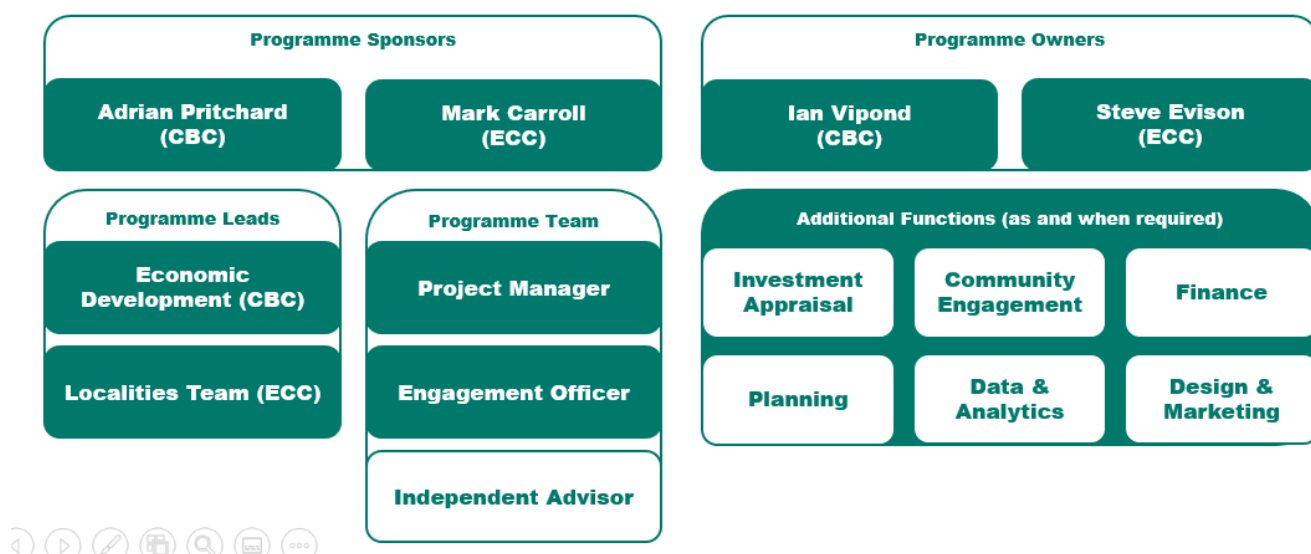
Figure 4: We Are Colchester board – organisations represented

Colchester Borough Council: Leader and Chief Executive	CHAIR Our Colchester (Business Improvement District):	Essex County Council: Cabinet Member for Economic Growth and Executive Director	Homes England
South East Local Enterprise Partnership	North Essex Health Alliance	Colchester 360 (representing the community and voluntary sector)	Colchester Business and Enterprise Agency (representing small businesses)
University of Essex	Hiscox (representing larger businesses)		

Town Investment Plan (TIP) Approach

- 5.4 The TIP has been developed through a partnership of Colchester Borough Council and Essex County Council. Given the ambition of the Town Deal, and the timescale set by central government, a Programme Office was established to ensure that the programme is delivered, and the vision set by the Board is met. The Programme Office is largely run on a matrix management basis, with established full-time and dedicated posts supplemented by further specialisms as needed. This multi-disciplinary and flexible team is managed by the two programme leads, with requests for additional resources escalated to the local authority sponsors. The Programme Office also provides the secretariat function to the 'We are Colchester' board and any subgroups and activities deriving from it.

Figure 5: We are Colchester Programme Office



The Vision

- 5.5 The Vision drives forward the aspirations of the 'We are Colchester' board, including the political leaders of the partner Local Authorities to come together and drive forward a collective long-term ambition for economic prosperity and chance for Colchester. The vision provides a platform for strategic intervention at a scale which will achieve transformation, whilst complimenting local economic and place-making activity which the partners deliver.

The Vision was prepared through consultation with the general public via a Town Assembly, and online engagement, and finally shaped and finalised by the board in the spring of 2020. It sets out three themes and a suite of sub-statements:

'How we Grow':

- Destination of choice for business
- Creative, digital & knowledge sectors
- World class education system
- Dynamic skills system
- Attract larger firms.

'How we Live':

- Children & Young People have the best start in life
- Thriving cultural, heritage and arts scene
- Unforgettable visitor experience
- Celebrating our history
- Independent retailers and businesses inc. retail.

- How we Connect':
- Prioritises active & sustainable travel
- Make the town Carbon neutral
- Digital & mobile technology
- High-quality natural environment
- Access to nature improves wellbeing.

