

Town Deal Agenda

Tuesday, 27 April 2021 at 10.00 am

Via Microsoft Teams

For further information, please contact TownDeal@hastings.gov.uk

	Page No.
1. Welcome, apologies 10:00	
2. Minutes of the last meeting and matters arising 10:05	1 - 4
3. Update since the last meeting 10:15 Attached: Engagement Programme update	5 - 8
4. Phase 2 - Governance, board structures, programme support and approval process for business case stage 11:00 Attached: Governance and proposed board structures report Phase 2 Government Business Case Guidance PDF Towns Fund Monitoring and Evaluation Local Authority Guidance	9 - 56
5. Any other business 11:40	
6. Date of next meeting 2pm, Tuesday, 25 th May Extraordinary meeting to agree heads of terms	

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Agenda Item 2 Public Document Pack

TOWN DEAL

21 JANUARY 2021

Members present:

Carole Dixon (Co-chair)	Hastings Community Network
Graham Peters (Co-chair)	Team East Sussex/SELEP
Andrew Harvey	NewRiver REIT
Catherine Parr	Hastings Business Improvement District
Clive Galbraith	Hastings Area Chamber of Commerce
Cllr Kim Forward	Hastings Borough Council
Dan Shelley	East Sussex College Group
Dawn Dublin	Unveiled
Francis Lucien Brown	Hastings Youth Council
Helen Kay	Hastings Opportunity Area
James Harris	East Sussex County Council
James Leathers	Heritage Action Zone
Jane Hartnell	Hastings Borough Council
Jess Steele	Heritage Action Zone
John Bownas	Hastings Business Improvement District
Liz Coleman	Hastings and Rother Interfaith Forum
Liz Gilmore	Hastings and Rother Cultural Leaders Group
Sally-Ann Hart	MP for Hastings and Rother
Sean Dennis	Hastings Area Chamber of Commerce
Sonia Blizzard	Sea Change Sussex
Stuart Mitchell	NewRiver REIT

Others in attendance:

Iain McNab	Cities and Local Growth Unit
Jo Simmons	South East Local Enterprise Partnership

HBC project team present:

Hannah Brookshaw
Pranesh Datta
Stephen Dodson

39. WELCOME, APOLOGIES AND MINUTES OF THE LAST MEETING

Apologies were received from: Darrell Gale, Kate Adams, Rich Moore, Steve Manwaring, Terry Hume and Victoria Conheady

Members yet to return their completed declaration of interest forms were reminded to do so as soon as possible. **Action: ALL**

40. TOWN INVESTMENT PLAN (TIP) DISCUSSION AND APPROVAL

The board was thanked for returning their comments on the draft Town Investment Plan which was first circulated on 7th January, followed by an updated copy on 18th January.

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Comments were received from Kate Adams regarding the visual accessibility of the design copy, due to the colour scheme, images and icons. The board was assured that a Microsoft Word accessible version will be available alongside the design copy.

The board was reminded that the TIP is still confidentially sensitive and confidential at this stage.

Pranesh Datta explained that a “Check and Challenge” session was held on 8th January and good feedback was received from the Towns Hub following this session with them. The TIP was updated and re-circulated to the board on 18th January. Further feedback has been received from board members and worked into the document.

There was agreement from board members that the TIP is a good document, which looks at investing in a breadth of projects benefitting people and places. There was a suggestion that the need for improved connectivity and better transport links to and from the town needs more emphasis within the document.

Key decision: Board to approve the TIP for submission

The board agreed to unanimously approve the TIP documentations for submission subject to minor editing, corrections and final agreement by the Executive Delivery Group.

The TIP is a culmination of a huge amount of work by the project support team and everyone was thanked for their contributions.

41. ENGAGEMENT - POST-SUBMISSION

Hannah Brookshaw updated:

- The Town Deal blog and social media channels will go live on Monday, 1st February. A press release will accompany this celebrating the submission of the TIP
- Board members and project delivery leads will be provided with the social media handles and guidance and all were asked to follow the channels and share where possible
- The stakeholder engagement working group will be established shortly and thanks were extended to those who have volunteered to be part of the group
- A ‘live’ communications calendar for online and offline engagement for 2021 will be developed over the next month, being mindful of ongoing COVID restrictions
- A project delivery leads meeting will be arranged to further develop conversations and relations between organisations involved

42. FUNDERS MEETING UPDATE

The funders meeting took place on 14th January. The Town Deal vision, challenges, and projects for investment were explained to those who attended.

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Organisations represented were:

- Arts Council England
- Department for Education
- Department for Business, Energy and Industrial Strategy
- Historic England
- Homes England
- National Lottery Community Fund
- National Lottery Heritage Fund
- Public Health (East Sussex)
- South East Local Enterprise Partnership
- Sport England
- One Public Estate (Cabinet Office/LGA)

The funders were very supportive of the programme, provided good feedback, particularly on the projects being submitted for investment and are keen to keep the dialogue going considering ways for further collaboration and support for the Hastings Town Deal

43. TIMESCALES FOR NEXT STAGE AND MEETINGS

The next meeting is on 27th April and it is hoped that by this time we will have received a positive response to the TIP from government and heads of terms will have been received from them to allow us to proceed to the next stage in the Town Deal programme.

Other items for discussion:

- Stage 2 business case guidance
- Code of conduct which will need to be reviewed and amended in the next phase
- Programme for the next 12 months based on the heads of terms
- Engagement to date and how we moved forward

All board members were thanked for their commitment, participation and support in this process. The co-chairs were thanked for their support and for taking the board through the process. Officers were also thanked for working on the TIP over the Christmas period.

44. ANY OTHER BUSINESS

Jess Steele shared details of Hastings Emerging Futures Events. For further information, see: <https://www.eventbrite.co.uk/o/hastings-emerging-futures-project-32183046317>

45. DATE OF NEXT MEETING: TUESDAY, 27TH APRIL AT 10AM

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Agenda Item 3

Hastings Town Deal Engagement Programme update Hastings Town Deal Board April 2021

Background

As a reminder the Stakeholder engagement programming is taking a past, present and future approach to its phasing:

Past: 2010 – January 2020

Present: January 2020 – TIP submission 2021

Future: February 2021 – 2026

Future engagement approach to businesses, community, strategic stakeholders as detail in TIP:

Stakeholder engagement during business case phase	Promotion of TIP through different channels – brand awareness building
Press releases/interviews	Board/project development working groups
Stakeholder engagement subgroup	Roadshows/open events etc (covid permitting)
Tack onto existing projects/networks	Advertising
Promote accelerated fund projects	Local plan & other statutory
Success of completed projects	

Current position Future Phase 1:

All of the above marked in green are underway

1. Promotion of TIP through different channels – brand awareness building
 - Larking Ltd contracted to provide blog content and social media oversight
 - Focussed on providing brand awareness raising on projects, vision, challenges, ambitions as well as myth busting and accelerated project progress
 - Challenge to raise awareness of the brand and programme with a wider audience without raising expectations before government decision is announced.
 - Project leads and some board members have shared content/created their own – board members should act as ambassadors for the programme
 - Social media channels and blog are getting great traction in terms of followers, reach and engagement

Hastings Town Deal

Social Media and Blog Stats

20 April 2021

Town Deal Blog:

3.8K visits
1K repeat visitors
8.6K pageviews



Facebook:

Posts: 8
Reach: 6,322
Engagement: 687
133 page likes
144 Followers



Twitter:

Tweets: 12
Mentions: 11
Followers: 69
Following: 44
6.3k impressions/reach



LinkedIn

Followers: 47
Engagement: 723

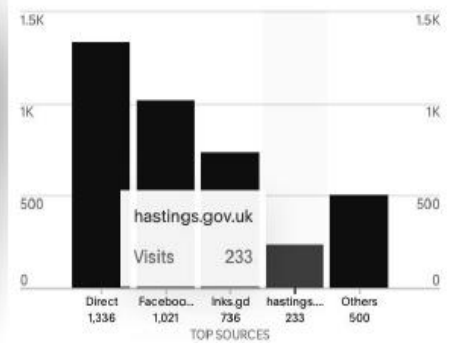


Instagram:

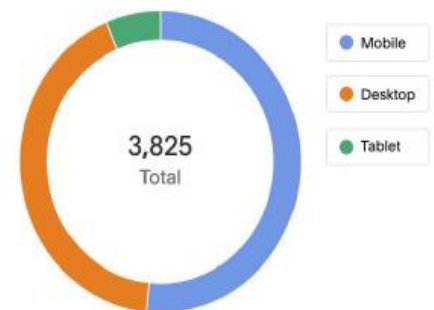
Posts: 14
Followers: 560 (+120)
Following: 29
Tagged in 27 posts



Top Sources by Visits



Top Devices by Visits



NB: The Hastings Town Deal Instagram feed seems to be the most successful against all other known TD accounts from other areas. Comparison stats will be included in the next report.

2. Promote accelerator fund projects

- Producing feature blogs and social media content on each project
- Section on blog
- Videos being planned to give a 'face' to the projects

3. Stakeholder engagement subgroup

- First meeting held with Terry Hume, Caoimhe O'Gorman (engagement manager for Heart of Hastings CLT), John Bownas, Kate Adams, (Sonia Blizzard sent apologies).
- Agreed approach of brand awareness was appropriate until decision from government known
- Develop full stakeholder matrix as a handbook for project delivery leads as they go into the business case phase
- Agreed engagement approach is difficult to agree at this stage until we know what projects are being funded and the level of development and engagement projects leads need/want to do.

