

# Loughborough Town Deal Board

16th August 2021

10.00am Virtual Meeting, Charnwood Borough Council, Southfields, Loughborough

## Agenda (Updated)

Item	Subject	Page #	Action
1	Apologies	-	
2	Draft minutes of the previous meeting & matters arising	2 - 7	
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4	Project Prioritisation . update	8 - 14	
5	Next steps . (report included)	15 - 20	
6	AOB		
	Future meeting dates: None scheduled	-	

## Meeting minutes

<b>PROJECT</b>	Town Deal		
<b>DATE</b>	19th July 2021	<b>LOCATION</b>	Virtual meeting using Zoom

Attendees	
<b>Board Members</b>	
Dr Nik Kotecha (Co-Chair)	Morningside Pharmaceuticals
Cllr Jonathan Morgan (Co-Chair)	Charnwood Borough Council
Cllr Jenny Bokor	Chair of MRG
Jane Hunt MP	MP for Loughborough
Jo Maher	Loughborough College
Prof. Chris Rielly	Loughborough University
Cllr Deborah Taylor, CC	Leicestershire County Council
Andy Reed	LLEP
Martin Traynor	Economy & Skills Group
<b>Officer Attendees</b>	
Eileen Mallon	Charnwood Borough Council
Richard Bennett	Charnwood Borough Council
Sylvia Wright	Charnwood Borough Council
Mal Hussain	Charnwood Borough Council
Chris Grace	Charnwood Borough Council
Sarah Rudkin	Leicestershire County Council
Nicky Conway	Minute Taker (Charnwood Borough Council)

Apologies
David Pagett-Wright (chair of CCEG), Lez Cope-Newman (Loughborough BID) The Co-Chairs welcomed two new members to the Board – Prof Chris Rielly, Loughborough University representative and Cllr D Taylor CC, Leicestershire County Council representative.
<b>Meeting Type (Team, Board or other)</b>
Board Meeting

## Meeting minutes

<b>Meeting Minutes</b>
<b>2. Minutes of the previous meeting and matters arising</b>  The minutes of the previous meeting were confirmed as a correct record.
<b>3. Declarations of Interest</b>  Cllr Morgan declared an interest during item 6 with regard to discussions about the Developer Accelerator Project.
<b>4. MHCLG Town Deal Award (item 4 on agenda)</b>  Eileen Mallon introduced this report. She noted that the information contained in this report had been circulated to the Board as soon as it had been received. The report was seeking the endorsement of the Town Deal Board for the signed Heads of Terms.  Summary of Board discussion: <ul style="list-style-type: none"><li>• there had not been any feedback regarding why Loughborough Town Deal had been allocated less funding than requested, but officers had been aware prior to the announcement that most Town Deals were receiving around 70% of its requested funding. The methodology behind the appraisal had not been shared by MHCLG and it was noted that generally the TIP submissions that had generated further enquiries during the submission process had received less funding than requested.</li><li>• it was disappointing that the Generation Loughborough project had not been supported but as the project had been entirely revenue based it was not surprising that money allocated from a capital fund had not been forthcoming. MHCLG had stated they had liked the project and how it was structured and had advised the project to consider alternative funding streams which were revenue based.</li></ul> The Board noted it would be supportive of the Generation Loughborough Project if it required aid in obtaining other funding streams.  <b>Recommendations Agreed:</b> <ol style="list-style-type: none"><li>1. That the Board endorsed the signing of the Heads of Terms by the Co-chairs.</li><li>2. That the Board noted the conditions and next steps in developing the Town Deal.</li></ol>
<b>5. Next Steps</b>  The Town Deal Project Manager introduced this report and stated that the Board would need to confirm in writing details of the projects being taken forward to MHCLG by 27th August. He noted that timescales for MHCLG to assess the projects had not yet been shared or how long after the submission of the Summary Document the high-level assessment would take before MHCLG released the funding.  Summary of Board discussion:

