

## **CABINET – 10TH FEBRUARY 2022**

### **Report of the Scrutiny Commission**

#### **ITEM 12      LOUGHBOROUGH TOWN DEAL**

##### Purpose of Report

To consider the comments and recommendations of the Scrutiny Commission in relation to the Loughborough Town Deal report.

##### Recommendation of the Scrutiny Commission

That the Cabinet be informed that the Commission welcomes and supports the recommendations set out in the report of the Head of Planning and Regeneration.

##### Reason

The Commission, having carefully considered and asked questions on the report felt the Cabinet should approve the recommendations set out.

##### Meeting Discussion

- i. The early proposals for a Developer Accelerator project had not been included in the approved Town Deal following consideration by the Town Deal Board and Ministry of Housing, Communities and Local Government. The Developer Accelerator concept had been to provide a substantial funding pot which could be used to pump-prime regeneration schemes in Loughborough. It would be a catalyst for schemes which were looking to progress but being affected by viability issues, such as land values. The Developer Accelerator would potentially have increased the pace of progression of regeneration schemes but complexities around identifying suitable development partners meant that the project concept was not advanced and refined enough to be suitable for inclusion within the Town Deal. The Town Deal had a value of £16.9 million and did not allow scope for an Accelerator of a scale originally intended and which would have significant impact.
- ii. New developments in the Loughborough town centre had been required to contribute financially to public realm improvements through planning obligations secured by S106 agreements. Some of the Loughborough Town Deal projects, such as Lanes and Links and Living Loughborough may be suitable to benefit from this funding.
- iii. The Loughborough Town Deal Board was responsible for decision-making associated with the programme and the Council was accountable for governance arrangements and funding. The Loughborough Town Deal Board had commissioned a Delivery Sub-Group which consisted of some of the independent members of the Board, in order to approve business cases and

submissions to the Department of Levelling Up, Housing and Communities (DLUCH) and to monitor project delivery on behalf of the Board.

- iv. The process of progressing projects as part of the Loughborough Town Deal had included numerous evaluations by the Delivery Sub Group, the Town Deal Board and the government. Projects were only able to receive funding following the submission of a Project Initiation Document and a full Business Case. Business cases were checked against the HM Treasury 'Green Book' standard by an independent consultant and then approved by the Delivery Sub-Group and the S151 Officer at the Council. The Department for Levelling Up, Housing and Communities (DLUHC) were then able to approve projects for the release of funding.
- v. The Loughborough Town Deal was a five-year programme, due for completion in 2025/26.
- vi. It was recognised that all projects involved some risk and therefore not all of the capacity funding provided by the Board had been allocated so as to provide contingency later in the programme in order to support the successful completion of projects.

#### Policy Justification and Previous Decisions

Scrutiny Commission Procedure Rule 11.12 sets out the procedure by which a report of a Scrutiny Committee should be considered by Cabinet.

#### Implementation Timetable including Future Decisions and Scrutiny

The information in the Cabinet report is not affected by the recommendation of the Scrutiny Commission.

#### Report Implications

The following implications have been identified for this report.

#### *Financial Implications*

There are no further financial implications associated with the recommendation of the Scrutiny Commission.

#### *Risk Management*

There are no specific risks associated with the recommendations of the Scrutiny Commission.

Key Decision: Yes

Background Paper: Scrutiny Commission Minute 94 2021/22, 7th February 2022

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