



HM Government

A whiteboard with a black border and a white surface, resting on a wooden surface. A white marker is attached to the top edge. A line graph is drawn on the board, showing a fluctuating upward trend. The graph has a vertical y-axis and a horizontal x-axis, both with arrows at their ends. The line starts at the origin, rises to a peak, dips slightly, rises again to a higher peak, and then continues to rise with some minor fluctuations. The text 'TOWN DEAL BOARD PROGRAMME REPORT' is overlaid in large, bold, white capital letters across the center of the whiteboard.

TOWN DEAL BOARD PROGRAMME REPORT

Nigel Tidy

2nd November 2022

Local Authority Assurance Framework - Audits

Three lines of defence:

- (1) **CBC Chief Finance Officer (S151)** - Assurance Letter and Statement of Grant Usage.
- (2) **DLUHC – ‘Deep Dive’** - Request specific documents and a virtual meeting.
- (3) **Government Internal Audit Agency.**

DLUHC raise red flags around **40% variance** in finance and delivery performance for further investigation through a ‘deep dive’. (May exclude materials shortages and seasonal construction delays).

DLUHC will also select a **5% sample** for a ‘deep dive’ review.

Deep dives include:

- Sample testing of procurements
- Review of decision making and governance
- Counter fraud actions
- Subsidy Control
- Town Deal Board – **ToR**, etc.

Payments may be withheld or changed to new staged payments following the outcome of a ‘deep dive’.

There will be an **internal audit (CBC)** for the Towns Fund programme in Quarter 3.

Towns Fund – Performance Monitoring

- Towns Fund – **6 monthly** monitoring reports. Next report covers **April to September**.
- Report due in to the Towns Fund DLUHC by **16th December**.
- Signed off by S151 Officer (CBC Head of Corporate Finance) and Town Deal Board Chair.
 - **Locations** of projects (Single or multiple).
 - **Progress** narrative - Programme and projects.
 - **Financial actual** and **forecasts** (six-monthly internals) to March '26.
 - **Outputs** – Actual and Forecasts.
 - **Outcomes** – For example, equivalent CO2 saved.
 - **Risks** – Top 3 for the programme and for each project.
 - **Footfall Data**
 - **Baseline Reporting** –Position before projects start e.g. **photo evidence**.
 - **PR Opportunities**
 - **Private Sector Funding** – Any gaps between amounts required and secured.
- S151 Officer Assurance and performance reporting is **used to inform DLUHC's payment recommendation**.

Project Business Case Endorsement

#	Project	Town Deal Board	TDB Sub Group	Sent to Towns Fund DLUHC	Approved by the Towns Fund/DLUHC
1A	Innovation Centre	19 Dec 2021	02 Nov 2021	11 Feb 2022	✓
1B	Invest in Skills	02 March 2022	15 March 2022	01 April 2022	
1C	Green Tech Infrastructure Business Grants	02 March 2022	15 March 2022	22 April 2022	✓
1D	Eastern Gateway Commercial Quarter	06 April 2022	20 April 2022	03 May 2022	✓
2A	Town Centre Bus Station	06 April 2022	20 April 2022	04 May 2022	✓
2B	Cycle Route MR – Gatwick	06 April 2022	Dec 2022?	Dec 2022?	
3A	MR Gigabit Scheme	06 April 2022	Dec 2022?	Dec 2022?	
4A	TC Cultural Quarter	02 March 2022	15 March '22	07 April 2022	✓
4B	Manor Royal Business Environment	02 March 2022	15 March '22	06 April 2022	✓
4C	Green Homes Retrofit Prog.	06 April 2022	27 April 2022	13 April 2022	✓
Local Assurance: Projects have passed through various council approval stages, not limited to Corporate Projects Assurance Group, Cabinet and Full Council.					

