

Stage 2 – Business Case Template

Business Case template (optional) to be used by Towns as guidance for structuring their business cases

Version 4: 19 August 2021

DRAFT

VERSION CONTROL

Document version	Publication date	Description of changes	Modified by
1	8 th March 2021	First release of the <i>Stage 2 – Business Case Template</i>	TFDP
2	25 th March 2021	Updates to the Strategic Case, Financial and Commercial Cases to provide additional context and guidance for these cases	TFDP
3	24 th June 2021	Updates to the Economic Case with the new example summary table, as well as confirmation of the price year of economic costs and benefits (2021 prices).	TFDP
4	19 th August 2021	Updated with the revised Annex C – Summary Document template	TFDP

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FOREWORD FROM TFDP

Writing a business case

A business case is a document that captures the rationale for investing in a project, how it fits into the overall strategic context of the town's development, as well as the benefits it will deliver. The business case also captures how the project will be financed, procured, and managed.

This means that the development of a business case should not be considered a hurdle to be overcome, or simply a 'box to tick'. It is a key document that allows you to make good decisions by structuring and capturing your thinking for a project, ensuring all stakeholders understand and are aligned on the why, what, and how of the project. It can help you to quantify the opportunity, prioritise your activities and capture key assumptions and risks.

A business case should be something you refer back to as you progress through project development and into project delivery – it shouldn't just be something that is produced to gain approval and then forgotten about.

Importantly, the production of a business case should not be an activity to be 'feared'. You may have experience of having read some very long, complex business cases in the past but that does not mean that all Business Cases have to be soulless and dull! A business case must tell a story – and, ultimately, demonstrate that your ideas will enable you to meet your goals.

Think of your business case as a tool to make good decisions - the process of developing and writing the business case helps to clarify the next level of detail of your thinking, and as Eisenhower said: plans are nothing, planning is everything.

Using this Business Case Template

We have developed this template to help towns have a sound structure for developing their business cases in line with government guidance and best practice. You should adapt it to your needs and specific cases, and we have attached a 'Proportionality Guide' that helps you consider the level of detail required for business cases of different values or levels of complexity.

There are two important things to note:

1. **This Template is optional.** It should be useful as a guide and prompt in preparing your business cases, but it is not a requirement of MHCLG or TFDP.
2. **Towns are not required to submit their business cases to MHCLG unless it states so in their Heads of Terms agreement.** Business cases are signed off locally, and should be prepared in line with local requirements and assurance processes. You should engage early with your representative from your accountable body (e.g., your S151 officer) to confirm what these requirements and processes are.

BUSINESS CASE TEMPLATE GUIDE

Purpose of this Guide

- Developed by the TFDP to support Towns in producing Business Cases which cover a common standard of requirements to align with HM Treasury's Five Case business case model.
- Neither exhaustive nor comprehensive, but it provides a common roadmap of the main components that should be addressed
- Should be used alongside HM Treasury's Green Book Guidance and other key Government guidance documents, including:
 - Business case project guidance
 - MHCLG guidance
 - DfT Transport appraisal guidance (where relevant)

How to use this guide (what it is and what it is not)

- **Usage of this guide is optional.** Towns may choose to use it to support their business case development. Given that assurance and sign off processes are locally-defined, Towns should agree whether this template is appropriate for their business cases with their local assurance and sign off stakeholders.
- The **Proportionality Guide** appended to this Template should help you determine the level of detail required for each business case.
- This template has been prepared for individual projects, in line with the MHCLG Stage 2 guidance. However, if a project consists of a package of smaller interventions, these can be grouped into one business case, as long as a strong strategic case is put forward demonstrating how the separate interventions link together to deliver a coherent vision. The value for money assessment must cover the project as a whole, but each intervention must be costed in the Financial Case. Please get in contact with your TFDP business case specialist if you have questions about adapting this template for a programme business case. You can identify your local business case support specialist through your Town Coordinator.
- Towns should use their best judgement regarding emphasis and levels of detail for each section, which should vary depending on the case and type of project. Note that the level of detail should be proportional to the size of the project.
- Towns should adapt tables or formatting however they see fit; this is in no way a style or formatting guide.
- Questions regarding the use of this template or its contents should be directed to your local business case representative.

BUSINESS CASE TEMPLATE

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EXECUTIVE SUMMARY

[introduction (background to Towns Fund) + description of the project + summary of business case]

STRATEGIC CASE

[summary of the case for change]

[summary of the national, regional, and local policy drivers]

[summary of the project vision and SMART objectives]

[summary of the proposed project outcomes, outputs, and interdependencies]

[summary of stakeholder views]

ECONOMIC CASE

[options /scenarios considered in appraisal]

[summary of economic benefits considered, both local and national]

[summary of economic costs, including optimism bias]

[value for money assessment, with key results. A table could be included with key results]

[consideration of place-based impacts]

[discussion of sensitivity tests]

FINANCIAL CASE

[summary of costs]

[summary of revenues]

[summary of how the project will be funded]

[financial risks and mitigation plans]

COMMERCIAL CASE

[commercial feasibility of projects]

[contractual issues and high-level approach]

[procurement strategy and key risks, including risk transfer strategy and mitigation plans]

MANAGEMENT CASE

[governance arrangements, including key roles and responsibilities]

[programme and timeline for delivering the project included]

[approach to project management outlined, demonstrating capability for delivering the project]

[key stakeholders identified, and stakeholder engagement strategy presented]

[key risks identified]

[project interdependencies identified]

[quick summary of benefits realisation plan and monitoring and evaluation strategy developed]

INTRODUCTION

[short introduction]

[INTRODUCTION]

[background to Towns Fund and Stage 2 process]

[who is the scheme promoter and accountable body for the project]

[The Project]

[summary of the scheme]

[This Business Case]

[structure and content]

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STRATEGIC CASE

PRACTICE NOTES

The Strategic Case sets out the rationale for proposed investment.

A lot of the information relevant for the Strategic Case will have been set out in the TIP, including:

- Evidence of need
- Key policy context
- Overall vision and objectives
- Option for investment and how it was identified
- How option will help achieve objectives

The information from the TIP relevant to this project should feed into the Strategic Case, focusing on the aspects unique to the project.

Note that specific project objectives will need to be identified in this business case (in addition to the TIP vision and objectives).