## Meeting minutes

- it was important to ensure that projects were prioritised appropriately in line with the Board's chosen criteria, with particular reference to its ability to deliver the project. The project assurance process would ensure confidence that projects could deliver.
- escalating capital costs should be included as a contingency in the business cases. It was possible there could be slippage in the release of funding so projects that were 'shovel ready' should be prioritised.
- if a project was included in the list to be submitted to MHCLG on 27th August and then subsequently was unable to deliver and dropped out of the process, it could be challenging for other projects that had not made the initial selection to then unexpectedly be required to develop its business case to proceed. Projects that were likely to be able to get up to speed quickly would be Council owned projects. At present there did not appear to be a clear mechanism allowing for substitutions of projects mid-way through the process.
- a number of projects had indicated they could require support in developing a robust business case. Other projects could be fast tracked and should be started as soon as possible. ARUP had advised that the Town Deal should be confident that projects identified at the initial stage as suitable for fast tracking could deliver. This was being asked of Project Leads and further clarification would be sought.
- the Government would be assessing the Summary Document and monitoring the progress throughout the year. This would be at a high level to ensure projects were on track and funding spent as planned.
- it was the Board's responsibility to approve the projects to be taken forward on 27th August, the business cases once developed over the 12 month period after this date, and the release of funding. These were local decisions.

It was noted that the Town Deal Project Manager had contacted all project leads to obtain feedback on the readiness and deliverability of their projects and this could be shared with the Board.

**Recommendation Agreed:** That the Board noted the next steps in developing the Town Deal.

### 6. Project Prioritisation

Eileen Mallon introduced this report and stated that it was necessary for the Board to agree the methodology it wished to use to prioritise the projects. Once identified the project team would apply the methodology to the projects and provide the prioritised list to the Board at its next meeting for its scrutiny.

She drew the Board's attention to the project prioritisation methodology options on page 25 of the agenda and stated the following:

- that the ranking system (option a) was being used by some Town Deals. Lowest ranked projects that fell out of the Town Deal would not receive funding.
- a single blanket percentage reduction in funding (option b) would require the evaluation of the beneficial impact of each project on the town. Project leads had been asked to comment on the impact of 20% and 50% funding reductions and, of the projects who had returned proformas, the majority had indicated a funding cut would make their projects undeliverable.
- a varying percentage reduction in funding (option c) would require weighted criteria to be identified and agreed by the Board. Some projects would not receive any funding.

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### Summary of Board discussion:

- the national tool provided by MHCLG Town Hub website (option a) was unlikely to be easily adapted to assess the impact and ability of projects to address Loughborough's local situation. It was better suited to Town Deals where projects were taken from the Council's capital programme .
- a single blanket percentage reduction in funding (option b) was least appealing as it could potentially reduce the deliverability of all projects.
- the Loughborough Town Deal included a number of stakeholder projects with varying levels of skill, deliverability and resources which could make it challenging to find a range of criteria that would suit all projects. For example, using the track record for delivery of projects as criteria could be difficult to provide evidence for some of the smaller projects and newer organisations.
- it would be disappointing if some Council driven projects that had been waiting for funding for some years were excluded by the criteria chosen. Smaller projects would need to be cautious in their cost analyses to provide confidence that they could deliver on budget. The current economic climate would influence suppliers and resources for project delivery.
- the impact of the delivery of projects on the town and its residents was considered critical. The delivery of the overall Town Deal plan should be seen to have made a significant difference to the town. The criteria chosen should be transparent to the public and it would be beneficial to organise external communications linking earlier resident feedback with deliverables of the Town Deal Plan.
- there should be a focus on projects that were already underway or able to be fast tracked and had demonstrated deliverability. The proformas sent to project leads had asked projects to confirm if their time scales were realistic and this would be scrutinised closely.
- due to the tight Town Deal timescales it would be difficult to consult local residents further. Detailed consultations had been completed at the start of the Town Deal process and meetings would be arranged in the next month with the Member Reference Group and Consultation and Community Engagement Groups. It would be helpful if the Project Team reviewed the feedback already received to inform its prioritisation of projects.
- projects not selected should be encouraged to continue progressing their projects to become 'shovel ready' and to seek alternative sources of funding, in the event that prioritised projects subsequently dropped out of the process.
- the Developer Accelerator Project, when originally submitted had not identified suitable sites, although there was one site that could be brought forward now with reduced funding, however, the project was not 'shovel ready'.
- it would be beneficial if funding provided by the Town Deal was not the sole funding stream, although it was noted that the provision of match funding had not been in the original criteria for the submission of the Town Deal Plan. Projects that had indicated they were unable to proceed without 100% funding should be challenged.
- supporting the creation of local jobs and economic improvement for the town would be advantageous as criteria for prioritising projects.
- as some Board members and officers were invested in some of the 14 projects included in the Head of Terms, and in improving the local area it could be beneficial to have a number of independent Board Members support the Council's Project Team in prioritising the projects once the methodology had been chosen.