4. Tack onto existing projects and networks

Sessions completed:

- Follow up session with Hastings Youth Council – info sharing and detail on projects, how they are addressing their challenges/project ideas from workshop held in October 2020
- LSP EDG and Hastings Community Network – post TIP submission session
- Team East Sussex – TIP submission update
- MP discussion
- Chamber of Commerce

Upcoming:

- Local Plan regulation 18 development
- School programme – Ark Alexandra as a starter with their A Level/GCSE geography students – relevant to their curriculum. Ambition for interested schools to develop ongoing relationship, take on a project as a case study through business case phase and beyond.
- Content strategy planning for business case phase

Future – Phase 2 and 3:

Phase 2: April 2021 – April 2022

- Project specific engagement, dependent upon individual projects (e.g Garden town lots of opportunity to help shape etc/ Ponswood as shovel ready – end user engagement/in action)
- Overall ongoing Town Deal brand awareness
- Accelerated projects in action
- Shovel ready projects in construction and action

Phase 3 April 2022 – end of programme and beyond

- Project development and construction
- Ongoing overall Town deal brand awareness raising
- Complementary projects/pipeline projects development

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Agenda Item 4

Hastings Town Deal Board and

Governance/project management structures for Phase 2 of the programme 2021-2022

1. Background

The Hastings Town Deal board was set up rapidly in response to government requirements for the first meeting to be held by the end of January 2020. Some of the membership was prescribed by government in their prospectus and some more flexible depending upon individual town's structures and requirements.

This was set out below as per the prospectus:

The Board **must** have the following membership (essential):

- A private sector chair
- All tiers of local government for the town
- Members of Parliament representing the town
- Local businesses and investors
- Local Enterprise Partnership (LEP)
- Community/local voluntary community sector representatives
- Other relevant local organisations, such as FE colleges or Clinical Commissioning Groups

The following **may** be members (suggested):

- Business Improvement Districts (BIDs):
- Jobcentre Plus:
- Anchor institutions:
- Arms-length bodies and other non-departmental government agencies:
- Other private investors and developers

The [current board](#) aims to represent different parts of Hastings through business and community representative organisations and stakeholders to guide and act as advisory on the Town Investment Plan (TIP) to point of submission. Its role up to this point has been to:

- Develop and agree an evidenced based TIP
- Develop a clear programme of interventions
Coordinate resources and influence stakeholders

2. Business Case stage of the Town Deal programme

Once the government has approved our TIP and Heads of Terms have been signed, the Town Deal (TD) programme will move into the next phase (Phase 2)– business case (and project) development. This will require adjustments to the board structures as well as the introduction of new programme management structures to support the development and delivery of the businesses case and projects.

3. Town Deal Board Membership

Following the agreement of Heads of Terms, the role of the board will shift to an advisory role on the development of project business cases and into the delivery phase, as well as acting as

ambassadors for the Town Deal programme and its vision. This shift in role is set out in the business case guidance document:

“Locally ultimate decision making responsibility will lie with the accountable body (HBC), but the town deal board Chair/s will be a signatory to the summary document (high level detail document for business cases that has to be submitted to government) and should make decisions in partnership and collaboration with the Town Deal board..... The Town Deal board should have an ongoing role and sight of decision as projects are developed in more detail or possible changes are made. The nature and degree of the board’s oversight should be agreed locally.”

As stated, the Town Deal board membership requirements as set out in the original prospectus are not being altered by government. We therefore recommend we maintain the board as it is but refresh membership, by first allowing those who would like to review their participation on the board and then recruit new members to achieve a better balance of representation.

3.1 Equalities

A refreshed membership will form part of the new governance arrangements for the Town Deal programme governance and management. The Code of Conduct, including Terms of Reference will need to be updated to reflect board membership changes that can adapt to reflect the breadth of the local community while seeking to maintain the balance of Private, Public and Community representation. This is in keeping with the public sector equality duty (Equality Act 2010).

Board members outside of those places deemed as essential by the government must fulfil the following aspects:

- Be a resident, work or in education within the Borough of Hastings
- Be aligned to one of the areas identified in the essential or suggested criteria
- Be willing to advocate for the town deal programme and projects which have been already agreed and as are outlined in the Town Investment Plan
- Utilise the tools prescribed by the accountable body when publicly speaking about the town deal projects (tone of voice) such as when posting on social media.
- Abide by the governance and the key characteristics outlined in the government’s guidance on this fund.
- Be able to volunteer their time to read documents before board meetings and attend board meetings or sub meetings they may volunteer to be on.

4. Governance and management

As a reminder the government requires both chairs of town deal boards and the chief officer of the accountable body to sign the Heads of Terms.

This now also extends to Phase 2 of the programme where both the Managing Director and the ‘Section 151’ officer for the council and both co-chairs of the board need to sign the summary document which is submitted to government.

As such, to meet the requirements of the Phase 2, (Business Case development and submission of summary document), it is proposed that the following staged process be introduced, with it being reviewed at the end of business case phase to consider the skill set and structural requirements for the delivery and construction phase of the Town Deal Programme (Phase 3).

Stage	Activity
Stage 1:	Prepare and submit 5 case business case for approval by HBC (as accountable body) and delegated members of the Town Board (Town Board Investment Panel) as the advisory body.
Stage 2:	Prepare and submit summary document for review by Town Board and signature of Town Board Co-Chairs and HBC S151 Officer and the Managing Director. Submission of summary document to MHCLG to approve funding.
Stage 3:	With government funding approved, funding agreements with project leads and programme monitoring and evaluation arrangements with project leads agreed.

The approval process is demonstrated by the flow chart which can be viewed in appendix 1.

5. HBC Town Deal Programme Board

HBC as accountable body and the Section 151 designated officer has the final decision on the investments to proceed. This was also the case with the accelerated funded projects. The level of scrutiny may vary project by project, but the S151 officer will be ultimately responsible for the Town Deal programme.

An HBC Town Deal internal programme board will be established with strategic oversight, management, and approval of the next stages of the Town Deal programme.

This will work alongside the overall Town Deal programme structure. Membership of this board will be finalised by the council following the election in May 2021.

6. Town Deal Investment Panel (TDIP):

A Town Deal Investment Panel will also be established to provide independent scrutiny to the business case with delegated authority to the co-chairs to sign off the Business Case Summary Document as required.

This board will be a development of the executive delivery group with a wider membership drawn from those with suitable skills and expertise to ensure enough oversight and scrutiny of the business cases being brought forward.

It is expected that there will be some TDIP members who will not necessarily be board members. The TDIP will also have support from external independent appraisers. It will be chaired by the private sector TD board chair (though both co-chairs are members of the TDIP) and report to the Town Deal board as and when required.

Conflict of interest will be managed by conflicted parties abstaining from decision making and removing themselves from discussion regarding a project there are lead on or that they have a pecuniary interest in.

Recruitment to the TDIP will be informed by the Heads of Terms (HOT) conditions and a term of reference for this investment panel will be developed and agreed in accordance with this document. It is hoped to bring this and the process for selection of the membership of the TDIP, to the extraordinary TDB meeting when we review the HOT offer from government.

7. HBC programme team

There will be allocation for specific roles within the HBC project team to meet the requirements and skills needed for the business case phase and beyond, as well as development of an internal programme board recognising the council's status as managing authority and Section 151.

8. Capacity funding and the role of Project leads

Current levels of capacity funding and other HBC Funding will be used to support the following activities:

- 1) Funding dedicated programme management and project staff
- 2) Funding external support for the development of the five-case business case
- 3) Funding external independent assessor of 5 case business case.

All projects will designate a project lead for their programme and suitable expertise (where required) to develop their proposal to RIBA Stage 2 to 3 (pre planning stage) and their business cases (whether that be internal or through external support).

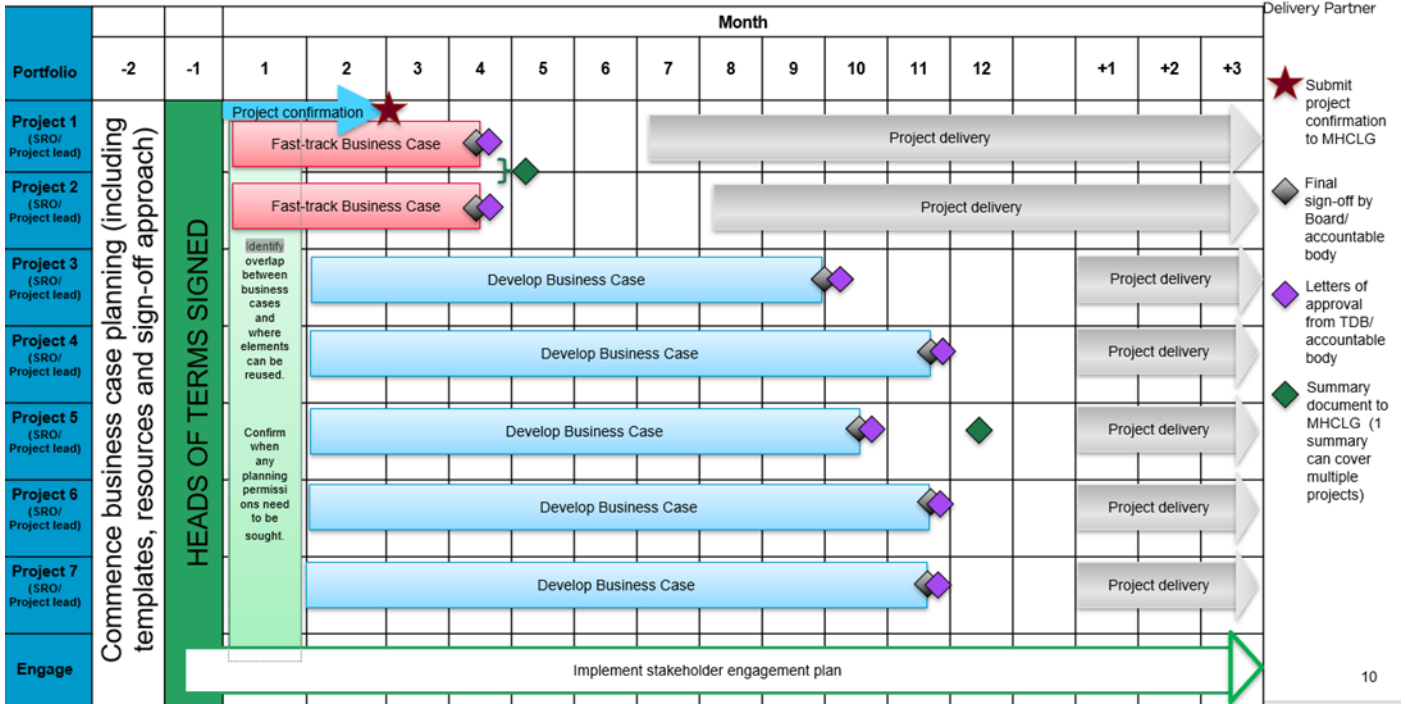
HBC will employ external technical/specialist support for identified projects (whom do not have the capacity) to ensure the business cases developed are to the required compliant standard for those that identify the need for external expertise.

