

 <p>ST HELENS BOROUGH COUNCIL</p>	<h2>Cabinet</h2> <h3>6 October 2021</h3>
Report Title:	St Helens Town Deal – Update and Project Confirmation Documents
Cabinet Portfolio	Regeneration and Planning
Cabinet Member	Councillor Richard McCauley
Exempt Report	No
Reason for Exemption	N/A
Key Decision	No
Public Notice issued	N/A
Wards Affected	Town Centre
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Borough priorities	Ensure children and young people have a positive start in life	X
	Promote good health, independence and care across our communities	X
	Create safe and strong communities and neighbourhoods for all	X
	Support a strong thriving, inclusive and well-connected local economy	X
	Create green and vibrant places that reflect our heritage and culture	X
	Be a responsible Council	X

1. Summary

- 1.1 The St Helens Town Deal and the related Town Investment Plan was submitted to government at the end of January 2021. Non-binding Heads of Terms for the subsequent award of £25m and the requisite submission of Project Confirmation Documents have been agreed by the Town Deal Board, for which respective Cabinet endorsement and approval are now sought. Future tasks involve the development of Full Business Cases (FBCs) for each project under proposed delegation and utilisation of the Town fund capacity resource to provide a dedicated programme management resource.

2. Recommendations for Decision

Cabinet is recommended to:

- i) **Endorse the Heads of Terms for the Town Deal award of £25m, outlined at Appendix A, which were agreed by the Town Deal Board at its meeting on 3rd August 2021.**
- ii) **Approve the submission of the Project Confirmation Documents at Appendix B by the 6th October 2021 deadline, following endorsement by the Town Deal Board at its meeting on the 22nd September 2021.**
- iii) **Delegate business case development for the Town Deal projects to the Executive Director Place Services, in consultation with the Cabinet Member for Regeneration and Planning, noting that each business case will be brought for future Cabinet approval on a project-by-project basis, in accordance with the Councils Financial Procedure Rules.**
- iv) **Approve that the 5% Towns Fund capacity resource be utilised to provide programme management and to assist in the preparation of the Full Business Case for each Town Deal project.**

3. Purpose of this Report

- 3.1 To provide an update to Cabinet on the St Helens Town Deal and the related Town Investment Plan, which was submitted to government at the end of January 2021. This report also seeks endorsement to the non-binding Heads of Terms for the award of £25m and approval to the requisite submission of Project Confirmation Documents that have been agreed by the Town Deal Board. Full Business Cases (FBCs) shall then be developed for each project under proposed delegation and utilisation of the Town fund capacity resource to provide a dedicated programme management resource.

4. Background

- 4.1 At its meeting on 27th January 2021, Cabinet approved submission of the St Helens Town Investment Plan (TIP) to Government and considered the next steps in the process and the role of the Council as accountable Body to provide oversight and assurance in the expenditure of Town Deal funds. The TIP outlined the case for investment into the following programmes:
- Glass Futures Phase 2
 - Town Centre Living & Regeneration
 - Heritage World
 - Healthy Communities (Youth Zone, Health Innovation Hub)
 - Connected Places
 - Digital Infrastructure
- 4.2 The need for each project to develop a Full Business Case (FBC) was explained, which will be subject to a second stage approval by Government. It is important to note that Town Deal is not designed or intended to provide the full funding for project delivery and in every case each approved project will be subject to a match funding requirement, from sources that are applicable to the type of approved project. This match funding will need to have been secured prior to the submission of the FBC for each project.
- 4.3 On the 15th of July 2021, the Council and Chair of the Town deal Board received an offer letter awarding £25m for the St. Helens Town Deal. The offer letter was accompanied by Heads of Terms and was subject to certain conditions being met in relation to the Heritage World project.
- 4.4 The Heads of Terms act as a non-binding Memorandum of Understanding for the future development and delivery of St Helens TIP and project proposals, setting-out joint expectations as St Helens enters the 12-month business case development phase. The Heads of Terms required confirmation in writing of the projects being taken forward within two months of accepting the offer (being 6th October 2021) by submission of Project Confirmation Documents.
- 4.5 Following consideration by the Town Deal Board at its meeting of 3rd August 2021, the Heads of Terms were signed by the Chair of the Town Deal Board alongside the Chief Executive of the Council and duly submitted as prescribed. This report now seeks approval to submission of the Town Deal Project Confirmation Documents, which are attached at Appendix B.
- 4.6 Following submission of the Project Confirmation Documents, FBCs must then be completed for each project and a summary document submitted within 12 months of the deal being agreed. Funding for delivery will only be released once the FBCs have been approved by Government and when any related conditions have been met.

