



EAST STAFFORDSHIRE BOROUGH COUNCIL

REPORT COVER SHEET

Title of Report:	Towns Fund Programme	To be marked with an 'X' by Democratic Services after report has been presented
Meeting of:	Corporate Management Team	
	Leader and Deputy Leaders	
	Leader's / Leader of the Opposition's Advisory Group / Independent Alliance Advisory Group	
	Council 21st March 2022	
	Scrutiny Audit and Value for Money Council Services Committee	



Is this an Executive Decision:	No	Is this a Key Decision:	Yes
Is this in the Forward Plan:	Yes	Is the Report Confidential: If so, please state relevant paragraph from Schedule 12A LGA 1972:	No N/a

Essential Signatories:

ALL REPORTS MUST BE IN THE NAME OF A HEAD OF SERVICE

Monitoring Officer: **John Teasdale**

Date Signature

Chief Finance Officer: **Sal Khan**

Date Signature

EAST STAFFORDSHIRE BOROUGH COUNCIL

Report to Council

Date: 21st March 2022

REPORT TITLE:	Towns Fund Programme	
PORTFOLIO:	Regeneration and Planning Policy	
HEAD OF SERVICE:	Andy O'Brien	
CONTACT OFFICER:	James Abbott	Ext. No. x1244
WARD(S) AFFECTED:	Anglesey; Branston; Brizlincote; Burton; Eton Park; Horninglow; Shobnall; Stapenhill; Stretton; and Winshill	

1. Purpose of the Report

- 1.1. The purpose of this report is to provide the latest detail on the evaluation of the projects within the Towns Fund programme, for Members of the Council to review and consider the merits of these projects being submitted to Government for progression.

2. Executive Summary

- 2.1. The initial Towns Fund Programme consisted of seven projects: C; D; E; F; G; H; and J (please see Section 3.2 of this report for project descriptions).
- 2.2. Project C has been deferred until September 2022 as agreed by Government following the withdrawal of the project sponsor in November 2021.
- 2.3. At its meeting on Thursday 23rd December 2021, the Burton Town Deal Board took the decision to remove Project F from the programme, as the Business Case could no longer meet the original ambition of the project.
- 2.4. Having considered the evaluation and observations of the Scrutiny (Audit and Value for Money Council) Committee, the Cabinet resolved to accept the business cases for Projects D, E, G, H and J subject to ratification at the next available full Council.

- 2.5. At the Full Council meeting held on 28th February 2022, the vote to agree the substantive motion was defeated. As such the programme could not progress as per the recommendations (as amended) detailed in the report presented to Council.
- 2.6. Following the meeting on 28th February, the Acting Leader of the Council met with: the Leader of the Opposition (Cllr Fitzpatrick); the Shadow Deputy Leader Leisure Amenities and Tourism (Cllr Fletcher) and Shadow Deputy Leader Regeneration and Planning Policy (Cllr McKiernan) as representatives of the main opposition group to review and consider a way forward for the Towns Fund programme. Members have discussed how to ensure the programme can progress to funding following successful objections to the Library-Market Hall move and how to move forward an approach to reviewing and addressing issues associated with the Market Hall.
- 2.7. The projects proposed for submission to Government ahead of the 24th March deadline now consist of the initial Business Cases for Projects H and J, and adapted and re-costed Business Cases for Projects D and G which now incorporate reallocated funding from Project E. Project C is anticipated for submission in September 2022.
- 2.8. The evaluation team have applied a consistent evaluation methodology and graded each business case received and revised. Benefit Cost Ratios have also been presented to the Council within the submitted Business Cases.

