

Town Deals and the Towns Fund

The government published its [Town Deals Prospectus](#) on 1 November 2019, setting out the process for developing Town Deals in 101 selected towns across England. Town Deals will draw on the £3.6 billion Towns Fund launched by the Prime Minister in September 2019 and will bring together public, private and third sector leaders to develop locally-owned investment priorities and project proposals. This funding will address issues that matter to economies and communities and presents an opportunity to closely integrate local growth planning with that of the health and care sector.

Key points

- Town Deals will see local leaders in 101 towns in England develop town investment plans by summer 2020 to drive long-term, local economic and productivity growth, with formal Deals agreed by 2021 at the latest.
- Town Deals are the latest in a series of government-led growth agreements with local areas aimed at rebalancing the economy and follow on from City Deals and Devolution Deals.
- The Towns Fund has been established to finance the Town Deals, with up to £25 million available to each selected town to fund capital and revenue projects in urban regeneration, planning and land use, skills and enterprise infrastructure, and connectivity.
- Town Deal boards will be created locally by the end of January 2020 to lead the process. They have been advised to engage with local anchor institutions, including specifically hospitals.
- Integrated care systems (ICSs)/sustainability and transformation partnerships (STPs), integrated care partnerships (ICPs), primary care networks (PCNs) and NHS organisations should be aware of the increased investment coming into their town and playing an active role in shaping investment priorities and project proposals. In particular, this represents a clear opportunity to align place-based planning in the areas of population health and prevention, skills and workforce, innovation, and estates and infrastructure.



Background

The [UK Industrial Strategy](#), published in November 2017, announced that Grimsby had secured a Town Deal with the government – the first of its kind and a new approach to regeneration to be taken forward by local public and private sector partners to revitalise the town centre, increase skill levels and create new jobs and housing. Since the launch of the Industrial Strategy the government has been working to shape a wider roll out of the Town Deal vision, in a similar way to the previous emergence of City Deals (now numbering over 30 and covering cities across the UK). It is expected that Town Deals will provide the basis for a stronger voice in wider decision making for towns and for further investment.

Why towns?

Much of the early government focus on rebalancing the economy has been on city regions, with City Deals and (the vast majority of) Devolution Deals negotiated between central government and city leaders. Recent political and economic focus has turned to the plight of towns in England, and particularly those in the north and midlands. As the Towns Fund Prospectus states: “Struggling towns do not always have the fundamental building blocks of a strong local economy in place. The evidence shows they can face some significant challenges: an ageing population without the skills necessary to attract new firms, fewer people going on to and returning from higher education, fewer economic opportunities in the surrounding region, and less direct foreign investment than in cities. Growth is held back where this is compounded by poor transport and digital connectivity.”

Town Deals

Across England 101 towns (see the annex for list) have been selected to work towards a Town Deal, which can unlock up to £25 million of government funding per town. Through the Deal, government has committed to working with the towns to identify opportunities to align or rationalise public investment around key local priorities and to focus on making the towns more attractive to private investors. There may also be commitments by government or its agencies to work with the town closely on specific policy areas. Town Deals are expected to be agreed by 2021 at the latest, though several will be agreed earlier. There will be a future competition for further towns to agree a Town Deal at some point in 2020.

Agreeing a Town Deal is a two-stage process, with the Prospectus focused on the first stage.

Stage 1: Providing capacity support to places to put the structures and vision in place in order to move to the next stage of agreeing a deal

Stage 2: Places to use their locally-owned town investment plan to put together a business case to apply for funding for interventions (further guidance on Stage 2 will be provided in due course, including the capital and revenue funding available, and interventions that can be supported).

For stage 1, the unitary authorities, district councils and borough councils in the areas for the towns selected will take the lead in developing a Town Deal board no later than the end of January 2020, before producing a town investment plan no later than Summer 2020.

The Town Deal board will be the vehicle through which the vision and strategy for the town is defined. It will produce a town investment plan and inform the Town Deal, including the amount of investment secured through the Towns Fund. Membership must include all relevant local and combined authorities, MPs, Local Enterprise Partnerships (LEPs), businesses and communities.

The Prospectus states that these boards should also include or engage with local anchor institutions and specifically mentions hospitals.

Town investment plans should set out investment priorities that could drive economic growth, supported by clear evidence and targeting investment into the economic infrastructure listed around the objective of the fund, as well as making full use of existing powers, particularly in planning. They should align with other wider local strategies, including local industrial strategies and ICS/STP plans, in particular with a view to suggesting ways of better coordinating investments within a place. There is also provision for local places to produce a joint town investment plan. The town investment plan is a locally owned document and will not require sign off by government, however it will form the basis of deal negotiation and inform the amount of investment agreed through the Towns Fund.

