

ECONOMIC GROWTH AND REGENERATION COMMITTEE AGENDA



Tuesday 30 November 2021

at 10.00 am

**in the Council Chamber,
at the Civic Centre, Hartlepool.**

A limited number of members of the public will be able to attend the meeting with spaces being available on a first come, first served basis. Those wishing to attend the meeting should phone (01429) 523568 or (01429) 523013 by midday on Monday 29 November and name and address details will be taken for NHS Test and Trace purposes.

You should not attend the meeting if you are required to self-isolate or are displaying any COVID-19 symptoms such as (a high temperature, new and persistent cough, or a loss of/change in sense of taste or smell), even if these symptoms are mild. If you, or anyone you live with, have one or more of these symptoms you should follow the NHS guidance on testing.

MEMBERS: ECONOMIC GROWTH AND REGENERATION SERVICES COMMITTEE

Councillors Brown, Clayton, Cook, Cowie, Hargreaves, Lindridge and Young

1. APOLOGIES FOR ABSENCE

2. TO RECEIVE ANY DECLARATIONS OF INTEREST BY MEMBERS

3. MINUTES

3.1 Minutes of the meeting held on 10 November 2021 (*previously circulated and published*).

4. BUDGET AND POLICY FRAMEWORK

No items.

5. KEY DECISIONS

CIVIC CENTRE EVACUATION AND ASSEMBLY PROCEDURE

In the event of a fire alarm or a bomb alarm, please leave by the nearest emergency exit as directed by Council Officers. A Fire Alarm is a continuous ringing. A Bomb Alarm is a continuous tone. The Assembly Point for everyone is Victory Square by the Cenotaph. If the meeting has to be evacuated, please proceed to the Assembly Point so that you can be safely accounted for.

No items.

6. OTHER ITEMS REQUIRING DECISION

No items.

7. ITEMS FOR INFORMATION

7.1 Town Deal Update – *Assistant Director, Development and Growth*

Date of next meeting –

Tuesday 25 January 2022 commencing at 10.00 am in the Civic Centre, Hartlepool.



ECONOMIC GROWTH & REGENERATION COMMITTEE

30th November 2021



Report of: Assistant Director (Development & Growth)

Subject: TOWN DEAL UPDATE

1. TYPE OF DECISION/APPLICABLE CATEGORY

1.1 Information only

2. PURPOSE OF REPORT

2.1 To inform the Economic Growth & Regeneration Committee on the latest progress made on the development of the £25m Town Deal programme.

3. BACKGROUND

3.1 As set out in the Committee report of 21st January 2021, Hartlepool is one of 101 towns developing proposals under a Town Deal, as part of the Government's £3.6bn Towns Fund programme. The programme criteria required the establishment of a Town Deal Board, set up in January 2020, to then develop and agree an evidence-based Town Investment Plan, which was approved in January of this year.

3.2 A Town Deal is an agreement in principle between government, the Council and the Town Deal Board, confirmed in a Heads of Terms document, setting out a vision and strategy for the town, and what each party agrees to do to achieve this vision.

3.3 As a reminder, a longlist of over 30 projects was identified from the Hartlepool Economic Growth Strategy 2019-21, the emerging Hartlepool Town Centre Masterplan and consultation and engagement, and five projects were prioritised for potential investment as part of the Town Investment Plan:

- Re-imagining Middleton Grange Shopping Centre
- The Wesley Chapel
- Waterfront connectivity
- Health and Social Care Academy
- Civil Engineering Academy

3.4 The Town Investment Plan was submitted to the Ministry of Housing Communities and Local Government (MHCLG) in January and subsequently agreed, thereby allowing the Town Fund Programme to progress. This report thus provides an update on the stages completed to date and the next steps in the programme.

4. TOWN DEAL MILESTONES

- 4.1 Following the approval of our Town Investment Plan by MHCLG, Heads of Terms were offered (an agreement in principle only for funding and to form a Memorandum of Understanding [MOU]) on 8th June 2021, agreed, signed and returned on 23rd June 2021. The Heads of Terms presented our Town Deal programme the following funding offer:

£13.86m Re-imagining Middleton Grange Shopping Centre

£1.4m The Wesley Chapel

£6.2m Waterfront connectivity

£1.25m Health and Social Care Academy

£2.25m Civil Engineering Academy

- 4.2 Following the agreement of Heads of Terms, the Board were required to confirm which projects will be taken forward as part of the Town Deal, to include the following information on each project:

1. Towns Fund financial requirement
2. Match-funding total and breakdown
3. Expected outputs and outcomes
4. Plan for addressing key conditions
5. Anticipated timetable for submission of business cases
6. Proposed financial profile and the Revenue/Capital split

This work which included detailed evidence submission and a Business Case readiness review was completed with our partners Jacobs and was submitted to MHCLG on 17th August, together with a monitoring and evaluation profile.