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- the Co-chair noted that his participation in a Chairs' meeting with other chairs of regional town deal boards had indicated that criteria for other Town Deals had been based on robustness of business case, project readiness and deliverability.

The Co-chair shared with the Board comments submitted by the Chair of the Consultation and Community Engagement Group who had been unable to attend this meeting.

Board members considered that option c would be the most appropriate methodology to use and that the criteria agreed should be applied fairly, robustly and transparently at this stage to ensure projects prioritised were deliverable within the Heads of Terms.

### **Recommendations Agreed:**

1. that project prioritisation methodology option c is the preferred approach to be deployed.
2. that the following criteria is agreed as highest priority for assessing projects:
  - i. robustness of business case
  - ii. deliverability of project
  - iii. readiness of project to proceed
  - iv. visible impact for the town / residents of the Plan's achievements
  - v. match funding (including ability to meet any project shortfalls caused by capital costs rising)
  - vi. supports job creation
  - vii. supports economic recovery
3. that a subgroup of independent Board Members, comprising of Jane Hunt MP, Dr Nik Kotecha and Martyn Traynor be created to support the Project Team during the prioritisation process.
4. that the Town Deal Project Team uses the Board's preferred methodology in order to prepare a report for the Board on which projects should be prioritised, applying the agreed methodology.
5. the report referred to recommendation 4) above is presented to Board at its meeting on 16th August 2021 to enable Board to decide which projects it wishes to be taken forward for delivery, which will then form the basis for the response to MHCLG by 27th August as required

### **7. Communications and Public Engagement**

Richard Bennett introduced this report and stated that it summarised activities undertaken at the time of the announcement and after. He noted that:

- all projects and partners would be asked to liaise with the Council's Communications Team to enable a consistent message was being delivered externally.
- projects once finalised, would be subject to an individual news feature over the next 12 months as business cases were produced.
- meetings for both the Consultation and Community Engagement Group and the Member reference Group would be scheduled before the final projects were prioritised

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- officers would review the public consultation findings from the beginning of the Town Deal Project to assist its prioritising of projects in line with residents’ views.

*Jane Hunt MP left the meeting during this item.*

**Recommendations Agreed:** that the Board noted the consultation and engagement activity around the Loughborough Town Deal and the further engagement and communications required going forward.

### 8. AOB

Dr Nik Kotecha stated he would continue to attend Chairs’ meetings of Town Deal Project Boards from across the region with a view to sharing best practices.

### Date of Future Meetings

The next meeting of the Board is scheduled for 16th August 2021.

### Follow up actions

ITEM 6

- a. That officers liaise with independent Board Members to agree suitable meeting dates for their input during the prioritisation process.
- b. Andy Reed to offer his support as an Independent Board Member to assist the Council in prioritising of the projects.
- c. Jane Hunt MP to share information from discussions with MHCLG.

1 ITEM 7

That officers review consultation feedback to assist its prioritisation of projects in line with residents’ views.

ITEM 8

That Dr Nik Kotecha continues to participate in the Regional Town Deal Chairs meetings and shares best practice with it and the Board.

