

Thursday, 6 October 2022

**Report of the Portfolio Holder for Skills, Planning, Economy & Waste****Gungate Regeneration Programme Terms of Reference****Exempt Information**

None

**Purpose**

To provide Corporate Scrutiny with an update on proposed governance for the Gungate Regeneration programme and an early draft of the terms of reference for any programme governance board prior to consideration by Cabinet.

**Recommendations**

It is recommended that:

1. Corporate Scrutiny Committee reviews and considers the draft terms of reference for the Gungate Regeneration programme
2. Corporate Scrutiny Committee makes any comments and recommendations on how the draft terms of reference might be amended or changed prior to submission to Cabinet for approval.

**Executive Summary**

As a result of comprehensive development work over the past 3 years on the site known as Gungate and the recent Levelling Up Fund round 2 submission to government, the Council is now able to start the creation of a formal governance structure to oversee emerging projects. It is important to start this process in advance of knowing if the Borough Council has been successful with its bid to Government, so that the LUF project can be mobilised as quickly as possible to meet the set timescales should the Council be successful, and an award be made.

The governance approach to the Gungate regeneration programme is still in the process of being finalised. Whilst exact details have not been finalised at this point, the intention will be for the Council, through Cabinet approval, to adopt a term of reference, almost identical in nature to that of the Future High Street Fund (FHSF). These terms of reference will give the agreed governance structure, most likely a Board with a similar function to the FHSF Programme Board, relevant delegated powers of decision making and a framework for financial controls to ensure the programme can progress within its set parameters and detailing the necessary scrutiny arrangements.

This paper is therefore a briefing note on the current position regarding governance rather than the draft Cabinet report planned for November.

**Options Considered**

For ease, the text below is an early draft of a terms of reference, which is almost identical to the one approved by Cabinet for the FHSF programme board. Changes already made or points of further consideration for review, have been marked in yellow.

By the end of September, Officers are also attending an assurance briefing on Levelling Up Round 2, led by Government, to better understand what their requirements for governance and monitoring are going forward. A verbal update on any factors that have changed that may influence the governance and terms of reference since the writing of this brief, will be given by the Head of Economic Development and Regeneration at the meeting.

## GUNGATE REGENERATION PROGRAMME – PROGRAMME BOARD AND DELIVERY TEAM TERMS OF REFERENCE

### **PROGRAMME BOARD TERMS OF REFERENCE**

- 1.0** The Programme Board has a strategic role that includes several responsibilities and accountabilities:
  - 1.1** To provide overall strategic direction and guidance, ensuring that wider factors beyond the scope of the project (such as synergies with other council partners' projects/interventions) are taken into account including the engagement of any key council stakeholders not identified by the Programme Delivery Team
  - 1.2** Ensures appropriate programme and project management systems, processes and procedures are implemented
  - 1.3** Is responsible for the overall success of the programme (i.e. delivery of programme and project outputs and outcomes)
  - 1.4** Approves the scope of the overall programme and projects as prepared by the Programme Delivery Team
  - 1.5** Monitors the master programme and overall programme budget following approval from TBC Cabinet and Full Council respectively
  - 1.6** Approves the expenditure of project budgets at key milestones including:
    - 1.6.1** Appointment of consultant team to undertake the project design and planning process
    - 1.6.2** Expenditure of costs associated with purchase of premises required for the completion of the Programme
    - 1.6.3** To commence the tender for enabling new build projects in line with financial guidance
    - 1.6.4** To award contracts, in line with financial guidance, for the works related to enabling, and new build projects; so long as expenditure is within the overall Programme budget. Is responsible for the commitment of internal council personnel resources as required to successfully complete the projects
  - 1.7** Signs off project plans at the completion of key design and tender stages including:
    - 1.7.1** RIBA Stage 2 or ahead of planning application
    - 1.7.2** RIBA Stage 3 or ahead of main contract tender exercise
    - 1.7.3** Ahead of award of the main contract for the works
  - 1.8** Signs off the completion of each project stage (as detailed in item 1.7) and authorises the start of the next stage (milestone gateway approval)
  - 1.9** Resolves escalated issues from the Programme Delivery Team (i.e. which cannot be resolved by the Programme Manager)