This case should state the key stakeholder groups and particular business partners and how they've influenced, shaped, and supported project scopes.

The Strategic Case should clearly demonstrate a golden thread of evidence of need → vision and objectives → proposed investment → outcomes and impacts.

STRATEGIC CASE

[summary of Strategic Case]

INTRODUCTION

[purpose of the strategic case]

The Strategic Case of this FBC will firstly articulate the issues and constraints arising from the current status quo to demonstrate the need for investment, including market failures and issues exacerbated by the Covid-19 pandemic.

Next, it will demonstrate the scheme's synergy and holistic fit with other projects and programmes being led by RBC, as well as relevant local, regional, and national policy.

From this, the rationale, vision, and objectives of the proposed investment will be defined, with these being entirely SMART – specific, measurable, achievable, relevant, and timebound.

Next, detail on the proposed investment will be provided, summarizing the difference in outcomes between Do Nothing and scheme delivery scenarios as well as the benefits, risks, constraints, and dependencies associated with the proposed scheme.

Lastly, stakeholder involvement so far and future engagement plans will be provided to demonstrate the scheme has both public and key stakeholder buy-in.

CASE FOR CHANGE

[existing arrangements - current context and challenges]

[future needs, barriers, and opportunities]

[consider how market failures and COVID-19 influence the case for change]

Redditch was designated as a New Town in 1964, resulting in rapid population growth through housing developments built to accommodate overspill from the expansion of Birmingham. At the time, it was considered a flagship example of modern urban planning, with wide roads and Brutalist architecture associated with the era. Since then, Redditch has suffered from decades of underinvestment and a legacy of car reliance.

Today, Redditch is facing significant challenges exacerbated by the Covid-19 pandemic and regional economic issues. These include ageing building assets, growing town centre vacancies, poor quality public realm and a weak leisure / food and beverage offer compared with other competing local centres..

Redditch Town Centre enjoyed considerable investment during the town's designation as a New Town in the 1960s, however, this investment has left a mixed legacy of opportunities, strengths and challenges. Much of the built environment in the town centre is underused and poorly connected to adjacent areas including the rail and bus station, particularly by active travel modes (walking and cycling).

Pre COVID-19, Redditch Town Centre performed at similar levels to national averages in relation to retail vacancy rates (both Great Britain and Redditch had vacancy rates at around 13%¹). However, this figure worsened to 16% in October 2020 whilst the national rate was forecast to experience a vacancy rate of 14%², suggesting that Redditch town centre fared worse than the national average during the 2020 pandemic. High vacancy rates can further exacerbate people's negative perceptions of a location as a location to visit and shop further impacting footfall and retail spending in a self reinforcing downward spiral.

¹ Redditch Borough Council data compared to Local Data Company data
<https://www.localdatacompany.com/blog/retail-outlook-for-the-end-of-2020>

² Where will covid-19 leave the retail and leisure market at the end of 2020? The local data company 2020
TFDP Stage 2 – Business Case Template

Residents note that poor public realm and resultant sense of reduced safety contribute to a lessened desire to be in the town at night³. Insufficient late-running public transport was a recurring theme in the stakeholder engagement highlighted as a barrier to staying out late in Redditch⁴. A limited number of evening town centre attractions and the lack of uses (such as food & beverage) that increase ‘dwell time’ in the town centre have increased its lack of appeal to residents, visitors and shoppers - these have also been flagged by residents as an issue that limits the vibrancy and vitality of the town.

There is a need to provide an attractive ‘canvas for public life’ in Redditch, by creating an environment highly attractive for people to live, work and invest, integrating the town centre much more successfully with neighbouring areas. There is an opportunity to rejuvenate the public realm as part of a wider Redditch Town Centre regeneration initiative which aims to significantly increase density, population and vitality of the town centre. Without action, the Redditch urban realm will continue to decay.

[evidence of need related to the specific project]

Active Travel - Current public realm does not facilitate active travel. Residents cite inadequate infrastructure (particularly absence of cycle lanes and poorly maintained footpaths) as reasons for not choosing active modes of travel. Active travel is an unpopular method for travelling to work in Redditch; walking and cycling make up only 11% of journeys to work, compared to 15% in England. Provision of this infrastructure requires public funding as a public good.

Crime - Appropriate public realm design within the Borough can help reduce crime, the fear of crime and create a greater sense of place. The level of local crime has been flagged as a particular worry for residents and data shows that Redditch crime is more prevalent in the centre. The number of crimes such as violent and sexual offences, possession of weapons and vehicle crimes and public order crimes in the immediate vicinity of the public realm interventions were 384 between Dec 19-Nov 20. Improvements in public realm can reduce anti-social behaviour therefore addressing these issues.

High street perception & investment - Poor quality public realm (perception and reality) can have a dramatic impact on footfall, visitors numbers, and visitor ‘dwell’ times. There is a perception that Redditch does not have a high street however there is a well-established primary shopping centre focused around the Kingfisher Shopping Centre. This project will improve the attraction of the town centre for people to live and work, and business to invest. This will help to stimulate high-quality residential and commercial redevelopment across the town centre. There are more than 10 vacant units that lie adjacent the public realm scheme, creating an unwelcoming environment for investment. The project will help make the units more attractive for occupiers.

Project complementarity – Public realm improvements would provide complementarities to other projects proposed for regeneration. For example, the library site redevelopment will encompass further public realm improvements near Church Green and the railway station redevelopment will improve the first impression of the town by rail visitors. Combined, these improvements will create a continued feeling of a vibrant town centre and fit within the wider public realm proposals.

POLICY ALIGNMENT

[local, regional, and national policy alignment]

The Redditch Town Centre Public Realm is highly aligned with the fulfilment of, a large number of policies, strategies and plans, at a local, regional, and national level as summarized in the below table.

Policy document details	Description of policy document	Alignment with Redditch Town Centre Urban Realm project
National Policy alignment		
Building Back Better: Our plan for growth, HM Treasury, 2021	This plan is a publication setting out the government’s plans to support economic growth through significant investment in infrastructure, skills and innovation.	<ul style="list-style-type: none"> One of the key areas of focus for the Government to drive growth is to support the mission of Levelling Up – ensuring issues relating to geographic disparities in key services and outcomes, like health, education, and jobs are tackled.