## LOUGHBOROUGH TOWN DEAL BOARD

16th August 2021

### Item 4 – Project Prioritisation

#### 1. Introduction

- 1.1 At its meeting on 19th July 2021, the Town Deal Board considered the requirement by the Ministry of Housing Communities and Local Government (MHCLG) for the Board to prioritise the Loughborough Town Investment Plan's (TIP) projects. The requirement was to select before the end of August 2021 which projects it intends to take forward for delivery within the £16.9m funding offer. A prioritisation process is required as the allocation of funding fell short of the original bid submission for £25 million.
- 1.2 This report presents to the Board proposals for prioritising the projects following the exercise undertaken by a subgroup of Board members as agreed at the last meeting.

#### **Recommendations:**

- 1) That the Board considers and approves the projects selected and move them on to the next stage of delivery.
- 2) That the Board approves the rescoping of the Links and Lanes project to the amount of approximately £400k. Subject to the Project Lead developing the full scope and budget.
- 3) That the Board approves the retention of the remainder of the MHCLG funding of approximately £414 k for the costs towards supporting the projects for the development of Business Case and the Public Sector Equalities Duties (PSED) and towards other costs related to the management of the Town Deal Programme.
- 4) That a further report is presented at a future Board meeting which sets out how the £414k may be spent.
- 5) That the Board considers keeping the projects not selected to move forward as reserves for either new funding opportunities or if the selected projects are not able to move forward.



- 6) That the Board authorises the project team to confirm the preferred options with MHCLG, as the basis of the final Town Deal Heads of Terms Agreement.

## 2. Background

- 2.1 The Heads of Terms (HoT) for Loughborough's Town Deal provide the basis upon which the Board can move towards formally securing a Town Deal and for funding to be released. A key action arising from the HoT is for Board to confirm to MHCLG, by 27th August 2021, which of the projects confirmed within the HoT as eligible for government funding it wishes to take forward delivery.
- 2.2 Prioritisation of projects is required because MHCLG has offered Loughborough £16.9 million for a Town Deal rather than the £25 million proposed in the TIP.
- 2.3 MHCLG has not been prescriptive about which TIP projects should be taken forward to benefit from the £16.9 million available to Loughborough. It is a local Town Deal Board decision as to which of the remaining 14 projects will be taken forward and at what level of funding, within the ceiling of £16.9 million.
- 2.4 In order to make that decision, at the meeting of the Board held on 19th July 2021 it was agreed to use a hybrid option based on Option C but identifying a set of specific criteria as the preferred methodology.
- 2.5 The Board agreed to nominate a Sub-group to work with the Officer team to consider the project prioritisation methodology and to carry out the assessment of projects and make recommendations to the Board. The Sub-Group Members selected were, Dr Nik Kotecha, Jane Hunt MP, Martin Traynor and Andy Reed.
- 2.6 The subgroup considered the methodology at its meeting on 26th July 2021 and the agreed scheme was circulated to Board members in draft form on 28th July 2021. This was subsequently amended to reflect the weightings and recirculated to the Board on 4th August 2021. There were no objections or comments received from Board members regarding the methodology.
- 2.7 By August 27th the Board must inform MHCLG whether all 14 projects will be taken forward as part of the Town Deal or whether it will be a reduced number of projects. In both scenarios the Board also needs to decide how much Town Deal funding will be allocated to each project; it could potentially be the amount originally allocated in the TIP or a higher or lesser amount.

### 3. Project Prioritisation Methodology

3.1 At the 26th July meeting the Sub-Group considered options to carry out the prioritisation of the projects within the short time available and the limited availability for all Members and Officers to meet.

3.2 It was agreed that the assessments were to be based primarily on information provided in Project Proformas and the 21st June responses. The Sub-group and the Officers also took account of new and significant project updates.

3.3 The Subgroup agreed to the key stages to complete the project prioritisation process:

**2nd Aug 2021** - Sub-Group Board Members and Officers complete the scoring process.

**2nd Aug 2021** – Project team to collate all scores and apply the agreed weightings to each criteria.

**4th Aug 2021** - The Sub-Group Board Members and Officers meet to moderate the scores to enable them to be submitted to the Board at its meeting on 16th August.

