

CABINET

Agenda Item: 6

Ward: All

Portfolio: Economic Development

Report Author(s): Cllr Simon Carswell
Portfolio Holder- Economic Development

Meeting Date: 20 June 2022

SUBJECT: Glastonbury Town Deal – Project Confirmation following development of Business Cases

Internal Use Only: Please complete sign off boxes below prior to submission to Democratic Services			
	Seen by:	Name	Date
Officer Sign off	Chief Executive/ Deputy Chief Executive(s)	Claire Malcolmson	06/06/22
	Legal	Lesley Dolan	06/06/22
	Finance	Richard Bates	06/06/22
	Head of Service Planning & Growth	Julie Reader Sullivan	04/06/22
	Elected Member Sign off	Portfolio Holder/ Leader of the Council	Cllr Simon Carswell
	Ward Member(s) (if appropriate)	N/A	
Summary:	<p>This paper relates to the Glastonbury Town Deal (GTD).</p> <ul style="list-style-type: none"> Glastonbury is one of 101 Towns selected by Government to bid for up to £25m from the Towns' Fund to support growth and reduce deprivation Accelerator Projects (£0.5m), submitted in August 2020 have been completed, including renovation of part of Building C of the Red Brick Building, the Glastonbury Way, St Edmunds Hall, Herbies Field and Town Centre refurbishments The Town Investment Plan (TIP) for £24.5m was submitted on 29 January 2021 and makes the case for considerable government investment, to improve the indices of deprivation and 'level-up' the town as a whole. Government agreed the projects in June 2021 and then the Treasury Green Book Business Case has been completed for the projects, as required. This paper presents 10 of the 11 projects with the final one following at July Cabinet as a short extension has been agreed with Government for this project. These projects have been reviewed by the Glastonbury Town Deal Board, Scrutiny Task & Finish Group and the S151 Officer. Other organisations that have reviewed the projects are listed within the Project Summary Documents at Appendix A. 		

Recommendation:	<p>Cabinet is asked to:</p> <p>1. Confirm that the 10 Business Cases for the Glastonbury Town Deal can proceed for final sign off by the Department for Levelling Up, Housing and Communities (DLUHC).</p>
Direct and/or indirect impact on service delivery to our customers and communities:	<p>This Government investment of £23.6 million plus the £500k of Accelerator funding will have significant positive impact for the residents and businesses in Glastonbury and within the wider Somerset area.</p>
Contribution to Corporate Priorities:	<p>The Glastonbury Town Deal is a Corporate Priority</p>
Legal Implications:	<p>SHAPE Legal have been involved where required within the Glastonbury Town Deal process and this will continue into the Delivery phase.</p>
Financial Implications:	<p>The S151 Officer attends the Glastonbury Town Deal Board meetings and has been involved in the process of developing the Business Cases and ensuring that financial processes are in place to support the significant Government investment in Glastonbury.</p>
Climate Change Risk and Opportunities:	<p>In light of the Council's climate emergency declaration and emerging strategy, the Council will look to make a positive contribution towards the global transition into a low carbon economy.</p> <p>Officers will continue to work across groups and with business partners to ensure climate strategy objectives are recognised and observed in all council practice across the authority.</p> <p>The projects within the Glastonbury Town Deal all contribute to the Climate Change Agenda. The Climate change toolkit has been completed</p>
Impact on Service Plans:	<p>The Glastonbury Town Deal has required resources from other Teams within the Council and this is greatly appreciated.</p>
Value for Money:	<p>The Benefit Cost Ratio for all the projects indicates that the funding support enables these projects to be delivered and therefore is excellent value for money.</p>
Equalities Implications:	<p>There are no specific impacts arising from this report, however, there are equalities assessments for each project and there has been significant support from the SCC Equalities Officer</p>
Risk Assessment and Adverse Impact on Corporate Actions:	<p>The Glastonbury Town Deal has required additional resource from within MDC and this has been managed internally</p>

Scrutiny Recommendation (if any)	The Scrutiny Task & Finish Group made recommendations which have been incorporated into the versions of the Business Cases available as confidential papers
---	---

INTRODUCTION

Glastonbury Town Deal

Under the auspices of the government’s Town’s Fund, Glastonbury Town Deal Board and MDC submitted the Town Investment Plan for Glastonbury on 29 January 2021. The plan has the following vision and objectives:

Glastonbury will be a sustainable, prosperous, modern town and global tourist centre, drawing on its rural landscape, history and unique legacy.