There will be an appraisal and approval process developed, as outlined in appendix 1, giving assurance that decisions made have been undertaken in a transparent, proper, and accountable manner. This will include the Town Deal Investment Panel and a team of appraisers who will evaluate each business case. This will include appropriate mechanisms for performance monitoring and evaluation.

With regards to project development and the development costs to take the projects to the above RIBA stages, HBC are exploring mechanisms to support external project leads in these tasks. These proposals will go to cabinet for decision, at the same time as the Heads of Terms, likely on June 7th, if not before.

9. Timing and frequency of board meetings.

Business Case Plan



9.1 Town Deal Board (TDB)

It is proposed that Board meetings are reduced from 4 to 3 meetings during phase 2, to align with the bringing forward of summary documents for review, prior to submission to government.

It is proposed that this meeting cycle commences after an 'extraordinary' board meeting to agree/review Heads of Terms (HOT). Please note that the HOT needs to be signed within 3 weeks of issue so we will be scheduling a board meeting in mid – end of May/early June.

The above chart, supplied by our towns hub partners, show there are likely 3 meetings which will be required once heads of terms are signed.

Therefore, Hastings town deal board three board meetings during this period will review the following business:

- 1) To review project confirmation document (approx. 2 months after HOT signature)
- 2) To review fast track projects summary documents prior to submission to government (between 3-6 months after HOT signature). Agree letter of support from TDB for project summary documents, to accompany submission.
- 3) To review remaining projects summary documents prior to submission to government (9-12 months after HOT signature). Agree letter of support from TDB for project summary documents, to accompany submission. It is likely that status update reports on any 'shovel ready projects' will be also prepared for this meeting.

9.2 Town Deal Board Investment Panel (TDBIP):

It is expected that the TDBIP will schedule meetings quarterly, though this will be informed by the Heads of Terms and Project confirmation submission to government.

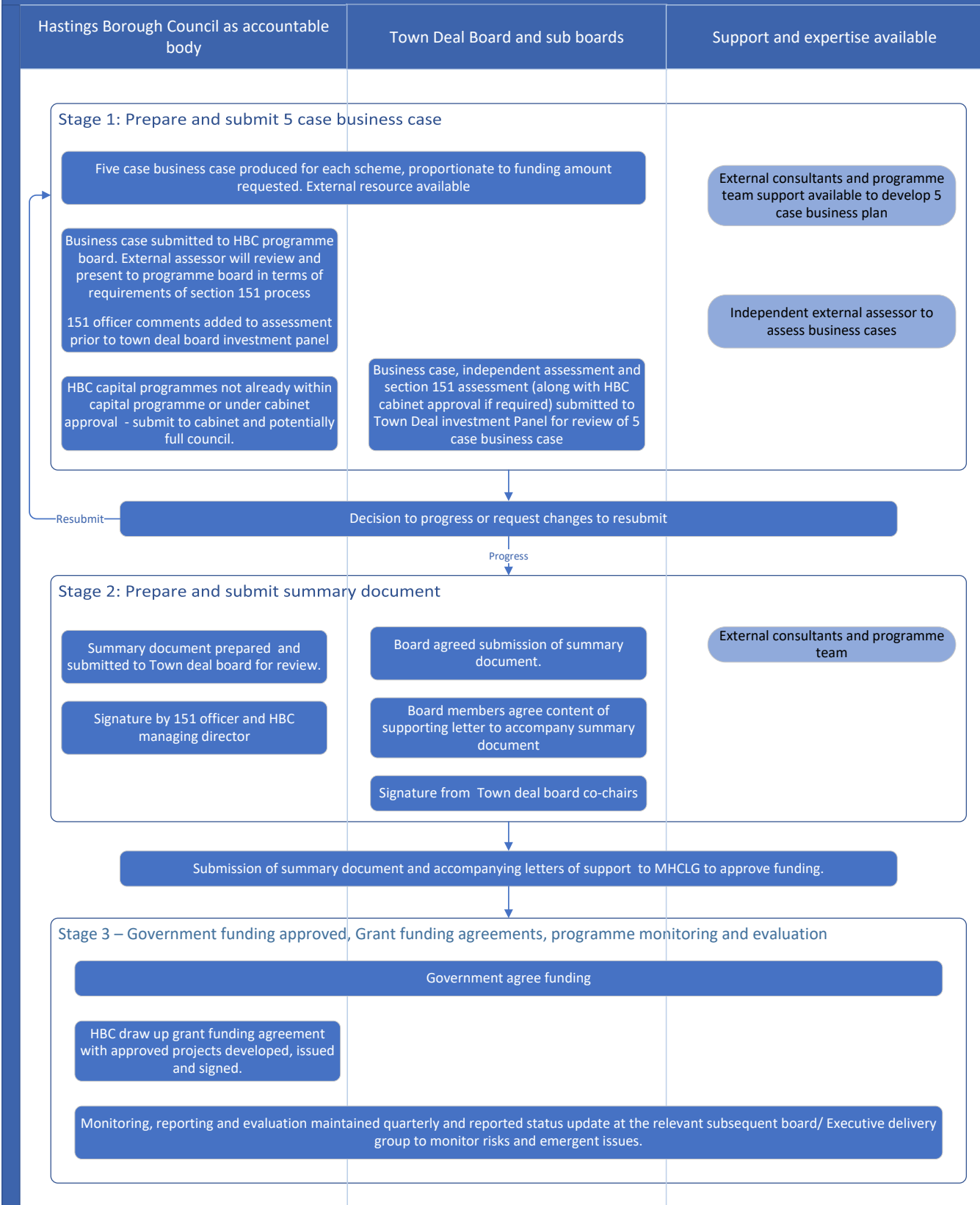
9.3 Town deal board project leads and engagement working groups.

This will again be informed by the project confirmation submission, and the need from the group, however it is expected that these meetings will be more frequent than quarterly, dependent to the needs of the programme.

9.4 Town Deal Executive Delivery group:

The Executive Delivery group will remain but will only call ad-hoc meetings when required during phase 2 of the town deal programme. Main order of business will be agenda setting and review/approval of new board members.

Project approval process



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Ministry of Housing,
Communities &
Local Government

Towns Fund guidance (stage two): business case development

16 December 2020

1. Introduction

- 1.1. Once Heads of Terms has been agreed, towns are required to develop business cases for each project and submit a Summary Document to Ministry of Housing, Communities and Local Government (MHCLG). MHCLG will need to review and be satisfied with the Summary Document before funding can be released.
- 1.2. This guidance covers the development and appraisal of business cases for the Towns Fund, and other requirements related to project development and submission of the Summary Document. MHCLG and the Towns Fund Delivery Partner will provide support and guidance throughout this phase.

2. Overview of requirements

- 2.1. After agreeing Heads of Terms, towns have **two months** to confirm which projects will be taken forward as part of their Town Deal, this should include the following information on each project:
 1. Towns Fund ask
 2. match-funding total and breakdown
 3. expected outputs and outcomes
 4. plan for addressing key conditions
 5. whether the project will be fast-tracked
 6. proposed financial profile and the Revenue/Capital split (approval at MHCLG's discretion)
- 2.2. This information should be presented in the project confirmation table at Annex A, and submitted to the Towns Fund central inbox (towns.fund@communities.gov.uk) within two months of the deal being agreed. MHCLG will review and, if suitable, approve this information.
- 2.3. Towns should develop full business cases for each agreed project in line with [HM Treasury's Green Book](#)¹.
- 2.4. The accountable body (as identified in the Town Investment Plan) will be accountable for implementing the Town Deal. The Town Deal Board should have an ongoing role and have sight of decisions as projects are developed in more detail or possible changes are made. The nature and degree of the Board's oversight should be agreed locally.

¹ <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

- 2.5. Locally, ultimate decision-making responsibility will lie with the accountable body, but the Town Deal Board Chair will be a signatory to the Summary Document and should make decisions in partnership and collaboration with the Town Deal Board.
- 2.6. A business case must be developed for each selected project in line with the conditions agreed in the Heads of Terms. Each business case should cover one project, as submitted in the project template. If a project consists of a package of smaller interventions, these can be grouped into one business case, as long as a strong strategic case is put forward demonstrating how the separate interventions link together to deliver a coherent vision. The value for money assessment must cover the project as a whole, but each intervention must be costed in the Financial Case.
- 2.7. Public Sector Equality Duty (PSED) should be fulfilled through a programme-level impact assessment; relevant project-level impact assessment should also be undertaken. It is recommended that this is undertaken by the accountable body. A summary of this work should be included as part of the Summary Document. Relevant Environmental Impact Assessments should also be undertaken.
- 2.8. Accountable bodies should work with appropriate partners to ensure effective delivery. For some individual projects it may be appropriate for other local delivery bodies (for example upper-tier authority or university) to lead on the development of business cases and on the delivery of the project. Where this is the case, a clear agreement should be made between the accountable body and the delivery body (for example in the form of a memorandum of understanding) for the allocation of any Towns Fund monies. All grant payments from the Towns Fund will be made to the accountable body.
- 2.9. All business cases should pass through local assurance mechanisms with oversight from the Town Deal Board: a plan should be in place to enable this. MHCLG also reserves the right to call in any business case to be assured centrally.
- 2.10. MHCLG will need to review and be satisfied with completed Summary Documents before funding can be released.