**5th Aug 2021** - Update the weighted project criteria scores onto the amended MHCLG Project Prioritisation Tool Kit to complete the project ranking process.

3.4 The Sub-group agreed to apply weightings to each criteria to ensure key elements for the successful delivery of the projects were given a higher priority. The weightings set for each criteria were:

Criteria	Weighting
1. Robustness of the business case (high level assessment)	x 2
2. Match funding	x 1.5
3. Readiness to go (started or ready to start)	x 2
4. Deliverability (ability of sponsor to commit to delivery over the project life)	x 2
5. Economic improvement	x 1
6. Visible impact for the town / residents of TD funding)	x 1.5

- 3.5 The Score Card format used to score the projects is set out in the attachment to the prioritisation methodology. Please see Appendix A.
- 3.6 The scores for Board Members were recorded individually with the officer group providing a composite score after their own moderation process. This was then used as a control group in an effort to identify outlying scores and to provide an indication of the range which might be expected from a group of scores.
- 3.7 The Members and Officer Group scores were then grouped together to provide an overall score for the projects. This was then used to compare and consider the differences in the ranking of projects.

#### 4. Project Rankings

##### 4.1 Summary of Scores

<b>Project Scores Summary</b>		<b>MHCLG Funding</b>		
		<b>Score</b>	<b>Project £</b>	<b>Total £</b>
<b>1</b>	<b>Careers &amp; Enterprise Hub</b>	<b>215.00</b>	0.15	0.15
<b>2</b>	<b>Loughborough College Digital Skills Hub</b>	<b>213.00</b>	2.6	2.75
<b>3</b>	<b>Bedford Sq. Gateway</b>	<b>210.00</b>	1.7	4.45
<b>4</b>	<b>Loughborough Bellfoundry</b>	<b>197.00</b>	0.835	5.285
<b>5</b>	<b>Living Loughborough</b>	<b>195.50</b>	2.87	8.155
<b>6</b>	<b>Healthy &amp; Innovative Loughborough</b>	<b>188.00</b>	2.466	10.621
<b>7</b>	<b>Great Central Railway</b>	<b>175.00</b>	0.98	11.601
<b>8</b>	<b>Canal Trust (Riverside Regeneration)</b>	<b>167.00</b>	0.885	12.486
<b>9</b>	<b>The Generator</b>	<b>166.50</b>	1.6	14.086
<b>10</b>	<b>Flood Protection &amp; Mitigation</b>	<b>165.50</b>	2	<b>16.086</b>
<b>11</b>	<b>Lanes &amp; Links</b>	<b>143.50</b>	1	17.086
<b>12</b>	<b>Developer Accelerator</b>	<b>135.50</b>	5.624	22.71
<b>13</b>	<b>Parish Green</b>	<b>123.00</b>	0.4	23.11
<b>14</b>	<b>Connected Loughborough</b>	<b>121.50</b>	1.5	24.61

- 4.2 From the table it can be seen that projects 1-10 can be fully funded, to a cost of £16.086 million. This would leave a remaining £814k. The next project in the ranking is the Lanes and Links project. On further consideration of this project, the Hope Bell is potentially a standalone project which could be delivered for around £400k. The remaining elements of that project may well be able to be supported elsewhere either through the Living Loughborough project or in future as part of the

Council's Capital programme. It is therefore suggested that the Project Lead be asked to fully scope the work and determine the actual costs of the project, to confirm if this amount is viable.

- 4.3 This would leave three projects without any funding - Developer Accelerator, Connected Loughborough and Parish Green.