5.6 The programme was paused in March 2020 as the councils and partners prioritised their responses to the Covid 19 pandemic. The programme was relaunched in June 2020 when MHCLG issued an updated guidance note on Towns Fund; essentially the purpose and scope of the Towns Fund remained broadly the same; but towns were required to demonstrate how investment plans support the place in its recovery from Covid-19. Towns were given three submission options; July 2020, October 2020 and January 2021; Colchester's Town Deal board selected the October 2020 cohort.

Thereafter, in the period June-September 2020 activity has focussed on undertaking broader community consultation, preparing and submitting an 'accelerated' bid for £1m for capital projects that can be delivered by March 2021 and which align clearly to the final Town Investment Plan, and finally preparing the Town Investment Plan for agreement by the board, prior to submission to MHCLG.

Engagement with stakeholders, partners and the wider community is vital to a successful bid. Although time has been very short, and CV-19 has severely limited the nature and extent of outward-facing engagement; we have consulted both online and face-to-face with as many people as we can. The issues that have emerged as most important to local people are (in no particular order):

- | | |
|-------------------------------------|---|
| • Making Colchester more attractive | • The "green" agenda |
| • Cycling | • Traffic |
| • Infrastructure | • More to do (particularly for children and young people) |
| • Schools | • Public transport/ buses |
| • Engagement with young people | • Jobs |
| | • Culture/ tourism |

Some of these issues do not meet the criteria of the Town Deal as set out at figure 2 above (e.g. school places), but those that do have been considered in the development of the vision, strategic investment programmes, and potential projects.

Town Investment Plan

5.7 The Town Investment Plan is in two parts; Part 1 strategy, and Part 2 specific investment propositions (projects). The Strategy (Part 1) sets out a wide context analysis including a full SWOT, an investment strategy, an engagement strategy and a delivery strategy. Crucially it establishes a suite of 6 'success conditions' or factors that are essential to ensure effective delivery of the vision set out at 5.5 above; noting the Town Deal is intentionally a collective long-term ambition which delivers a platform for strategic intervention at a scale which will achieve transformation. The strategy takes a long-term (25-year) view, then sets out the specific priorities broken down within three

windows of time; focusing the TIP on actions set out within the shorter term time-frame of the £25m Town Deal investment to 2026. However, it also enables a longer-term view setting out what we might want Colchester to be like in 2040.

Strategic Investment Programmes

- 5.8 The 'We are Colchester' board has endorsed the vision and the basis of a suite of 3 Strategic Investment Programmes; these forming the intermediate layer between the success conditions (strategy) and specific projects and interventions (actions). The relationship between the vision, MHCLG prospectus priorities, success conditions and Strategic Investment Programmes is as described below:

Figure 6- The Strategic Investment Programmes in context:

Colchester Town Strategic Vision	MHCLG Towns Fund Prospectus priorities	Town Investment Plan Part 1: Strategy: Success Conditions	Town Investment Plan Part 2: Strategic Investment Programmes (individual projects sit within each)
How We Grow	Skills Infrastructure Enterprise Infrastructure	Condition B: Skills and Enterprise	A: Our Town, Your Future Potential (Youth, Skills & Enterprise)
How We Live	Urban Regeneration, Planning and Land Use Arts, Culture and Heritage	Condition A: Land Assembly and Development Condition F: Public and Market Confidence (Coronavirus Recovery) Condition C: Built Environment	B: Building A Better Town (Sustainable Travel, Public Realm & Green Infrastructure)
How We Connect	Local Transport Digital Connectivity	Condition D: Transport Provision and Infrastructure Condition E: Digital and Communications Infrastructure	C: Connecting Ahead (Gigabit Broadband & 5G, along with digital skills development, digital working hubs)

Projects

- 5.9 In response to a request from Town Deal board, a suite of individual specific projects has been prepared by the member organisations represented within Town Deal board with support from officers and facilitators. These are framed within the three strategic investment programmes set out above.