³ Redditch Towns Deal Community Consultation, November 2020

⁴ Redditch Towns Deal Community Consultation, November 2020

Policy document details	Description of policy document	Alignment with Redditch Town Centre Urban Realm project
Towns Fund Intervention Themes	Towns Deal prospectus	<ul style="list-style-type: none"> Creation of good quality public realm will help attract business to locate to Redditch and encourage inward investment This project aligns with the Town Deal theme of Urban regeneration, planning and land use. Investment in Town Centre Urban Realm will result in a townscape that is more attractive and more accessible to residents, businesses and visitors.
Regional Policy		
Worcestershire Local Enterprise Partnership (LEP), Plan for Growth, 2020 -2040	Builds on the LEP's 2014 Strategic Economic Plan. This plan outlines the vision for the county that will create a connected, creative and dynamic economy for all.	<ul style="list-style-type: none"> The Town Centre Urban Realm project supports the objectives of 'Revitalising our city and town centres.' The Plan also identifies 'Place' as a key theme for growth with the objective to 'ensure prosperous communities across the county'.
North Worcestershire Economic Growth Strategy (2019 – 2024)	Bromsgrove, Redditch and Wyre Forest have prepared this strategy and its supporting interventions to build on the area's current success and strengthen its competitive advantages.	<ul style="list-style-type: none"> The Strategy aims to 'deliver major town centre projects that will bring more residential, employment and leisure uses to counterbalance the significant retail decline and address the significant structural challenges faced by our town centres'. Whilst not a 'major' project on its own, the Town Centre Public Realm project along with the other Town Deal projects aims to have a significant positive impact on the town centre economy.
Local Policy		
Redditch Local Plan No.4 (2011-2030)	The Borough of Redditch Local Plan No.4 is the most important planning document at the local level. It provides the main framework approach for growth of the Borough.	<ul style="list-style-type: none"> The project aligns strongly with the 'Improving the Vitality and Viability of Redditch Town Centre' and 'To enhance the visitor economy and Redditch's cultural and leisure opportunities' objective outlined in the Redditch Local Plan.
Redditch Local Economic Recovery Framework (2020-2023)	The Redditch Economic Recovery Framework sets out the strategic priorities, key interventions and measures aimed at supporting the local economy throughout the Covid-19 recovery effort.	<ul style="list-style-type: none"> Complements the Recovery Framework (2020-2023) through 'improving places', one of three core objectives of the Framework. Specifically the project aligns strongly with the sub objective of 'Re-purposed / re-imagined town centre and local centres'
Redditch Town Centre Reeneration Masterplan (April 2021)	The document assesses development potential, and analysis opportunities, constraints and significance of the chosen study Sites for Redditch town centre. Redditch Town Centre is included within the chosen study sites.	<ul style="list-style-type: none"> The plan notes the opportunity it presents to contribute to the provision of high quality public space, active frontages, and improved pedestrian network.

VISION AND OBJECTIVES

[vision]

In order to respond to the needs of the town and maximise economic growth opportunities, the following vision statement was developed by the Town Deal Board:

“Unlocking Redditch forms a vision to transform Redditch from a traditional New Town into a New smart Town fit for the 21st century, which is a great place to live and work and an investment and visitor destination. We will achieve this vision by laying the foundations for Redditch to become a digital, green, connected and creative town.”

The four themes lie at the heart of the investment approach and are expected to unlock the towns potential and drive positive outcomes:

- **Digital** - 5G test bed. Digitalisation & automation. Digital manufacturing. Smart factories & homes Digital skills.

- **Green** - New forms of mobility. Electric & hydrogen. Decarbonisation. Modernisation of heating infrastructure.
- **Connected** - Transport interchange. Rail, bus, cycling, walking. Cycling and walking networks.
- **Creative** - Re-purposed town centre. Leisure and cultural destination. Attractive place to do business, work and live.

The Redditch Town Centre Urban Realm project will play a crucial role in realising the vision of the Redditch Town Investment Plan and will specifically contribute towards the ambition to create a “Creative” town. This project will do so by contributing towards the theme’s specific outcomes to:

- Strengthen town centre viability and vitality
- Make the town centre a more attractive place to live
- Support business creation and growth in Redditch
- Increased business innovation
- Develop the town centre into a cultural and leisure destination

[SMART objectives related to the specific project]

The SMART objective for the project are summarized below:

- Deliver 5 new / improved public spaces in the vicinity of Church Green, Evesham Walk and Unicorn Hill.
- Deliver approximately 9,600 m² of new / improved public realm.
- Increase in footfall in the town centre
- Increase in land values in the town centre.

[measures of success]

THE PROPOSED INVESTMENT

[setting out the Do Nothing and Do Minimum scenario, i.e. the baseline scenario without investment/intervention]

[project risks, constraints, and interdependencies]

The following table summarises some of the risk associated with the project.

Risk Element	Identified risk	Allocation
Funding	Viability gap for development of site	RBC
	Allocated funding may not be sufficient to deliver all aspects of the project	RBC
Planning/Consents	Planning permission for site refused or delayed	RBC
	Conditions of planning permission may increase costs or timelines of the project	RBC
Project overruns	The development may take longer than anticipated.	RBC
Site	Feasibility work identifies factors which result in a need to redesign or delay development.	RBC
Procurement	Unable to find a suitable contractor through the public procurement process.	RBC
Demand	Increase in visitation may be less than was originally forecast	RBC

While the Town Centre Public Realm project is a stand alone project, it is one of 5 projects that form a programme of works in the Redditch Town Investment Plan aimed at revitalising and rejuvenating the town centre and making Redditch a great place to live, work, visit and invest. Therefore there are synergies between the Town Centre Public Realm project and other TIP initiatives, most notably the Redditch Library redevelopment project.