The objectives to support this vision are to:

1. **Tackle Climate Change** and contribute towards Glastonbury becoming a carbon neutral town by 2030.
2. **Grow the Economy** by investing in the regeneration of buildings.
3. **Reduce deprivation** and improve the Indices of Multiple Deprivation position for the town, by improving economic opportunity for all.
4. **Improve Health and Wellbeing** by providing better spaces for formal and informal activities.
5. **Enhance Cultural Offer and Branding** by investing in COVID-19 safe attractions.
6. **Solve Transport Issues** by delivering a green transport solution for tourists and residents.
7. **Address COVID-19 Recovery** – helping the town recover from COVID-19 impacts.
8. **Deliver the Enabling Projects**, laying foundations for longer term investment and economic development activity.

It now covers 11 projects which have been shortlisted after a Call for Expressions of Interest process that attracted much support from across the Glastonbury community. The projects, which will be delivered through a variety of partnership arrangements are:

- Regeneration of the historic Baily’s Buildings
- Establishment of the Glastonbury Enterprise and Innovation Hub
- Regeneration of Building C to establish The Life Factory
- Glastonbury Clean Energy
- Robert Richards Initiative
- St Brigid’s Chapel and Field
- Glastonbury Food & Regenerative Farming Centre
- An Enabling Project
- Glastonbury Abbey Piazza
- St Dunstan’s Community Health and Wellbeing Centre
- Glastonbury Community Sports and Leisure Hub

The Glastonbury Town Investment Plan originally comprised twelve projects. Following the receipt of a detailed Feasibility Study and discussion at the GTD Board meetings on 29 April and 27 May 2022, the Transport and Travel project was taken out of the Plan. Negotiations are

ongoing with government and a Project Adjustment Form, which recommends that the funding associated with the Transport and Travel project can be used appropriately with other projects in the GTD, will be submitted for approval. This approach has also been agreed with MDC's Section 151 Officer.

All projects in the Town Investment Plan were in outline and subject to change as the details were being developed for the Project Business Cases. Unfortunately, it was not possible for the Glastonbury Environment Centre to progress. Following a GTD Board decision on 4 February 2022, and with the approval of government and MDC's Section 151 Officer, it was decided that the project would be retitled 'The Robert Richards Initiative' and that it would use different delivery mechanisms to deliver the same outputs and outcomes agreed for the original version of the project.

THE PROCESS

Consultation

There was a great deal of consultation undertaken with the Glastonbury Community – both residents and businesses, alongside relevant stakeholders in order to develop the projects detailed in the Town Investment Plan which is available at [Glastonbury Town Investment Plan - Mendip District Council](#)

Summary of offer

On 8 June 2021, advice was received that the majority of the spend proposed for the Plan had been approved, under a Heads of Terms offer letter. There were also straightforward conditions associated with two projects: The Enabling and Food and Regenerative Farming Projects.

The Glastonbury Town Deal ("GTD") Board approved an 'across the projects' reduction of 3.66% to bring the budget back in line, with the offer in the Heads of Terms letter. This was confirmed and submitted to government with the Heads of Terms agreed by the end of July 2021.

