

Bishop Auckland Town Board

25 January 2021

Town Board TIP Submission Updates

Report of Amy Harhoff Corporate Director of Regeneration, Economy and Growth

Purpose of the Report

- 1 To provide Board members with the draft final Town Investment Plan (TIP) for consideration and approval in advance of submission to the Ministry of Housing and Local Government by 31 January 2021.

Summary

- 2 Recent Board meetings considered progress in the development of the TIP for submission to Government by 31 January. These included a focus on
 - (a) Project development and submission
 - (b) Consultation and engagement
 - (c) Governance
 - (d) Town Investment Plan and Final Approval for Submission
 - (e) ARUP Check and Challenge Process
 - (f) Programme Risks
- 3 In order to meet the submission deadline, the Board has focussed on ensuring the TIP adequately reflected the national and international opportunities sought through the planned investments across the town along with a clear illustration of the economic impact of increasing visitors. A clear priority has been to ensure new job opportunities are delivered and made accessible to residents through projects delivered and aligned to the Stronger Towns submission
- 4 Alongside this priority, further key developmental activities including a 'Check and Challenge' session led by Arup consultancy was

undertaken. In parallel the consultation activities focussing on the Vision and individual project's potential contributions to achieving it was concluded.

- 5 The development phase for the TIP is now nearing completion and is attached at Appendix 2 . Board members attention is drawn to the following key aspects in reviewing the TIP submission
- (a) Alignment with guidance
 - (b) Scale and scope of the Stronger Town's ask
 - (c) External review through check and challenge
 - (d) Public consultation responses
 - (e) Validation of project proposals
 - (f) Risk management
 - (g) Submission requirements

Alignment with Guidance

- 6 As has been consistently confirmed, the full membership of the Board is clear that Bishop Auckland is most deserving of the maximum possible investment from Central Government and that a case to demonstrate the regional and national significance of the proposals is appropriate. The Board has discussed at length the options and strategy to best secure funding for the communities of Bishop Auckland and to the benefit of the economy much beyond the town fund's prescribed boundaries.
- 7 Recognising the clear requirement for a bid in excess of £25 million to demonstrate the wider economic impact, much attention has been directed to the proposals combined ability to significantly increase visitor numbers to the town and its broadening attraction offer and by doing so having a direct impact on the County wide, regional and national visitor economy. Specific reference is also made to the increasing international profile of the town and the enhanced economic opportunities this presents.

Scale and Scope of the Stronger Towns Ask

- 8 In line with Board aspirations to secure maximum external grant support, the theme group process undertaken between September and October developed project opportunities seeking £55.8 million of grant

support. With programme guidance identifying bids of £25 million or £50 million in exceptional circumstances, a range of processed have been undertaken to result in a proposed programme of work which fits the exceptional case budget and justification. These have included

- (a) Project review and cost interrogation
- (b) Value engineering
- (c) Assessment of regional and national economic impact

- 9 Through these processes, the project ask has been reduced to £46.1 million. With matched and co-financing for projects this represents a regeneration investment programme of £135,838,092 to be delivered if the requested funding is approved.
- 10 The narrative for the Town Investment Plan also now reflects the wider economic benefits to the county, region and nationally from the proposed investments along with reference to the emerging international profile of the Town.

External review through ‘Check and Challenge’

- 11 Previous reports setting out bidding requirements and supporting processes have highlighted the ‘Check and Challenge’ opportunity afforded to all submissions as part of the Government’s supporting consultancy commission.
- 12 The formal check and Challenge session was undertaken on 12 January and followed a similar format, seeking to;
- To provide an open, honest evaluation of the Town Investment Plan and make recommendations for improvements or changes before TIP submission
 - Share Best Practice and
 - Build capability and capacity
- 13 Consultants from Arup and Grant Thornton provided a review of an earlier version of the TIP and posed questions over project rationale and delivery. The key points from the session include;
- (a) Good work undertaken in providing the case for change
 - (b) Recognise a Stronger Town ask approaching £50 million will draw substantial scrutiny – half of investment seems to be for highway improvements
 - (c) Vision Statements needs to be short and linked to the propositions

- (d) The international tourist potential needs clear definition and evidence
- (e) Alignment with local, regional and national policy needs to be clearer
- (f) Project Selection seems to be in advance of consultation – clarify development based on identified need
- (g) Impact and opportunity for younger people are important.