- 4.7 The assurance process for the FBCs and project approval will be in line with Towns Funding Guidance and HM Treasury Green Book. The management, governance and delivery of the St Helens TIP will require the ongoing oversight provided by the Town Deal Board but as the accountable body, St Helens Council retains responsibility for the delivery of the programme.
- 4.8 Given the scale of the programme, a dedicated programme management resource is required, and it is proposed that the Towns Fund capacity resource be utilised for this purpose and to assist in the preparation of the FBC for each project. Once developed, each business case will be brought for future Cabinet approval on a project-by-project basis, in accordance with the Councils Financial Procedure Rules.

5. Community Impact Assessment

- 5.1 The requirement for a community impact assessment will be fully considered as part of the development of a FBC for each of the approved TIP projects. However, if funded, each of the projects will have a beneficial impact on the St Helens Community.

6. Consideration of Alternatives

- 6.1 Alternatives have been considered by the Town Deal Board as part of the project distillation process. There are no alternatives in relation to the predefined approach and requirements of the TIP process as outlined in the associated guidance document.

7. Conclusions

- 7.1 Towns Fund investment is key to securing transformational change for St Helens and will support the Council in achieving its ambitions as outlined in the Borough Strategy. The projects included in the St. Helens TIP submission have been subjected to high levels of scrutiny and challenge. The Town Deal Board have approved the Project Confirmation Documents at Appendix B, which represent a strong foundation on which to build compliant project business cases pursuant to the securing of delivery funds as part of the continued Town Deal process.

8. Implications

8.1 Legal Implications

- 8.1.1 The legal requirements are being addressed through adherence to Government guidance for the first stage approval process. Should agreement be reached to proceed to FBC development for approved projects then legal representatives will be further consulted and fully engaged.

8.2 Community Impact Assessment (CIA) Implications

8.2.1 Social Value

Social value will be a key consideration for development of the FBC for each approved project, which will be subject to future consideration by Cabinet.

8.2.2 Sustainability and Environment

Sustainability and Environment is a key element of the TIP submission criteria. They are key considerations in the development of the FBC for each approved project, which will be subject to future consideration by Cabinet.

8.2.3 Health and Wellbeing

The TIP incorporates specific health-related initiatives, which will be a key consideration for development of the FBC for each approved project and be subject to future consideration by Cabinet.

8.2.4 Equality and Human Rights

Public sector equalities duty analysis on the impact of the TIP forms a requirement of the agreed Heads of Terms and will be duly conducted as part of future stages of the Town Deal process.

8.3 Customers and Resident

The projects included in the TIP submission are reflective of stakeholder views in relation to improving the Town Centre. There will be ongoing consultation and engagement with stakeholders and residents as part of the business case development, which will be subject to future consideration by Cabinet.

8.4 Asset and Property

The TIP incorporates facilities that are in Council ownership and the implications are properly understood given the Council's role as the accountable body for the TIP submission. All implications will be further assessed as part of the business case development, which will be subject to future consideration by Cabinet.

8.5 Staffing and Human Resource

To ensure successful delivery of the TIP adequate staffing resources will be required given the number of projects (6), their complexity, the number of stakeholders involved and timescales for the submission of FBCs. This will be set out in a subsequent report to Cabinet for consideration.

8.6 Risks

A programme risk log and individual project risk logs will be established as part of the contingency planning and overall project strategy for the TIP projects. The risk logs will be updated regularly in keeping with project methodologies and raised at project meetings as part of contingency planning and risk management.

8.7 Finance

As the Council is the accountable body initial discussions have taken place in relation to any financial implications. The acceptance of Heads of Terms and the submission of Project

Confirmation Documents do not have direct financial implications for the Council. The financial implications will be fully considered as part of developing the full business cases, which will be subject to future consideration by Cabinet. The St Helens TIP does include an award of 5% for capacity resource to provide programme management and to assist in the preparation of the Full Business Case for each Town Deal project.

8.8 Policy Framework Implications

The proposals set out herein have strong alignment with current policies and strategies of the Council, in particular the Borough Strategy, Local Plan and St. Helens TIP.

9. **Background papers**

| Item 39 (Town Deal – Town Investment Plan) – Meeting of Cabinet on 27th January 2021

10. **Appendices**

- Appendix A - Heads of Terms
- Appendix B - Project Confirmation Documents