Confirmation Process

Following the Heads of Terms agreement, a further requirement was completed by the end of August. This was the Project Confirmation Process – the Board and the Section 151 Officer reviewed all the projects and their budgets again, both as a Board exercise and directly with the projects themselves. The relevant paperwork was submitted at the end of August 2021 and formal agreement in the form of a Grant Offer letter was received back from government on 11 November 2021. This means that the government has confirmed that it accepts the outputs and outcomes from the 12 projects which can now not be changed substantially. Although they could be shaped further as the input of the community was sought. The next stage in the process was the requirement that a Treasury Green Book Business Case was completed for each project, and this is now complete. The Business Cases are now progressing through the agreed local assurance process.

What is a Treasury Green Book Business Case?

These Business Cases are essentially Investment Plans and provide more detail on each project to justify the government's investment. A Business Case is:

- A working document
- Provides a framework for structured thinking and assurance so that projects are strengthened and more likely to succeed
- Enables a Project and its stakeholders to understand, influence and shape the scope and direction of the project from the start

- A ‘thinking and learning’ exercise which results in a well-scoped and planned project supported by a solid evidence base
- A process which assists decision makers to commit resources to schemes which are viable and should proceed
- A journey which will deliver assets followed by clear and measurable social, economic and environmental outcomes that provide social and financial value

These Business Cases consist of five parts:-

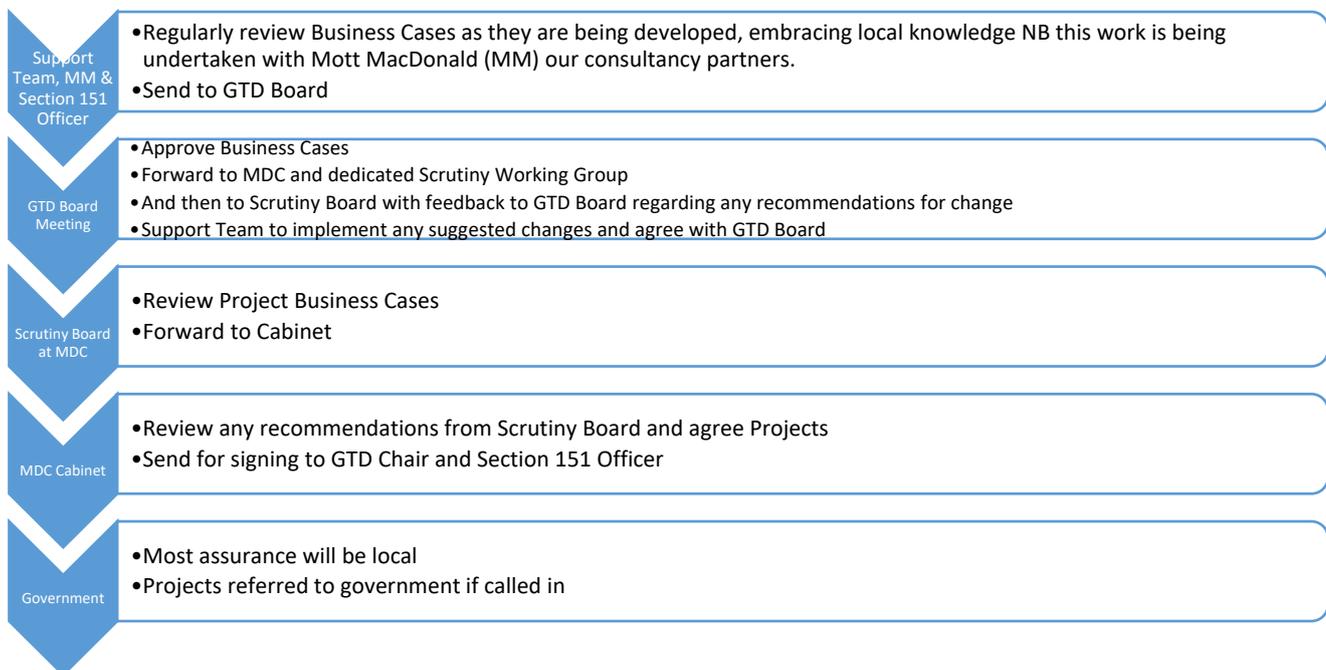
- Strategic Case – is the project needed?
- Economic Case – is it value for money?
- Commercial Case – is it viable?
- Financial Case – is it affordable?
- Management Case – it is achievable?