- 4.3 Following the agreement of Heads of Terms, our Town Deal now has 12 months to develop, approve and submit Green Book compliant Business Cases with the agreed projects set out in detail, through an assurance framework together with a Summary Document to MHCLG. The programme is working to a timetable of submission to MHCLG by 22nd June 2022 and is being led by our appointed partners Jacobs. MHCLG will need to review and be satisfied with the Summary Document before any funding can be released from September 2022 onwards, unless projects have been fast-tracked by the programme.

- 4.4 The programme is currently at RIBA stage 1 where the concept, need, opportunity and feasibility have been defined ahead of moving to clear project definition. Some other key milestones that have been achieved in the last 3 months include:

- Appointment of Jacobs to undertake the Business Case Development to June 2022
- Completion of Business Case Readiness Review
- Appointment of Elizabeth Watt as Town Deal Project Manager on secondment to oversee the development of the Business Cases

- Development of a Consultation and Engagement Sub Group to the Board to ensure strong communications with the community
- Risk profiling of projects and overall programme
- Responded to 32 communications through the YourSay platform

5. NEXT STEPS

- 5.1 We are now underway with Stage 2 of the programme development and our appointed partners are on site and working with the Council and our stakeholders to further develop the options appraisals, gather further evidence for each project, develop project management plans, and undertake a significant number of assessments including heritage, structural, flood risk, transport, access, land use, planning and environmental assessments,
- 5.2 The Board will govern five Project Management Groups who will project manage the development of the individual business cases and those groups will all have Council and Board members represented. The project management groups are also tasked with ensuring that the priorities of Sustainability & Net Zero, Inclusion and Diversity, tackling inequality, Social Value and Community Wealth building are woven into the five capital schemes.
- 5.3 It is important to note that the development of the business cases between now and June 2022 is a critical stage in the programme and a significant amount of work is still to take place to determine the viability and deliverability of each of the proposed schemes. At this stage in the programme five projects are proposed however the Board, and the Council as the accountable body, will have to take account of emerging information and continually assess the strategic, economic, commercial, financial and management cases for each to ensure they remain fit for purpose and viable with the Heads of Terms.
- 5.4 Over the coming months the key milestones will be:
- Establish the Project Management Groups, reporting into the Board and the Council
 - Provide a monthly update of progress via the Programme Dashboard (October 2021 dashboard presented to 22nd October Board is provided at **Appendix 1**)
 - Appoint Engagement Practitioner to support communications and engagement activity
 - Further options appraisals and development Business Cases
 - Develop Project Management Plan
 - Complete first Risk Register of programme
- 5.5 The Programme Dashboard which includes information on the progress to date and the profile of stages to complete, is provided at Appendix 1.

6. OTHER CONSIDERATIONS

Risk Implications	A full programme risk register is in development as Business Cases are being developed and this will be attached to the next Project Update report.
Financial Considerations	Financial viability is being assessed as part of the Business Case development and will be reported in future updates
Legal Considerations	There will be a number of legal considerations to assess in 2022 as Business Cases are better defined including asset ownership, subsidy control, and ahead of any grant award
Consultation	Significant consultation and engagement will be part of the Town Deal programme. An Engagement Practitioner is to be appointed and a Communications and Engagement Plan will need to be developed in due course
Child/Family Poverty Considerations	These are to be built in to the Business Case development
Equality and Diversity Considerations	These are to be built in to the Business Case development
Section 17 of The Crime And Disorder Act 1998 Considerations	To be considered as part of the Business Case development
Staff Considerations	No relevant issues
Asset Management Considerations	Asset Management are being consulted over land and property related issues

7. RECOMMENDATIONS

7.1 Members are asked to note the contents of the report

8 REASONS FOR RECOMMENDATIONS

8.1 Further update reports will be presented in due course with a detailed progress report on each of the five project Business Cases

9. BACKGROUND PAPERS

9.1 Appendix 1 – Programme Dashboard

10. CONTACT OFFICER

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Sign Off:-

- Director of Resources and Regeneration ☐
- Chief Solicitor/Monitoring Officer ☐

HARTLEPOOL TOWN DEAL BOARD PROGRAMME REPORT

July 2021

Project Updates

- **Stage 1 Business Case Readiness Review complete**
- **Project Confirmation Table and financial profile submitted**
- **Jacobs commissioned**
- **Communications and Engagement work underway**
- **Town Deal Project Manager in post**
- **Engagement Platform launched**
- **First site visits undertaken in October 21**



RAG (Red/Amber/Green rating system)

Ratings are provided to help quickly identify what is on track and what is at risk. Considerations for these could include time, quality, cost and stakeholder engagement.



