

**REPORT OF: HOUSING, HEALTH AND ENGINEERING SERVICES
MANAGER**

TO: POLICY AND RESOURCES COMMITTEE

DATES: 14th OCTOBER 2021

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**DRAFT LOCAL ASSURANCE FRAMEWORK –
NELSON TOWN DEAL**

PURPOSE OF REPORT

To seek approval of the draft Local Assurance Framework for the Nelson Town Deal and to outline the timetable for developing project business cases.

RECOMMENDATIONS

That committee:

- (1) Agree the draft Local Assurance Framework for the Nelson Town Deal, which has been endorsed by the Nelson Town Deal Board.
- (2) Note the timetable for the development of business cases for the Nelson Town Deal projects.

REASON FOR RECOMMENDATIONS

To agree the local assurance processes for the Nelson Town Deal and the projects within it.

ISSUE

Background

1. At its meeting on 16th September, this committee agreed the allocation of £25m Towns Funding across the Nelson Town Deal projects. Project confirmation tables have since been completed and submitted to the Department for Levelling Up, Housing and Communities (DLUHC) reflecting this allocation. DLUHC will review the tables and provide any feedback within the next few weeks.
2. The next key step in the Town Deal process is for towns to develop HM Treasury compliant business cases for each of their projects. All business cases should pass through the

accountable body's local assurance mechanisms with oversight from the Town Deal Board, though DLUHC reserves the right to call in any business case to be assured centrally.

3. A Summary Document, outlining the final details of each project and how it has been assured, must then be completed and submitted to Government. This must be done within 12 months of the Heads of Terms being agreed (so by 4th Aug 22). If satisfactory, project delivery funding for Year 1 will then be released to the accountable body.

Draft Local Assurance Framework

4. To establish the local assurance processes for the Nelson Town Deal, a draft Local Assurance Framework has been produced and is attached at Appendix 1 to this report.
5. The draft Local Assurance Framework has been developed based on the Government's National Local Growth Assurance Framework guidance. The draft document outlines the governance arrangements and value for money processes that will be put in place for managing the delivery of Town Deal funding. It seeks to ensure that there is transparency and openness in the decision-making process and provides details of the roles and responsibilities of the Board, the Accountable Body and Section 151 Officer, and the Programme Management function in ensuring this.
6. The draft assurance framework is split into 3 key areas:
 - i. Town Deal Governance
This section details the Governance structures, roles and responsibilities for oversight and delivery of the Town Deal. It outlines the role of the Board, the Accountable Body, the Programme Management function, the Communication and Engagement Sub-Group and the Plan Delivery Group (the governance structure set out in our Town Investment Plan).

It also proposes the establishment of a Project Appraisal sub-group who will be responsible for overseeing the development and appraisal of full business cases for each project, and for making recommendations to the Board. In turn, the Board will make recommendations to Pendle Council as the accountable body, with whom ultimate decision-making responsibility lies.
 - ii. Transparent and Accountable Decision Making
Section 2 outlines further details on the role of Pendle Council as the Accountable Body and the management of the public funding it will be responsible for through the Town Deal.
 - iii. Programme Management and Assurance
Section 3 outlines the Nelson Town Deal business case development, appraisal and assurance process. It covers the arrangements that will be put in place following the approval of business cases to ensure the delivery of the Town Deal is properly monitored and managed.
7. The draft assurance framework was considered by the Town Deal Board at its meeting on 1st October. It received their endorsement for consideration by this committee.

Business Case Development

8. The full business cases for each of the Nelson Town Deal projects will be developed over differing timeframes relating to their nature, complexity and target dates for commencing delivery. A schedule/timeline is provided in Appendix 2 for information.
9. To ensure the relevant skills and capacity is in place for undertaking this work, Hatch have been appointed to assist the project leads in developing their business case. This builds on their work to develop Strategic Outline Business Cases for each of the projects during the development of the Nelson Town Investment Plan.
10. Hatch have also prepared a business case template to assist project leads and this has been approved for use by the Town Deal Board.
11. Subject to the agreement of this Committee, project business cases will be assured in line with this draft Local Assurance Framework.

IMPLICATIONS

Policy: None directly arising from this report.

Financial: None directly arising from this report.

Legal: None directly arising from this report.

Risk Management: None directly arising from this report.

Health and Safety: None directly arising from this report.

Sustainability: None directly arising from this report.

Community Safety: None directly arising from this report.

Equality and Diversity: None directly arising from this report.

Appendix 1: Draft Nelson Town Deal Local Assurance Framework

See separate attachment.

Appendix 2: Indicative Business Case development timeline

Business Case Development Timeline

	2021					2022							
	A	S	O	N	D	J	F	M	A	M	J	J	A
Heads of Terms Offer agreed (4th Aug)													
YES Hub													
This is Nelson													
Digital Skills Hub													
Business Resilience and Growth													
Healthy Town													
Accessible Nelson													
Revitalised Nelson													
Modernising Nelson's Industrial Potential													

Key

	Business Case development (inc studies/technical input, engagement activities), etc
	Business Case Appraisal
	Summary Document submitted