

June 2022

Report of Assistant Director for Place and Client Author Matt Sterling

Title Town Deal Reporting

Wards affected Not applicable

## 1. Executive summary

- 1.1 This report recommends a timetable for future scrutiny of Town Deal projects by the Panel.
- 1.2 The ongoing governance and monitoring of performance for the Town Deal is managed by the independent We Are Colchester Board
- 1.3 The Town Deal is one of several funds being pursued to deliver improved outcomes and tackle inequalities. Many of these funds are within the Government's Levelling Up initiative.

## 2. Action Required

- 2.1 The Panel is asked to consider and approve the proposed scrutiny schedule.

## 3. Reason for Scrutiny

- 3.1. At its February meeting, Scrutiny Panel considered the entire Town Deal programme in detail at the end of the work to prepare business cases for each project, and ahead of Cabinet approving the submission of summaries of these business cases to Government.
- 3.2 As a result of that scrutiny, Panel resolved that a timetable be brought to Scrutiny Panel as soon as possible, and at the Panel's meeting on 7 June 2022 at the latest, to set out a recommended timetable for future scrutiny of Town Deal projects.

## 4. Background Information

- 4.1 In response to the Government's Town Deal Programme, Colchester was one of 101 English towns invited to submit a Town Investment Plan (TIP) and bid for up to £25m. In response, Colchester Borough Council (CBC) with Essex County Council and others established a 'We are Colchester' (Town Deal) programme and board. The TIP for Colchester was submitted to Government on 29 October 2020, and an £18.2m award was made to Colchester in March 2021. The TIP covers just the wider urban area of Colchester.

- 4.2 The Town Deal Programme and thus our TIP was required to reflect six specific intervention themes prescribed by the then Ministry of Housing, Communities and Local Government, these being: 1) Local transport, 2) Digital connectivity, 3) Urban regeneration, planning and land use, 4) Arts, culture, and heritage, 5) Skills infrastructure, 6) Enterprise infrastructure.
- 4.3 'We are Colchester' (Town Deal) was established and formally launched in January 2020, comprising of a board chaired by an independent person and including key organisations and interests. The programme developed a vision which was designed to provide a platform for strategic intervention at a scale which will achieve transformation, whilst complimenting local economic and place-making activity which the partners deliver.
- 4.4 Decisions about the projects included in our Town Deal were made by the independent We Are Colchester Board. Colchester Borough Council acts as accountable body for the monies. The accountable body role includes a:
- Commitment to manage the secretariat function to the Town Deal board, including member and senior officer leadership and involvement in the board.
  - Commitment to managing external relationships including with the members of the partnership, local MPs, and other key stakeholders.
  - Commitment to help to develop the role of the Town Deal board into the next phase and provide wider leadership including for example developing our strategic relationships with BID, University, Health and Business – to drive investment in Colchester in a strong, coherent and visible 'whole place' manner.
  - Commitment of CBC officer time and capacity to progress to the next stage (business case development), noting there will be no further provision of capacity funding from government.
  - Committing to CBC holding responsibility for financial management, audit and delivery assurance of the £19.2m capital programme; in line with and using existing CBC models of governance for capital projects and programmes.
- 4.5 Following the announcement of Colchester's Town Deal award in March 2021, the Town Deal Board agreed plans to manage the lower £19.2m award (from the £25m original grant submission).
- 4.8 Colchester was required to, and completed the following steps:
- Instigate a specific Town Deal board (makeup prescribed by Government): set up in January 2020
  - Prepare and submit a full Town Investment Plan: submitted October 2020
  - Following submission, and confirmation of our conditional award and Heads of Terms in March 2021, the Council has been required to:
    - Confirm final list of projects to be taken forward to business case development - submit project confirmation documents to Government: June 2021
    - Submit updated financial profiles for each project: September 2021
  - Prepare Business Cases for the key workstreams or where required projects
  - Submitted summary documents (relating to each of the business cases) to Government by 24th March 2022.

- 4.9 During 2021, officers and partners developed detailed Business Cases for each project. This work included convening project teams, engagement with stakeholders, detailed planning, architectural design work and cost estimation.
- 4.10 Each Business Case covers five themes which cover the strategic scope, alignment and case for the project, the economic benefits, the financial case, commercial opportunities and viability, and the approach to management.
- 4.11 These Businesses Cases were reviewed by the Council's Section 151 Officer who independently assessed the sustainability, viability and value for money of each business case to ensure they are sound.
- 4.12 The development of these Business Cases resulted in all projects being assured sound and viable to progress.
- 4.13 The necessary documents were submitted to Government in March.
- 4.14 Since then, Service Level Agreements have been drafted for all projects led by external partners to manage the release of monies and assure agreed outcomes.
- 4.15 Consideration has been given to how We Are Colchester will manage performance and an approach agreed focussing on the achievement of the delivery plans within time and budget, the mitigation of risks, and the achievement of outcomes and connections between projects.
- 4.15 The final stage in the process ahead of the delivery of projects commencing is the decision by Government to confirm funding. Decisions are expected in the summer of 2022; with projects moving straight into delivery phase thereafter if successfully approved.
- 4.16 Over time other related streams of work are likely to emerge such as those funded by the UK Shared Prosperity Fund or other Levelling Up funds. Scrutiny Panel may wish to scrutinise performance delivering these in the round.

## **5. Proposed Scrutiny schedule**

- 5.1 It is proposed that Scrutiny Panel receives an interim performance report 6-months after the first award of funding, and then an annual report on the progress of all Town Deal projects each year of the programme. These reports would cover how projects are achieving their projected milestones, interconnections and outcomes, and give an opportunity for scrutiny. It is recommended that this report is presented by project Sponsors. We anticipate the first award of project delivery funding to be in July 2022 and so the first performance report would be in January 2023, with annual reports being in July thereafter.

## **6. Standard References**

- 6.1 There are no particular references to publicity or consultation considerations, or financial, equality, diversity, human rights, community safety, health and safety, environmental and sustainability or risk management implications.

## **7. Strategic Plan References**

- 7.1 The Town Deal is intended to boost the local economy, support the creation of jobs, improve areas of public realm, facilitate increased cycling and walking, improve housing and health outcomes as well as leveraging private sector investment.
- 7.2 It will contribute to the delivery of the Strategic Plan 2020-2023 priorities and direction for the Borough as set out under the strategic themes of:
- Tackling the climate challenge and leading sustainability
  - Creating safe, healthy and active communities
  - Delivering homes for people who need them
  - Growing a fair economy so everyone benefits
  - Celebrating our heritage and culture

**Appendices:** None.