[summary of options considered and how this project was shortlisted, including the strategic alternatives test]

[description of project]

The project involves public realm improvements in the vicinity of Church Green, Evesham Walk and Unicorn Hill. Works include:

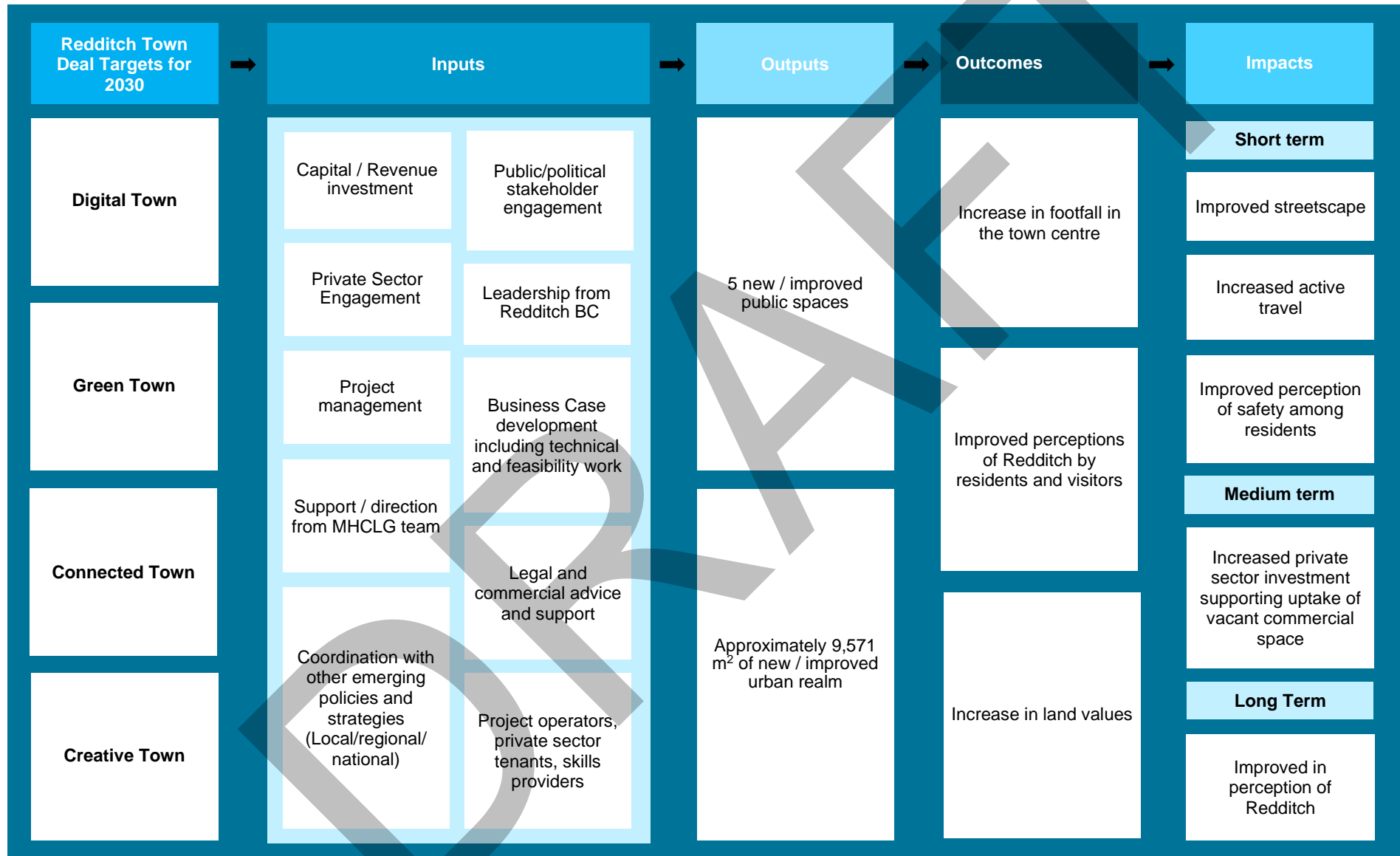
- Widened footpaths
- New Autumn Woburn block paving
- New disabled parking bay
- New 1.5 metre wide designated cycle lane with contrasting green surfacing
- Decluttering of footpaths to improve pedestrian flow
- All existing hedges and benches to be removed along Church Green West
- New semi-mature tree plantings with surrounding seating and new decorative planters along Church Green West
- Resin bound gravel for all paved areas surrounding St Stephen's Church
- New Ultracolor Buff coloured surfacing on Church Green East

[how project addresses objectives and vision]

Through improving the public realm the project will contribute towards the transformation of Redditch from a traditional New Town into a New smart Town fit for the 21st century, which is a great place to live and work and an investment and visitor destination.

[project theory of change]

Figure 1: Redditch Town Centre Theory of Change



[expected outputs and outcomes – if Towns Fund funds are being used to deliver specific outputs of the wider project, explain here]

[expected different impacts by protected characteristics and/or income groups]

The project aims to improve the public realm of Redditch Town Centre which would benefit all members of society. It could be argued that all protected characteristics and / or income groups would benefit from the project as they form part of broader society.

Table 2: Social impact summary

Will the proposed project impact on people from one or more of the following groups according to their different protected characteristic, for example, because they have particular needs, experiences, issues or priorities or in terms of ability to access the service? NB. Equality neutral means no negative impact on any group.		Positive	Negative	Neutral	Unsure
	Age			Y	
	Disability			Y	
	Gender			Y	
	Gender Re-assignment			Y	
	Marriage/civil partnership			Y	
	Pregnancy & maternity			Y	
	Race			Y	
	Religion or belief			Y	
	Sexual orientation			Y	
	Other (e.g. low income)			Y	

Source: Mott MacDonald

STAKEHOLDERS

[list of key stakeholders and their role or interest in the project]

Key Stakeholders include Redditch Borough Council, Worcestershire County Council, local business and community groups. A key vehicle for stakeholder engagement has been the Redditch Town Deal Board whose membership is outlined below:

Name	Organisation
Leigh Walton (Chair)	Redditch Community Forum / Redditch Resident
Simon Hyde (Vice Chair)	Faun Zoeller
Cllr Matthew Dormer	Leader - Redditch Borough Council
Kevin Dicks	Redditch Borough Council
Ostap Paparega	North Worcestershire Economic Development & Regeneration
Rachel Maclean	Redditch MP
Simon Hyde	Faun Zoeller (UK) Ltd
David Mitchell	Mettis Aerospace

Gary Woodman	Worcestershire LEP
Tim Martin	West Midlands Combined Authority
Annette Daly	YMCA
Penny Unwin	Worcestershire County Council OPE
Simon Geraghty	Leader – Worcestershire County Council
Shanaaz Carroll	Greater Birmingham & Solihull LEP
John Hobbs	Worcestershire County Council
Peter Sugg	Young Solutions
Julia Breakwell	HoW College
Ian Smith	Cities & Local Growth Unit
Rebecca Collings	Towns Fund Delivery Partner
Other officers / partners as agreed and required	

[summary of engagement to date and evidence gathered]

[summary of stakeholder viewpoint of the project and how it has influenced the strategic case]

ECONOMIC CASE

PRACTICE NOTES

The Economic Case determines the value for money of the investment. It should include an analysis of monetised benefits and costs, as well as non-monetised benefits. The benefits and costs assessed should be aligned to the objectives set out for the project in the Strategic Case. It is important that Economic and Strategic Cases are closely aligned.