The Towns Fund

The £3.6 billion Towns Fund, announced in September 2019 by the Prime Minister, will provide the core public investment in Town Deals, though additional funding may come from other sources or parts of government. The objective of the Fund is to drive the economic regeneration of towns to deliver long-term economic and productivity growth through:

- **Urban regeneration, planning and land use:** Ensuring towns are thriving places for people to live and work, including by: increasing density in town centres, strengthening local economic assets including local cultural assets, site acquisition, remediation, preparation, regeneration, and making full use of planning tools to bring strategic direction and change.
- **Skills and enterprise infrastructure:** Driving private sector investment and ensuring towns have the space to support skills and small business development.
- **Connectivity:** Developing local transport schemes that complement regional and national networks, as well as supporting the delivery of improved digital connectivity.

Potential projects to be funded through the Towns Fund will focus on these three areas. While the government is not being prescriptive, projects could include, for example:

Town Deal theme	Example project aims
Urban regeneration, planning and land use	Investing in cultural assets; redeveloping vacant sites for new business and leisure uses; Making best use of brownfield sites or surplus land owned by central or local government; Investment in buildings that provide both office space and also areas to deliver training; Improving business support facilities.
Skills and enterprise infrastructure	Coordinating strategies for how people can be supported locally to meet labour market needs; Investing in educational facilities.
Connectivity	Strengthening transport within the town to regional transport links; Developing active travel schemes such as new cycle and walking paths; Improving digital infrastructure.

The Prospectus states that “as this is about driving long-term transformative change to local economies, we expect to see capital projects at the core of projects submitted for funding”.

The role for STPs/ICSs and the wider NHS

The government's focus on towns should be welcomed by the NHS. Many of the challenges NHS organisations in the selected places face are directly related to the economic and social development of the town. There is certainly a role here for NHS trusts as anchor institutions to engage in this work, as the guidance suggests, but the sector's input into town investment plans should have a wider focus – linking in with system and place plans for population health and prevention, skills and workforce, innovation, and estates and infrastructure.

Lead local authorities will shortly receive capacity funding from government to support the development of a Town Deal board and investment plan for each of the shortlisted towns in their area. The annex on pages five to seven reflects both the 101 towns selected and the initial capacity funding they will receive. Town Deals and the associated Towns Fund should be seen as an opportunity to collaborate around the planning and resourcing of public service provision across communities and the NHS Confederation recommends that its members engage with the lead local authority in the coming months as appropriate.

More information

To discuss Town Deals and the Towns Fund in more detail, or for assistance in approaching local partners, please contact Michael Wood, head of health economic partnerships at the NHS Confederation on michael.wood@nhsconfed.org or [@NHSLocalGrowth](https://twitter.com/NHSLocalGrowth).

Annex

Timeline for lead councils

Capacity funding distributed to lead councils	November 2019
Readiness checklist returned	19 November 2019
All Town Deal boards convened (including publication of town boundary)	End of January 2020
Further guidance published	Early 2020
All Town investment plans produced	Summer 2020
Town Deals agreed	2020-21
A competition for further Town Deals	2020

Capacity funding allocation per town

Local authority	Town(s)	Town capacity funding Allocation (£)	Local authority Total (£)
Allerdale Borough Council	Workington	162,019	162,019
Ashfield Council	Kirkby-in-Ashfield	162,019	324,038
	Sutton in Ashfield	162,019	
Barnsley Council	Goldthorpe	140,000	140,000
Barrow Borough Council	Barrow-in-Furness	162,019	162,019
Bedford Borough Council	Bedford	173,029	173,029
Blackburn with Darwen Borough Council	Darwen	162,019	162,019
Blackpool Council	Blackpool	173,029	173,029
Bolton Council	Bolton	173,029	173,029
Boston Borough Council	Boston	162,019	162,019
Bournemouth, Christchurch and Poole Unitary	Bournemouth	173,029	173,029
Bradford Metropolitan District Council	Keighley	162,019	324,038
	Shipley	162,019	
Broxtowe Borough Council	Stapleford	140,000	140,000
Calderdale Council	Todmorden	140,000	302,019
	Brighouse	162,019	
Carlisle City Council	Carlisle	173,029	173,029
Charnwood Borough Council	Loughborough	162,019	162,019
Cheshire East Council	Crewe	162,019	162,019
Chesterfield Borough Council	Staveley	140,000	140,000
Colchester Borough Council	Colchester	173,029	173,029