3. Background

- 3.1. In September 2019 Burton was confirmed as one of 100 towns included in the Towns Fund. Then in November 2019 the Town Deal Board was formed including representatives from across the public, private and voluntary sectors brought together to develop the Town Investment Plan (TIP) as required by the Towns Fund prospectus.
- 3.2. In December 2020 the TIP was submitted to Government proposing eight projects, and Burton was subsequently awarded £22.8m (clarified by Government as £23.8m in September 2021) for the delivery of the following seven projects:

Table 1a

Project	Initial Towns Fund Allocation	Notes
C: Regional Learning Centre	£1,915,493	Project Sponsor: To be confirmed (initially University of Wolverhampton) Project deferred until September 2022. See Paragraph 3.3 for further information.
D: High Street Linkages	£2,873,239	Project Sponsor: East Staffordshire Borough Council.
E: Library and Enterprise Hub	£6,991,549	Project Sponsor: Staffordshire County Council. Proposed to be removed from the programme. See paragraph 3.10-3.11 for further information.
F: New Pedestrian & Cycle Crossing Over the River Trent	£7,183,099	Project Sponsor: Staffordshire County Council Proposed to be removed from the programme. See paragraph 3.4 for further information.
G: Improvement of Trent and Mersey Canal Towpath	£502,817	Project Sponsor: Canal and River Trust.
H: Cycle Network Enhancements	£1,364,789	Project Sponsor: Staffordshire County Council.
J: Specialist Education Offer	£2,969,014	Project Sponsor: Burton and South Derbyshire College.
TOTAL	£23,800,000	

3.3. **Project C:** During the Business Case development phase of the process, having worked with the sponsor organisation (University of Wolverhampton) throughout this process, the Council were informed by the University on 13th November 2021 that they were withdrawing from the programme. The Council is now working on options with other organisations to take this proposed project forward in a similar manner, to deliver the intended outcomes / outputs, however additional time is required to confirm the alternative project sponsor and build the necessary Business Case and obtain the necessary approvals. The withdrawal of the sponsor has therefore had an unavoidable impact on the timescales, leaving insufficient time ahead of the March 2022 target for submitting summary documents. The Council has therefore requested a new submission date of September 2022, which was approved by BEIS on 13th January 2022.

3.4. **Project F:** At its meeting on Thursday 23rd December 2021, the Burton Town Deal Board took the decision to remove Project F from the programme, as the Business Case could no longer meet the original ambition of the project. Staffordshire County Council, as the project sponsor, developed the Business Case for the proposal. Upon review of the draft business case, its cabinet decided that it could only submit the Business Case if it was for a larger bridge that would provide access during adverse weather conditions.

- 3.4.1.1. The Washlands Bridge project had been allocated a total sum of £7,183,099 from the Towns Fund monies and the County Council may still submit the proposal to other funding opportunities, such as the Levelling Up Fund.
- 3.4.1.2. Subject to formal confirmation from Government, the Town Deal Board have agreed in principle to redistribute the Project F funding (£7,183,099) to cover costs incurred by the County Council in the development of Project F and redistribution to other projects within the programme.
- 3.5. In December 2021 / January 2022 sponsor organisations submitted Business Cases to the Council (as accountable body) for Projects D; E; G; H; and J.
- 3.6. A report on the Towns Fund Programme was submitted to the Scrutiny (Audit and Value for Money Council) Committee on 9th February 2022 for the Committee to review the programme and provide observations to Cabinet. The Committee's observations have been attached at **Appendix 1: Scrutiny Committee Observations**, provided in the form of draft minutes of the Committee meeting. The full recording of the meeting is available on the Council's [website here](#).
- 3.7. A report on the Towns Fund Programme was submitted to Cabinet on 14th February 2022 at which it was resolved that having reviewed the programme and considered the business case assessment as well as the observations of the Scrutiny Committee held on 9th February 2022, that Cabinet accept the business cases for the projects being taken forward at this time and that the Council submit the Summary Document to the Department for Levelling Up, Housing and Communities as detailed in the Heads of Terms and that this decision is ratified at the next available full Council. Summary documents for approved projects must be submitted to Government by 24th March 2022.
- 3.8. A report on the Towns Fund Programme was submitted to Cabinet on 14th February 2022 at which the vote to agree the substantive motion was defeated. As such the programme could not progress as per the recommendations (as amended) detailed in the report presented to Council.
- 3.9. Following the meeting on 28th February, Members have discussed how to ensure the programme can progress to funding following successful objections to the Library-Market Hall move. The Acting Leader of the Council, the Leader of the Opposition (Cllr Fitzpatrick), the Shadow Deputy Leader Leisure Amenities and Tourism (Cllr Fletcher) and Shadow Deputy Leader Regeneration and Planning Policy (Cllr McKiernan) as representatives of the main opposition group, discussed:-
- The need to reallocate funding from Project E to Projects D and G;
 - Positioning a new build Washlands and Wildlife Visitor and Education Centre next to the Water Tower on the waterside;
 - Recladding the existing library building as part of Project D;
 - Extending the length of the towpath refurbishment within Project G; and

