



Blackpool Town Deal Board Meeting

No 12 – Agenda Item 4

Report to: Blackpool Town Deal Board
Subject: Town Deal Update
Relevant Officer: Nick Gerrard, Growth and Prosperity Programme Director
Date of Meeting: 17th September 2021

1. Purpose of Report

To provide the Board with an update on the Town Deal Programme

2. Recommendations

- a) To note the report.
- b) To approve the amendments to the Towns Fund Business Case Appraisal and Assurance process as set out in Annex 1.
- c) To receive an oral update on the potential for some Town Deal resource to be reallocated between schemes

3. Activity Update

3.1 Towns Fund Business Case Appraisal and Assurance

At its last meeting the TDIP agreed amendments to the business case process highlighted in red in Annex 1. These have arisen as a result of changes to the process since originally agreed by the Board. The Board is asked to approve the amendments

3.2 Business Case Development

The development of business cases continues for each of the seven projects outlined in the Heads of Terms in line with HM Treasury Green Book Business Case guidance. Extensive work is ongoing to develop the schemes is underway. Activity incorporates both Council officers and retained external consultancy support via AMION Consulting who provide business case development advice and critical friend support. All 7 schemes have a Strategic Case section complete and activity to populate the other 4 cases (economic, financial, commercial and management) is well underway.



All seven must be developed and appraised by 17th November 2021 as scheduled below.

Project Name	TDIP Project Presentation	TDIP Initial Bid Review	TDIP Appraisers report/ approval	Town Deal Board Project Presentation	Town Deal Board Proposed Project Sign Off
Illuminations	23 June (Completed)	30 July (Completed)	1 September (Completed)	09 July (Completed)	17 September
Enterprise Zone	30 July (Completed)	01 September (Completed)	22 September	09 July (Completed)	08 October
Youth Hub	17 March (Completed)	01 September (Completed)	22 September	14 May (Completed)	08 October
The Edge	30 July (Completed)	17 September	13 th October	14 May (Completed)	05 November
Blackpool Central	23 June (Completed)	22 September	27 October	9 July (Completed)	05 November
Southern Quarter / Revoe	28 th September	28 September	27 October	17 September	12 November
Multiversity	28 September	22 September	27 October	17 September	12 November

- The Illuminations project is the first project to have proceeded through the external appraisal process and is on this agenda for formal approval.
- The Youth Hub and Enterprise Zone projects were agreed by the TDIP Panel on 1st September and passed to external appraisal. The appraisal is due back in front of the TDIP panel on the 22nd September and before the Town Deal Board at its 8th October meeting.
- The Edge business case is to be reviewed at a meeting of the TDIP before this Board on which an oral update will be given.



Annex 1

Towns Fund Business Case Appraisal and Assurance (Revised)

1.1 Background

A HM Treasury Green Book Business Case needs to be developed for all schemes seeking Towns Fund support. If individual schemes are seeking less than £25m (as is the case with all Blackpool's schemes) a local appraisal and assurance activity is deemed sufficient, which will be overseen by the Town Deal Investment Panel (TDIP).

During the Town Investment Plan (TIP) development process, a prioritisation exercise was undertaken to determine schemes outlined for Towns Fund monies. The 7 schemes being brought forward are therefore already known and there is no open bidding process to be incorporated.

1.2 Business Case Development

Business Case development will be managed and overseen by the Growth and Prosperity Team within Blackpool Council working directly with public, private and community stakeholders and supported by external HM Treasury Green Book business case development specialists (Amion).

1.3 Appraisal and Assurance Process

To support the Business Case Appraisal process, Blackpool Council, as accountable body, will ensure that an assurance system is put in place that will provide Government and local partners with assurance that decisions over the allocation of Town Deal funding are proper, transparent, involves accountable decision making and deliver value for money whilst incorporating monitoring and evaluation activity.

The Town Deal Investment Panel (TDIP) incorporating suitably skilled individuals drawn from the Blackpool Town Deal Board and relevant partner agencies (with representatives from the public, private, and community sectors), to ensure there is sufficient oversight and scrutiny of the business case proposals brought forward. A private sector Town Deal Board member will be appointed to Chair. This panel will in turn report to the Town Deal Board, regarding the allocation and best use of public sector funding. The TDIP has its own terms of reference agreed by the Town Deal Board.