As noted in the MHCLG Stage 2 guidance “Net present social value and benefit-cost ratios should not be treated as a full representation of value for money. Rather, they should be used to summarise the benefits and costs that can be readily monetised or quantified. There may be wider strategic or social value to an intervention which may not be easily assimilated into calculations.”

The level of modelling should be proportionate to the funding ask and size of the scheme.

Towns should decide how to treat Covid-19 impacts. We recommend this is factored into the projections of benefits either in a core scenario or as a sensitivity test. Additional resources to help you consider the impact of Covid-19 are available on the TFDP website.

ECONOMIC CASE

INTRODUCTION

This Economic Case is based upon the guidance from the relevant government department or ministry (MHCLG/ DfT) as well as the HM Treasury's five case business model as the recognised best practice approach for developing business cases. The Economic Case demonstrates the public value for money of the Town Centre Public Realm project investment to society. This is demonstrated through a Value for Money (VfM) assessment of the preferred option.

This Economic Case therefore provides:

- An overview of the Project Prioritisation Process and Multi-Criteria Assessment Framework.
- A proportionate comparison of costs and benefits compared to a **Do Nothing scenario**.
- A proportionate assessment of the benefits, costs, and risks with the project.
- Sensitivity analysis based on key appraisal parameters to demonstrate the project's resilience.

APPROACH TO ECONOMIC CASE

The approach taken to the Economic Case is based on a combination of quantitative and **qualitative** analysis designed to reflect the proposals for the Town Centre Public Realm project. The quantitative VfM assessment focuses on the following key metrics:

- Active Travel benefits (improvements to journey quality, modal shift to walking and cycling and associated health improvements)
- Urban Realm benefits (tangible benefits of better streets and spaces i.e. retail rent, economic development impacts and streetscape quality)

The above benefits have been selected for the quantitative VfM assessment as they can be quantified at this stage of scheme development. **Additional benefits are captured qualitatively.**

The quantitative assessment has an appraisal period of **30** years, a sufficient length of time to capture the benefits arising from the project and is presented in **2021** prices. For both the benefits and costs, the standard HMT Green Book discount rate of 3.5% is applied in line with HMT Green Book **2022** guidance⁵. Each benefit has been assessed using methodologies and values (where available) from the appropriate UK Government department. Detail on the methodologies used to capture each benefit is set out in the economic benefits section below.

Options Appraisal

The interventions chosen to deliver the Redditch Town Centre Public Realm project have been carefully selected and are based on robust socio-economic evidence and strong local support, as demonstrated by the comprehensive stakeholder engagement process.

At the programme level, to support the development of the Redditch TIP, a robust option selection process was developed to ensure that the plan is reflective of the aims of RBC as well as the objectives of the Towns Fund and the wishes of stakeholders. Further information on project prioritisation can be found in **xxx**.

⁵ <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government/the-green-book-2020#introduction>
100103017 | Economic + Financial Cases

Assessment Scenarios

As a result of this iterative process and the requirements of the Towns Fund to produce only a single option, a conventional Do-Minimum option has not been developed. Instead, a Do Nothing. Five options have been considered for delivering the project.

- **Do nothing – Option 1**

The current configuration of the site and the range of activities associated with xx

- **Do Something – Option 2**

Full scheme delivered

- **Do Something – Option 3**

Churchyard removed

- **Do Something – Option 4**

Church Green east removed

- **Do Something – Option 5**

Enhanced scheme by MM? (the Preferred Option?).

The five options have been considered for the project and Table X outlines each of these potential options in turn and the conclusion reached on their feasibility and validity. The options are also assessed against the project objectives and HMT Green Book Critical Success Factors.

Option	Description of option	HMT Green Book Critical Success Factors					Conclusion
		Strategic fit	Value for Money	Supplier capacity and capability	Affordability	Achievability	
Option 1	Do Nothing				✓		This option does not meet HMT critical success factors for the project objectives.
Option 2	Full Redditch Town Centre Public Realm project scheme delivered	✓	✓	✓		✓	xx
Option 3	Redditch Town Centre Public Realm project with Churchyard removed		✓	✓	✓	✓	xx
Option 4	Redditch Town Centre Public Realm project with Church Green east removed		✓	✓	✓	✓	xx
Option 5	Enhanced scheme by MM	✓		✓		✓	xx

Modelling Approach

Active mode benefits

The active modes appraisal captures the benefits of increased cycling and walking that are likely to result from this scheme. The delivery of a range of active travel infrastructure across the scheme is intended to increase active mode usage within the town, encouraging greater levels of cycling and walking. This will deliver an uplift in the various benefits of active mode travel such as health benefits, ambiance benefits and a reduction in accidents. The benefits of greater active mode travel have been captured using the Department for Transport's Active Mode Appraisal Toolkit (AMAT) as set out in TAG Unit A5.1.

The uplift in walking and cycling resulting from this scheme has been assumed to be xx%. This is based on Approach 1 (Comparative Study) of the three main approaches as outlined in TAG A5.1 for forecasting the demand uplift resulting from improved infrastructure for cyclists.

This is based on findings from similar projects delivered in Sheffield, Coventry and Stoke-on-Trent among other places that reported an uplift in footfall along major thoroughfares of between 25% and 35% following the delivery of a similar active mode intervention. These findings were reported in The Living Street's (2018) report, *The Pedestrian Pound: The business case for better streets and places*^[1].

The Propensity to Cycle Tool (PCT) will be used to estimate a baseline value for cyclists. The PCT is based on 2011 census travel work data. As the PCT 2011 value only accounts for commuting trips, in line with guidance released as part of the 2021/22 DfT Active Travel Fund, this initial value will be multiplied by 6 to account for all trip types and return trips.