At significant risk of failure to deliver, requiring immediate attention and corrective action to be taken



Serious risk(s) which could have a major impact on the project and which need to be managed closely



Potential risk(s) exist which could have an impact on the project and need to be managed



Low level or emerging risk(s) which could impact the project but which can be managed



Minor risk(s) unlikely to have impact on the project

PROJECT UPDATES

BUSINESS CASE	COMPLETION DATE (including full independent assurance and approval)	PROGRESS UPDATE	KEY RISKS	OUTCOMES MANAGEMENT
Reimagining Middleton Grange	June 2022	Review of evidence base and identification of next steps complete, Lead Officer and Project Management Group to be established w/b 25 Oct 2021, site visit undertaken 19 Oct 2021, monthly PM group to meet from Nov 21	<p>Cost increases following detailed design and survey work</p> <p>Failure to acquire buildings - potential impact on programme timescales and costs</p> <p>Survey works reveal structural or other issues</p> <p>Lack of operational plan for public space and end user for building</p>	RAG rating of whether project can deliver planned outcomes
Wesley Chapel Hotel Redevelopment	April 2022	Review of evidence base and identification of next steps complete, Lead Officer and Project Management Group to be established w/b 25 Oct 2021, site visit undertaken 19 Oct 2021, monthly PM group to meet from Nov 21. Planning consent information and designs being sourced	<p>Market demand does not materialise as predicted</p> <p>Cost increases following detailed design and survey work</p>	
Waterfront Circuit Phase 1	June 2022	Review of evidence base and identification of next steps complete, Lead Officer and Project Management Group to be established w/b 25 Oct 2021, site visit undertaken 19 Oct 2021, monthly PM group to meet from Nov 21	<p>Potential for complementary schemes not to be delivered, resulting in an isolated, unintegrated area of enhanced urban realm</p> <p>High level nature of current cost estimate</p> <p>Cost increases following detailed design and survey work</p>	
Civil Engineering Institute	January 2022	Review of evidence base and identification of next steps complete, Lead Officer and Project Management Group to be established w/b 25 Oct 2021, site visit undertaken 19 Oct 2021, monthly PM group to meet from Nov 21	<p>Cost increases following detailed design and survey work.</p> <p>Potential for learners to migrate out of Hartlepool once skills are obtained.</p>	
Health and Care Academy	January 2022	Review of evidence base and identification of next steps complete, Lead Officer and Project Management Group to be established w/b 25 Oct 2021, site visit undertaken 19 Oct 2021, monthly PM group to meet from Nov 21	<p>Cost increases following detailed design and survey work</p> <p>Potential for learners to migrate out of Hartlepool once skills are obtained.</p>	

PROGRAMME OVERVIEW

KEY

- Independent assurance/approval
- Business case complete
- Summary documents submitted

Project	RAG		July-Sept			Oct-Dec			Jan-March			April-June		
Reimagining Middleton Grange	Last month N/A	This month	Evidence base review	Identify next steps		PM group begin, site visits	Business case development	Detailed risk register	Business case development	Early design	Risk mitigation	Design completion	Submission of Business Case	
Wesley Chapel Hotel Redevelopment			Evidence base review	Identify next steps		PM group begin, site visits	Business case development	Detailed risk register	Business case development	Design completion	Risk mitigation	Submission of Business Case		
Waterfront Circuit Phase 1			Evidence base review	Identify next steps		PM group begin, site visits	Business case development	Detailed risk register	Business case development	Early design	Risk mitigation	Design completion	Submission of Business Case	
Civil Engineering Institute			Evidence base review	Identify next steps		Business case development	Detailed risk register	Draft design	Design completion	Submission of Business Case				
Health and Care Academy			Evidence base review	Identify next steps		Business case development	Detailed risk register	Draft design	Design completion	Submission of Business Case				
Summary documents to MHCLG														
Engagement Plan														
Monitoring outcomes														

Top programme risks	RAG	Mitigations	Milestones		Budget		
Lack of definition of business case programme		Identification of next steps and detailed delivery plan to be undertaken imminently	Achieved since last Board	Upcoming milestones	Actual spend	Budget	Forecast outturn
Lack of capacity to develop business cases within the timescales		Identification and securing additional capacity	Business Case review complete		£0	£25,000,000	£25,000,000
			Jacobs commissioned	• Establishing all Project Management Groups			
			Communications and Engagement work underway	• Continuation of Business Case Development			
			Town Deal Project Manager in post	• Design and planning underway			
			Engagement Platform launched	• Enhanced communication and engagement			
			First site visits undertaken in October 21				
					Overall programme rating		

DECISIONS FOR THE BOARD

The Board is asked to make a decision on the following:

1. Approve membership (project management) of the Project Management Groups for each of the 5 projects
2. Board to agree Risk Champion to work with Beth and Paul on development of Risk Register across programme