Due to the timescales to prepare and submit this cabinet report; the specific projects which will be included in the final Town Investment Plan are now undergoing final stages of development. The following table illustrates the types of projects which are being considered for inclusion;

Figure 7- Proposed projects

Town Investment Plan Part 2: Strategic Investment Programmes	Example projects	Indicative values*
A: Our Town, Your Future Potential (Youth, Skills & Enterprise)	Projects that deliver new high-quality working spaces reflecting CV-19 and new patterns of working, for individuals in the knowledge economy and key economic sectors with potential growth and delivery of higher paid and skilled jobs.	Value of Town Deal request approx. c. £4m
	Projects which transform services for young people.	
	Projects which raise skills levels particularly digital skills levels in key locations (Young and Working Age People).	
B: Building A Better Town (Sustainable Travel, Public Realm & Green Infrastructure)	Projects using planned housing development to secure investment in high-quality public space and heritage interpretation.	Value of Town Deal request approx. c. £13m
	Projects which make the town centre greener and more attractive including high-quality public realm and design of features such as parklets.	
	Projects that bring forward investment and regeneration to transform key urban hubs outside the town centre. Possibly including provision of bikes to those in need.	
	Projects that make attractive and sustainable uses of empty historic buildings.	
C: Connecting Ahead (Gigabit Broadband & 5G, along with digital skills development, digital working hubs)	Targeted investment in 5G provision where it will bring significant opportunities that cannot be realised commercially.	Value of Town Deal request approx. £8m
	Projects which boost broadband connectivity at sites and buildings boosting digital skills levels.	
	Projects that make neighbourhoods more liveable with high-quality and strategic walking & cycling networks including linking residential areas, education establishments and the town centre.	

* The precise weighting and value of specific projects and the breakdown across the three strategic investment programmes will form the basis of the £25m request to government. This is subject to finalisation and endorsement of the projects by 'We are Colchester' board which will be completed in late October 2020 after this report has been published and advised in the final Town Investment Programme which will be published in prospectus form in late 2020.

It should further be noted that projects may additionally be seeking funding and investment from other sources beyond Town Deal; which will add to the funding package available to deliver the projects, and/or reduce the demand on the Town Deal request. The detailed content (projects and programmes) of the Town Investment Plan will be

agreed and approved by the 'We are Colchester' board prior to submission at the end of October. Thereafter the Town Investment Plan will be published via the 'We are Colchester' website.

An important part of the narrative to be presented clearly in the Town Investment Plan is the leverage or further funding that will be attracted in the initial window of Town Deal investment (to 2026) as a direct result of the Town Deal investment; estimated to be 2-3 the size of the Town Deal itself. Our Town Deal will hugely help as we open conversations and gain wider influence with other government departments and take future actions on attracting internal investment for example agencies and companies seeking to re-locate away from Central London.

Many of the projects are scaleable and phasable; if additional funding were to be brought forward from another source within the period of their design and delivery they could be expanded beyond the baseline level; for example specific walking and cycling infrastructure improvements could be rolled out to further communities in the town.

The Role of CBC as the Accountable Body:

- 5.10 In endorsing the submission of the Town Investment Plan to government by 'We are Colchester' board, CBC is agreeing to several commitments and principles which will apply on a medium to long term basis. These are:
- Commitment to manage the secretariat function to Town Deal board, including member and senior officer leadership and involvement in the board and its advisory group;
 - Commitment to managing external relationships including with the members of the partnership, local MPs, and other key stakeholders;
 - Commitment to help to develop the role of Town Deal board into the next phase and provide wider leadership including for example developing our strategic relationships with BID, University, Health and Business – to drive investment in Colchester in a strong, coherent and visible 'whole place' manner;
 - Commitment of CBC officer time and capacity to progress to the next stage (business case development), noting there will be no further provision of capacity funding from government;
 - Committing to CBC ultimately holding responsibility for financial management, audit and delivery assurance to a £25m capital programme; in line with and using existing CBC models of governance for capital projects and programmes.

The Town Deal process – actions completed to date and next steps planned:

- 5.11 To recap; the key activities completed to date and planned are:

- Confirmation of Colchester's intent to bid; completion of 'readiness' assessment: November 2019.
- Formation and inception of 'We are Colchester' (Town Deal) board: January 2020.
- Establishment of related Advisory Group and Town Assembly: February/March 2020.
- Re-launch of programme (following pause due to Covid-19): June 2020.
- Submission of £1m 'accelerated' bid' for 2x Public Realm schemes: August 2020 (*outcome Sep 2020*)
- Preparation of draft Town Investment Plan (TIP) strategic investment programmes & specific projects: August/September 2020
- *Finalisation of bid, approval to submit (CBC, ECC and Town Deal Board): October 2020*
- *Agree heads of terms CBC and MHCLG: November/December 2020.*
- *Development of business cases, further engagement etc: Throughout 2021.*
- *Final approval of Town Deal and release of <£24m funding (if successful): anticipated late 2021*
- *Delivery and implementation phase: projects funded by Town Deal: 2021-2026*