- Beginning a review of sustainable options for the Market Hall to include a cross-party working group, with a view to future investment from the Council, subject to viability.
- 3.10. The Town Deal Board at its meeting held on 3rd March 2022 noted that funding from Project E was to be proposed for redistribution to Projects D and G and to contribute to costs incurred in the development of Project E, and that the Business Cases were to be adapted as necessary to be submitted to Council at the meeting to be held on 21st March 2022.
- 3.11. Subject to formal confirmation from Government, it is proposed to redistribute the Project E funding (£6,991,549) to cover costs incurred by the County Council in the development of Project E and to redistribute funding to Projects D and G.
- 3.12. The proposed funding allocations for the projects within the Towns Fund programme are now as follows:

Table 1b

Project	Towns Fund Allocation
C: Regional Learning Centre	£1,915,493
D: High Street Linkages	£15,726,072
E: Library and Enterprise Hub	£250,000*#
F: New Pedestrian & Cycle Crossing Over the River Trent	£119,559*
G: Improvement of Trent and Mersey Canal Towpath	£1,455,073
H: Cycle Network Enhancements	£1,364,789
J: Specialist Education Offer	£2,969,014
Total	£23,800,000

*to cover costs incurred.

#capped at £250,000 pending confirmation of costs incurred

- 3.13. In February 2022 the Council's outsourced Internal Audit team provided a draft report on the Towns Fund governance. This audit focused on the overarching governance arrangements for administering the Stronger Town Fund and the process for compiling and evaluating business cases for projects to be delivered from the fund. The draft report provides full assurance on the control objective "there is clear guidance supporting the development of business cases and a clear process in place for evaluating the business cases to support the investment projects". The draft report provides significant assurance on the

control objective “an appropriate governance structure is in place for the management of the Towns Fund”.

- 3.14. The Business Cases submitted contain detail on the public consultation processes already undertaken for each of the projects being proposed for submission to Government, including where additional future consultation is to be undertaken as projects develop should they be taken forward.

- 3.14.1. In terms of the Council’s Project D, following the three stage public consultation, a proposed scheme for Project D was established and presented to at the meeting of Full Council where the project was considered as part of the overall Towns Fund programme.

- 3.14.2. The programme was not approved by the Council, with concerns from Members including the relocation of the library to the Market Hall (Project E). As such, Project D has been revised to account for the library remaining in situ and instead being enhanced externally to contribute towards the wider place. This now forms this proposal for the project.

- 3.14.3. The proposed development continues to account for public feedback in the three stages of consultation and reflects elements that received public support, such as a Washlands Visitor Centre. As such, the final scheme is in keeping with the consultation feedback received to date. A notable number of the negative comments in the Project D consultation were focussed on the library aspect of that initial business case proposal.

4. Contribution to Corporate Priorities

- 4.1. This report contributes directly to the Value for Money Council and Community Regeneration Corporate Priorities.

5. Towns Fund Programme

5.1. Evaluation Summary

- 5.2. Business Cases have been received for Projects D; G; H; and J using a Green Book compliant template, based on the “five case model” (Strategic Case; Economic Case; Financial Case; Commercial Case; and Management Case). Supplementary information and supporting evidence has also been provided for each project.

- 5.3. All Business Cases and associated information have been reviewed by a team of officers including the Corporate and Commercial Manager, a member of the Programmes and Transformation Team and the Head of Service / Section 151 Officer. These submissions have been reviewed for completeness and compliance, with any clarifications to be addressed being sent to project managers from the sponsor organisations.

