



Ministry of Housing,
Communities &
Local Government

**Ministry of Housing, Communities & Local
Government**

Fry Building
2 Marsham Street
London
SW1P 4DF

www.gov.uk/mhclg

Graham Purkins
Chair, King's Lynn Town Deal Board
graham@merxin.com

8 June 2021

Lorraine Gore
Chief Executive, Borough Council of King's Lynn
and West Norfolk
lorraine.gore@west-norfolk.gov.uk

Dear Mr Purkins and Ms Gore,

King's Lynn Town Deal

In September 2019, the Government announced the initial 101 places invited to develop Town Deal proposals as part of the £3.6 billion Towns Fund.

King's Lynn was included in this initial 101 places and we were pleased to receive King's Lynn's Town Investment Plan in January. We are grateful for your hard work, and that of your team and Town Deal Board, in developing this set of project proposals to deliver long-term and sustainable economic growth in King's Lynn.

I am delighted to be offering you a Town Deal for King's Lynn to a value of up to £25 million. The draft Heads of Terms for this deal are attached to this letter. A list of the projects that we are content to support within this funding envelope is also attached, with conditions as appropriate; it is for King's Lynn to choose which projects to proceed with.

I understand that you will need to secure the agreement of the Town Deal Board to take up this offer. I would therefore request that you do so and return to us the signed Heads of Terms as confirmation by 29 June 2021. My officials are of course on hand to answer any questions you may have.

This is an exciting opportunity to come together to drive long-term economic and productivity growth in King's Lynn, particularly as we meet the challenges presented by Covid-19. I look forward to working with you to make King's Lynn's plans a reality.

Yours sincerely,

RT HON ROBERT JENRICK MP

Heads of Terms offer for King's Lynn

Introduction

King's Lynn is the major commercial, retail and service centre for a large area of East Anglia, and the largest town in West Norfolk. It has a unique heritage. King's Lynn has an important healthcare sector alongside major manufacturing and engineering firms. There is a vibrant and longstanding tradition of creative and cultural organisations, events and activity. King's Lynn's visitor economy is built on its hospitality, retail and leisure offer, including The Walks historic urban park. However, a lack of integrated investment together with out of town retail and residential growth has led to different areas of the town being less well connected, and major assets like the historic area less well used than it should be. Local residents have less access to opportunities than they should. Wages are below regional and national levels, and firms struggle to recruit to certain roles, with the availability of skills a big issue. Too many young people don't get the opportunities they deserve. Covid-19 has made this difficult situation worse. It has hit King's Lynn hard, with JSA claimants rising faster than elsewhere and footfall in the town centre declining further.

Government will work with Borough Council of King's Lynn and West Norfolk and its Town Deal Board to support the delivery of a Town Deal, with the goal of ensuring all King's Lynn residents have a share in the town's success.

The commitment

This document lays out the Heads of Terms offer to King's Lynn, under the Towns Fund. This is not a contractually binding document and the offer is subject to various conditions being met. The Heads of Terms will act as a Memorandum of Understanding for the future development and delivery of King's Lynn's Town Investment Plan and project proposals. It sets out joint expectations as King's Lynn enters the business case development phase.

Government will provide up to **a total of £25 million from the Towns Fund**, which will be used to enable King's Lynn to develop new opportunities for skills and jobs for young people and all those affected by Covid-19; to grow innovative businesses; to repurpose the town centre with new experiences and businesses; to develop a high-quality residential and leisure offer in the historic town core and riverfront; to become a sustainably connected town - through reduced congestion and better connectivity.

King's Lynn has proposed a range of projects that will contribute towards achieving this vision. These include:

- Delivering the Town Centre Repurposing project
- Supporting youth skills through the King's Lynn Youth and Retraining Pledge
- Improving the perception of the Town Centre Public Realm
- Creating a new visitor economy asset in St George's Guildhall Complex
- Promoting Active and Clean Connectivity
- Delivering the Riverfront Regeneration
- Creating the Multiuser Community Hub
- Supporting high-growth potential firms at the Innovation and Collaboration Incubator

King's Lynn will need to prioritise these projects within the funding envelope being offered. Funding for individual projects will be subject to successfully completing Phase 2 of the Towns Fund process. This includes detailed project development and business case assurance at local level.