## 5. Unsuccessful projects

- 5.1 **Lanes and Links** – this project had the largest spread of scoring between Sub-group members with lower scores for robustness, match funding, deliverability and economic improvement. There is potential to rescope and fund the discrete Hope Bell project. The overall project could be reviewed within the Council's Capital funding programme in future.
- 5.2 **Developer Accelerator** – this project had low scores around its ability to be shovel ready, there are no specific sites identified beyond potentially the Council site at Limehurst Depot, and limited confidence in the level of match funding. The project is a good concept, but it was felt that it is not in a position to move forward with certainty over next 12 months.
- 5.3 **Connected Loughborough** - the link between Nottingham Road and the University is important but the project information did not show robustness of the business case, the project lacked match funding and is at the early stages of development, therefore is not shovel ready. This area of the town does remain a priority for investment and officers will pursue any future options with LCC to see if this can progress in future.
- 5.4 **Parish Green** - this is considered a good project, but the plan is less robust than others and there is some doubt as to how quickly this could move forward with limited funding. It was also felt that the project did not provide a significant contribution to economic or conservation benefits.

## 6. Town Deal Programme Resources

- 6.1 The 10 projects outlined above with the highest rankings are within the MHCLG funding offer of £16.9m.
- 6.2 The TIP amount of allocated funding for the 10 projects is £16.086m which leaves £814k of unallocated funding.
- 6.3 It is for the Board to determine how the remaining amount (£814k) is allocated across the projects within the Town Deal Programme
- 6.4 As noted above the Lanes and Links project can be reduced in scope to focus on the Hope Bell project to the amount of £400k.

- 6.5 This would then leave an unallocated amount of £414k, which it is suggested should be used as capacity funding to help ensure that each of the projects is delivered to the timescale and quality standards that are required.
- 6.6 Some of the costs which need to be considered are:
- a) Development of the Business Cases and to carry out the Public Sector Equalities Duties (PSED) assessments. The 21st June responses from the projects noted that projects were seeking help and support in both these areas.
  - b) To develop and establish Project Assurance programme which will ensure that we have a transparent and robust process in place to challenge and ultimately approve the business cases for the projects to the satisfaction of MHCLG. MHCLG have advised that without this in place we will not be able to access the Town Deal Funding.
  - c) Ongoing costs to maintain the programme over the 5-year Town Deal programme period.
- 6.7 Further work is required to fully assess the costs involved in the developing the Business Cases, PSED assessments, Project Assurance work and the ongoing costs for the Town Deal Programme.
- 6.8 The Submission of the MHCLG Summary Document and subsequent release of Town Deal funding could be staggered and expedited for certain projects, for this to happen it would be essential to bring in additional resources to complete the above work.
- 6.9 Currently the Borough Council officer team supports the work of the Town Deal Board. Within this team the only dedicated resource is the Town Deal Project Manager with all other officers contributing to supporting the Board alongside their Council responsibilities. Therefore, the need to source additional support and resources is essential to ensure that the requirements of MHCLG can be met, and that the funding allocated can be optimised.

Appendix A – Loughborough Town Deal Project Score Card template

Loughborough Town Deal Project Score Card		
	<b>Project -</b>	
	<b>Name of scorer -</b>	
		<b>Score 1-5</b>
<b>1) Robustness of business case (high level assessment)</b>		
1.1	Is there a fully developed business case, FBC, OBC, or SOC (most robustly developed)	
1.2	Does it meet the Green Book standards?	
1.3	Feasibility study complete (Cost plans assessed by Consultants)	
1.4	Ability to meet any project shortfalls caused by capital costs rising	
<b>2) Match funding</b>		
2.1	Match funding confirmed	
2.2	Match funding time limited or dependent on other factors	
2.3	Match Funding - High/Low as % of project value	
<b>3) Readiness to go (started or ready to start)</b>		
3.1	Project has already started	
3.2	Can be fast tracked to start within 6 months	
3.3	Planning permission/other regulatory approvals in place	
<i>4) Creation of jobs (Included in item 6. Economic Improvement)</i>		
<b>5) Deliverability (ability of sponsor to commit to delivery over project life)</b>		
5.1	Sponsorship confirmed and resources in place	
5.2	Included in organisation business plan	
5.3	Measures to minimise risk	
<b>6) Economic Improvement</b>		
6.1	Creation of jobs - direct	
6.2	Creation of jobs - indirect	
6.3	Footfall / visitor numbers	
6.4	Skills / training opportunities	
6.5	Leverage of private sector inward in premises / place	
<b>7) Visible impact for the town / residents of TD funding achievement</b>		
7.1	Level of Investment (Overall Project Value)	
7.2	Physical Location/impact	
7.3	Added value brought to Loughborough/ability to catalyse further growth/investment	
	<b>Note - Scores will be transferred to the Project Scoring Matrix for all projects.</b>	

## LOUGHBOROUGH TOWN DEAL BOARD

16th August 2021

### Item 5 – Next Steps

#### 1. Introduction

1.1 This paper sets out the key steps to the Board confirming the selected projects to MHCLG on 27th August 21 and the next steps for the Board to prepare for the delivery stage of the project.