To grow the baseline demand data to the scheme opening year, the default background growth rate in AMAT (0.75% growth per annum) has been used.

The active mode benefits of this scheme are valued at £xxx in present value terms.

Land value impacts on commercial premises

The enhancement of the public realm and active travel infrastructure in this area has been captured in relation to its impact on local commercial premises. This benefit has been quantified using Transport for London's (TfL) Valuing Urban Realm Toolkit (VURT). VURT quantifies the uplift in the value of extant businesses within an area by applying an uplift to the rateable values of those businesses in proportion to the scale of the enhancement to the area in which they are located. The enhancement of both the public realm in this area is anticipated to have an impact on the value of the premises. A single impact is captured for each shopfront enhanced under each option. A Pedestrian Environment Review System (PERS) appraisal was undertaken for each street impacted by this scheme to identify the scale of the improvement proposed. This was then entered into VURT, in addition to the actual rateable values of each premises, provided by RBC, to quantify the benefits of this scheme. The annual value of this benefit is shown below. The appraisal captures the benefit of the uplift, with no additional growth applied over a period of 30 years.

The present value of this benefit is £xx.

ECONOMIC BENEFITS

Summary of economic benefits

The total value of the benefits set out above ranges between £xxm and £xxm across three scenarios.

This is shown below.

Table i: Summary of quantified benefits

Benefit type	Appraisal scenario		
	Core scenario	Sensitivity test 1 - Low appraisal scenario	Sensitivity test 2 - High appraisal scenario

[1] The Living Street, 2018, *The Pedestrian Pound: The business case for better streets and places*, Available at: <https://www.livingstreets.org.uk/media/3890/pedestrian-pound-2018.pdf>
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Total			

[types of benefits identified and why, geographical scale of benefits (including the latest **place-based approach** recommended in the Green Book which includes consideration of local employment impacts)]

[how benefits estimated link to theory of change and strategic case]

[how benefits have been monetised]

[relevant modelling results (e.g. demand forecasts for a walking or cycling scheme, number of visitors to a new cultural centre)]

[presentation of annual undiscounted benefits (real terms)]

[consideration of additionality, deadweight and displacement of benefits and double counting]

Example benefits to consider are set out below:

Towns Fund investment theme	Key benefits	Wider social and economic benefits (note adding all benefits may lead to double counting)	Key guidance to model and monetise benefits
Local transport	<ul style="list-style-type: none"> • User benefits (time savings, cost savings) • Reduction in accidents • Environmental benefits • Amenity benefits 	<ul style="list-style-type: none"> • Health benefits (from increased physical activity and improved air quality) • Productivity benefits (e.g. agglomeration) • Employment impacts • Attraction of investment • Social inclusion 	DfT's Transport Appraisal Guidance (TAG)
Digital connectivity	<ul style="list-style-type: none"> • User benefits 	<ul style="list-style-type: none"> • Productivity benefits for businesses which experience higher efficiencies • Attraction of investment • Social benefits from improved access to communication 	
Urban regeneration, planning and land use	<ul style="list-style-type: none"> • Land value uplift 	<ul style="list-style-type: none"> • Increases in local employment and GVA • Community cohesion • Health benefits from increased active travel or use of new public / green spaces • Social benefits (e.g. improved personal security) 	MHCLG guidance
Arts, culture, and heritage	<ul style="list-style-type: none"> • Increased retail revenue from increased footfall • Amenity benefits 	<ul style="list-style-type: none"> • Social benefits from improved access to culture • Increases in local employment and GVA • Community cohesion 	
Skills infrastructure	<ul style="list-style-type: none"> • Land value uplift 	<ul style="list-style-type: none"> • Increased employment and income • Attraction of businesses interested in the skills offered by the new infrastructure 	MHCLG guidance
Enterprise infrastructure	<ul style="list-style-type: none"> • Land value uplift 	<ul style="list-style-type: none"> • Increased employment and income • Attraction of more businesses in the long term 	MHCLG guidance

[consideration of distribution of impacts for instance in the form of a distributional appraisal – this can provide evidence for supporting the levelling up agenda]

ECONOMIC COSTS

Summary of economic costs

Costs for the Town Centre Public Realm project were developed by the project team and reviewed by xx. The costs of the scheme are based on quantities and benchmarked costs and have been assessed at a high level. The costs below have been rounded.

Table ii: Economic costs, June 2022 (PVC, 2010 prices?)

Committed TF funding profile	2021/2022*	2022/2023	2023/2024	2024/2025	2025/2026	Total
Towns Fund						
xx Match Funding						
Other match required						
Total						

*Spending in 2021/2022 has been included in this table for the purposes of transparency, as this funding has been spent, it is considered a sunk cost and has been excluded from the economic appraisal, in line with HMT Green Book guidance. This funding has been spent to date and will be recovered from the full Towns Fund allocation for this scheme once approved.

In addition to the risk and contingency, an optimism bias figure of 44% has been applied to all project costs. This is the standard optimism bias as specified in Greenbook/ TAG guidance for a project at this stage of development.

[explanation of how costs have been obtained and whether a risk assessment has been undertaken]

[capital costs, including renewal costs if relevant (real terms)]

[operating costs]

[approach to optimism bias]

VALUE FOR MONEY ASSESSMENT

There are two key metrics set out in the MHCLG appraisal guidance that can be used to assess Value for Money (VfM): the calculation of BCRs, which simply show the ratio of benefits to costs; and the net present social value (NPSV), which represents the present value of benefits minus the present value of costs. A BCR above 1 and a positive NPSV indicates that the intervention option under consideration represents good VfM. The higher the BCR, the higher the overall VfM (not taking into account qualitative benefits).

The results of the VfM assessment for Option X are outlined in Table x. The VfM assessment for the option shows a [good/poor] BCR of X. This option demonstrates [good/poor] VfM⁶.

The Value for Money (VfM) assessment for this project is based on a 15-year appraisal period. The central scenario has been used as the core appraisal scenario in Table iii below. The low and high scenarios have been used as sensitivity tests. These sensitivity tests demonstrate the impact of a range of possible occurrences, including xxx than in the central scenario, among other possibilities.

Table iii: Value for money assessment (discounted, 2021 prices)

⁶ BCR<1 indicates poor VfM, 1<BCR<1.5 indicates low/satisfactory VfM, 1.5<BCR<2 indicates medium/good VfM, 2<BCR<4 indicates high/very good VfM and BCR>4 indicates very high/excellent VfM.

