

Classification: Open	Decision Type: Non-Key
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Report to:	Cabinet	Date: 01 June 2022
Subject:	Regeneration schemes – decision making	
Report of	Leader and Cabinet Member for Strategic Growth and Skills	

1.0 Summary

- 1.1. This report sets out the governance arrangements of delivery of major time limited projects. The Council currently has a number of the major projects are in receipt of time limited funding, in order to successfully deliver these projects we need to be able to make timely decisions to enable these projects to be delivered at pace and in line with the funding requirements set by Government. As part of our successful levelling up bids we have been asked to articulate our governance arrangements, these proposals outline our response.
- 1.2 In order to ensure that we can meet these requirements it is necessary to use single Cabinet member decisions and make minor revisions to the financial approval levels for staff within business growth and infrastructure. The report sets out the current constitutional arrangements which allow for single member Cabinet decision making and recommendations for minor changes to the scheme of delegation.

2.0 Recommendation(s)

- 2.1 Agree the outline amendments to the financial regulations as set out in paragraph 10 of this report
 - Assistant Director(s) of Regeneration – delegated authority to make decisions involving spending up to £75k
 - Head of Levelling Up Project Delivery – delegated authority to make decisions involving spending up to £75k
 - Regeneration Project Managers – delegated authority to make decisions involving spending up to £50k
- 2.2 Note the governance arrangements in place for the delivery of major time limited regeneration schemes.

3.0 Reasons for recommendation(s)

To ensure and facilitate timely decision making as set out in the summary section of this report.

4.0 Alternative options considered and rejected

Keep existing governance arrangements in place. This was rejected, this matter has been considered in detail by the Regeneration Board and the service has set out a series of concerns if revisions are not made. The inability for project officers to process payments will lead to delays in the delivery of the project. Delays in decision making will have an overarching impact on the delivery of the projects with the timeframes set by Government.

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5. Background

- 5.1 To ensure robust governance arrangements for our complex strategic projects the Chief Executive has established a senior officer Regeneration Board. which he chairs. The terms of reference are appended to the report (see appendix 1). At the Board it was agreed that a review of the local authority's existing scheme of delegation be undertaken to identify the potential changes needed, to facilitate the timely delivery of the various major regeneration projects falling within the Board's remit.
- 5.2 In bringing forward this report officers have drawn on the direct experience gained from the Mill Gate and Bury Market Flexi Hall, Radcliffe Town Centre and the Prestwich Town Centre regeneration projects, and the experience of other local authorities has formed the basis of a number of suggested minor changes to the existing scheme of delegation. It is proposed in line with the current constitutional arrangements there would be single Cabinet decision making.

6. Current issues with delivery arrangements

- 6.1 As the Council's three main regeneration projects (e.g. Mill Gate and Bury Market Flexi Hall, Radcliffe Town Centre and Prestwich Town Centre) enter into the delivery phase, it is essential that the appropriate Council officers are able to make operational project related decisions on a timely basis. There are four main reasons why this is important.

- The external funding provided via the Government's Levelling Up and other time limited external funds is conditional on the Council being able to spend this money and deliver the associated regeneration outputs/outcomes within specific challenging timescales. Failure to meet these timelines and the associated outputs/outcomes could ultimately result in 'Levelling Up' and other external funding being withheld or even clawed back from the authority. It will also potentially undermine confidence in the Council thus potentially negatively impacting on future competitive bids for government funding.
 - The Council has already or is about to enter into contractual relationships with a number of delivery (e.g. Vinci Construction) or JV partners (e.g. Muse). These contractual relationships will require the Council to make decisions in a timely manner, in order for partners to deliver the projects on time and within budget. Failure to do so is likely to have financial implications for the Council and potentially result in delays in delivering the projects and associated regeneration outputs/outcomes. Failure to make decisions in a timely manner will also potentially undermine confidence in the Council by its delivery partners, thus potentially impacting on market interest in future regeneration and other schemes.
 - Regeneration projects often require the acquisition of land or property from private landowners/landlords together with the relocation of commercial tenants from existing buildings. Failure to act in a timely manner can often result in landowners being unwilling to deal with the local authority or disposing of property to third parties, able to move more quickly or the Council being able to obtain vacant possession of buildings it needs to deliver key elements of major regeneration schemes.
 - The potential reputational damage to the local authority of failing to meet key regeneration milestones (e.g. relocating tenants, delivering new buildings or public open spaces) in line with published milestones.
- 6.2 Despite just beginning to enter the delivery phase of the various key regeneration projects, the situation is likely to get more challenging as we move forward particularly with the Vinci design and build contracts which already have Cabinet approval. This is because under the Pre Contract Services Agreement appointment process, the works are staggered and thus it is essential that the instructions raised to progress the work (design, planning, construction etc.) are done in a timely manner and are not subject to delays by needing to secure Cabinet approvals. An example of this is the intrusive survey works needed for the Market Chambers and Market Basement elements of the Radcliffe scheme.

7 Cabinet decision making – what our constitution says

- 7.1 Under the Leader and Cabinet model of governance, the Leader can allocate decision making power to individual Cabinet Members as well as to other committees (for example, Strategic Commissioning Board or Locality Board).