Funding Allocation – Ordered By Towns Fund Capital Investment

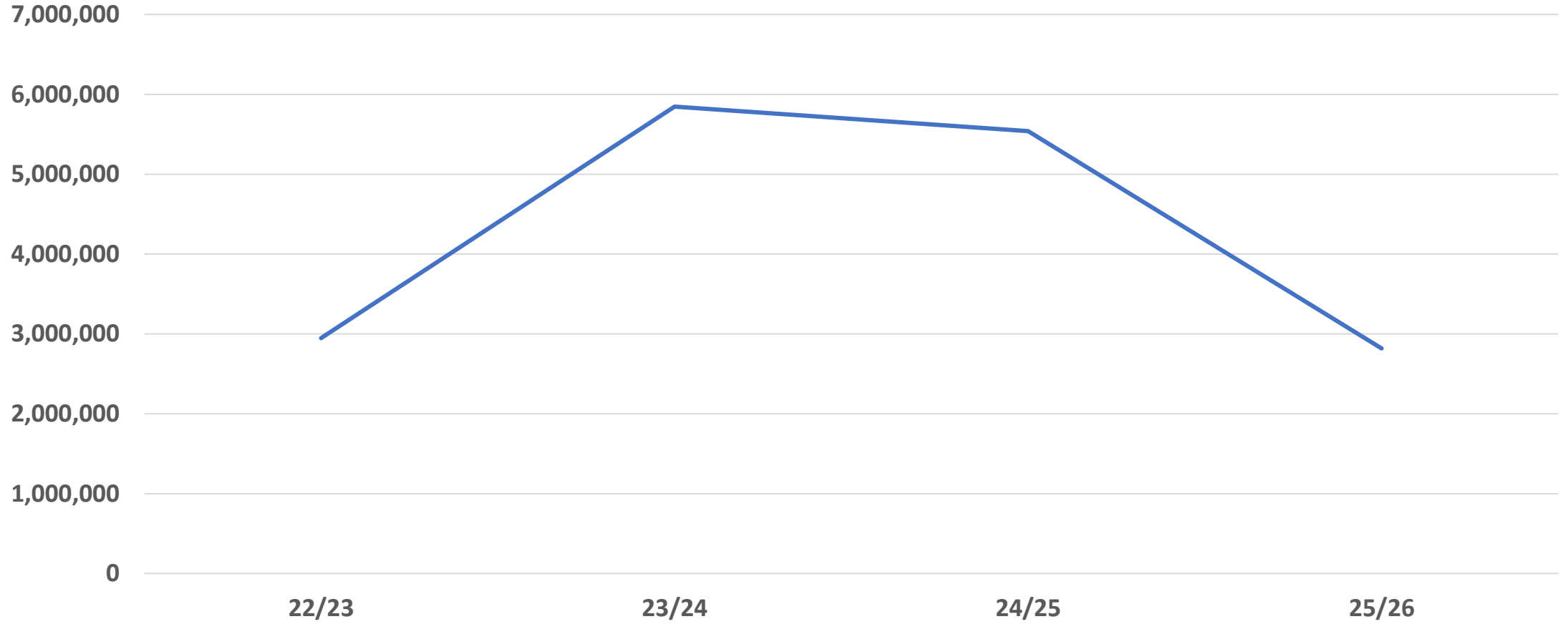
Project		Capital	Revenue	Total Towns Fund	Match Funding	Match Funding Sources
1B	Invest in Skills	£4,400,000	£100,000	£4,500,000	£13,000,000	IoT
4C	Green Homes Retrofit Prog.	£4,000,000	£0	£4,000,000	£0	N/A
1A	Innovation Centre	£900,000	£1,600,000	£2,500,000	£8,650,000	Getting Building Fund
1C	Green Tech Infrastructure Business Grants	£2,000,000	£0	£2,000,000	£0	N/A
2A	Town Centre Bus Station	£2,000,000	£0	£2,000,000	£5,400,000	Crawley Growth Programme
2B	Cycle Route MR – Gatwick	£2,000,000	£0	£2000,000	TBC	Under review
3A	MR Gigabit Scheme	£1,950,000	£0	£195,000	Commercial?	Testing commercial model
4B	Manor Royal Business Environment	£1,500,000	£0	£1,500,000	£310,00 £100,000	Manor Royal BID Developer contributions
4A	TC Cultural Quarter	£250,000	£200,000	£450,000	£90,000+	ACE Creative Playground
1D	Eastern Gateway Commercial Quarter	£0	£150,000	£150,000	£0	N/A
TOTAL		£19,000,000	£2,050,000	£21,100,000 incl Prog Mgt		

Financial Forecasts and Next Milestones

#	Project	Financial Forecast 2022/23	Financial Forecast 2023/24	Milestones 2022/23
1A	Innovation Centre	£397,010	£1,050,000	Planning Q3 Contractor on site Q4
1B	Invest in Skills	£1.35m → £1,059,375	£3.0m → £2,042,625	Planning Q3 Contractor Q3
1C	Green Tech Infrastructure Business Grants	£350,000	£860,00	Biz Advisors Tender – Q3. LEC – Tender now. Pilot Q4
1D	Eastern Gateway Commercial Quarter	£0	£50,000	Consultants tender Jan-May'23
2A	Town Centre Bus Station	£100,000 → £50,000	£100,000 → £150,000	Public engagement - Q3. Planning – Q4.
2B	Cycle Route MR – Gatwick	£0	£200,000	
3A	MR Gigabit Scheme	£1,050,000	£800,000	
4A	TC Cultural Quarter	£75,000	£150,000	Tender delivery partner – Q3. Cultural Quarter event in FY22/23
4B	Manor Royal Business Environment	£350,00	£500,000	Two Micro-Parks delivered end of FY 2022/23
4C	Green Homes Retrofit Prog.	£303,700	£1,23,100	Surveys Q3 Installation pilots Q4

Financial Forecast

Financial Profile £ (8 Projects)



Programme Risks

Risk	Consequences	Pre-mitigated Impact	Pre-mitigated Likelihood	Pre-mitigated Raw Total Score	Mitigations	Post-Mitigated Impact	Post-mitigated Likelihood	Post-mitigated Raw Total Score	Proximity
Short timeframe '22/23 after project approval	Financial slippage as it takes time to get projects up to speed to spend within a small portion of '22/23.	4 - Significant impact	2 - Medium	8.00	Re-forecast finances.	3 - Medium impact	2 - Medium	6.00	3 - Approaching: next 6 months
Rising costs for labour and materials	Scaled back projects.	4 - Significant impact	3 - High	12.00	Value engineering and reduce scope of projects.	3 - Medium impact	2 - Medium	6.00	2 - Distant: next 12 months
Approval process and continuation of Towns Fund until March 2026.	Lack of Towns Fund committed to implement the proposed projects.	5 - Major impact	1 - Low	5.00	In the hands of the government.	4 - Significant impact	1 - Low	4.00	1 - Remote

Project Risks

Procurement, supply chain, cost escalation