	Core scenario	Sensitivity test 1 - Low appraisal scenario	Sensitivity test 2 - High appraisal scenario
Economic benefits			
Total economic benefits			
Economic costs			
Towns Fund cost including optimism bias at X%			
Match funding including optimism bias at X%			
Remaining match funding required			
Total economic costs			
Net Present Value (NPV)			
Benefit-Cost Ratio (BCR)			

[choice of appraisal period, approach to discounting, sensitivity tests]

[impact of Covid-19 on results, other sensitivity tests]

[example optional table below]

NON-QUANTIFIED BENEFITS

[qualitative assessment of other benefits not quantified]

SUMMARY

[summary of preferred option for investment]

FINANCIAL CASE

PRACTICE NOTES

The Financial Case assesses the affordability of the investment, identifying cost, revenue, and funding sources.

Note the level of detail should be proportionate to the size of the project.

If you are developing a programme case, each project should have its own financial profile within this section.

FINANCIAL CASE

INTRODUCTION

Based on the appraisal set out in the Economic Case, the Financial Case sets out the key financial considerations for the Town Centre Public Realm project preferred option. This includes how the project will be funded, the total costs of the project over its implementation in the current financial year to 2026, the sources of funding and the profile of funding over the delivery period.

The total scheme cost for the Town Centre Public Realm project is £xxm. This includes the £xxm allocated for development costs that have occurred to date, for which match funding has already been granted by RBC and spent in the development of the project to date.

This business case is seeking £xx Towns Fund grant funding to deliver the project.

APPROACH TO FINANCIAL CASE

The Project Team has considered a range of funding sources and secured a range of private/public sector funding. The Towns Fund ask represents the requirement for the project based on the estimated cost of the scheme and alternative available funding sources. As a result, the project cannot proceed without Towns Fund grant funding.

VAT has been allowed on all costs at the standard rate of 20%. An inflationary adjustment has also been applied to the construction costs. Tender Price Inflation is allowed at [X%] on the basis of an assumed proposed start on site of [XXX] and using the latest BCIS Tender Price Indices. Furthermore, [£XXX] has been allocated towards risk including design development risks and construction risks.

[funding options considered, principles of funding, inflation considered, other financial modelling assumptions]

[include amounts and sources of these funds and state whether match funding / co-funding from the public and/or private sector is being used in addition to Towns Fund funding]

Type	Source	Total Amount
Public sector	Towns Fund	£XXm
E.g. Private sector	XYZ Limited	£XXm
E.g. Public sector	Council	£XXm

...

COSTS

Summary of how the project will be funded

Funding for the Redditch Town Centre Public Realm project will be provided primarily by the Towns Fund, with additional match funding required for xx which is the period aligned to Towns Fund. Subsequent phases of delivery will occur post-2026 but are not included here. Across the delivery period (2022/23-2025/26), a total allocation for inflation of 15% has been applied, based on an average inflation of x% per annum, which is supplemented by the surplus contingency allocation to allow for any cost overruns, including those resulting from inflation.

All cost plans allow for:

- 15% inflation risk on construction

- 5% contract risk (i.e. max pain share) (on inflated construction cost)
- 10% construction risk (i.e. CEs) (on inflated construction cost)
- Some service diversions costs are estimated by RBC (marked as 'unknown' on cost plans)
- All cost plans include full-time supervision during construction

Table v: Funding sources

Type	Source	Total Amount £m
Public sector	Towns Fund	£xm
Public sector	xx	£xm
Public sector	Various (development funding already committed and spent)	£xm
Third sector	To be confirmed?	£xm
Total		£xm

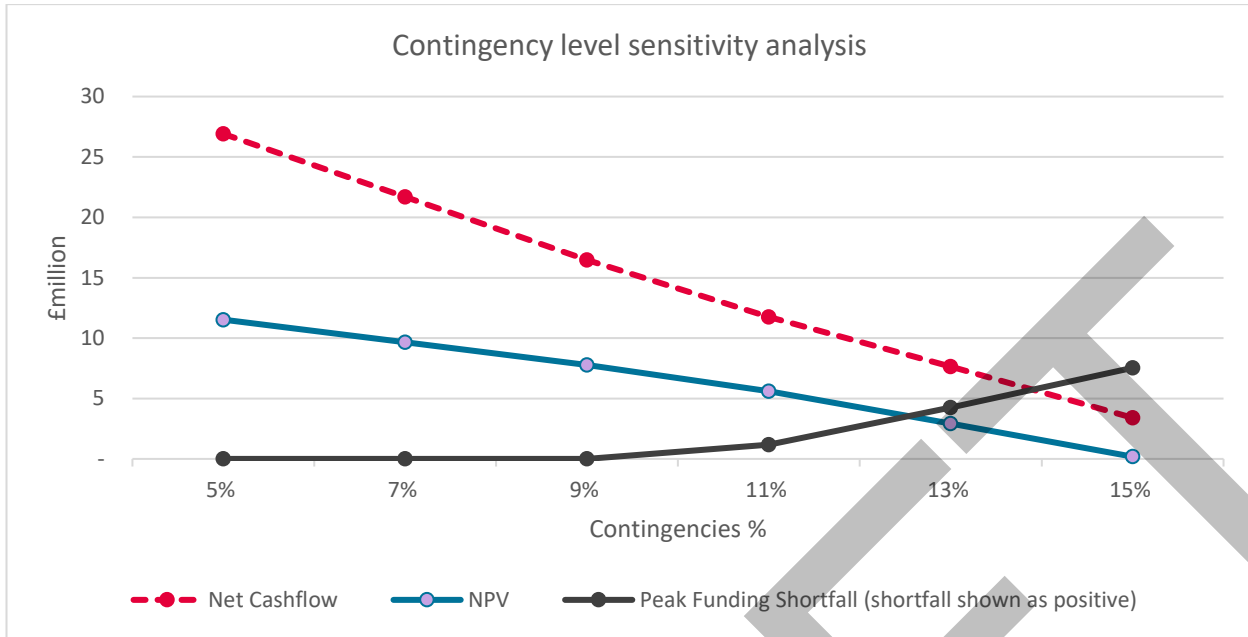
[how costs have been obtained and how robust they are - list out key assumptions such as the base financial year where development costs will be incurred, indexation rates, discount rates, etc.]

