



Ministry of Housing,
Communities &
Local Government

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

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8 June 2021

Denise McGuckin
Managing Director, Hartlepool Borough Council
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Dear Mr Pattison and Ms McGuckin,

Hartlepool 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.

Hartlepool was included in this initial 101 places and we were pleased to receive Hartlepool'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 Hartlepool.

I am delighted to be offering you a Town Deal for Hartlepool 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 Hartlepool 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 Hartlepool, particularly as we meet the challenges presented by Covid-19. I look forward to working with you to make Hartlepool's plans a reality.

Yours sincerely,

THE RT HON ROBERT JENRICK MP

Heads of Terms offer for Hartlepool

Introduction

Hartlepool is a coastal port town situated on the Durham coast in north-east England with a rich maritime heritage. It is a town with a number of infrastructure assets, opportunities for innovation and entrepreneurship and rich natural, heritage and visitor offer.

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

The commitment

This document lays out the Heads of Terms offer to Hartlepool, 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 Hartlepool's Town Investment Plan and project proposals. It sets out joint expectations as Hartlepool 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 Hartlepool to develop:

- a modern, connected, vibrant and liveable waterfront market town
- an inclusive, proud and productive town where aspiration and creativity are valued;
- a town which supports and welcomes visitors, learners and innovative businesses;
- where people are inspired and enabled to get more out of their work and investment; and
- which promotes itself with pride and makes its mark in the wider world.

Hartlepool has proposed a range of projects that will contribute towards achieving this vision. These include:

- Reimagining 'Middleton Grange' Shopping Centre- workspace and public realm
- Delivering Wesley Chapel-developing into a key heritage asset
- Developing Waterfront connections- enhancing the public realm and connections between the waterfront, town centre and train station
- Implementing the Health and Care Academy- New teaching space and simulation equipment for additional learners.
- Creating the Civil Engineering Institute- enhanced facilities for these specialist skills

Hartlepool 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

Hartlepool should conduct project assurance in line with agreed routes for each individual project.

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, Hartlepool 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.

Hartlepool 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

General conditions

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

- **Assurance:** The business cases for each project will be taken through Hartlepool Borough Council, in line with local assurance processes.
- **Public Sector Equalities Duty (PSED) and other assessments:** Hartlepool Borough Council 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, Hartlepool 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.

Hartlepool 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.