- 7.2 While decisions of the Cabinet or these other Committees will be made during pre-scheduled meetings, individual Cabinet Members may make decisions at any time in accordance with the relevant Regulations.

8 Timescales involved

- 8.1 All Key Decisions (i.e. those with financial implications of £500k or more or deemed to be otherwise significant) need to be included on the published Forward Plan for 28 days before the decision can be taken. This applies whether the decision is taken by Cabinet, an individual Cabinet Member, or another Committee with delegated executive powers.
- 8.2 As this timescale must be observed for every Key Decision, utilising the individual Cabinet Member Decision-Making process is the fastest way to get a decision made. This is because it can be signed off and published as soon as the 28 day period is ended, rather than then waiting for a Committee date closest to the end of the 28 day period.

9 Outline of Process

- 9.1 As soon as Democratic Services is notified of a Key Decision they can add it to the Forward Plan and the 28 day period begins.
- 9.2 At this point, Democratic Services need to know the report title, who the decision maker is, when the decision will be made, who the report author is, and whether the report is confidential. They do not need the full decision report, nor details of exactly what that decision will entail.
- 9.3 Once this 28 day period has elapsed, the decision can be signed off by the Cabinet Member and Democratic Services can publish it online. A five clear working day call-in period is then observed for the purposes of scrutiny, after which the decision can be acted upon. This is fastest any Key Decision can be made.
- 9.4 In each case the relevant decision would have to be compliant with the Council's procurement processes, be within budget, relate to a previous Cabinet decision and be supported where appropriate with an independent valuation for the acquisition, disposal or compensation payment in relation to property transactions.
- 9.5 These proposed changes would allow the Council and its Regeneration Board to authorise significant expenditure in line with previous Cabinet decisions and give greater delegated authority to project managers to make the day to day operational decisions needed to keep regeneration projects on track.
- 9.6 Urgency procedures would be the same as currently, with approval from Opposition Leaders and the relevant Scrutiny Chair required to agree urgency (thereby waiving the 28 day period and the 5-day call-in) and sign off required from the relevant Cabinet Member. Democratic Services would then publish the decision as normal.

9.7 The main benefit of using individual Cabinet Member decisions is the speed of decision making, as outlined. It is also worth noting that this decision making route already exists and would require no new processes or changes to the constitution. Opposition party leaders would be updated by existing portfolio arrangements, the Chief Executive will continue to brief opposition Leaders personally where matters of a special or strategic importance arise.

10 Recommended changes to the Council's existing Scheme of Delegation

- Assistant Director(s) of Regeneration – delegated authority to make decisions involving spending up to £75k
- Head of Levelling Up Project Delivery – delegated authority to make decisions involving spending up to £75k
- Regeneration Project Managers – delegated authority to make decisions involving spending up to £50k

Links with the Corporate Priorities:

The regeneration schemes across the Borough supports delivery of the Let's Do It strategy and the five themes that underpin the plan.

The five themes all have a correlation to how we design our Towns. As we move towards a future in urban areas where people travel less, buy locally, work and access local services, we need vital and liveable neighbourhoods. This means the Council must think carefully about neighbourhoods and how they can be either built or re-designed to work well. The five themes are summarised below and how they link into the vision for Bury.

1. **Healthy Communities:** The delivery of the Bury Market and Flexi Hall and Radcliffe projects will provide community infrastructure including civic facilities and other health related services will be a true connection to the community. The implementation of active travel, walking and cycling routes connecting people with local amenities and increasing the availability of public open space will enable the community in Bury Town Centre and surrounding suburban area to reconnect and thrive.

2. **Carbon neutral:** We need to use every opportunity to ensure that development in Bury on our land is carbon neutral and prioritises active travel.

3. **Inclusion:** Making sure that everyone's voice is heard, this will absolutely be a focus through the Consultation of the levelling up project delivery.

4. **Digital first:** The full fibre roll out has enabled access to faster speeds and future-proofed infrastructure. This presents an excellent opportunity for the businesses and community with Bury Town Centre being the ideal location to cultivate new business growth, encourage start up SMEs, promote digital growth, and deliver tech enabled employment space.

5. **Inclusive Growth:** The project will include investment in physical infrastructure (roads, cycle facilities and public realm); creating more flexible and innovative/digital workspaces to encourage more businesses to open and remain in Bury; to ensure residents have the best chance to access good jobs.

Equality Impact and Considerations:

There is no equality impact or considerations to this decision however full EIAs are and will continue to be considered in relation to each specific regeneration project.

Environmental Impact and Considerations:

There is no environmental impact or consideration to this decision however full environmental impact and considerations are and will continue to be considered in relation to each specific regeneration project.

Assessment and Mitigation of Risk:

Risk / opportunity	Mitigation
There is a risk that we will not meet funding agreement timescales if decisions are not made in a timely manner	Ensure senior review of decisions by the Regeneration Board

Legal Implications:

1. The legal issues are set out in the body of this report.

Financial Implications:

2. The changes within this report change financial delegations but do not alter budget holders' responsibilities in terms of ensuring value for money and that all expenditure is appropriately and legally incurred and is within the existing budget.

Background papers:

Please include a glossary of terms, abbreviations and acronyms used in this report.

Term	Meaning