14 The feedback has been reviewed and incorporated into subsequent revisions of the TIP document as presented to the Board.

Public Consultation Responses

15 The engagement exercise in support of the submission has previously been detailed to Board. In view of the COVID restrictions in place during December the consultation was conducted virtually. A survey website was developed to detail the background to the Stronger Town Programme, the proposed vision and to set out brief descriptions of each of the projects.

16 Participants were asked to score the agreement of the vision and the extent projects supported the vision. Opportunities for general comments and observation were also provided.

17 Consideration was given to the extent the survey could be inclusive due to its online nature. To maximise awareness and encourage participation, details of the survey were issued through a variety of mechanisms including

- Press releases
- Social media posts (DCC, BASH AAP, Board members)
- Direct mailings
- Community Radio
- Posters in public buildings / noticeboards etc.
- Information circulated to minority / hard to reach groups via Council services

18 Following a month-long consultation window, 958 responses had been received. A summary of the consultation responses is attached at appendix 3 and has been reflected in Section 5 of the accompanying TIP document. Key points from the survey include

- (a) Further strong level of engagement from Local residents and Businesses with 959 Respondents 62% of who we resident in Bishop Auckland
 - (b) 72% shop or eat locally while 61% use leisure attractions / take days out. 9% of responses were from business owners / managers.
 - (c) 76% of respondents support or strongly supported the Vision
 - (d) Of the 76 not supporting the vision (30%) wanted more focus on opportunities for residents, while 22% thought there was too much focus on the market town concept
- 19 One issue highlighted through Check and Challenge and the development of the TIP is the strength of engagement by residents and businesses in defining priorities. This is identified as a feature of the work in Bishop Auckland over the next four years.
- 20 Section 5 of the TIP Document includes reference to continuing this focus and in taking forward projects to be supported by the Stronger Towns Fund, it is proposed the Board develop a consultation theme group to meet as required and ensure schemes are developed in conjunction with all key local stakeholders and to ensure a consistency of approach and messaging.

Validation of project proposals

- 21 Throughout the later stages of the TIP development frequent reference has been made to prioritisation and the multiple approaches adopted by the Board to prioritise the final scheme proposals. These are the Arup prioritisation tool, the results of the community engagement process and the consultancy teams work to validate project costs and deliverability. These are summarised in Appendix 4
- 22 The cross referencing of the three approaches to the proposed projects highlights several issues which have been considered and incorporated into the narrative of the TIP

Risk Management

- 17 Deliverability remains a key aspect of the Stronger Town programme and the development of the bid and the individual projects have been subject to ongoing risk assessment. The most recent update of the risk assessment is set out in appendix 5

Submission requirements.

- 23 The Board has given a clear steer for a highly aspirational bid of over £25m and therefore under the CHCLG Central Government Guidance

must ensure that any proposal that seeks more than £25m from the Towns Fund is supported by a robust case that demonstrates that the submission is an exceptional case.

- 24 The guidance states that this will be limited to the most ambitious and credible investment plans, and towns will face a higher level of scrutiny of their plans:
- TIPs should credibly target not only transformational impacts for the town itself but for the wider region or at the national level.
 - TIPs must be top quality, with all the Town Investment Plan (TIP) assessment criteria fully demonstrated
 - Towns will face a challenge session before a Heads of Terms is offered
- 25 The Bishop Auckland TIP seeks to demonstrate an exceptional case in the ability to deliver transformational impacts, not only for Bishop Auckland, but also for the wider North East Region and nationally.