Process, governance and assurance

Local partners will work with government to demonstrate the feasibility, viability and value for money of their projects by developing and submitting the Town Deal Summary Document, including (as per the Further Guidance and Stage two guidance: business case development):

- A list of agreed projects
- Details of business case assurance processes followed for each project
- An update on actions taken in relation to the Heads of Terms key conditions and requirements
- A Delivery Plan (including details of the team, working arrangements and agreements with stakeholders)
- A Monitoring and Evaluation Plan
- Confirmation of funding arrangements and financial profiles for each project
- Undertaking Public Sector Equalities Duty analysis
- Approval from the Town Deal Board and Lead Council

King's Lynn should conduct project assurance in line with agreed routes for each individual project and should provide more detailed private sector and community stakeholder ongoing engagement plans, including detail on how SMEs will continue to be engaged.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, King's Lynn should confirm in writing details of projects being taken forward and a plan for addressing key conditions relating to those projects and the overall Town Investment Plan. This should be sent to towns.fund@communities.gov.uk, copied to the town lead.

King's Lynn must then complete business cases for the projects being taken forward and submit the Summary Document within 12 months of the deal being agreed. MHCLG will then provide the agreed funding up to the maximum amount of **£25m** for those projects, provided that all conditions are met.

Signed:



Chair of the Town Deal Board



Chief Executive of lead Council

MHCLG Secretary of State / Minister

Date

ANNEX TO THE HEADS OF TERMS: PROJECTS WITHIN SCOPE OF THE TOWN DEAL

The Town Deal offer is a maximum of **£25 million** of MHCLG funding in total.

Within this maximum amount, King's Lynn may take forward projects selected from those listed below.

This funding will be subject to successfully completing Phase 2 of the Towns Fund process as set out in the Towns Fund Further Guidance, including detailed project development and business case assurance at local level. It is also dependent on final spending profiles, including the RDEL/CDEL split being provided, and the further project-specific conditions set out below being met.

Project	Funding offer limit	Match	Expected outputs and outcomes	Conditions	Fast track (Y/N)
<p>Town Centre Repurposing</p> <p>Repurposed units will be occupied by businesses and leisure uses on the ground floor, while town centre living will be enabled on the above floor(s).</p>	£1.75m	£1.55m	<ul style="list-style-type: none"> • Delivery of 30 quality residential and commercial space in key locations • Development of 3 abandoned sites • Increase in commercial space for 10 pop up opportunities • 2 other schemes to support productivity & growth • Land value – TBC • Perceptions of the place by residents/visitors – 1 • 10 businesses supported 	<ul style="list-style-type: none"> • N/A 	Y
<p>King's Lynn Youth and Retraining Pledge</p> <p>This revenue project will deliver a package of support in youth skills, youth employment and young adult workforce development.</p>	£0.45m	£0.065 m	<ul style="list-style-type: none"> • Increase in capacity and accessibility to new skills facilities – 335 • Increased and closer collaboration with Employers – 335 • Increase in the breadth of the local skills offer that responds to employer needs – 335 • 335 new learners assisted • 12.5% of learners gaining relevant 	<ul style="list-style-type: none"> • N/A 	Y

			<p>experience/being 'job ready' (as assessed by employers)</p> <ul style="list-style-type: none"> • 12% of working-age population with qualifications 		
<p>Town Centre Public Realm</p> <p>The aim of the project is to improve the perception of the town centre, creating a quality and distinctive public realm.</p>	£0.25m	£0.05m	<ul style="list-style-type: none"> • Delivery of 5 quality commercial space and site development • 5 upgraded cycling and walking paths • 10 businesses using commercial space • Perceptions of the place by residents/visitors – 1 • Number of journeys by cycle and walking modes - TBC 	<ul style="list-style-type: none"> • N/A 	Y
<p>St George's Guildhall Complex</p> <p>This investment will create a new, updated, visitor economy asset, boosting visitor numbers and creating a new asset that will meet the needs of the local creative sector and community, with strong community access and education.</p>	£4.85m	£3.9m	<ul style="list-style-type: none"> • 2 upgraded arts venue/ theatre • 575sqm increase in number of shared workspace or innovation facilities • Increase in capacity and accessibility to 1 new or improved skills facility • 1 other schemes to support business prod and growth • Availability of 5 new specialist skills equipment (new making and theatre skills studios) • 90k PA visitors to arts, cultural and heritage events and venues • 20 new businesses in first 3 years • 50 start ups utilising business incubation, acceleration 	<ul style="list-style-type: none"> • N/A 	N