The TDIP will be supported by the Growth & Prosperity Team of Blackpool Council in line with its existing secretariat role to the Town Deal Board.



Where projects are appraised locally, the following process will be implemented:

- Stage 1: A full Business Case (using the five-case business model) will be developed for each scheme. The business case content and depth will be proportionate to the funding amount requested.
- Stage 2: The Business Case will be submitted to the TDIP. The TDIP will undertake an initial review to ensure that the project is in line with the Town Investment Plan submission and the approval in the Government's Heads of Terms.
- Stage 3: If there are any concerns or suggested changes (i.e. a negative decision) the TDIP will return the submission with comments for improvement and subsequent resubmission.
- Stage 4: If a positive position, the TDIP will appoint independent appraisers, to be drawn down from a Blackpool Council appointed Framework Panel further to tender. The appraisers will undertake a green book compliant appraisal ensuring it meets with outlined VFM requirements.
- Stage 5: The independent evaluation report will be fed back to the TDIP **with recommendations, which the appraiser will also present to a TDIP panel meeting. The TDIP panel will review the appraisal and provide a recommendation who will subsequently present this** (with the support of the appraisers if required) to the Town Deal Board (and the Council Executive or the Chief Executive of Blackpool Council under approved delegation arrangements) for final approval. The business cases will be accompanied by recommendations for consideration by the Town Deal Board (and Council Executive).
- Stage 6: If approved by the Board, ~~the accountable body (Blackpool Council) will provide a * funding agreement (with conditions where necessary) in line with stipulations outlined in the Head of Terms.~~ **Blackpool Council will submit a Town Deal Project Summary Document for each scheme to MHCLG no later than the 17th November 2021, which is 12 months from the signing of the Town Deal Heads of Terms. Further to review by MHCLG they will formally approve the respective projects to a maximum value of £39.5m**
- Stage 7: Schemes will proceed once **funding approval has been confirmed by MHCLG** at which point a delivery contract **will be drawn up between Blackpool Council as Accountable Body and the project sponsor.**



- Stage 8: The TDIP will be provided with quarterly reports on scheme delivery and performance for monitoring purposes. Subsequent updates will be provided to the Town Deal board including outline of any actions required to support delivery.
- Stage 9 : Scheme evaluation activity will be undertaken in line with that outlined in the individual business cases

~~* Once detailed business cases have been developed for each project, within 12 months of the signing of the Town Deal Heads of Terms, Blackpool must submit a Town Deal Summary Document to the Towns Hub further to which the Ministry for Housing, Communities and Local Government will formally approve the £39.5m.~~

1.4 Governance and Project Management

The Blackpool Town Deal programme has a clear Governance and Management structure. The Programme will be overseen by the Town Deal Board and managed and delivered by Blackpool Council **with programme management activity falling under a new Programme Management Office (PMO)**. The Council are the accountable body and has overall responsibility for the delivery of the programme.

The Town Deal Board will continue to operate throughout programme delivery. Its original roles remain to:

- Develop and agree an evidenced based Town Investment Plan;
- Develop a clear programme of interventions; and
- Co-ordinate resources and influence stakeholders.

Project Boards will be established to oversee individual projects. Project management and delivery support will be provided by the Council in conjunction with partners.

A dedicated Project Manager will manage each project on a day-to-day basis on behalf of the respective Project Board within the brief and limits specified for the role. They will liaise with the Town Deal Engagement Team to undertake engagement with communities, businesses and organisations.

Risk, issue and change management are fundamental to the control of any project. The Council has in place detailed processes for each. Each project will have a dedicated cost code and a financial accountant appointed to oversee it and to support the project manager to ensure scheme delivery to budget. The Council has a Risk Services department which undertakes internal audits of schemes which will add additional probity. There is also a Corporate Delivery Unit which reviews project delivery against key Performance Indicators (KPI's). In addition, the Council has an established procurement team that will ensure full compliance with the latest legislation.