5.4. All Business Cases have been reviewed and graded utilising a consistently and proportionately applied methodology for each of the five cases and an overall assessment. The assessment methodology applied is detailed as follows:

Table 2: Business Case Assessment Methodology	
Strategic Case	High: Strong strategic fit / supports key strategies, with strong information provided on rationale, background, policy context and strategic fit. Clear outcomes contributing to the strategic objectives in the TIP2 are identified. Clear SMART objectives in terms of outcomes provided and dependencies, constraints and risks identified.
	Medium: Good strategic fit. Project supports outcomes but lead to medium scale improvements/outputs. Some omissions or minor negative indications.
	Low: May have strong elements but overall case is weak e.g. unclear strategic fit, projects with strategic fit but leads to small scale improvements/outputs. Significant omissions or major negative indications.
Economic Case	High: Strong economic case across the board. High Alternate options identified / considered and preferred option logically identified. Risk management robust. Optimism bias and contingency clearly accounted for. All costs and benefits quantified, with qualitative assessment of intangible benefits. Clear information on appraisal period, approach to discounting, price base year and sensitivity testing.
	Medium: Good economic case. Some omissions or minor negative indications.
	Low: Unclear economic case. Significant omissions or major negative indications.
Financial Case	High: Strong case across the board. Costs basis strong (e.g. tenders / professionally estimated, full costs included including appropriate contingency), handling of liabilities clear, financial provision for monitoring and evaluation. Value for money against outputs clear. Lifetime costs assessed and financially viable
	Medium: Overall the case is well constructed and convincing. Some omissions or minor negative indications.
	Low: May have strong elements but overall case weak e.g. procurement methodology and timescale not clear. Not clear on asset or risk management. Significant omissions or major negative indications.
Commercial Case	High: Strong case across the board. Procurement methodology is appropriate / robust with a full timescale and evidence of market testing. Clear contractual arrangements. Asset ownership and management clear. Risk management effective.
	Medium: Overall the commercial case is well constructed and convincing. Some omissions or minor negative indications.
	Low: May have strong elements but overall case weak. Significant omissions or major negative indications.
Management Case	High: Strong case across the board. Robust project organisation and governance. Full project, programme and schedule management information provided. Strong risk and opportunities management. Strong assurance and scope management approach. Strong approach to stakeholder engagement. Detailed information on benefits monitoring and evaluation.
	Medium: Overall the case is well constructed and convincing. Some omissions or minor negative indications.
	Low: May have strong elements but overall case weak. Significant omissions or major negative indications.
Overall Assessment	High: Strong case demonstrated across the board. Delivery plan, management methodology and risk management robust and clear. Clear evidence that project can be delivered. Evaluation appropriate and accords with national guidelines. Full internal approvals demonstrated.
	Medium: Overall the case is well constructed and convincing. However, specific elements are not as strong / require improvement.
	Low: May have strong elements but overall case weak e.g. delivery plan lacks clear dates, risk management inadequate, project lacks internal approvals.

5.5. Detail of this assessment is set out in each of the respective sections of this report relating to each specific project.

5.6. Within each Business Case a Benefit Cost Ratio (BCR) has been presented for the project. The BCRs form part of the economic case, and they set out the extent of economic benefit against economic cost as a ratio to 1. This means that for every £1 of cost, it results in X amount of benefit:

- BCR less than 1: The project costs are expected to outweigh the benefits of the project, meaning that it should not be considered.
- BCR more than 1 and less than 2: The project represents ‘acceptable’ value for money and is expected to deliver a positive benefit.
- BCR more than 2: The project represents ‘high’ value for money and is expected to deliver a positive benefit.

5.7. Business Case Evaluation Summaries

5.7.1. Project D: High Street Linkages

5.7.1.1. This project looks at how to regenerate the riverside area of Burton Town Centre, focusing on the land between the High Street and the Washlands flood defences, running from Burton Bridge to the Garden of Remembrance. As part of this, it considers new and exciting ways for people to enjoy this area, both as residents and as visitors, and how to improve the linkages between the riverside and the town centre. This project establishes a co-designed plan for the redevelopment of this land, which would be implemented using the Towns Fund as the first, key investment for Phase 1.

5.7.1.2. Detail on the Business Case is provided in **Appendix 2: Towns Fund Programme Business Case Summaries (pages 1-4)**.

5.7.1.3. The project proposes the acquisition of the Molson Coors High Street Campus on the basis of the Heads of Terms that have been previously reviewed by Members, which is listed as a background paper to this report. It is proposed that the final decision to purchase the property be delegated to the Leader of the Council and Deputy Leader for Finance, in consultation with the Leader of the Opposition, Leader of the Independent Alliance Group and the Chief Executive.