3. Guidance on developing business cases

3.1. Green Book compliant business cases should be developed for each project in order to allocate government funds. MHCLG may only require sight of the Summary Document, although MHCLG also reserves the right to call in any business case to be assured centrally. We expect business cases to include:

- a. The evidence for the intervention using rigorous analysis of quality data and the application of best practice.
- b. An assessment of value for money. Attention should be given to how different types of projects will be compared and assessed. Typically, this would include the following considerations at a level proportionate to the scale of funding required for the proposal:
 - i. a clear economic rationale that justifies the use of public funds in addition to how a proposed project is expected to contribute to strategic objectives
 - ii. clearly defined inputs, activities, outputs and anticipated outcomes, ensuring that factors such as displacement and deadweight have been considered
 - iii. benefits that exceed the costs of intervention using appropriate value for money metrics
 - iv. appropriate consideration of deliverability and risk along with appropriate mitigating action (the costs of which must be clearly understood).

3.2. Recognising the diversity of market conditions and the acute nature of the Covid-19 impact in some localities, no minimum value for money threshold is set for Towns Fund projects. However, to follow best practice, all business cases must contain robust value for money assessments. If value for money values are low, then additional justification should be provided. A variety of measures can be used to summarise value for money, this includes estimates for:

- a. **Net Present Social Value** - defined as the present value of benefits less the present value of costs. It provides a measure of the overall impact of an option.
- b. **Benefit-Cost Ratios** - defined as the ratio of the present value of benefits to the present value of costs. It provides a measure of the benefits relative to costs.

3.3. Net present social value and benefit-cost ratios should not be treated as a full representation of value for money. Rather, they should be used to summarise the benefits and costs that can be readily monetised or quantified. There may be wider strategic or social value to an intervention which may not be easily assimilated into calculations.

- 3.4. Business cases should address, in a proportionate manner, the five cases set out in the HM Treasury Green Book. The Green Book has recently been updated to ensure the methodology supports the delivery of Government's levelling up ambitions and other policy priorities. These updates include a much stronger emphasis on the strategic case backed up by rigorous theory of change analysis, and renewed clarity on what constitutes value for money. The full conclusions drawn from the review can be viewed in a [HM Treasury report²](#).
- 3.5. Business cases should be developed to meet the assurance requirements of the accountable body. In addition to the Green Book, other appraisal guidance should be followed for specific thematic interventions where available.
- 3.6. The five cases in the Green Book are:
- I. **strategic case** – must show the rationale, background, policy context and strategic fit of the public expenditure or public intervention, this should include clear objectives with a robust logic of change from inputs to outcomes.
 - II. **economic case** – with evidence of why a privately provided solution would fall short of what is optimal (market failure) and a list of options to achieve a better outcome. “Do nothing” should always be an option. The case must build on robust verifiable evidence, consider additionality, and displacement of activity, and include a sensitivity analysis and a correction for optimism bias if risk is a factor for success. Value for money is ideally demonstrated in a credible Benefit-Cost Ratio, but where some of the costs and/or benefits cannot be monetised at the present time, the economic case should proportionally capture these impacts and specify a partial value for money measure. Wider benefits and costs should be considered and specified where these are sizeable, compared with the direct impacts. Towns should decide how to treat Covid-19 impacts.
 - III. **commercial case** – demonstrate commercial viability or contractual structure for the project, including procurement where applicable.
 - IV. **financial case** – standard appraisal of financial implications of the project, where applicable this should include budgets, cash flow, and contingencies.

² <https://www.gov.uk/government/publications/final-report-of-the-2020-green-book-review>

V. management case – of how the project is going to be delivered.

- 3.7. Accountable bodies must ensure that the commercial, financial and management arrangements are appropriate for effective delivery. Where applicable, appropriate resources should be consulted for situation specific project appraisals. To assist with this, the Infrastructure and Projects Authority have produced a [Project Initiation Routemap Handbook](#)³ and associated modules which provides a framework to support infrastructure providers to improve the delivery of their projects and programmes. For analogous best practice guidance on the delivery of projects and programmes we also advise you to refer to the [Infrastructure and Project Authority's Project Delivery Functional Standard](#)⁴.
- 3.8. [MHCLG's Appraisal Guidance](#)⁵ provides more information on how the department assesses the value for money of property and land use projects.
- 3.9. The Department for Transport have produced [transport analysis guidance \(TAG\)](#)⁶ on the principles of cost-benefit analysis and how they should be applied in the context of transport appraisals.

4. Business case assurance

- 4.1. For each business case, the accountable body should follow their local assurance processes. This should include sign off from relevant individuals and groups within the council (for example the S151 officer and cabinet). It is important that the organisation responsible for developing business cases does not have sole responsibility for appraisal.
- 4.2. MHCLG may carry out spot checks on projects during the business case development stage. This will be in the form of a working-level conversation targeted at those projects where there are concerns or risks to confirm that the business case is being developed in line with this guidance.
- 4.3. Where a project is deemed novel or contentious (for example if it does not fully align with the intervention framework) or if the project value is over £25

³ <https://www.gov.uk/government/publications/improving-infrastructure-delivery-project-initiation-routemap>

⁴ <https://www.gov.uk/government/publications/project-delivery-functional-standard>

⁵ <https://www.gov.uk/government/publications/department-for-communities-and-local-government-appraisal-guide>

⁶

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/940962/tag-a1-1-cost-benefit-analysis.pdf

million, MHCLG reserves the right to appraise business cases centrally to assess project viability and value for money.

- 4.4. Following assessment, if existing concerns are not addressed, or if new ones arise, MHCLG may hold a working-level challenge conversation to provide the town with another opportunity to demonstrate the viability and value for money of the project. An improvement plan may be agreed for the project which the accountable body will be responsible for implementing.
- 4.5. Once the funds are allocated to a specific purpose, following the local or central approval of a five-case business case, it is the responsibility of the accountable body to spend these funds for the purpose they were given. The procurement policies of the accountable body should be transparent and fair but need not require contractors to argue a five-case business case.

5. Project changes and adjustments

- 5.1. There may be circumstances where towns wish to make adjustments to projects, or indeed replace them with alternatives. Accountable bodies should engage with their Town Deal Boards to discuss any changes and must be proactive in consulting their local Towns Fund lead on any potential changes to approved plans.
- 5.2. Adjustments can be made following a Heads of Terms offer before the final list of projects are agreed, up to two months after Heads of Terms offer. In most cases a project adjustment form is not required at this stage, but updated information should be provided as listed in paragraph 2.1. However, any change should be made clear and any change outside of the list in paragraph 2.1 should be made using a project adjustment form at this stage (the stage when submitting final projects information at the two months after Heads of Terms are offered). The local Towns Fund lead should be consulted in the first instance.
- 5.3. Changes may also be made between agreeing the final list of projects and completing the full business case, where there has been a change in circumstances- a project adjustment form is required.
- 5.4. The local Towns Fund lead should be consulted in the first instance. Then, having agreed in principle with the town lead, an email should be sent to towns.fund@communities.gov.uk setting out the intended change and rationale, as well as confirming the agreement of relevant stakeholders. A template form is at Annex B.

- 5.5. Approval will be at the discretion of MHCLG. Adjusted projects will be reassessed against the original project assessment criteria to determine what effect the adjustment has had on the project. If concerns are not addressed, the town will have the opportunity to make a more detailed case for the adjustment in a working-level challenge conversation with MHCLG.
- 5.6. If no additional concerns arise, and if the rationale for adjustment is well evidenced, the adjustment will be accepted. Where adjustments are accepted, the town will be asked to submit an updated project confirmation table (Annex A) reflecting the changes that have been made.
- 5.7. No additional funding will be allocated if new or adjusted projects are of higher value.

6. Timing for all business cases

- 6.1. Towns should regularly engage with their local lead on the development of business cases. Once business cases have been developed and appraised, a summary of all this work in the form of completed Summary Documents, should be submitted to MHCLG within 12 months of the Heads of Terms agreement.
- 6.2. The Summary Document will contain an overview of each business case and confirmation that key conditions have been addressed (where applicable). The Summary Document will be assessed by MHCLG before funding is released.
- 6.3. The Summary Document template is provided at Annex C.

7. Fast-tracked projects

- 7.1. Some projects may already be well developed by the time Heads of Terms has been agreed. Where this is the case, these projects can be fast-tracked for funding provided the business case development and appraisal meets all criteria in this guidance before all the others.
- 7.2. Where towns intend to fast-track projects, it will be indicated in Heads of Terms. Towns should keep their local leads informed of the status of business case development for fast-tracked projects.

- 7.3. A Summary Document for fast-tracked projects should be submitted to MHCLG as soon as possible, and following MHCLG's assessment, funding may be released. Projects should be grouped together as much as possible when submitting the Summary Document.

Note: the accountable body is responsible for ensuring that all templates submitted to MHCLG are accurate and complete representations of current circumstances.

Annex A: project confirmation table

Please complete the table below for each project and send to the Towns Fund central inbox, towns.fund@communities.gov.uk, within two months of agreeing Heads of Terms.

Project confirmation table					
<i>Project name</i>					
Date:					
Towns Fund ask (£ million)					
Match funding total and breakdown					
Expected outputs and outcomes					
Plan for addressing key conditions					
Fast-tracked project (Yes or No)					
Capital/revenue split					
Nominal Financial profile (£ million)					
2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Signature of Town Deal Board Chair and accountable body's Chief Executive Officer or S151 Officer					

Annex B: project adjustment form (this will be provided in Excel format)

After confirming projects (after annex A information has been agreed), where towns propose to make changes to a project please send a completed form to towns.fund@communities.gov.uk.

