

**REPORT FROM: DIRECTOR OF PLACE**

**TO: EXECUTIVE**

**DATE: 20<sup>th</sup> JULY 2023**

**Report Author: Phillip Spurr**  
**Tel. No: 07971 988636**  
**E-mail: phillip.spurr@pendle.gov.uk**

## **APPOINTMENT OF REGENERATION PROGRAMME MANAGEMENT RESOURCE**

### **PURPOSE OF REPORT**

To secure Executive approval to extend the contract of the RAISE Partnership to provide specialist programme and project management support to help deliver the council's regeneration activities.

### **RECOMMENDATION**

That the contract of the RAISE Partnership is extended in order to provide programme and project management support to ensure the successful delivery of key regeneration activities, in line with the fee proposals highlighted in red at Appendix 1.

### **REASON FOR RECOMMENDATION**

To ensure that the council is able to successfully deliver its complex programme of regeneration work, including Nelson Town Deal and Colne Levelling Up projects.

## **1.0 BACKGROUND**

1.1 The council has a significant portfolio of regeneration activities, including:

- Nelson Town Deal – a £25m funding programme comprising seven projects, including key regeneration schemes at Pendle Rise and Trafalgar House
- Colne Levelling Up Fund (LUF) – a £6.5m funding programme comprising two key elements: the refurbishment of Colne market hall, and associated housing and public realm improvements; and the refurbishment of three theatres
- Pearl joint venture (JV) companies – a range of regeneration schemes spanning the four Pearl companies

1.2 The early stage development of the Town Deal and Levelling Up programmes was managed by two members of staff who left the authority in late 2022/early 2023. This early stage work

was invaluable in bringing significant regeneration funding into the borough, but it did not involve the level of complex project development and implementation activities which are now being progressed to ensure successful, on the ground delivery.

- 1.3 In order to build on this early momentum and fill the capacity void caused by the loss of the two members of staff, the RAISE Partnership was appointed in early 2023 by the interim Director of Transformation to progress delivery of the areas of work set out at s.1.1.
- 1.4 The RAISE Partnership is a specialist project management consultancy, which provides a full suite of project and programme management services. The Partnership's appointment in early 2023 was made for an initial twelve month period (January – December 2023), with a six month break clause. The appointment was approved by the Corporate Leadership Team.
- 1.5 The RAISE Partnership has supplied a Lead Consultant, contracted for an average of three days/week, and a Project Coordinator, contracted for an average of two days/week (though, in reality, significantly more time than this has been provided on an ongoing basis), to drive forward the delivery of key activities, the role of the Partnership being:
  - to provide programme and project management resource across the various regeneration projects taking place in the borough
  - to ensure a strategic approach is taken to the borough's regeneration efforts through an efficient, seamless, consistent and integrated approach across all projects under the supervision of the Director of Place
  - to maximise the available Town Deal and LUF capital funding to offset the impact on the council's core revenue budgets, while increasing resources
  - to maximise the use of internal staff resources, while ensuring continuity of delivery despite reduced council staff numbers in key areas
- 1.6 It is clear that in the six months since initial appointment RAISE has been hugely impactful, driving forward significant progress against key areas of activity, including:
  - Nelson Town Deal – development of plans for Pendle Rise and Trafalgar House; progress on the Accessible Nelson highways scheme; and clear oversight of other project activity
  - Colne Levelling Up - progress towards start on site/imminent start on site of all three theatre schemes, and significant progress on the market refurbishment proposals
  - Pearl JV projects – significant progress on key projects such as Further Clough Head, and Spring Mill, Earby
- 1.7 If this momentum is to be maintained and further built upon, it is vital to retain the RAISE Partnership beyond its current short term contract period. Skilled and experienced regeneration professionals are a hugely scarce resource – particularly in the context of Town Deal and Levelling Up work being undertaken across the country - and so if we were not to continue this relationship officers believe it would be extremely difficult, if not impossible, to secure project/programme management resource with the equivalent skills and experience for the proposed fees highlighted in red at Appendix 1.
- 1.8 Going forward, it is proposed that RAISE focus on Town Deal and Levelling Up activity. Without the expertise and capacity provided by RAISE there is a significant risk of these projects stalling, with the inability to deliver in line with the Government's funding profile, the withdrawal of funding, and the loss of vital opportunities to progress the regeneration of the borough.
- 1.9 Executive will be aware that a new Head of Economic Growth has recently been appointed in to post. This is an internal appointment and so at this stage it has not created any net additional capacity, pending recruitment to the Head of Economic Growth's previous role. When the vacant post is appointed to, this will provide capacity to manage Pearl JV activities, but also to

focus on economic growth work for which there has hitherto been no capacity to progress, such as business support and skills development. Without de-prioritising other activities there will not be the capacity internally to absorb the Town Deal/Levelling Up work being progressed by RAISE. More significantly, the authority currently does not have, and is highly unlikely to be able to secure, the skills sets necessary to undertake the complex capital project work being delivered by RAISE.

1.10 It is therefore recommended that the RAISE Partnership is retained for the duration of the Town Deal and Levelling Up programmes (the Town Deal programme runs through until March 2026), in line with the fee proposals highlighted in red at Appendix 1.

1.11 While it must be emphasised that any fees can only be estimated at this stage, being based upon assumptions around the duration of RAISE work on specific activities (for example, work on Accessible Nelson), it is estimated that fees payable to RAISE will be in the order of the following:

- 2023/24 – £180,000
- 2024/25 – £150,000
- 2025/26 – £120,000

1.12 It should further be emphasised that these fees will not impact on the council's core revenue budgets, as they utilise Town Deal and Levelling Up funding allocations. In fact, these proposals mitigate the impact on core budgets by utilising this external funding to avoid the necessity to allocate core council resources to these areas of activity, helping to address shortfalls in staffing numbers in operational areas such as Economic Development and Regeneration, Monitoring and Contract Management, and Engineering.

1.13 As highlighted above, in the six months it has been engaged by the council the RAISE Partnership has made significant progress in moving key areas of activity forward, and has developed in-depth project knowledge and strong links with project partners. Based on the sector knowledge of the Chief Executive, Director of Resources, Director of Place (and prior to this, the interim Director of Transformation), it is deemed that the RAISE Partnership's fee proposals offer strong value for money and so, on these bases, it is proposed that a direct contract extension appointment is made as an exemption to Contract Procedure Rules.

## IMPLICATIONS

**Policy:** Successful implementation of the Town Deal and Levelling Up programmes play a critical role in the delivery of the council's strategic plan, particularly Priority 2: Helping to Create Strong, Sustainable Economic and Housing Growth, and Priority 3: Helping to Create and Sustain Resilient Communities.

**Financial:** Financial implications are set out in s.1.10-1.11, above. In addition, it should be noted that on 4<sup>th</sup> July 2023 the council received notification from the Department of Levelling Up, Housing and Communities (DLUHC) that PBC will receive a grant of £70,000 for 'capacity and capability' support to assist the delivery of LUF activities. This funding can also be utilised to support fee payments to RAISE.

**Legal:** Should the Executive agree the recommendations set out within this report, a revised contract will be entered into with the RAISE Partnership.

**Risk Management:** As highlighted throughout the report, there are significant risks to the successful delivery of the council's key regeneration programmes should RAISE not be appointed to continue its delivery work.

**Health and Safety:** None arising directly from this report.

**Sustainability:** None arising directly from this report.

**Community Safety:** None arising directly from this report.

**Equality and Diversity:** None arising directly from this report.

## **APPENDICES**

Appendix 1: Regeneration Resourcing Matrix (RAISE Partnership fee proposals highlighted in red)