- 1.10** Sets project change authority levels. It is proposed that the following authority levels apply for this programme of works once the main contract budget is set at the end of RIBA Stage 3;
- 1.10.1** Individual changes up to a cap of **£10,000 net cost**, but within the overall project budget can be authorised by the Programme Manager/Programme Delivery Team
  - 1.10.2** Individual Changes up to a cap of **£250,000** net cost, but within the overall project budget can be authorised by the Programme Delivery Team so long as the change is properly costed by the external cost manager and a record of the change particulars is kept along with its approval at the monthly Programme Delivery Team meeting
  - 1.10.3** Individual Changes over **£250,000** net cost but within the overall project budget, and which do not fundamentally change the scope of the programme/outcomes, require the authorisation of the Programme Board prior to the change being incorporated into the programme scope
  - 1.10.4** Any Change which would require expenditure beyond the approved budget would need approval from Council as there is no reserve budget for the Programme beyond the approved budget
  - 1.10.5** Expenditure of contingencies within the overall budget is deemed to be expenditure of the approved budget and therefore will be governed by the same authority levels as detailed in items 1.10.1-1.10.4
- 1.11** Monitors major changes to the project scope and duration, following Cabinet or Full Council approval, which require a revision of the approved planning application or will result in prolongation of the programme completion date beyond that date approved in the master programme at completion of RIBA Stage 2
- 1.12** Approves the key stakeholder and public engagement strategy and programme
- 1.13** Approves the Project End Reports

2. The Programme Board is composed of:

- Chair. Chief Executive Officer
- Executive Director Organisation
- Section 151 Officer
- Executive Director Communities
- Assistant Director Growth & Regeneration or Senior Responsible Officer (SRO) (if different from AD G&R)
- Chief Executive South Staffordshire College – To be agreed dependent upon final projects.
- Leader of the Council or allocated lead Councillor (if different from Leader)
- Appropriate Portfolio Holder(s) - To be agreed dependent upon final projects.
- A.N.OTHER – To be agreed dependent upon final projects.

3. The Programme Board meets monthly unless agreed between attendees that the meeting is not required for any reason. The Programme Board will however meet at a minimum of quarterly intervals.

- 3.1 Should an urgent decision be needed which requires input from Programme Board an ad-hoc exceptional circumstances meeting will be arranged between the

Programme Manager, Chief Executive, Section 151 Officer, **SRO and lead Councillor** to table the urgent issue only, the outcome of which will then be raised for full ratification at the following Programme Board meeting.

## **PROGRAMME DELIVERY TEAM TERMS OF REFERENCE**

4. The Programme Delivery Team manages the delivery at the operational level, which includes the following responsibilities:
  - 4.1 Develops and maintains relevant programme and project management documentation, including:
    - 4.1.1 Programme and project plans (tasks, milestones, and dependencies)
    - 4.1.2 Programme and project budgets and spend profiles / cashflows
    - 4.1.3 Action logs
    - 4.1.4 Instruction forms
    - 4.1.5 Risk logs
    - 4.1.6 Request for change forms
    - 4.1.7 Highlight Reports
    - 4.1.8 Procurement and Fund Monitoring Evaluation Reports
    - 4.1.9 Committee Reports
  - 4.2 Manages the delivery of the programme, projects according to the scope, programme and budget agreed by the Board
  - 4.3 Manages the expenditure of project budgets in line with approvals detailed at item 1.6 above and approves all other project expenditure within the overall approved budget.
  - 4.4 Monitors and controls any change to the scope, budget and time at programme and project level and submits requests for change accordingly to the Programme Board in line with the change authority levels set out in item 1.10
  - 4.5 Refers any issues to the Programme Board– an issue is a threat to the project objectives that has happened and cannot be resolved by the Programme Manager
  - 4.6 Ensures risks are being tracked and mitigated as effectively as possible
  - 4.7 Ensures effective communication between project leads, delivery partners and key stakeholders
  - 4.8 Submits Quarterly Programme Progress Reports to the Board
  - 4.9 Submits six-monthly progress reports to DLUHC or at any other such interval as required once the LUF reporting requirements become clear
- 5.0 The Programme Delivery Team is composed of:
  - Assistant Director: Growth and Regeneration
  - Assistant Director: Finance
  - Head of Economic Development and Regeneration
  - Programme Manager
  - Project Officer
  - **External Consultant - Project Manager**
  - **External Consultant - Commercial Manager**
  - **External Consultant - Property Advisor**
  - TBC – Communications
  - TBC – Administrative Support
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With sub-team members who will be included in all minute's distribution and invited to meetings as required including:

SCC – Highways

TBC – Legal

TBC - Planning  
TBC – Assets  
TBC - Street Scene  
TBC – Procurement

The intention of the Programme Delivery Team composition is that the core team members meet on a regular basis to update on the project progress and any key deliverables which require attention, and the sub-team members will provide ad-hoc support as required and will be continually updated on progress to allow them to input with their area of expertise were appropriate.

The Programme Delivery Team meets monthly with agendas set by the Programme Manager and minutes recorded by the elected minute taker. Project specific meetings will take place more frequently as required.

Quarterly updates on programme performance will be taken to the Corporate Scrutiny Committee.

**Report Author**

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