Project details	Original proposal	Adjusted proposal (where applicable)	Rational for adjustment (where applicable)	Details of how the Town Deal Board and relevant stakeholders have been consulted on changes (where applicable)
Project name				
Project description including: - rational and strategic fit; - how the project addresses need and opportunity - alignment with other plans and strategies				
Towns Fund ask (£ million)				
Total project cost (£ million)				
Outputs				
Outcomes				
Match funding total				

Match funding breakdown				
Capital/revenue split				
Financial profile				
Project completion date				

Annex C: Summary Document template

Towns should submit a completed Summary Documents for each project to MHCLG as soon as they are ready and within 12 months of agreed Heads of Terms.

Notes on the Summary Document template:

General conditions table: provide evidence of how general conditions, where applicable, have been addressed.

Project summary table: towns should complete this for each project. Set out what assurance has been carried out and confirm whether and how towns have addressed project-specific conditions.

Summary Document template

General conditions table

General conditions table
TIP improvement condition <i>Set out TIP improvement conditions as agreed in Heads of Terms</i>
Evidence <i>Provide evidence of how conditions have been addressed</i>
Public Sector Equality Duty (PSED) <i>Provide a summary of programme-level PSED analysis</i>
Signature of Town Deal Board Chair and accountable body's Chief Executive Officer or S151 Officer

Project summary table

Project summary table					
<u>Project name</u>					
Business case appraisal <i>Provide details of how the business case has been appraised</i>					
Is this project being fast-tracked?					
Total project value (£, million)					
Towns Fund funding allocated (£, million):					
Outputs <i>Provide a list of the final projected outputs, they must be clear and quantified</i>					
Outcomes <i>Provide a list of the final projected outcomes, they must be clear and quantified</i>					
Cost-benefit projection (for example BCR or NPSV)					
Public match funding <i>Provide the total (£, million) and breakdown of sources</i>					
Private match funding <i>Provide the total (£, million) and breakdown of sources</i>					
Nominal Financial profile (£, million)					
2020/21	2021/22	2022/23	2023/24	2024/25	2025/26
Actions taken to address project conditions <i>Provide details of actions taken to address any conditions that were attached to the project, where the condition was to provide a delivery plan this should be inputted in the section below</i>					

Delivery plan

Including details of:

- *partnerships*
- *timescales*
- *planning permission and other milestones*
- *interdependencies*
- *risks and mitigation measures*

Monitoring and evaluation plan*

Provide details on:

- *how spending and delivery will be monitored against expected milestones and outputs and outcomes*
- *what Key Performance Indicators will be used*
- *arrangements for sharing of data*
- *the levers that are available to address any performance issues*
- *who will be responsible for evaluating success*

Signature of Town Deal Board Chair and accountable body's Chief Executive Officer or S151 Officer

* Further guidance on monitoring and evaluation requirements will be provided in January 2020.

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Towns Fund Monitoring and Evaluation Guidance

Version 1, issued 1st April 2021

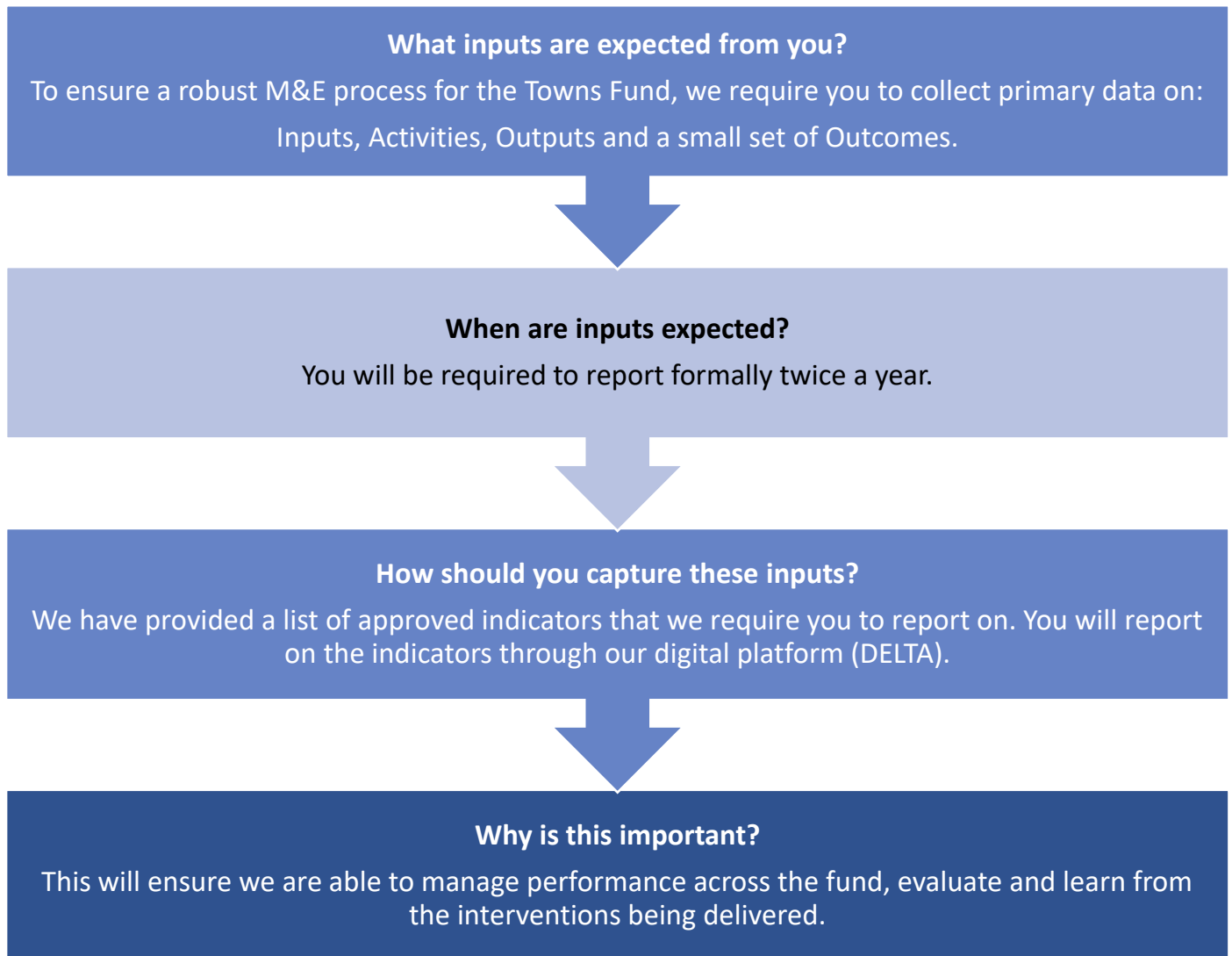
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1. Introduction

- 1.1. The Government launched the Towns Fund to invest in towns and high streets across England as part of its plan to level up our regions. This brought together the Town Deals and the Future High Streets Fund. 101 towns were selected to work with Government and agree a Town Deal. 72 places were successful in securing Future High Streets Fund funding.
- 1.2. As places move into the delivery phase of the fund, monitoring will be a key aspect to ensure we can track progress of the fund and the projects it is delivering. It will also provide the opportunity to start learning about the impacts of interventions being delivered in places. It is our aim to create a robust process while minimising the burden on local authorities.
- 1.3. This document sets out the monitoring and evaluation (M&E) requirements of both the Towns Deals and Future High Street Fund, by the Ministry of Housing, Communities and Local Government (MHCLG). It details our mandatory reporting requirements for the funds, the frequency of when we expect this to be collected and how you should do it. This will ensure we are able to standardise and aggregate data to allow for robust comparison and learning.
- 1.4. While we have set mandatory inputs, activities, and outputs we require you to report on, you can select further indicators most suited to your project mix. There is also the opportunity for you to carry out your own monitoring and evaluation specific to your interventions and place.
- 1.5. The reporting of data will be used by MHCLG to understand and manage performance across the fund. Using the indicators set out in this guidance, which include clear definitions and consistent metrics will allow for an open conversation on performance throughout the programme lifecycle.
- 1.6. This guidance is aimed at Local Authorities. Where we say 'you', we are referring to the Local Authority. For the purposes of this document, towns and high streets are referred to as "places" throughout. Towns Fund refers to both the Town Deals and the Future High Streets Fund. Where an area of this guidance is only relevant to a Town Deals / Future High Streets Fund place respectively, it will be stated.
- 1.7. MHCLG will also assist you in understanding and interpreting this guidance if needed.

Figure 1: Overview of M&E for the Towns Fund



Section A:

Background (for information only)

2. Our approach to M&E

The M&E opportunity

- 2.1. Our towns and high streets are diverse and those in need of support have been shown to have considerable existing assets and strengths. These include valued natural and environmental assets, a strong local identity and sense of place, existing physical capital and proximity to major hubs or ports. Despite these strengths, places have faced a number of significant challenges to growth and Covid-19 has exacerbated these further.
- 2.2. The Towns Fund provides a unique opportunity to better understand what policy interventions are most effective in driving economic growth and living standards at the town level. This improved understanding will rely on the frequent collection of high-quality data to enable the ongoing monitoring of progress and the evaluation of the Fund's impact. This section provides the context to why we are doing this, why we require you to collect data and how this fits in to the wider evaluation of the whole fund.

What is M&E and what will it tell us

- 2.3. Monitoring and evaluation are closely related, and a typical evaluation will rely heavily on monitoring data. Evaluation is a systematic assessment of the design, implementation, and outcomes of an intervention (e.g. programme or project). It involves understanding how an intervention is being, or has been, implemented and what effects it has, for whom and why. It identifies what can be improved and estimates its overall impacts and cost-effectiveness.
- 2.4. Monitoring observes programme implementation and performance through a continuous and systematic process of collecting data. Monitoring will demonstrate what has been delivered and evaluation will assess its impact. For further information on M&E, please see [‘The Magenta Book’](#).

