

Appendix 3:

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’ (monitoring) 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.

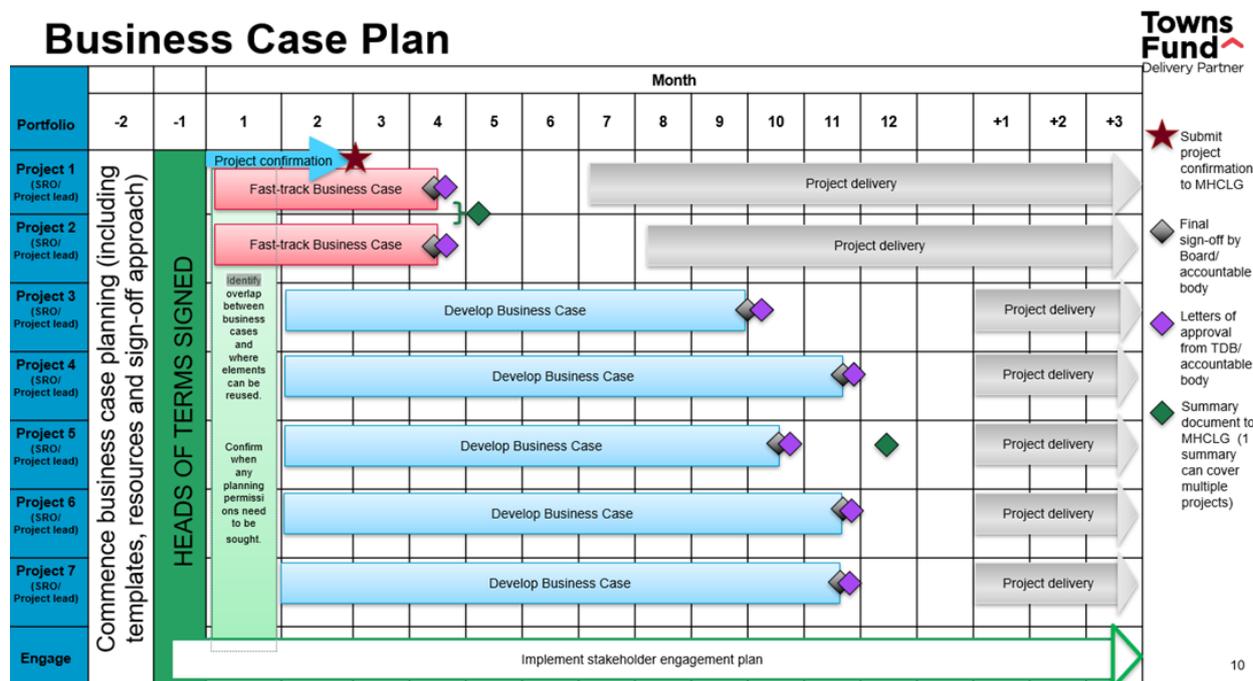
All projects will designate a project lead for their programme and suitable expertise (where required) to develop their proposal to RIBA Stage 2 to 3 (pre planning stage) and their business cases (whether that be internal or through external support).

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



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.

9.5 Town Deal Project Approval Process Flowchart