Copeland Borough Council	Cleator Moor	140,000	280,000
	Millom	140,000	
Corby Borough Council	Corby	162,019	162,019
Cornwall Council	Penzance	140,000	604,038
	St Ives	140,000	
	Camborne	162,019	
	Truro	162,019	
Durham County Council	Bishop Auckland	162,019	162,019
Crawley Borough Council	Crawley	173,029	173,029
Darlington Borough Council	Darlington	173,029	173,029
Doncaster Borough Council	Stainforth	140,000	313,029
	Doncaster	173,029	
Dudley Borough Council	Dudley (Dudley)	173,029	173,029
East Lindsey District Council	Mablethorpe	140,000	302,019
	Skegness	162,019	
East Riding of Yorkshire Council	Goole	162,019	162,019
East Staffordshire Borough Council	Burton upon Trent	162,019	162,019
East Suffolk District Council	Lowestoft	162,019	162,019
Erewash Borough Council	Long Eaton	162,019	162,019
Great Yarmouth Borough Council	Great Yarmouth	162,019	162,019
Halton Borough Council	Runcorn	162,019	162,019
Harlow District Council	Harlow	173,029	173,029
Hartlepool Borough Council	Hartlepool	173,029	173,029
Hastings Borough Council	Hastings	173,029	173,029
Herefordshire Council	Hereford	162,019	162,019
Ipswich Borough Council	Ipswich	173,029	173,029
Borough Council of King's Lynn and West Norfolk	King's Lynn	162,019	162,019
Kirklees Council	Dewsbury	162,019	162,019
Leeds City Council	Morley	162,019	162,019
Lewes District Council	Newhaven	140,000	140,000
Lincoln City Council	Lincoln	173,029	173,029
Mansfield District Council	Mansfield	173,029	173,029
Mendip District Council	Glastonbury	140,000	140,000
Middlesbrough Borough Council	Middlesbrough	173,029	173,029
Milton Keynes Council	Milton Keynes	173,029	173,029
Newark and Sherwood District Council	Newark-on-Trent	162,019	162,019
Newcastle-under-Lyme Borough Council	Kidsgrove	162,019	335,048
	Newcastle-under-Lyme	173,029	
North East Derbyshire District Council	Clay Cross	140,000	140,000
North East Lincolnshire Council	Grimsby	173,029	173,029

North Lincolnshire Council	Scunthorpe	173,029	173,029
Northampton Borough Council	Northampton	173,029	173,029
Northumberland County Council	Blyth	162,019	162,019
Norwich City Council	Norwich	173,029	173,029
Nuneaton and Bedworth Borough Council	Nuneaton	173,029	173,029
Oldham Borough Council	Oldham	173,029	173,029
Pendle Borough Council	Nelson	162,019	162,019
Peterborough City Council	Peterborough	173,029	173,029
Preston City Council	Preston	173,029	173,029
Redcar and Cleveland Borough Council	Redcar	162,019	162,019
Redditch Borough Council	Redditch	173,029	173,029
Rochdale Borough Council	Rochdale	173,029	173,029
Rotherham Borough Council	Rotherham	173,029	173,029
Sandwell Metropolitan Borough Council	Rowley Regis	162,019	486,058
	Smethwick	162,019	
	West Bromwich	162,019	
Scarborough Borough Council	Whitby	140,000	302,019
	Scarborough	162,019	
Sedgemoor District Council	Bridgwater	162,019	162,019
Sefton Council	Southport	173,029	173,029
Sheffield City Council	Stocksbridge	140,000	140,000
South Ribble Borough Council	Leyland	162,019	162,019
St. Helens Council	St Helens	173,029	173,029
Stevenage Borough Council	Stevenage	173,029	173,029
Stockport Metropolitan Borough Council	Cheadle	140,000	140,000
Stockton on Tees Borough Council	Thornaby-on-Tees	162,019	162,019
Swindon Borough Council	Swindon	173,029	173,029
Telford & Wrekin Council	Telford	173,029	173,029
Thanet District Council	Margate	162,019	162,019
Thurrock Council	Tilbury	140,000	302,019
	Grays	162,019	
Torbay Council	Torquay	162,019	162,019
Wakefield Council	Castleford	162,019	335,048
	Wakefield	173,029	
Walsall Borough Council	Bloxwich	162,019	324,038
	Walsall	162,019	
Warrington Borough Council	Warrington	173,029	173,029
Wirral Metropolitan Borough Council	Birkenhead	173,029	173,029
City of Wolverhampton Council	Wolverhampton	173,029	173,029
Worcester City Council	Worcester	173,029	173,029

About the NHS Confederation

The NHS Confederation is the membership body that brings together and speaks on behalf of the whole NHS. We represent over 500 members across health and social care, including hospitals, community and mental health providers, ambulance trusts, independent sector organisations providing NHS care, and clinical commissioning groups.

To find out more, please visit www.nhsconfed.org or email enquiries@nhsconfed.org



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Registered charity no: 1090329.

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