#### Recommendations:

- 1) That Project leads to complete and return the MHCLG documents on or before 23rd August 2021 to the Town Deal Project Manager.
- 2) That the Board and the S151 Officer set a date of no later than 25th August 2021 to sign off the MGCLG documents.
- 3) That the Board advise the Town Deal Project Team to:
  - (i) develop proposals for the completion of Business Cases and PSED assessments.
  - (ii) set a meeting(s) to develop the Programme Management Structure ahead of the next proposed Town Deal Board meeting in September 2021.
  - (iii) develop templates to capture and record project information.
  - (iv) identify the projects that can be fast tracked for earlier submission of the Summary Document to MHCLG
  - (v) set out proposals for the expenditure of up to £414k (MHCLG payment) towards costs for programme management.
  - (vi) develop proposals for the development of a Project Assurance Framework.
- 4) That the Board considers the Member roles and responsibilities in the delivery stage of the programme (point 6.5).

#### 2. Background

2.1 As set out at the meeting of the Board on 19th July 2021, the signed Heads of Terms require the Board to confirm in writing details of the projects being taken forward by 27th August 2021.

### **3. Submission to MHCLH 27th August**

- 3.1 The information must include the projects selected to take forward to delivery stage, a plan for addressing any key conditions relating to the projects and a plan for the Town Investment Plan. MHCLG have provided templates for project related information:
- (i) Stage 2 Business Case Guidance Annex A – Details of the projects being taken forward (including for each project the capital/revenue split and the financial profile).
  - (ii) Stage 2 Business Case Guidance Annex A 1 – Overall capital/revenue split and financial profile for the Town Deal.
  - (iii) Annex 2 Towns Fund M&E Plan – Monitoring and Evaluation Indicators.
- 3.2 Project leads have been asked to produce this information and return to the Town Deal Project Manager by 23rd August 2021
- 3.3 MHCLG also require confirmation that the Board either have a Project Assurance Framework in place or are working towards developing one. (item 7)
- 3.4 The Board, along with the Council's S151 Officer, will be required to sign off the above papers before submission to MHCLG.

### **4. Submission of Summary Documents**

- 4.1 Subject to approval by MHCLG of the projects submitted on 27th August 2021 the Board will then have up to the end of August 2022 to complete the Business Cases, PSED assessments and submit a Summary Document to MHCLG before release of payment can be considered.
- 4.2 MHCLG has directed that there are opportunities to fast-track projects and submit more than one Town Deal Summary Document within the 12-month timeframe.
- 4.3 For the Board to take advantage of this opportunity and access the MHCLG funding earlier than August 2022, it needs to determine which projects can be fast tracked and will be able to expedite the completion of their Business Cases, PSED assessments and submit Summary Documents.



- 4.4 Fast tracked projects can access MHCLG payments as soon as December 2021. Submission dates and payment months are:

<b>Summary Documents submission</b>	<b>Payment month</b>
By 28 <sup>th</sup> October 2021	December 2021
By 28 <sup>th</sup> January 2022	March 2022