M&E findings and future policy

- 2.5. M&E of the Towns Fund will ensure that Government has better evidence of what policy levers work best to improve connectivity, spatial organisation, skills, and local authority capability in our towns. There is not an established policy ‘playbook’ for how to turn around places in decline, so the TF intervention framework was broad and assessment criteria designed to allow towns the flexibility to choose investments that were the best fit for their context. This means, however, that it is particularly important we then learn from these interventions about what works. And at the local level, we want to help places understand what interventions are having positive impacts for their residents, where adaptations can be made and how best to support long term economic growth in towns and high streets that ensures future sustainability. All of this will help central and local government to learn from and create policies and interventions which continue to deliver sustainable growth and tackle deprivation in towns.
- 2.6. We already know that many of our places are seeing a decline in footfall, a lack of investment and slow business growth. Residents have negative perceptions of their area, there are higher levels of deprivation and many have low employment levels. A continuous cycle of monitoring will help us evaluate how we address and improve on these issues.

M&E and accountability

- 2.7. It is also important we ensure accountability for public funding. A rigorous M&E framework will ensure MHCLG can hold places to account for delivering agreed projects. It allows the department to be accountable for delivering the funds and realising the policy aims for which funding was allocated.

2.8. We are also adopting the recommendations of the [Public Accounts Committee](#), which recommended a rigorous M&E framework and that we provide an annual assurance update on the funds.

Our approach

2.9. Our overall approach to M&E for the Towns Fund:

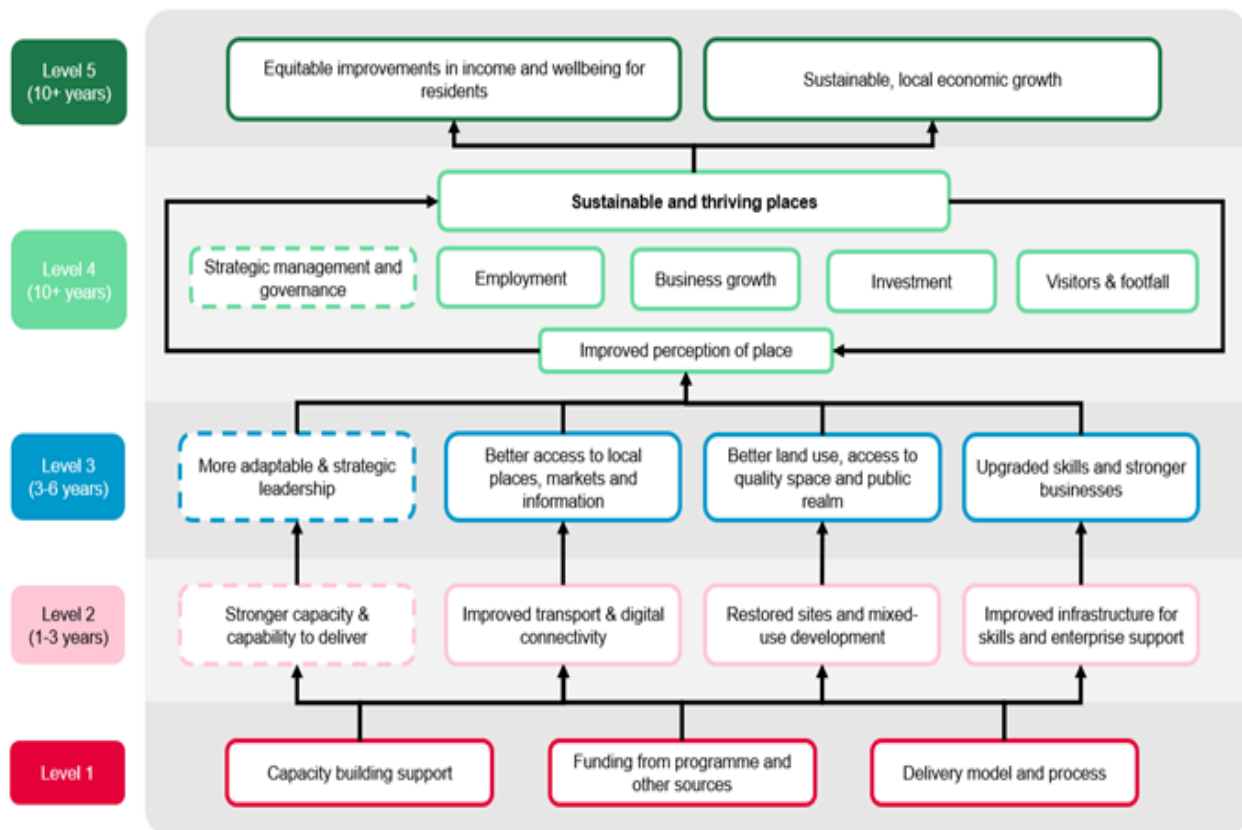
- Will allow an impact evaluation, as well as assessing how and why those impacts were achieved.
- Will produce an integrated picture of both Town Deals and Future High Streets Fund results, while enabling comparison and learning from the differences.
- Will allow evaluation and learning to be shared throughout the programme and at programme end, as well as ongoing monitoring and learning.
- Uses a mixture of methods, including quasi-experimental¹ design and contribution analysis as well as being grounded in an overarching Theory of Change (ToC).
- Includes some standardisation and fixed requirements, to enable comparison and aggregation, while allowing for flexibility.

¹ A quasi-experiment is a type of research design that attempts to establish a cause-and-effect relationship. The main difference with a true experiment is that the groups are not randomly assigned.

3. Understanding our Theory of Change

- 3.1. Our Monitoring and Evaluation Framework is grounded in an overarching Theory of Change (ToC). This covers the Towns Fund (both Town Deals and Future High Streets Fund) and could differ from the ToC set out in your Town Investment Plan (TIPs) or Future High Street Fund business cases. This section provides context to what we are looking to learn from monitoring and evaluation of the fund and how your data collection will help.
- 3.2. The ToC in *Figure 2* is based on a review of literature, conducted by the Towns Fund Delivery Partner. If you are interested in finding out more, please contact towns.fund@communities.gov.uk.
- 3.3. A ToC sets out causal pathways to achieving both funds’ objectives, as well as the underlying assumptions. It includes five levels from:
- activities undertaken: (Level 1),
 - through to the outputs they deliver (Level 2),
 - the outcomes achieved (both intermediate and longer term – Levels 3 and 4)
 - the targeted impact (Level 5). Each level includes assumptions underpinning success at different points
- 3.4. You will primarily be collecting data for Levels 1 and 2. This is set out in Section B.

Figure 2: Towns Fund Theory of Change²³



3.5. Level 1: Inputs and Activities (the resources committed and activities undertaken)

² Not all outputs apply to the Future High Streets Fund interventions.

³ Timelines set out in Figure 2 are only indicative and some elements (such as sustainable change under Level 5) will arise much faster than stated.

- **Capacity building support** has been provided to local authorities to identify opportunities, deliver projects and build partnerships with local residents and businesses.
- **Funding from programme and other sources such as the private sector** is expected to enable improvements which provide benefits beyond the fund interventions.
- **Delivery model and processes.** The Towns Fund supports places to recognise their existing assets and challenges. They help them to decide the intervention combination required to promote growth locally. Both funds support places to develop their business cases and other strategies which guide investment.

If the above is assumed, activities are expected to lead to the following outputs.

3.6. Level 2: Outputs (what is delivered or produced)

- **Stronger local capacity and capability to deliver**, including improved skills related to skills gaps, an accessible network of external support or evidence as needed, and structures established to promote community and business engagement.
- **Improved physical access, transport and digital connectivity** such as establishing new or more efficient transport routes, providing alternative modes of transport, upgrading infrastructure to allow greater connectivity, including low carbon and “healthy” transport options, as well as removing obstacles to connectivity.
- **Restored sites and mixed-use development** leading to change in use and increased mixed use space. This includes the promotion of arts and cultural sites as community anchors, potential, tourism and to reinforce local identity.
- **Improved infrastructure for skills and enterprise support**, including for adult education and training providers and providers of business advice, support and networking.

If these outputs are achieved, it is assumed that they will create intermediate outcomes, which occur on the causal pathway to the final outcomes and impacts.

3.7. Level 3: Intermediate Outcomes (the early or medium-term results)

- **More adaptable and strategic local leadership (Town Deals only)**, in terms of better alignment of local funding with town priorities, increased community engagement and involvement of business and other stakeholders in local planning and development, improved efficiency of project delivery.
- **Better access to local places, markets and information**, in terms of reduced commuting and journey times to town centres and places of employment, as well as providing greater access to digital connectivity.
- **Better land use and access to quality space and public realm**, in terms of more mixed-use developments, lower vacancy rates, increased land values and better experience of public space and nature.
- **Upgraded skills and stronger businesses**, in terms of higher numbers of people trained to meet local workforce needs, reduced brain-drain among high-skilled workers and better labour force matching and innovation.

Over time, these anticipated changes will begin a virtuous cycle of development, leading to sustainable and thriving places (Outcomes).

3.8. Level 4: Outcomes

- **Sustainable and thriving places are characterised by:**
 - **Increased employment**, in terms of jobs created and maintained, employment rate, further propelled by investment and business growth in key sectors.
 - **Investment**, from private investors, developers and other public or community sources, catalysed by local improvements, including crowding in of investors, driven by improved perception of place, and profitability of local investments resulting from a range of improvements including agglomeration, improved transport and connectivity.
 - **Business growth**, including a diverse business community and expansion and longevity of existing businesses, supported by investment and perception of place.
 - **Improved perception of place**, including local sense of pride and cohesion and external sense of progress, improvement and dynamism, both driving and building on other improvements.

- **More strategic local management and governance**, to continue to respond and adapt to changing economic circumstances, and actively manage growth and risks, based on local need and evidence.

These changes will contribute to a virtuous cycle and are mutually reinforcing. It is assumed that these improvements will also address the negative social aspects contributing to deprivation of many places, including crime rates and poor mental and physical health. Improvements in these places will further propel this virtuous cycle as places continue to thrive (Impacts).