6. Equality, Diversity and Human Rights implications

- 6.1 Consideration will be given to equality and diversity issues in respect of individual schemes, initiatives and projects that contribute to the delivery of the Town Investment Plan through the development of the specific business cases (projects and programmes).
- 6.2 CBC will prepare an Equality Impact Assessment for the Town Investment Plan as a whole and this will be included as an appendix within the document. Further more specific Equality Impact Assessments will be completed as part of developing and implementing specific project activities within the programme when these are developed, and the Council will have due regard to its Public Sector Duty continuing to work to tackle discrimination and inequality and help to create a fairer society, improve housing choice and social mobility (including for protected groups).

7. Strategic Plan References

- 7.1 The following Strategic Plan References are relevant to the Town Investment Plan:

Growth:

- Ensuring all residents benefit from the growth of the borough
- Help make sure Colchester is a welcoming place for all residents and visitors
- Ensure residents benefit from Colchester's economic growth with skills, jobs and improving infrastructure
- Promote inward investment in the borough
- Develop jobs, homes, infrastructure and communities to meet the borough's future needs
- Work with partners to create a shared vision for a vibrant town centre.

Opportunity:

- Promote and enhance Colchester borough's heritage and visitor attractions to increase visitor numbers and to support job creation
- Encourage green technologies through initiatives such as SMART Cities
- Help business to flourish by supporting infrastructure for start-up businesses and facilitating a Business Improvement District.

Wellbeing:

- Target support to the most disadvantaged residents and communities.

8. Consultation

- 8.1 The Town Investment Plan has been developed following full consultation with each of the Councils at both Member and officer level, with the board, and its advisory group. In parallel, a series of wider consultations took place. These included a physical assembly with over 100 attendees in March 2020, specific online surveys and focus groups, discussions with businesses, discussion with BID board, local authority and further and higher education representatives.
- 8.2 Where specific initiatives and interventions are developed that facilitate the delivery of the Town Investment Plan, consultation will be considered for these projects as appropriate as part of the development of the Programme Plan.

9. Publicity Considerations

- 9.1 None specific to this report. The Town Deal programme is subject to a communications and engagement plan which includes publicity, branding, etc.

10. Financial implications

- 10.1 The programme leverages substantial further funding and investment within the 5-year window of delivery; over twice the value of the grant and potentially much more. To date, the costs of developing the Town Investment Plan, providing the secretariat function to Town Deal Board, engagement/communications and wider work undertaken have been bourn through a combination of: £173k 'capacity funding' awarded by MHCLG to CBC; to fund Project Manager & Engagement Officer fixed-term posts, external consultant inputs including support with independent facilitation and strategy development, capacity within existing staff establishment resources, notably CBC Economic Development Team and ECC Localities Team; equivalent to at least 1FTE each over the past 12 months. Further support has been provided (at no cost to CBC) by consultants allocated to MHCLG's Town Deal programme.

Similarly, the next and planned steps (developing projects to business case) will be funded within existing resources. Specific projects will be developed such that business cases consider development management fees and costs at approx. 10% of total project costs. Full consideration will be given to the ongoing revenue implications of the maintenance and management of the physical assets that will be created through this programme, for example enhanced public realm and green infrastructure.

11. Health, Wellbeing and Community Safety Implications

- 11.1 There are no specific implications but generally the proposal aims to promote positive health and well-being for our residents, and this policy theme features prominently in several the programme interventions being developed. The 'We are Colchester' board, advisory group and groups preparing specific projects include representation from the Health Sector, 'One Colchester' Partnership, CBC's communities team and a number of other bodies with responsibility and focus on health and wellbeing including links to the Sport England funded Local Delivery Pilot.

12. Health and Safety Implications

- 12.1 There are no specific concerns at this stage of the development of the Town Investment Plan. Risk will be identified and assessed at individual project level and addressed at that stage.

13. Risk Management Implications

- 13.1 No implications are identified at this stage. Risk will be assessed at individual project level and addressed at that stage.

14. Environmental and Sustainability Implications

- 14.1 Environmental and sustainability considerations are considered of paramount importance and are a cross-cutting theme within the Town Investment Plan. As specific projects and interventions within this programme are developed, each will be considered in relation to the Climate Emergency Action Plan to ensure that the Council's climate change, environmental and sustainability ambitions and policies are actively addressed and promoted throughout the development of specific projects and programmes.

Appendices: None.

Background Papers: None.