

# Cabinet report



2 November 2021

## MILTON KEYNES: BLETCHLEY & FENNY STRATFORD TOWN DEAL

Name of Cabinet Member	<b>Councillor Peter Marland</b> Leader of the Council
Report sponsor	<b>Tracey Aldworth</b> Deputy Chief Executive
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Exempt / confidential / not for publication	<b>No</b>
Council Plan reference	<b>Ref number 19</b>
Wards affected	<b>Bletchley East, Bletchley West and Bletchley Park</b>

### Executive summary

Milton Keynes has been successful in securing an award of £22.7m, as part of the Government's Towns Fund, to invest in Bletchley and Fenny Stratford.

Milton Keynes was one of the 101 places eligible to bid for town deal funding. MK Council focused its bid on Bletchley and Fenny Stratford so it can make best use of current and future growth prospects, and the opportunities that will flow from East-West Rail and in line with the levelling up agenda, as Bletchley and Fenny Stratford are amongst the most deprived areas of the Borough. It was agreed that this should be the focus of the Towns Deal bid.

The Bletchley and Fenny Stratford Town Deal Board was established in July 2020 to lead the bid and work with the community to ensure local people are involved in shaping the future of their area. The Board has also been working to develop a Town Investment Plan (TIP).

A total of 9 projects form the core of the TIP and each of these projects needs to have a supporting business case prepared by March 2022 in order that the government grant funding can be drawn down and the projects commence.

This report provides an update on the progress with the preparation of the business cases and details about the proposed governance and approval arrangements for the projects and an overview of the next key steps in the programme.

## 1. Decision/s to be made

- 1.1 That the latest progress of the programme as set out in the report and the governance arrangements for the Town Deal projects, be noted.
- 1.2 That the Council's Section 151 Officer be authorised to formally sign off the business cases on behalf of the Council.
- 1.3 That a report back on the progress of the Towns Deal programme be provided in 6 months time.

## 2. Why is the decision needed?

- 2.1 To ensure that the Council, as the Accountable Body for the Towns Deal Funding, has the appropriate sign off process approved and in place. Each of the nine projects fall outside of the necessity for formal Government sign off, as none of the projects is individually above £10m. The grant conditions require that the Council's S151 Officer signs off the proposals once the appropriate business case has been prepared and they have been approved by the Town Deal Board.
- 2.2 Since the announcement of the success of the Town Investment Plan bid and the award of £22.7m, (see Annex 1), the Town Deal Board has been overseeing the preparation of the 9 projects and progressing the programme of engagement with the local community. An overview of these 9 projects is set out in Annex 2.
- 2.3 In order to be able to draw down the government grant funding, a proportionate business case for each project needs to be developed and there is detailed guidance from the Government about the detail and information that needs to be prepared.
- 2.3 Each of the nine proposed projects are now required to produce business cases using the 5-case business model. The South East Midlands Local Enterprise Partnership (SEMLEP) will provide "critical friend" support throughout the process. Business cases must be approved and summary documentation submitted by 24 March 2022. A timeline of project business case production is being detailed, as some projects will take longer to prepare than others and a number of them will require more external specialist input than others.

2.4 The Town Deal Board, which has representatives from the Council, Town Councils and local community representatives, the local MP and other delivery partners will continue to oversee the progress of the programme and test the assurance of the initiative.

### 3. Implications of the decision

Financial	Y	Human rights, equalities, diversity	
Legal	Y	Policies or Council Plan	
Communication		Procurement	Y
Energy Efficiency		Workforce	

#### a) Financial implications

The programme will be managed in accordance with the conditions of the government grant funding agreement. Final confirmation of the £22.7m will be given as part of the October 2022 Comprehensive Spending Review. The business case process will provide for careful assessment of the individual project costs and ensure sufficient contingency has been allowed for to deal with inflation and other expected financial pressures to deliver the programme within the overall budget.

Regular budget reporting will be provided to the Towns Deal Board and also the S151 officer and through the Council's own internal project management assurance process, the Corporate Portfolio Board. The Government will also require regular monitoring and evaluation report to be provided and ensure that key milestones are being met.

The funding is being provided to the Council as a Section 31 grant and an initial payment of 5% of the programme total will be paid to MKC to assist with the business case preparation and other advanced support costs.

#### b) Legal implications

The Ministry of Housing, Local Communities and Government has awarded the grant of £22.7m to the Council under section 31 of the Local Government Act 2003. Pursuant The purpose of the grant is to provide support to local authorities in England towards expenditure lawfully incurred or to be incurred by them. Section 31(4) of the Local Government Act 2003, the Council will be required to comply with the conditions as imposed in the grant funding agreement including monitoring, reporting and evaluating requirements.

The Section 151 Officer is responsible to determine how the grant award is used which must be spent on eligible project expenditure within the total Town Deal award and must support the projects agreed by MHCLG.

### c) Other implications

There are additional resources required to deliver this programme of works. We will be using the initial forward funding to ensure we have the appropriate skills onboard to deliver the works, procuring the additional support using the appropriate methods.

Ongoing engagement with the local community is a priority from the Board and this is also being funded from the grant funds.

## 4. Alternatives

The Council could decide not to progress with the Towns Deal initiative; however, this is directly relevant to the Council Plan and to helping to progress and achieve the desired outcomes in respect of improving outcomes and quality of life for residents in Bletchley and Fenny Stratford.

## 5. Timetable for implementation

- 24 March 2022 Project Business Case submission deadline
- Quarterly monitoring reports to Towns Deal Board
- 6 monthly report to MKC and Central Government
- End of 2026 Towns Deal Projects to be completed

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### List of annexes

Annex A - MHCLG Towns Deal Grant letter

Annex B - Funding allocations and projects

Annex C - Project status update – September 2021

### List of background papers

Annex A'S

TIP

Towns Deal Prospectus -

<https://www.milton-keynes.gov.uk/your-council-and-elections/council-information-and-accounts/strategies-plans-and-policies/bletchley-town-deal>