<p>Active and Clean Connectivity</p> <p>The proposed development comprises of three elements, to form an active & clean connectivity package.</p>	£7.5m	£9.885m	<ul style="list-style-type: none"> • Local Transport – 3 • Urban regeneration, planning and land use – 3 • New or upgraded cycling & walking paths – 3 • 1 wider cycling infrastructure such as cycle parking • 100,000sqft commercial land • Perceptions of the place by businesses – 3 • 379 housing units unlocked 	<ul style="list-style-type: none"> • Provide a more detailed delivery plan, including further analysis of costings (including a breakdown of costings for each element of the project), and sources of finance. • Provide confirmation of match funding arrangements. • Provide greater detail on outputs and outcomes provided, as well as including units for quantities listed. 	N
<p>Riverfront Regeneration</p> <p>This project constitutes the first phase of regeneration for King's Lynn's riverfront.</p>	£5.85m	£0.75m	<ul style="list-style-type: none"> • 2 upgraded historic landmark sites • Development and remediation of 2 abandoned sites • 5000 PA increase in visitor numbers • 154 jobs created • 5 businesses supported • Perceptions of the place by residents/visitors - 1 • Perceptions of the place by businesses – 1 • Enabling investment in the area - 1 	<ul style="list-style-type: none"> • Provide revised spending profile which matches indicated match funding. • Provide further details of planned private sector stakeholder engagement to help ensure investment in the available space in the area. • Provide an update on agreement with vessel owner and operator. • Provide further details and a breakdown of project outputs and outcomes, including more of a focus on outcomes relating to economic growth. 	N
<p>Multiusers Community Hub</p> <p>This project will create a new town centre one-stop shop for a range of services and skills development opportunities for King's Lynn residents, with</p>	£4.36m	£4.36m	<ul style="list-style-type: none"> • 1 new, upgraded community centres and library • Increased breadth of the local skills offer – 10 • Increase in capacity and accessibility to new or improved skills facilities – 5200 • Increased benefit for the public 	• N/A	N

close access to public transport.			education over the long term – 1 <ul style="list-style-type: none"> • Perceptions of the place by residents/businesses/visitors – 200k PA • 5200 PA learners assisted • 7.5% learners being job ready 		
Innovation and Collaboration Incubator The facility will be designed for high growth potential firms in manufacturing, advanced engineering and technology with access to superfast broadband and high quality business support and networking on the Enterprise Zone	£8.0m	£0.4m	<ul style="list-style-type: none"> • 1 new enterprise building • 3397sqm increase in the amount of shared workspace or innovation facilities • 3397sqm increase in the amount of high quality commercial space • 167 full time jobs created • 10 enterprises utilising high quality, affordable and sustainable commercial spaces 	• N/A	N

General conditions

There are also the following requirements for the process and governance:

- **TIP Improvements:** Provide more detailed private sector and community stakeholder ongoing engagement plans, including detail on how SMEs will continue to be engaged.
- **Assurance:** The business cases for each project will be taken through the Borough Council of King's Lynn and West Norfolk, in line with local assurance processes.
- **Public Sector Equalities Duty (PSED) and other assessments:** Borough Council of King's Lynn and West Norfolk will undertake programme-wide level impact assessment, relevant project-level impact assessment to meet their Public Sector Equalities Duty as well as carry out relevant Environmental Impact Assessments.

If the priority projects identified for funding do not progress, MHCLG cannot guarantee that funding can be assigned to alternative projects or that if it is those will be to the same value. This may result in an overall reduction in the amount of funding received.

Within two months of accepting this offer, King's Lynn should provide the following information to towns.fund@communities.gov.uk, copied to the town lead (annex a in business case guidance):

- Details of the projects being taken forward (including for each project the capital/revenue split and the financial profile)

- Overall capital/revenue split and financial profile for the Town Deal
- A plan for addressing key conditions relating to those projects and the overall Town Investment Plan.

King's Lynn must complete business cases for the projects being taken forward and submit the Town Deal Summary Document within 12 months of accepting this offer. Business cases should follow the Lead Council's usual assurance processes and be undertaken in partnership with the Town Deal Board.

If the town wishes to alter the projects being developed, change them for other projects, or otherwise depart from the conditions placed on the projects above, they will inform the Towns Hub as soon as possible setting out clear justifications and evidence. A form for requesting such changes is in the business case guidance.