3.9. **Level 5: Impacts** (the long-term results)

The above shifts represent transformational change at a local level, building on the cyclical nature of improvements described in the outcomes. Over time, this virtuous cycle is expected to contribute to:

- **Equitable improvements in income and wellbeing residents**, assuming that there is a distributional effect to these benefits such that they support the levelling up agenda.
- **Sustainable⁴, local economic growth**, ensuring that local economies are stronger at the systemic level, provided that changes shift fundamental patterns underlying local economies and address previous market failures, and physical improvements are funded and maintained on an on-going basis, and further decline does not occur.

3.10. Although some structural impacts can take upwards of 10 years to materialise, MHCLG recognises that any observed impacts over this time period are less and less likely to have been solely influenced by investment from the Towns Fund interventions. As a result, interim impact evaluations are planned for the end of both Town Deals and Future High Streets Fund programmes, with a full impact evaluation planned for within 3 years of both programmes coming to a close, to maintain robustness of the findings.

3.11. To apply the ToC to the Towns Fund, a **logical framework** has also been produced which summarises the ToC's impact pathways in tabular format. This outlines the assumptions underpinning the results and presents the indicators, baseline figures, milestones and targets. If you would like more information on the logical framework, please contact towns.fund@communities.gov.uk.

⁴ This includes clean or inclusive growth.

4. The Evaluation Process

4.1. The evaluation is organised around four distinct components, with each activity focusing on a subset of questions:

- **Process Evaluation** – to assess how well the Fund is managed and delivered.
- **Interim review** – to characterise and understand any early indications of additional changes in immediate and intermediate outcomes.
- **Impact evaluation** – to fully assess and understand the additional outcomes and impacts that have been achieved by the two Funds.
- **Value for money evaluation** – to provide an assessment of VfM based on the performance of the Funds against measures of economy, efficiency, effectiveness, and equity.

4.2. These methods are included in the [Magenta Book](#) (HMT 2020) and have been selected due to their suitability for the complex nature of the Towns Fund.

4.3. In addition, the evaluation will include a specific focus on ‘Levelling Up’ and the consideration of excluded and disadvantaged groups.

4.4. Evaluating the impact and outcome of the Towns Fund (levels 3-5 of the ToC) is the responsibility of MHCLG, with the assistance of an Evaluation Provider⁵. **You will not be required to collect primary data for the fund-level impact evaluation beyond what is in Table 2 and 3.**

4.5. MHCLG plans to publish the evaluation once complete.

Table 1: Estimated MHCLG-led Evaluation timings

Evaluation Component	Approach	22/23				23/24				24/25			
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
<u>Process Evaluation</u>	Monitoring and primary data collection (input and output)												
<u>Interim Review</u>	Qualitative Information												
<u>Impact evaluation</u>	Theory-based approach Time series approach												
<u>Value for Money Evaluation</u>	4 Es: Economy, Efficiency, Effectiveness, and Equity												

⁵ MHCLG will provide more details on the evaluation provider in due course.

Section B:

Reporting Requirements

5. What you need to report on

Introduction

5.1. It will be your responsibility as the Local Authority to formally report twice a year on Inputs and Activities (Level 1), and Outputs (Level 2). This includes several mandatory indicators and a selection of indicators which you will decide based on your project mix. There are also a small number of Outcomes (Levels 3 & 4) you will need to provide information on. This is detailed below in Table 2.

5.2. We have divided the M&E responsibilities in this way to not over-burden you with reporting requirements. Collecting data on activities and outputs is your responsibility as this should already be embedded into your project management. MHCLG will lead on data collection for Outcomes and Impact. However, there are a small number of outcome indicators where we require your assistance in gathering the data.

5.3. Reporting twice a year will ensure we are able to generate information for both your area and the overall fund. It will also allow us to effectively monitor the progress of projects, manage and mitigate risks, ensure value for money, share lessons learnt and good practice within the lifetime of the programme.

Table 2: Overview of what you are required to report on across the ToC levels

ToC Level	What you are required to report on:	When
Level 1 Inputs & Activities	<ul style="list-style-type: none"> The amount spent directly on project delivery (either local authority or implementation partners) The amount of co-funding spent on project delivery (private and public) The amount of co-funding committed (private and public) The percentage of projects starting on time according to contract 	Semi-annually through the monitoring form
Level 2 Outputs	<ul style="list-style-type: none"> The number of temporary full-time jobs supported during project implementation The number of projects successfully completed The percentage of projects completed within budget The percentage of projects completed on time 	Semi-annually through the monitoring form
	<ul style="list-style-type: none"> The number of staff in the regeneration team at the local authority The amount budgeted for economic development teams and functions Project specific output indicators (see 5.6 and 5.7 below) 	Annually through the monitoring form
Level 3 Intermediate outcomes	Self-assessment on (Town Deals only): <ul style="list-style-type: none"> Leadership and Vision Delivery capacity and capability Financial viability and ability to attract investment Accountability, collaboration, and responsive governance. <p><i>Please note that the collection of qualitative data is for learning purposes only and will not be used for performance management.</i></p>	Annually through the monitoring form

Level 4 Outcomes	<ul style="list-style-type: none"> • The number of full-time equivalent (FTE) permanent jobs created through the projects • The number of full-time equivalent (FTE) permanent jobs safeguarded through the projects • Year on Year monthly percentage change in footfall (mandatory for Future High Streets Fund places) 	Annually through the monitoring form
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5.4. The full list of indicators including frequency, definition, metrics, evidence, and baseline requirements can be found in Annex 1.

5.5. In addition to the reporting on the indicators set out in Table 2, **you will also be required to provide updates semi-annually**, to keep track of progress, manage expectations, and highlight needs to intervention. See Table 3 below.

Table 3: Overview of what you are required to provide updates on

What you are required to provide updates on:	When
<ul style="list-style-type: none"> • Project Expenditure: Expenditure on project activities by local authorities or, in the case where a partner is implementing the project, their expenditure on project activities to date. This will also include forecasted spend. • Project Progress: A brief narrative to explain the below progress you are reporting on. • Project Changes: Any material changes to project designs or plans should be disclosed and described, including any timing delays. • Risks: Updates should be made to the project risk schedule using a RAG rating, as well as an explanation of the risks and required mitigation steps. The RAG rating will be used to flag any issues that require action or amendments. This will also allow changes in risk to be tracked over time. 	Semi-annually through the monitoring form
<ul style="list-style-type: none"> • Feedback on local engagements and how your overall investment strategy is progressing. Questions to aid the qualitative feedback will be provided in the monitoring forms. 	Annually through the monitoring form

Selecting your Project specific indicators (Level 2)

5.6. For **Town Deals**, you have proposed output indicators for each project in your TIP. You should review these against our indicator guidance to assist you in measuring the select results. You will need to adopt the indicators set within this document to streamline the reporting requirements. You will need to confirm your indicators through your M&E plan when confirming projects for your Town Deal two months after signing the Heads of Terms.

5.7. For **Future High Streets Fund** places, you proposed output indicators in your business cases. Your MHCLG delivery support manager will carry out a baselining exercise with you, through your M&E plan to ensure these align to our list.

5.8. If needed, MHCLG will work with you to identify the most suitable indicators for your project mix. We strongly ask that you select indicators from Annex 1 where possible – this will ensure a more robust and useful programme evaluation. If there are additional indicators that you wish to monitor and report on, then please include these in your proposed M&E plan and we can discuss whether we are able to

accept these as part of your reporting requirements. As local authorities you are of course also entitled to monitor any indicator you choose as part of a local evaluation.

5.9. If there are additional data requirements for your project mix that are not covered by our list of indicators, we will work closely with you to agree any changes. It is our aim to keep the burden on you to a minimum, so any additional requirements will represent the minimum data required to conduct a robust evaluation of the funds.

Footfall

5.10. For **Future High Streets Fund** places, as per our previous guidance, it is a requirement you contract with a footfall provider for the collection of this data within your relevant area of interest.

5.11. For **Town Deal** places, while contracting a footfall provider is not a condition, it is strongly recommended that you collect footfall data if your interventions are occurring in or around the high street or town centre, or if your intervention is aiming to bring more people to an area.

Submitting your data

5.12. You will be required to submit your monitoring forms through DELTA.⁶ MHCLG will work with you to set you up on the DELTA system and provide instructions on how to complete a return. These returns will need to be scrutinised and signed off by the Accountable Body's Section 151 Officer.

5.13. You may be required to continue monitoring on some outputs for three years following the completion of projects unless agreed otherwise with MHCLG.

⁶ MHCLG is exploring a new digital system for Monitoring & Evaluation and, therefore, this process may change in the future. Supplementary guidance will be issued if so.

6. Your involvement with the outcome and impact evaluation

Your input

- 6.1. We will require your assistance when carrying out the outcome and impact evaluation. This will range from facilitating access to sites and identifying stakeholders for study teams.
- 6.2. There are also a small number of outcome indicators we require you to collect data on, as outlined in the previous section. However, you will not be required to collect any data for the evaluation of any other outcomes, or for evaluating impact, as this will be led by MHCLG.
- 6.3. A sample of places will be interviewed for an 'Outcome Harvesting'⁷ exercise to assess effectiveness and impact of the delivery model on local authorities. This will be led by the Evaluation Provider and take place twice (interim and at the end of the project).
- 6.4. Over the course of the evaluation, the Evaluation Provider will identify places to conduct deep dive case studies with. In these instances, it will be arranged and paid for by MHCLG.

Commissioning local evaluations

- 6.5. Some places may have an interest in measuring different outcome indicators to those mentioned in this guidance e.g. seeing how particular groups have been reached through project activity. If you decide to commission a local evaluation, we would like to work with you to help align it with the data MHCLG will be collating.
- 6.6. Where possible, MHCLG will aim to share data collected from outcomes and impacts with places this will allow for a richer understanding and use of the data collected.
- 6.7. Local evaluations may also want to probe the role of intervention categories in more depth to create the evidence required for a case study and future learning. There is no mandatory requirement for you to carry out a local evaluation.
- 6.8. The What Works Centre for Local Economic Growth provide free support ranging from online evaluation case studies, bespoke one-to-one advice, workshops, and guidance - subject to capacity. Please contact info@whatworksgrowth.org for more details.