5.7.1.4. A summary relating to Project D has been attached at **Appendix 3: Project D Summary of Revised Proposal**

5.7.1.5. The assessment of the Business Case indicates the following:

Project Name:	Project D: High Street Linkages
Sponsor Organisation:	East Staffordshire Borough Council
Strategic Case	High
Economic Case	High
Financial Case	Medium
Commercial Case	High
Management Case	Medium
Overall Assessment	Medium

BCR	1.5:1
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*Refer to Table 2 for assessment methodology

5.7.2. Project G: Canal Towpath Improvements

5.7.2.1. The project will upgrade the surface of the towpath that runs along the Trent and Mersey Canal so it can be used by cyclists and pedestrians. This route has been prioritised because it will create an active travel route between the new housing developments around Lawns Farm / Branston and Burton, with many connections for onward travel.

5.7.2.2. Detail on the Business Case is provided in **Appendix 2: Towns Fund Programme Business Case Summaries (pages 5-6)**.

5.7.2.3. The assessment of the Business Case indicates the following:

Project Name:	Project G: Canal Towpath Improvements
Sponsor Organisation:	Canal and River Trust
Strategic Case	Medium
Economic Case	Medium
Financial Case	Medium
Commercial Case	Medium
Management Case	Medium
Overall Assessment	Medium
BCR	2:1

*Refer to Table 2 for assessment methodology

5.7.3. Project H: Cycle Network Enhancements

5.7.3.1. Cycling and pedestrian improvements are proposed to be delivered along Borough Road between the rail station and the town hall; along connecting roads through residential areas, together with improved cycle provision on the A511. Complementary cycle parking would be installed at key locations. The scheme looks to remove acute barriers to cycling/walking and will help to deliver the Local Cycling and Walking Infrastructure Plan. East-west connectivity would be improved between housing growth areas, residential areas, the canal, town centre developments and onwards to the new Washlands walking/cycling bridge.

5.7.3.2. Detail on the Business Case is provided in **Appendix 2: Towns Fund Programme Business Case Summaries (pages 7-13)**.

5.7.3.3. The assessment of the Business Case indicates the following:

Project Name:	Project H: Cycle Network Enhancements
Sponsor Organisation:	Staffordshire County Council
Strategic Case	Medium
Economic Case	Medium
Financial Case	Medium / Low
Commercial Case	Medium
Management Case	Medium / Low
Overall Assessment	Medium
BCR	3.22:1

*Refer to Table 2 for assessment methodology

5.7.4. Project J: Specialist Educational Offer

5.7.4.1. This project will ensure major parts of the College's curriculum are transformed, creating a future pipeline of talent for local businesses enhancing productivity and competitiveness and driving economic development. This investment looks to secure significant economic benefits for the town, including creating a talent pool that attracts new business to the area and create future skills that help reshape the economy by growing future focussed sectors. This reshaped curriculum looks to have employer needs at its heart and will be designed around innovative uses of technology and modern realistic working environments that allow learners to secure meaningful and transformative careers.

5.7.4.2. Detail on the Business Case is provided in **Appendix 2: Towns Fund Programme Business Case Summaries (pages 14-20)**.

5.7.4.3. The assessment of the Business Case indicates the following:

Project Name:	Project J: Specialist Educational Offer
Sponsor Organisation:	Burton & South Derbyshire College
Strategic Case	Medium / High
Economic Case	Medium
Financial Case	Medium / High
Commercial Case	Medium / High
Management Case	Medium / High
Overall Assessment	Medium / High
BCR	7.09:1

*Refer to Table 2 for assessment methodology

5.8. Summary

5.8.1. The overall draft assessment of Business Cases indicates the following:

Project	Overall Assessment
D: High Street Linkages	Medium
G: Canal Towpath Improvements	Medium
H: Cycle Network Enhancements	Medium
J: Specialist Educational Offer	Medium / High

