



Staveley Town Deal Board

14th May 2021

Town Deal programme resources

1. Introduction

The paper provides an update on the proposals developed to put in place the resources required to manage the Town Deal programme and seeks approval from the Board for the allocation of Towns Fund to contribute to the costs of those resources.

2. Recommendations

It is recommended that the Board:

- 1) Note the work undertaken since the last meeting.
- 2) Approve the allocation of £400k of Towns Fund to contribute to the costs of programme management resources.
- 3) Endorse the proposals for utilising the capacity funding to support the development of full business cases as set out in section 5.

3. Background

At the March 2021 meeting of the Town Deal Board, approval in principle was given to the allocation of £400k from the Towns Fund to contribute to the costs of programme management for the 5 year Town Deal programme. This was subject to further detail being provided to the Board at its May meeting.

The March meeting also noted that although a bid had been made for a further round of capacity funding (to assist with the development of business cases), no additional funding has been made available for the programme management of Town Deals through the next 5 years. Whilst government is asking local partners to provide the programme management and assurance, as well as develop and deliver the projects, it has also made it clear that resources for doing this will need to be found from the overall funding awarded. It is also clear that government expects the local programme management and assurance to be robust and therefore sufficiently resourced.

Given this, indicative costs were provided to the Board at its March meeting of c. £500k over the whole programme (i.e. c £100k per annum). The proposed allocation of £400k towards those costs from the Towns Fund would represent 1.6% of the total (£25.2m). This is slightly below the estimated level of 2% that had been previously provided to the Board.



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4. Programme Management proposals

As agreed at the March Board meeting, detailed proposals for putting in place the required programme management resources were developed by Chesterfield Borough Council (CBC) as the Accountable Body and considered at a meeting of its Joint Cabinet and Employment & General Committee on 13th April 2021. Those proposals took into account the full range of responsibilities that would sit with the council as the Accountable Body for the Towns Fund and the requirements to provide robust programme management over the 5 years of the programme. The full paper for the meeting is a public document and is available together with appendices on the council website [here](#). The Committee approved the recommendations set out in the paper.

The proposals set out were that the council should establish:

- A new full time post of Town Deal Programme Manager. This postholder would have the lead responsibility for the programme management of the Deal, providing assurance to the s. 151 officer and Chief Executive that the council is able to fulfil its Accountable Body role at all times and reporting progress to the Staveley Town Deal Board. Given the number of different sponsor organisations (8) with which the programme team will need to liaise, a full time post was deemed to be required.
- A new part time (2 days per week) post of Community Engagement Officer (Staveley). The need for appropriate engagement has been a clear requirement from government from the outset of the Town Deal process. One of the strengths of the Town Investment Plan was that it showed how its proposals reflected the needs and aspirations of communities and key stakeholders in the Staveley area. This need for engagement will continue to be important as projects are developed and delivered, and this postholder would also support the work of the Board working group on Communications, Engagement and Consultation. A dedicated resource was therefore proposed to provide the appropriate skills and capacity to work with project sponsors, stakeholders and across Staveley communities. Whilst there is a need for this resource to enhance current capacity and underpin a successful programme, it was not deemed to need a full time post, hence establishing a role for two days per week.
- A new full time post of Town Deal Assistant as an apprenticeship role. As discussed at the previous Board meeting, an apprenticeship role will put into practice the Town Deal ethos and the opportunity would be heavily promoted in the Staveley area to attract local candidates. An assistant role was deemed necessary since a significant proportion of the time of the current Town Deal Manager post is already spent on important administrative, monitoring and secretariat duties. The requirements for these activities, particularly project monitoring and preparing claims for payment, will increase significantly as the programme moves into delivery, including the need to liaise effectively with 8 different project sponsor organisations. Whilst the post



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will be established as full time, the apprenticeship requirements mean that the postholder would spend 20% of his or her time in learning and development, leaving 80% available to assist the programme team, but this is considered sufficient for the work required. An apprenticeship framework has already been identified (Business Administrator) and discussions are underway with potential providers. It is hoped that at least 2 apprentices would be able to complete the apprenticeship during the life of the Town Deal programme.

- A budget to meet further costs throughout the programme. These forecast costs include the additional legal and contracting costs anticipated particularly in the first year or two of the programme, together with communication and engagement activities such as community events.

Whilst flexible working is likely to apply in line with wider council policies, the team will be based at the Healthy Living Centre in Staveley, ensuring that they are rooted in the local area and close to the projects set to be delivered.

The roles set out above fit with the proposals in the Assurance Framework for the Town Deal, having been developed in parallel with this. With the team in place, the council believes it will be able to fulfil its obligations as the Accountable Body for the Towns Fund.