## 5. Programme Resources

- 5.1 The current resources for supporting the Town Deal are through the Town Deal Project Manager, and from officers of the Council as part of their wider roles.
- 5.2 Project leads have indicated a requirement for support to develop compliant Business Cases and complete the PSED assessments. Although this remains the responsibility of the Project Sponsors, the Board may wish to ensure consistency and consider the engagement of an independent third-party specialist consultant(s) to carry out this work and or to carry out a final assessment.
- 5.3 The alternative is for the Project Sponsors to procure specialist support to develop compliant Business cases for their respective project and the Board relies on these meeting the standards required by MHCLG.
- 5.4 It will be important to review and agree the Project Business Cases and Public Sector Equalities Duties (PSED) Assessments prior to completing the MHCLG Summary Document(s) for final approval by the Board and S151 Officer to access payment.
- 5.5 In addition, there is a requirement for Town Deals to have a Project Assurance Framework in place and this will require additional work and resources to develop.
- 5.6 There is therefore a need to consider whether the existing project resources are sufficient to support and deliver the programme over the next phase.
- 5.7 There is potential to access MHCLG resources. The MHCLG Towns Fund Stage 2, item 15 sets out that revenue funding can be either for programme management costs or project specific revenue costs, with an upper limit of 5% of the Town Deal for programme management costs. The recommendation made in point 1, has suggested that £414k be set aside to support the Town Deal, which is well within the prescribed limit. This will allow some individual projects to include some elements within their projects for project specific support costs. However, this will need to be carefully managed to ensure the threshold is not exceeded.

- 5.8 Programme management costs are those which relate to associated general programme costs such as supporting project prioritisation, preparing M&E plans, or overseeing business case development.
- 5.9 The programme management costs must be set out in the financial profiles submitted to MHCLG at the project confirmation stage MHCLG Annex a 1.

## **6. Programme Management Structure**

- 6.1 As we move into the delivery stage, a Programme Management Structure needs to be developed, which includes:
- Town Deal management role and responsibilities
  - Town Deal project plan
  - Individual project plans
  - Monitoring and evaluation processes
  - Reporting arrangements
  - Project Assurance (see point 7)
- 6.2 It will be important for the Board Members and Officers to develop a Programme Management Structure that can drive the projects forward.
- 6.3 A Programme Structure which sets out the role that board members play in overseeing and supporting the programme.
- 6.4 To achieve this the roles and responsibilities of the Board should be reviewed to help support and direct the projects, to the desired quality and to achieve the on-time delivery and outputs and outcomes.
- 6.5 The Board may wish to consider the following options:
- a. Board Members Subgroup focused on delivery, day to day programme management and reporting to the Board.
  - b. Board Members as sponsors for each project – day to day management of projects and reporting to the Board individually.
  - c. Sub-Boards, Member and Officer – Theme or specialist related Sub-Boards, day to day management and reporting separately to the Board.
  - d. Investment Sub-Committee - Review of project proposals and due diligence, makes decisions on funding in partnership with Accountable Body.
  - e. Delivery Board - Lead partners to co-ordinate development of business cases and project delivery.



Loughborough Town Deal Draft Plan (setting out key submission stages and potential stages to the first MHCLG payment)																					
Item		Aug-21			Sep-21				Oct-21				Nov-21				Dec-21				
		16	23	30	6	13	20	27	4	11	18	25	1	8	15	22	29	6	13	20	27
1	Board Meetings																				
	1.1 16 Aug Board - Select Projects	●																			
	1.2 Sep (Board meeting to be arranged)																				
2	Selected Projects announcement	●																			
3	Completion of MHCLG forms 24 Aug		●																		
4	Board & S151 Officer signoff (25 Aug)		●																		
5	Submit papers to MHCLG (27 Aug)		●																		
	Consultation & Engagement Group meeting					●															
6	Project Charter	■	■	■																	
7	Monitoring & Evaluation Process		■	■	■	■	■														
8	Business Case & Project Assurance Process		■	■	■	■	■	■	■												
9	Business Case Development & PSED							■	■	■	■	■	■								
10	Project Assurance Development							■	■	■	■	■	■								
11	Submission of Summary Docs to MHCLG Fast Tracked Projects																				
12	MHCLG Payment for Fast Tracked Projects																				■
13	Business Case Development & PSED																				■
14	Submission of Summary Docs to MHCLG 2nd Fast Tracked Projects Jan 22																				
15	MHCLG Payment for Fast Tracked Projects Mar 22																				Payment in Jan 22