Completing them is also a useful exercise for everyone involved as detail is developed around risk, social value, community engagement and matters such as cost of construction etc.

Assurance Framework

Mendip District Council is the Accountable Body for the Glastonbury Town Deal and works with the Glastonbury Town Deal Board which provides an advisory function and is accountable to the community.

The Section 151 Officer has worked with colleagues nationally and within MDC, along with the Glastonbury Town Deal Support Team, to develop the local Assurance Framework which will provide the approval process for projects as they complete their Business Cases. The dedicated Scrutiny Working Group will be established over the next few weeks. The South West Audit Partnership (SWAP) are also involved and the process in outline is below:



Support from MDC

Altogether the Glastonbury Town Deal is a significant Programme for MDC and eventually different departments will be involved in its delivery. The Section 151 Officer, Planning, Property, Procurement and Legal groups have been integral to developments thus far. The Internal Audit Team at SWAP continue to provide challenge and support. Dedicated support from the finance team will also be important as the Programme develops and proceeds.

PROJECT SUMMARY DOCUMENTS & BUSINESS CASES

As already stated, the Projects in outline were agreed by Government in 2021 and a rigorous internal assurance process has been followed as detailed above. Appendix A contains the 10 Draft Project Summary Documents for Cabinet to approve, following review of the full Business Case process for all projects as detailed in the above section.

The Project Summary Documents are a requirement for Government. It is hoped that funding for the projects to commence will be made available in Autumn 2022. Sustainability and support to help the whole Community, alongside clear economic benefits are themes that boundary all the projects and there is a great deal of collaborative working ongoing between the projects.

Those projects where Planning Permission is required are already working through this process and all have received Pre-Application advice from the LPA.

The Business Cases are available for Councillors to review but they are marked as Confidential because they contain exempt information. Exempt Information is defined under Schedule 12A of the Local Government Act 1972, in this circumstance it specifically relates to Category 3 – *Information relating to the financial or business affairs of any particular person (including the authority holding that information)*. If Members wish to discuss any of the information contained within the confidential appendices, then a resolution will need to be passed for the meeting to go into confidential session. It should also be noted that the format of the documents is that required by Government. When looking at the Benefit Cost Ratio (BCR), this is a standard formula that must be used and applied. For a project to progress, the BCR must be between 1 and 3.9.

All Projects are also working closely with a Match Funding expert organisation in order to maximise the opportunity that the Glastonbury Town Deal provides.

The next stage, which is underway, is to develop detailed Delivery Plans for all projects and begin to develop the opportunities for occupation of the new Business Space that will be available,

A short presentation will take place to Cabinet on 20th June in order to clarify the projects and process undertaken in line with the Towns Fund guidance.

A video about the Town Deal is also available at <https://youtu.be/epmSOkP2CM0>
This provides a useful overview of the projects and the process undertaken to this point.

CONCLUSION

The Glastonbury Town Deal provides a ‘once in a lifetime’ opportunity for a town the size of Glastonbury. As a town with a population of just under 9,000, the award of £23.6m is one of the larger Town Deal awards. There has been considerable work by all involved to get things to this stage and further effort will be required to ensure that Project Summary Tables are submitted to

government by 30 June 2022, with the expectation the projects could potentially start around late autumn 2022. Cabinet is therefore asked to support the Projects as detailed in the recommendations below.

RECOMMENDATIONS

Cabinet is asked to:

1. Confirm that the 10 Business Cases for the Glastonbury Town Deal can proceed for final sign off by the Department for Levelling Up, Housing and Communities (DLUHC).

REASONS FOR RECOMMENDATIONS

The paper provides an update for members on various aspects relating to the Economic Development Portfolio.

Contact Officers: Julie Reader-Sullivan

Extension: 41212

List of background Papers: None – documents are referred to within the paper