26

Recommendation

27 **The Town Board is Recommended to:**

- (a) Note the comments provided by Arup as part of the 'Check and Challenge' process**
- (b) Note the consultation responses received through the recent online survey**
- (c) Agree the steps undertaken to rationalise and reprofile funding for Stronger Towns schemes through the validation exercise**
- (d) Note the updated programme Risks and Mitigation**
- (e) Endorse the Town Investment Plan (Parts 1&2) for submission to MHCLG.**

Background papers

- Nov 2019 Town Fund Prospectus
- June 2020 Town Fund Guidance

Other useful documents

- None

Author(s)

Graham Wood

Tel: 03000 262002

Appendix 1: Implications

Legal Implications

None

Finance

The full costs and STF asks of the thematic projects are included in the accompanying TIP document. Project prioritisation has been undertaken to ensure project costs are brought within programme parameters and deliver suitably levels of value for money.

Consultation

Formal consultation started on the 11th December and concluded on the 11^h January. More than 950 hundred responses have been received. A summary report from the consultation exercise is attached at appendix 3

The online consultation builds upon previous community and sector engagement events held in relation to the Regeneration of Bishop Auckland. These will be summarised in the full TIP submission alongside ongoing plans for consultation and engagement.

The TIP suggests projects delivered through any Stronger towns funding should maintain the focus on Community engagement in their later stages of development

Equality and Diversity / Public Sector Equality Duty

None

Climate Change

The TIP will identify how the various projects will support the Climate Change agenda with specific reference to green growth and clear project priorities for enhanced walking and cycling accessibility

Human Rights

N/A

Crime and Disorder

N/A

Staffing

N/A

Accommodation

N/A

Risk

A risk register for the programme submission has been developed and is revised regularly. The most recent update is attached at Appendix 5

Procurement

N/A

Appendix 4

Project	Prioritisation rank	Consultation rank	Project interrogation / Value engineering / Risk	Implications for TIP submission
Infrastructure Supporting the World Heritage Destination	1	4	Cost verifications, technical studies underway to further validate. Appropriate optimism bias applied	Submission reflects appropriate cost assessment and recognition of potential impacts on town infrastructure as visitor numbers rise.
Enterprise and SME support	2	9	Costs modelled from recent delivery rather than modelled vale costs	Demand assessment updated from 2016 base. LSH report revised 2020. Project description and subsequent publicity to focus on local employment opportunities in line with consultation priorities
Skills and Training Hub	3	6	Actual equipment costs reflected; equipment is market standard	Consultation rank does not reflect verbatim comments and previous survey priority on employment opportunities for young people.
Durham Dales Gateway	4	3	Site cost assumptions amended; cost validation of new visitor facility undertaken	General support received for project delivery in proximity to Railway Station / Heritage Railway
Town Centre diversification	5	1	Cost verification undertaken. Appropriate	Consultation commenced pre FHSF award. Reflected in public consultation priority. Strengthened text re FHSF interface with the proposed programme.

Tindale Triangle infrastructure improvements	6	5	Junction design work underway.	Infrastructure recognised as not high profile despite community and business concerns over movement. Verbatim comments and feedback from #mytown site validate need for improvements for movement and accessibility.
Ultrafast Broadband	7	7	Project design limited to phased development	Budget reduction against theme group ask, opportunities for other funding to deliver network and end applications
Heritage walking and cycling routes	8	2	Route prioritisation. Scheme costs revised to reflect new cycle standards.	Long standing community priority to access facilities and jobs in addition to health benefits. Further match / scheme extension possible subject to development opportunities / s106 generation
Heritage Transport Museum	9	8	Structural surveys not yet undertaken. Potential contingency value required	Other linked funding opportunity to be identified to Links to other established heritage assets to be maximised