*Refer to Table 2 for assessment methodology

5.8.2. All project Business cases have been assessed as compliant and have a BCR that is either 'acceptable' or 'high'.

6. Financial Considerations

*This section has been approved by the following member of the Financial Management Unit: **Sal Khan***

6.1. The main financial issues arising from this Report are as follows:

6.1.1. The impact of the Towns Fund on the Council's Capital Programme is detailed below:

- This summarises the impact on the Borough Council both as accountable body and where applicable project sponsor/lead;
- Excludes any additional funding that may have been identified by the project sponsor; and
- Is subject to proposed re-allocation of funding from Project E and Project F (as outlined in Appendix 3) and the granting of £23.8m in total from the Towns Fund programme, which is subject to Government approval; and
- Ultimately provisional on approval of the Business Cases.

Capital Programme	2022/23 £'000	2023/24 £'000	2024/25 £'000	2025/26 £'000	Total £'000
Burton Towns Fund - Expenditure					
Project C Regional Learning Centre*	TBC -Subject to Business Case Submission				1,915
Project D High Street Linkages #	5,868	4,597	8,614	646	19,726
Project G Canal Towpath Improvements #	1,455	0	0	0	1,455
Project H Cycle Network Enhancements	200	770	395	0	1,365
Project J Specialist Education Offer	2,969	0	0	0	2,969
Capital Expenditure	10,492	5,367	9,009	646	27,430
Burton Towns Fund - Funding					
Section 106 (Project D - High Street Linkages)	1,400	2,600	0	0	4,000
Towns Fund Grant ~	9,092	2,767	9,009	646	21,515
Towns Fund Grant - Project C TBC	-	-	-	-	1,915
Capital Funding	10,492	5,367	9,009	646	27,430
* Subject to Business Case Development (to be submitted by September)					
# Subject to approval of re-allocated funding from Project E and F (aborted)					
~ £120k cessation costs associated with Project F are expected to be paid in 2021/22 or 2022/23					
~ £250K cessation costs associated with Project E are expected to be paid in 2022/23					

6.1.2. **Towns Fund – High Street Linkages** – This project is being led by the Council. In addition to the Towns fund allocation and Section 106 monies, the scheme requires a project investment of £1,570,249. This relates to the construction of eight town houses which is confirmed to take place at the end of the Towns Fund programme. It is proposed that the construction of the town houses does not commence until either:

- Additional other capital funding is committed to the project;
- Capital income from the project is allocated to the delivery of the Town Houses;
- An external provider is identified for the delivery of the Town Houses, removing the cost from the project.

As such this element of the project has not been included in the Capital Programme and there is no ask of Council to fund this element of the project at this time.

6.1.3. There are potentially further additional revenue costs that may arise from this project which are yet to be identified pending any decision on the future delivery models. Phase 2 of this project is subject to a successful Levelling Up Fund bid.

6.1.4. It is proposed that the Medium Term Financial Strategy is amended to include the following changes to the Revenue Budget.

- A new Chief Officer (Head of Regeneration and Towns Fund) is created to lead on the programme at a cost of £100K p.a. This is

an increase on the Revenue budget and an ongoing expenditure however the cost for 2022/23 will be funded from the previously agreed allocation of £596K (that was transferred to reserves to support future funding pressures) and the following years will increase the amount to be drawn down from the windfall business rates, as presented in the approved MTFS 2022/23 - 2024/25.

- The £496K balance of the above allocation is transferred to a Towns Fund Provision to mitigate any unforeseen costs that may arise from such a large complex undertaking. It is proposed that the allocation of this funding be delegated to the Leader of the Council in consultation with the Deputy Leader (Finance) and Chief Officer.

6.1.5. The proposed asset purchase from Molson Coors in relation to Project D will be funded primarily from Towns Fund Grant with up to 25% of the cost being covered by S106 Commuted Sums for land that would be used for affordable housing. The acquisition is subject to ongoing discussion between the parties and will be finalised as part of the proposed delegated decision.

6.1.6. Further detail of this project has been attached at **Appendix 3: Project D Summary of Revised Proposal**

7. Risk Assessment and Management

7.1. The main risks to this Report and the Council achieving its objectives are as follows:

7.1.1. **Positive** (Opportunities/Benefits):

7.1.1.1. Each project Business Case specifically considers project risks, constraints and interdependencies. Individual risk registers are provided in the Business Cases and a programme register will be developed following Government approval.