⁷ Outcome Harvesting is the process where an external evaluator will obtain information from Local Authorities and key stakeholders using interviews and focus group discussions. The aim of these activities is to identify changes in the actors' behaviours and how the Towns Fund influenced them.

7. How to collect your data

Data collection

7.1. Your data collection should cover Town Deals and/or Future High Streets Fund interventions, as well as Towns Fund accelerated funding projects. Where you are in receipt of more than one fund, you should report these together but distinguish between the two separate funds. I.e. Future High Streets Fund Project 1.

7.2. Table 4 identifies when you will need to complete your first return. For Town Deals places your first reporting will need to capture your Accelerated Funding for financial year 2020/21. Thereafter the reporting periods in Table 5 will apply. You should note that subsequent grant payments will only be made after the full annual reporting cycle has concluded. For some indicators, we will require a baseline. This will either be collected through your first report or through a separate exercise carried out during Summer 2021. We recognise the data available may be limited in your first return, however, it is important you complete the return for assurance purposes.

Table 4: First reporting

First Town Deals or Future High Streets Fund Payment	Baseline Collection Exercise	First reporting
Between 1 st April 2020 – 31 st March 2021	Through first reporting on 1 st June	1 st June 2021, including Town Deals Accelerated Funding data
Between 1 st April 2021 – 30 th September 2021	Summer 2021	1 st December 2021, including Town Deals Accelerated Funding data
Between 1 st October 2021 – 31 st March 2022	Summer 2021	1 st December 2021 (Town Deals Accelerated Funding data only) 1 st June 2022 (for Town Deals and/or Future High Streets Fund data)

7.3. Table 5 sets out the ongoing reporting periods and due dates all places will need to adhere to once their first reporting has been submitted.

Table 5: Reporting periods

Frequency	Reporting period	Due date
6-month reporting	<i>The 6 months relating to:</i> <ul style="list-style-type: none"> 1st April – 30th September 1st November – 31st March 	<ul style="list-style-type: none"> 1st December 1st June
Annual reporting	<i>The financial year</i> <ul style="list-style-type: none"> 1st April – 31st March 	<ul style="list-style-type: none"> 1st June

Data consistency

- 7.4. To provide a robust and informative analysis on the Fund's impact, it is vital that all parties collecting data use the same metrics and appropriate methods. Data collection periods for specific indicators are outlined in Annex 1 where applicable.
- 7.5. You should ensure that you have supporting evidence to validate results, for each indicator you report against (see Annex 1).
- 7.6. If you already collect data on an indicator that is inconsistent with our approach, you will need to align the data collection in line with our criteria. MHCLG is unable to accept data that has not been collected using the same metrics outlined in Annex 1.
- 7.7. There may be some instances where a private partner or other organisation is implementing individual projects. In these cases, you should ensure that you have an agreement, in the form of a contract with the third party on reporting its input, activity and output data to yourselves for collation. Primarily you are responsible for collecting the data set out in Section 5.

Disaggregation

- 7.8. Some indicators you report on will require the data to be broken down by different factors (disaggregated). It is your responsibility to collect the data disaggregated, and therefore you should be aware of this when selecting your indicators. Many of the socio-economic indicators can be disaggregated by sex, ethnicity, age and income level, while a number of the indicators related to businesses can be disaggregated by industry and enterprise size. The level of data disaggregation required per indicator is outlined in Annex 1.

Baseline evidence

- 7.9. For some indicators you will be required to provide baseline evidence. For example, photographic evidence of a site before the project delivery commences. This is outlined in Annex 1. Your M&E plan will identify where you are required to provide baseline evidence and you will need to collect this prior to starting project delivery.

Quality Assurance

- 7.10. Data validation and quality assurance involves checking whether the data collected accurately reflects reality. As a starting point, all data submission returns will need to be scrutinised and signed off by the Accountable Body's Section 151 Officer. Included in the reporting forms is explicit guidance for each indicator covering, definitions, and means of verification.
- 7.11. To ensure the data provided is accurate and can be deemed as reliable in our analysis MHCLG reserves the right to conduct:
- **Site verifications** – this will involve visiting project sites to check whether observations can confirm the validity of data collected.
 - **Data Audit** – this will involve visiting sites to check whether each data point can be evidenced.
 - **Triangulation** – this will involve comparing primary data sets to comparable external sources of data, or with qualitative feedback.

Resourcing

- 7.12. You are required to resource the data collection for Activities and Outputs and a small set of Outcomes. You should ensure this is accounted for in your project planning. In instances where MHCLG requires your support for data collection as part of the wider M&E efforts (e.g. identify

stakeholders to interview), we will put any requests to your project manager and seek to minimise the administrative burden on your staff.

Section C:

Next Steps

8. Learning from your data

- 8.1. The reporting cycle will be supported by regular check-ins with your Area Lead/ Towns Hub/ Future High Streets Fund Delivery Support Managers. This will be your opportunity to ask questions and flag any issues informally to MHCLG in advance of submitting your monitoring reports.
- 8.2. The data you provide twice a year will be collated, aggregated, and stored in our system. Given the depth of data provided, we may categorise it in the following ways for our analysis:
- Fund
 - Project themes
 - Budget size
 - Location
- 8.3. The data will be tracked against fund targets and project level targets. Any indicator that is underperforming against agreed contracted milestones and targets will be flagged at a project and fund level. The severity of the underperformance will be categorised as green, amber or red. Depending on the level of severity, there may need to be changes made at a project level to mitigate impacts and risks. There will be an opportunity to provide information in your returns if milestones and targets need to shift.
- 8.4. For the qualitative feedback reporting you will be able to tag your own responses using a dropdown list of themes that will allow for faster aggregation and analysis of this data. Your Section 151 officer should review the qualitative feedback provided by Local Authorities and alert MHCLG if there are any material concerns or issues being reported.
- 8.5. We will ensure that the data you provide is used continuously throughout the programme for learning, reflection, and project improvement. Currently we are exploring the following options:
- Developing a **dashboard** that will allow users to view the progress of the fund, as well as council-level dashboards. This will allow places to view their progress as well as their performance against indicators. It will provide you with the unique opportunity to actively learn about what interventions are progressing in your local area.
 - Holding **sense making and synthesis sessions** with places on a semi-annual and annual basis, within three months of the reports being submitted. Key lessons and themes uncovered throughout these sessions will be shared with all areas.
- 8.6. If there are any concerns, feedback sessions may also take place with individual councils to discuss the analysis of data, including performance and progress. Should a lack of progress or underspend occur, MCHLG will work with you to agree an improvement plan.
- 8.7. You may be required to provide case studies for communication purposes (see our Branding and Communications guidance) and/or to facilitate peer to peer learning.
- 8.8. MHCLG may make your data available to the public and it may be used to inform public statements.

The role of the Town Board (Town Deals only)

- 8.9. We see a useful role for the Town Deal Board (TDB) in the delivery phase of your Town Deal. They can ensure an element of independent 'on-the-ground' monitoring of your deal delivery and act as a 'critical friend' throughout the programme lifecycle. A regular catch up with your TDB will also allow the TDB to see through the town vision, take ownership of their proposed projects and provide a level of

accountability.

- 8.10. They could be given the opportunity to raise issues related to the progress of capital works or contractual negotiations from the perspective of their organisational members, constituents, or interest groups.

9. Developing your M&E plan

- 9.1. Now you understand the M&E requirements of the Town Deals and Future High Streets Fund, you should start to develop your M&E plan.
- 9.2. For **Town Deals** places, this is a requirement through your Heads of Terms. You will need to submit a draft M&E plan and confirm your indicators when confirming projects for your Town Deal, two months after signing your Heads of Terms. Your plan will be reviewed to ensure your indicators align with the fund level guidance. You should endeavour to quantify your indicators during this stage, but we recognise for some places this will not be possible until business cases are developed. Therefore, you should provide an updated and final plan at the 'Summary Business Case' stage prior to your first payment.
- 9.3. For **Future High Streets Fund** places, aspects of this plan may already be set out in your business cases and you should now use this plan to ensure alignment with this guidance. Your delivery support manager will review your plan with you. You should aim to complete this plan within two months of receiving your grant offer letter.
- 9.4. For places that are in receipt of both funds you will only need to produce one M&E plan. We recognise the two funds are at different stages and therefore, you should follow the timelines for whichever comes first. You should keep your plan updated as you progress throughout the two programmes.

Table 6: Submitting your M&E plan

Fund	Product	When	What we do with this information
Town Deals	Draft M&E plan	Project Confirmation Stage - two-months after signing Heads of Terms	Plan is reviewed to ensure indicators align with guidance and any issues are flagged.
	Final M&E plan	Summary Business Case Stage - within a year of signing Heads of Terms	Plan is agreed prior to first payment. Indicators must be quantified.
Future High Streets Fund	M&E Plan	You should aim to complete this within two-months of receiving your grant offer letter.	Plan is reviewed and agreed to ensure alignment with this guidance.

- 9.5. An M&E plan is important as it will provide you with an outline of everything you need to do to ensure your M&E is done correctly and in a timely manner. A template has been provided at Annex 2 with this guidance that we require you to use, it will confirm the following:
- Projects and spend
 - Indicators you are monitoring per project
 - Target per indicator
 - Understanding of:
 - Definition and required metrics
 - Evidence needed
 - Frequency of reporting

- Who is responsible for collecting it

9.6. We recommend nominating an M&E lead for the Towns Fund. They should ensure the M&E plan is followed and this guidance is adhered to.

M&E resources that you may find useful:

[Better Evaluation](#)

[The Magenta Book](#)

[The What works Centre for Local Economic Growth](#)