With more work undertaken since the last Board, more accurate costs for the above posts and budgets were prepared for the formal report considered by the council. These are set out in the full report and a summary table is included here.

Staff costs over 5 years	£478k	£95.61k (annual salaries plus costs for NI, pension contributions etc) x 5 years
Legal costs in years 1-2	£40k	This is c. £4k per project, though it likely to vary significantly above and below this average
Operating budget	£40k	I.e. £8k p.a., to cover items such as communications, engagement, community events and provide further contingency for costs incurred by other service areas
Turnover/appointments below top of grade	-£20k	Allowance over 5 year period for non-occupancy of posts and likelihood not all appointments will be at top of scale
Total	£538k	



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Whilst the total costs were above those initially estimated, CBC agreed to meet the further costs over and above the in principle allocation of £400k from the Towns Fund, i.e. £138k. It will also bear the significant in-kind costs that will be incurred across a number of key departments (such as communications, planning, finance, HR and ICT) in meeting its programme management and accountable body responsibilities.

The allocation of £400k from the Towns Fund has been incorporated into the funding profile that will be submitted to government as part of the return due two months on from the Heads of Terms. More detail on this is provided in a separate Board paper. The programme management costs will be claimed as revenue but the resulting overall revenue /capital split set out in the return to government still complies with the overall funding requirements for the Towns Fund.

5. Capacity Funding

As noted at previous Board meetings, an application was made in February for an additional round of capacity funding to support projects to develop full business cases. Whilst the process only allowed a few days in order for bids to be made, the ongoing engagement with project sponsor organisations was used to inform the bid. The funding was heavily over-subscribed, but the Staveley Town Deal was able to secure £70k of capacity funding, having bid for the maximum indicated amount of £120k.

Since securing the funding, further work has taken place to consider the options for utilising this. Proposals for the use of the funding were considered and approved in principle by the Town Deal Programme Board and are set out here for the Staveley Town Deal Board's endorsement.

As agreed by the Board, part of the process for developing full business cases will entail procuring an external consultant to assess business cases and provide a report on compliance with the Treasury Green Book requirements. This can now be funded using the capacity funding and avoiding any call on the core Towns Fund allocation. Procurement for this assurance has commenced in collaboration with three other councils in order to drive better value for money (Ashfield, Broxtowe and North East Derbyshire).

The estimated costs for this assurance are likely to account for around half of the available capacity funding. The focus for the remaining funding will be to provide direct support to project sponsor organisations to assist the development of their business cases. One to one meetings are continuing to be held in order to determine where that support may be most needed, and priority will be given to those organisations that have least capacity and resources. It is hoped that frameworks can be used to make direct appointments for any specialist support required in order to ensure this is timely enough to be of value to the project sponsor organisations. In addition to this direct support, CBC will need to take legal advice regarding subsidy control (formerly state aid) for relevant projects and may also require further due diligence work for more complex project arrangements. Finally, whilst



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only indirectly supporting the business case development process, a communications campaign to raise the profile of the Town Deal through digital channels and potentially print materials and/or signage will be developed as part of the work of the Board working group.

A table summarising these proposals for utilising the funding are set out in the table below. In line with the Assurance Framework, the Town Deal Programme Board will sign off the final detailed proposals for use of the funding and the CBC section 151 officer will ensure that expenditure is in line with the funding conditions.

Proposed use	Estimated cost*	Rationale
Business case assurance	£33k (i.e. £3k per project)	As agreed by the Board, all Full Business Cases to undergo external assessment
Direct support to project sponsors	£20-25k	As determined by one-to-one discussions, to ensure that specialist input required to develop full business cases is available to sponsors, particularly those with limited capacity and in-house resources.
Legal advice on subsidy control (formerly State Aid)	£4-5k	To be compliant with funding conditions and avoid legal challenge
Due diligence advice	£3-4k	Where projects arrangements are complex and/or further assurances are needed to protect public funding
Communications campaign	£5-8k	To raise the profile of the Deal and provide a platform for further engagement to enhance projects
Total	£65-75k	

**These are only estimates and will depend on the market and value that can be obtained through procurement.*



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6. Next steps

Recruitment for the posts outlined above has already commenced and will continue with the aim of having a full programme team in place by September. Expenditure against the forecast programme management resources will form part of the regular monitoring that will be undertaken by the programme team and regularly reported, as set out in the Assurance Framework, to the Town Deal Programme Board and the Staveley Town Deal Board.

Procurement for business case assurance will continue and an award made in order that a supplier is ready to start receiving full business cases once these have been developed. Further allocations of the capacity funding will be made as outlined above through the Town Deal Programme Board, taking account of project sponsor needs as elicited through the ongoing dialogue in place.

Monitoring against spend will be put in place as part of the wider monitoring framework for the Town Deal.