

Record of Executive Member Decision Taken Under the Scheme of Delegation .	On
	23rd March 2021

Title	Report of
Leyland Town Deal Heads of Terms	Leader of the Council

Is this report confidential?	No
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Purpose of the Report

1. The purpose of this report is to seek approval to accept the offer of funding from the Leyland Town Deal and agree to the Heads of Terms.

Recommendations

2. That the Heads of Terms for the Leyland Town Deal be agreed and the Chief Executive be authorised to sign the document alongside the Chair of the Leyland Town Board.

Reasons for recommendations

3. The Leyland Town Deal has reached an important stage whereby an offer of funding and conditions have been issued to the Council as accountable body and the Leyland Town Deal Board. The Heads of Terms need to be signed by 24th March 2021.

Other options considered and rejected

4. The only other option is to not agree to the Heads of Terms which would mean the regeneration of Leyland Town Centre would not occur at the scale and in the timelines proposed through the Town Deal.

Corporate outcomes

5. The report relates to the following corporate priorities:

An exemplary council		Thriving communities	✓
A fair local economy that works for everyone	✓	Good homes, green spaces, healthy places	✓

Background to the report

6. On 6th September 2019 MHCLG announced that 100 towns would be invited to develop proposals to form new town deals and share £3.6 billion of investment from central Government. At this time Leyland was named as one of the towns being invited to bid. Alongside this capacity funding of £162,000 was provided to enable the development of a Town Investment Plan. This funding was spent on consultancy services providing economic business case and design work.
7. Part of the requirements was that the Town Deal would be lead by a Town Board. The Leyland Board was formed in January 2020 and met a number of times in both workshop and formal format to develop the Town Investment Plan (TIP). The final TIP was approved by the Board, supported by the Council and submitted to Government in October 2020.
8. In July 2020 a further amount of advanced funding of £750,000 was secured towards a strategic land purchase at Quinn Street. This land purchase is due to complete imminently but will cost more due to the values agreed. A separate urgent decision has been made on 17 March 2021 to provide the additional required budget and funding to enable the purchase of the land and complete the transfers of ownership.
9. In February 2021 the Council has also bid for a further £120,000 of capacity funding which if successful will enable dedicated resourcing to deliver the Town Deal.

10. Current Position

11. On 3rd March 2021 the Chancellor announced funding for a round of Town Deals including Leyland. For Leyland the provision is for £25 million which was the highest amount we could bid for. Leyland is one of a few of the named Town Deals to be given the full amount asked for.
12. On the same day written confirmation was received by both the CEO and Town Board Chair of the offer of funding together with the Heads of Terms. The offer letter seeks confirmation of the acceptance of the offer by 24th March 2021. There is then a two month window to provide:
 - 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. A plan for addressing key conditions relating to those projects and the overall Town Investment Plan.
13. The Heads of Terms are attached as an appendix to this report but in summary seek the following:
 - a. The vision for Leyland is a digitally connected, carbon neutral town where local enterprises thrive, skilled residents have good jobs, and communities feel connected to a newly revitalised town centre that has a distinct, retail, hospitality, leisure and cultural offer.
 - b. The Heads of Terms will act as a Memorandum of Understanding for the future development and delivery of Leyland's Town Investment Plan and project proposals. It sets out joint expectations as Leyland enters the business case development phase.
 - c. Government will provide up to a total of £25 million from the Towns Fund, which will be used to:

- i. Establish a clear heart to the town supporting a more diverse and improved cultural, leisure and food and drink offer that attracts visitors and residents;
 - ii. Provide a strong supply of skilled labour;
 - iii. Drive jobs and productivity in our Leyland's key sectors (Automotive, Advanced Manufacturing, Digital and Energy); and
 - iv. Reduce greenhouse gas emissions through an increase in sustainable travel and through supporting Leyland's ambition to become carbon neutral by 2030
- d. developing and submitting the Town Deal Summary Document, including:
- i. A list of agreed projects
 - ii. Details of business case assurance processes followed for each project
 - iii. An update on actions taken in relation to the Heads of Terms key conditions and requirements
 - iv. A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
 - v. A Monitoring and Evaluation Plan
 - vi. Confirmation of funding arrangements and financial profiles for each project
 - vii. Undertaking Public Sector Equalities Duty analysis
 - viii. Approval from the Town Deal Board and Lead Council
- e. Projects to be:
- i. Town centre transformation
 - ii. Market regeneration
 - iii. Business, skills and enterprise hub

14. Leyland must complete business cases for the projects being taken forward and submit the Town Deal Summary Document within 12 months of accepting the offer.

15. Officers have reviewed the Heads of Terms and can find no issue or concern with them. The Heads of Terms allow for changes as the projects develop in more detail and there are a few more stages to refine the deliverable projects.

16. The Heads of Terms were presented to the Leyland Town Deal Board on 19th March 2021 where the Board unanimously agreed to the offer and the Heads of Terms. As accountable body the Council must now also accept the Heads of Terms.

Risk

17. A key requirement of the next stage in the Heads of Terms of the Town Deal is Governance and Assurance. Detailed work on risk will be provided as part of that work.

Equality and diversity

18. All Leyland Town Deal projects will be thoroughly assessed from an equality and diversity perspective as they are worked up in more detail.

Comments of the Statutory Finance Officer

19. The total budget for the purchases at Quin St is forecast to be £1.111m and additional funding has been identified to manage this budget increase. The Heads of Terms will enable the council to continue to deliver the Town Deal with £25m match funding from Government.

Comments of the Monitoring Officer

20. The Heads of Terms have been checked by Legal Services and there are no concerns with them.

Background documents


Leyland Town Investment Plan, October 2020

Appendices

Appendix A – Leyland Town Deal Offer Letter and Heads of Terms

Report Author:	Email:	Telephone:	Date:
Jonathan Noad (Director of Planning and Development)	jnoad@southribble.gov.uk	01772 625206	19 th March 2021

Following careful consideration and assessment of the contents of this report, I approve the recommendation(s) contained within this report in accordance with my delegated power to make executive decisions.

Signed:	
	Leader of the Council
Date:	23.3.2021
Publication Date (DSO use only):	23.3.2021

This decision will come into force and may be implemented five working days after its publication date, subject to being called in in accordance with the Council's Constitution.