Appendix 5 – Risks and Mitigation

	Risk	Mitigation
Project Selection	Agreement cannot be reached between DCC and The Board on the detail of the proposal to submit to Government	<ul style="list-style-type: none"> • Council and Board to ensure regular dialogue on issues of concern. • Engage with MHCLG Town Deal support to seek clarification and advice where appropriate. • ARUP peer review report for consideration in advance of submission decision reported at 25nd January Board.
	Individual interventions proposed within the submission fail to demonstrate required economic growth or value for money	<ul style="list-style-type: none"> • Board and Council to commit to approving a submission where the individual projects can demonstrate compliance with MHCLG guidance requirements. • Board report 25nd January will provide clarity on individual projects and impact/compliance with guidelines • DCC Cabinet 6th January to granted delegated authority to Corporate Directors to agree submission. This will be dependent upon projects meeting government guidelines
	Project scope creep following sign off on the 27 th November disrupts the work needed in a short and intense period leading to the submission process being put at risk.	Board agree project 'lockdown' at meeting on 27 th Nov.
Consultation and Engagement	Consultants fail to deliver the project on time / to required standard	<ul style="list-style-type: none"> • DCC to effectively manage consultants and identify and resolve any issues at an early stage. • Report to Chair / Board / Corp Director any significant areas for concern • Weekly meetings linked to Board workplan undertaken
	The quality of the stakeholder engagement process is insufficient to meet the expectations of MHCLG	<ul style="list-style-type: none"> • Undertake a review of the framework against the guidance requirements and adjust if necessary • Meetings with Ryders resulted in amendments to the webs site and survey in advance of the 11th Dec • Numbers of responses, channels to ensure inclusivity of

		access and a consistency of messaging in the responses received
	Consultation process does not conclude in time for it to inform the long list to priority list of projects.	<ul style="list-style-type: none"> • Include a 'subject to consultation consideration' commentary in update for Board on 18 December (not scheduled) on all schemes that are in the priority list
	The consultation outcomes do not reflect the direction of the Town Fund bid	<ul style="list-style-type: none"> • Early scheduling of Board consideration of consultation analysis and key issues so that appropriate amendments can be made as a result of the consultation exercise • Update provided to Board on the 8th January
	The Towns Fund Delivery Partner has not been used to inform the engagement process	<ul style="list-style-type: none"> • Informal discussion with the MHCLG support to provide confidence that arrangements are robust and fit with guidance • Peer review session agreed for w/c 14 December to draw upon delivery partner capacity and experience in shaping the submission in advance of formal Check and Challenge on 12 January
Governance	The Governance arrangements relating to the Board lack the robustness to pass the MHCLG challenge in advance of bid consideration	<ul style="list-style-type: none"> • Report to board on 21st December with clear recommendations of what is required to ensure compliance now and into the future
	The Board does not embrace the governance arrangements that are required to satisfy the Government Guidance	<ul style="list-style-type: none"> • Governance framework to include appropriate support / training to allow a smooth transition into the new arrangements
Town Investment Plan	A submission in excess of £25m is made without evidence in line with Guidance that the submission meets the 'exceptional' categorisation, leading to bid failure	<ul style="list-style-type: none"> • Decision making process in both the Board and DCC aligned to ensuring that submission is in line with guidelines
	The submission does not demonstrate how Covid-19 forms part of the evidence base and has been factored into decision-making	<ul style="list-style-type: none"> • Ensure Covid 19 is included in TIP / early work of consultants
	The submission does not have the required / expected level of alignment with the proposals in the Future High Street submission	<ul style="list-style-type: none"> • Ensure alignment with FHSF is included in TIP / early work of consultants.

	The TIP fails to meet the general requirements of the June Guidance	<ul style="list-style-type: none"> • Consultant to provide a summary of key guidance requirements and confirmation on how these have been met within the TIP
	The Town Board and or Council fail to agree the TIP for submission to Government	<ul style="list-style-type: none"> • The bid cannot proceed without agreement from both parties and regular and ongoing dialogue on any issue of contention. Engage with MHCLG Town Deal support to seek clarification and advice where appropriate
Check/Challenge	The Board is not prepared for the check and challenge session	<ul style="list-style-type: none"> • Consultant to provide an overview of how the Check and Challenge process has been undertaken in other Town Fund areas. Summary to be provided to Board members
	ARUP challenge presents major challenges to the direction of travel for the TIP and its detailed projects	<ul style="list-style-type: none"> • Early challenge in late December will highlight any areas of concern for consideration by the Board and Council. • ARUP Peer Review undertaken 12 January 2021.