7.1.1.2. BEIS have indicated that there is potential for redistribution of grant funding from within the programme to other projects within the Heads of Terms.

7.1.1.3. Funding agreements will be put in place to transfer relevant financial and project risks to the appropriate sponsor organisations.

7.1.1.4. There is potential for future rounds of funding to become available in the future, for example the Levelling Up Fund or UK Shared Prosperity Fund, however the availability and allocation criteria are to be confirmed.

7.1.2. **Negative** (Threats):

7.1.2.1. Specific projects have highlighted escalating construction costs as a risk / issue, however this is a potential risk across all projects.

7.1.2.2. BEIS have indicated that there is unlikely to be additional funding made available to the Town's Fund Programme nationally with the specific purpose of addressing escalating construction costs.

7.1.2.3. As the accountable body the Council will need to ensure that adequate resource and expertise is available to manage the programme throughout the delivery phase should projects be progressed.

7.2. A high level programme register is being developed, to be finalised following Government approval. The Towns Fund Programme will then be entered into the Corporate Risk register. Any financial implications to mitigate against these risks are considered above.

8. **Legal Considerations**

This section has been approved by the following member of the Legal Team:
John Teasdale

8.1. The main legal issues arising from this Report are as follows.

8.1.1. The Heads of Terms offer to Burton-upon-Trent, under the Towns Fund, act as a Memorandum of Understanding for the future development and delivery of Burton upon Trent's Town Investment Plan and project proposals. It sets out joint expectations as Burton upon Trent enters the Business Case development phase.

9. **Equalities and Health**

9.1. **Equality / Health Impacts:** The subject of this Report is not a policy, strategy, function or service that is new or being revised. An equality and health impact assessment is not required at this stage.

9.2. Prior to submission to government, project-level Equality Impact Assessments will be completed and a programme-level Public Sector Equality Duty assessment will be undertaken by the accountable body.

10. **Human Rights**

10.1. There are no Human Rights issues arising from this Report.

11. **Sustainability** (including climate change and change adaptation measures)

11.1. Does the proposal result in an overall positive effect in terms of sustainability (including climate change and change adaptation measures) Yes

11.2. A general principle within a number of the projects is the opportunity to improve connectivity and encourage active travel.

12. **Recommendation(s)**

12.1. That having reviewed the programme and considered the business case assessment as listed in Sections 5.7 and 5.8 of this report, as well as the observations of the Scrutiny Committee held on 9th February 2022, Council approves the business cases for Project D, Project G, Project H and Project J and officers submit the necessary Summary Documents to the Department for Levelling Up, Housing and Communities as detailed in the Heads of Terms (as required).

12.2. That the Medium Term Financial Strategy 2022/23 – 2024/25 is updated as detailed in Section 6 of the report, to include:

- The increase to the Capital Programme as identified at Paragraph 6.1.1 to be funded from Towns Fund Grants and S106 monies.
- The increase in the Revenue Budget to incorporate the new Chief Officer – Head of Regeneration and Towns Fund as identified in Paragraph 6.1.4
- To reallocate the use of one-off resources to support the Towns Fund with the suggested delegation as identified at Paragraph 6.1.4

12.3. That Council agrees to the principle of the final decision to purchase the Molson Coors High Street Campus property being delegated to the Leader of the Council and Deputy Leader for Finance, in consultation with the Leader of the Opposition, Leader of the Independent Alliance Group and the Chief Executive.

12.4. That the Council begins a review of sustainable options for the Market Hall, to include a cross-party working group, with a view to future investment from the Council, subject to viability.

13. **Background Papers**

13.1. Project D Business Case and associated appendices (as adapted)

13.2. Project G Business Case and associated appendices (as adapted)

13.3. Project H Business Case and associated appendices

13.4. Project J Business Case and associated appendices

13.5. Molson Coors High Street Campus Heads of Terms (confidential)

14. **Appendices**

14.1. Appendix 1: Scrutiny Committee Observations.

14.2. Appendix 2: Towns Fund Programme Business Case Summaries

14.3. Appendix 3: Project D Summary of Revised Proposal