

NOTICE OF KEY DECISION

Local Government (Executive Arrangements) (Meetings and Access to Information) (England) Regulations 2012.

Sign off of the business case for the Digital Hub at Townshend House for submission for funding via the Towns Deal for submission to MHCLG.

Decision Maker: Exec Director of Development and City Services in consultation with the relevant portfolio holders (in this case Cllr Waters, Cllr Kendrick and Cllr Stonard)

Decision status: Is Key decision?: Yes

Is subject to call in?: Yes

Decision details: At its meeting on 20 Jan 2021, cabinet resolved to delegate authority to sign-off individual project business cases for Towns Fund projects to the Director of Place in consultation with relevant portfolio holder's authority.

The Towns fund consists of a series of eight projects totalling £25m of funding to support skills and enterprise infrastructure and urban regeneration initiatives. Heads of term of the overall programme have been agreed with government. Under these heads of terms sign-off of individual business case is delegated to lead authorities. This requires the prior sign-off of the Towns Deal Board. Following sign-off of the business case a summary is submitted to government for consideration of whether to release the funding requested.

Seven of the eight projects in the programme have already been agreed with MHCLG with two of these being fast-tracked as accelerated projects with expenditure drawn down in the 20/21 financial year. The remaining business case is due for submission to government in summer 2021.

The Digital Hub project business case has now been completed. It was considered and agreed by the Towns Deal Board at its meeting on 26 July 2021 and has subsequently been signed by the Towns Deal Board chairman.

Townshend House is a council-owned office block in Norwich city centre. The investment will support the comprehensive renovation and upgrade of the building into a Digital Hub, creating new, digital hub workspace in the city centre to support fast-growing knowledge businesses, cross-sector collaboration, generating digital scale-ups and lifelong learning opportunities.

The Digital Hub will be designed to provide accommodation to attract smart, ambitious, like-minded entrepreneurs and companies; co-locating them in scalable facilities with connections to high quality business support, investors and potential customers. Accelerator programmes will be run on a wide range of business and technical topics. Overall, the Digital Hub will provide a locus to raise the profile of digital and the opportunities within the sector, increasing digital start-ups, scale-ups and business growth in Norwich and supporting the retention of ideas, talented people and knowledge jobs in the Norwich economy.

A successful building and wrap-around business support offer will also deliver:

- Wider stimulation of Norwich's office market.
- Increased employment density in knowledge sectors.

- Increased digital sector jobs and businesses.
- Increased individuals engaged with digital learning
- Creation of sustainable employment opportunities providing career progression and higher than living wage.
- Increased collaboration between HE, graduates and business.

This will be a new and unique business space in the heart of the city centre, which will enable the clustering of tech start-ups and established digital businesses. It will provide the right environment to for these firms to grow and scale-up, and through this create new jobs in Norwich.

The total project cost is £2.847m, including match funding as follows:

- £7,600 Economic regeneration budget
- £315,000 Norfolk County Council Business Rates Pool
- £75,000 MHCLG Towns Fund Accelerated Funding

Proof of availability of these funds is included within the business case.

It should be noted that this project has been and will continue to be subject to extensive engagement with public and stakeholders during the design process so the details above are subject to change. There will also be a detailed equalities impact assessment at final design stage.

The preparation of the business case included involvement and expertise of colleagues throughout the council and external stakeholders in Norwich's digital sector throughout. Particular regard was given to the risks, costs and complexity of delivering this project.

A risk log has been prepared and will be maintained throughout the project. Bearing in mind the very considerable wider benefits of this level of investment in the heart of Norwich the view is taken that these risks are well worth taking especially given the level of mitigation in place. Further work on risk mitigation and detail of resourcing to deliver and provide project management will continue whilst government is considering whether to release the funding.

Publication date: 5 August 2021

Date of decision: 26 July 2021

Call-in deadline date: 9 August 2021 at 5pm

Date comes into force if not called in: 10 August 2021