

BRIEFING NOTE

To: Town Deal Board

Subject: Delivery Plan and Business Case Development & Appraisal Process

Date: 13th November 2020

From: Director, Regeneration and Housing

Introduction

The Town Investment Plan (TIP) has a number of required elements, as described within the Towns Fund Guidance. Additional guidance was published with the TIP templates and was shared with the Board at its meeting on 17th July 2020.

Delivery Plan

The TIP must include a Delivery Plan for each shortlisted project. At this stage, the Delivery Plan must identify indicative key milestones and set out how the projects will be managed.

The indicative key milestones will include, but may not be limited to;

- Dates and duration of full business case development;
- Any planning consent requirements;
- Procurement timescales;
- Construction start on site (where applicable)
- Project completion dates

The Delivery Plan cannot be completed until the final list of projects have been endorsed by Board. Further detail on the projects is contained within the confidential report at Agenda Item 8.

Subject to the Board's endorsement of the projects to be included within the TIP being given on 13th November 2020, the Delivery Plan will be circulated for the Board's information during week commencing 23rd November 2020.

Business Case Development and Appraisal Process

For all projects for which the Ministry for Housing Communities and Local Government (MHCLG) agree to move to Heads of Terms, detailed projects and associated business cases must be developed. The Guidance states:

Towns with agreed Heads of Terms for a Town Deal will be required to produce a fully costed business case for each of the agreed projects, setting out the details of how each will be delivered. They should be sufficiently detailed and robust to pass through local assurance mechanisms (or that of MHCLG, should they be utilised).

The TIP must set out the framework for how this will be achieved and, identify the appraisal and assurance mechanism that will be utilised.

The business case development will require support from consultants and an amount has been set aside from the Capacity Funding to allow this. To ensure that they meet the standards required by HM Treasury's Green Book, business case development usually follows the Five Case model;

1. **The Case** – What the business Case must demonstrate
2. **Strategic Case** – There is a clear strategic fit: There is compelling evidence for change;
3. **Economic Case** – Is it value for money?: A range of options are considered: The preferred option is a best balance of cost, risk & benefit?;
4. **Financial Case** – Is it affordable?: The costs are realistic and affordable: The required funding is available and supported:
5. **Management Case** – Is it achievable?: Proposal capable of being successfully delivered: Robust systems and processes are in place.

The TIP 2 templates for each project largely cover the requirements for stages 1 and 2, and partially for Stage 3. That being said, it is prudent to include further details within the full business case, given the constraints of the word counts within the TIP 2 templates. At the time of writing this briefing note, further guidance was awaited from the Town Deal Delivery Partner in relation to the level of detail required for the TIP and therefore the level of detail required by MHCLG at this stage. This is to ensure that the most appropriate mechanism is identified and deemed robust by MHCLG.

It is anticipated that the appraisal and assurance mechanism will involve external scrutiny to ensure transparency and robustness. The approach is currently being drafted and Board will be required to endorse the Business Case Development Appraisal and assurance approach. Given the timescales, this will be issued virtually to Board, no later than the week commencing 23rd November 2020.