[whether / how risk has been factored into costs – include any summary variances from undertaking any sensitivity analysis performed and comparison to scenarios which include contingencies. This can be presented as a table and/or graph – an example has been set out below for further reference]

Financial risks and mitigation plans

Key financial risks and mitigation measures are summarised below:

Type	Risk	Mitigation
Financial	Cost escalation	The project has been fully costed including contingency. Elements of the scheme will only be brought forward once full funding for them has been confirmed.
Financial	Long-term affordability of the scheme	Close financial management throughout delivery, following financial modelling undertaken for the business case.
Procurement	Programme and procurement allocation too short	Realistic programme and subsequent procurement timescales to be included in the procurement strategy.
Financial	Occupier requirement costs	Proactive conversations with occupiers and continue to get a detailed market testing
Financial	Tender prices exceed estimates	Independent cost estimating to verify Rider Hunt estimates
Financial	Funding not being in place	Confirm all funding is in place prior to commencement of works. Continue to apply for additional sources of funding to develop further phases of the scheme.



[capital costs (nominal terms), total and annual profile]

[operating costs (nominal terms) on an annual basis]

[consider the inclusion of a “sources and uses” table which sets out the assumed costs and income streams, an example table has been set out below]

Sources	Value	Uses	Value
Towns Fund	£xm	Operating Costs and Management Fees	£(x)m
Public sector co-funding	£xm	Development Costs	£(x)m
Private sector co-funding	£xm	PWLB Interest Paid	£(x)m
Revenue	£xm	PWLB Loan Repayment	£(x)m
PWLB Drawdown for capital costs (if applicable)	£xm	...	
...	£xm	Total Uses	£(X)m
	£xm	Retained Cash Balance	£(x)m
Total Sources	£Xm	Total Uses less Retained Cash Balance	£(X)m

FUNDING AND REVENUES

[revenues from scheme]

[how funding options were identified and how secure they are – use evidence and update the funding amounts as set out in the TIP2 document]

[funding streams including a financial profile and sources, and with a clear presentation on match-funding revenue streams]

[if borrowing has been drawdown, provide an indicative timeline for when the funds are expected to be repaid in full]

Funding Profile	20/21	21/22	22/23	23/24	24/25	25/26	Total
<i>Value</i>	£m	£m	£m	£m	£m	£m	£m
Towns Fund							
E.g. XYZ Limited							
E.g. Council							
Total Funding							

AFFORDABILITY ASSESSMENT

In the view of the project sponsor, these assumptions are realistic and valid but if there was an exceptional change to inflation then these forecasts would need to be reviewed. Nevertheless, at present the sponsor is confident that the project is viable and affordable over the coming years.

[assessment of affordability – include general financial metrics, such as net cash flow, net present value, internal rate of return and breakeven analysis as a way of assessing affordability. Sector specific metrics could be used to link the Financial Case to the Commercial Case]

[include the stakeholders – such as senior project leaders, funders, businesses, public and decision makers – that support the project and its continuing viability.]

[financial risks – this includes funding risk, interest risk and indexation risk]

WIDER FINANCIAL IMPLICATIONS

There are no wider financial implications deemed to be pertinent to raise within the financial case.

[does the project's financial objectives meet the Council financial objectives as set out in the (if any) Local Plans and MTFs criteria. By undertaking the project, this may change the risk profile of the Council / Local Authority associated with the project]

[accounting Treatment and Impacts (where relevant) – obtain accurate definitions of capital and revenue items. This can contribute towards detailed and reliable financial analysis of the project.]

COMMERCIAL CASE

PRACTICE NOTES

The Commercial Case assesses the commercial viability of the investment.

Note the level of detail should be proportionate to the size of the project.

COMMERCIAL CASE

[summary of Commercial Case]

INTRODUCTION

[intro to Commercial case, explaining the purpose of this section]

[set out the commercial objectives and constraints for agreements and procurements]

COMMERCIAL DELIVERABILITY

[identification of potential commercial options and select/summarise the proposed commercial/delivery model with supporting rationale, with reference to the existing commercial strategy of the organisation where feasible]

[evidence of market testing or that there is a market to deliver the project]

[outline the key contractual arrangements, including personnel implications and charging/payment mechanisms]

[who will deliver the project/investment - role and responsibilities of the contracting parties, demonstrating the appropriate skills and capabilities are in place to deliver]

[treatment of risks, transfer proposals and, if applicable, conflicts of interests and how these will be managed]

[retained risk flows through to the management case to set out the mitigation measures]

PROCUREMENT STRATEGY

[identification of the main components of the projects that will need to be procured and assessment of procurement options for each and identification of a preferred procurement route, including any packaging, interdependencies and so forth]

[summarise procurement process, including key milestones, assurance, and approvals]

[summarise any existing and proposed policies that will apply and be embedded into the procurement strategy, for example:

- social value e.g. jobs, supporting the local economy
- sustainability, ethical sourcing, supporting net zero
- innovation and deployment of modern methods of construction]

WIDER CONSIDERATIONS

[other considerations if applicable]

MANAGEMENT CASE

PRACTICE NOTES

The Management Case assesses the deliverability of the investment, identifying timescales and project responsibilities.

The questions set out below are intended to help you to think through a number of aspects which will help to ensure your project is successful. Whilst this may look quite detailed compared to some of the other cases, it will be important for you to think through each of these elements so you can be in the best place possible as you look ahead to project initiation and project delivery.

The management case should build on the delivery plan outlined in the TIP for this specific project.

From a stakeholder engagement perspective, it's important to identify the key stakeholders and include a strategy and plan laying out a programme of stakeholder engagement activities that will help deliver the project.

Note the level of detail should be proportionate to the size of the project.

MANAGEMENT CASE

[summary of Management Case]

INTRODUCTION

[intro to the management case]

This section outlines the management arrangements in place for delivering, monitoring and evaluating the Town Centre Public Realm project. At the FBC stage the focus should be on how the project will be managed, the timescales, assurance processes and risk management. A description of the proposed management structure for delivery of the Public Realm project is set out below.

[approach to deliverability]

North Worcestershire Economic Development and Regeneration (NWedR) will put in place a dedicated programme and project management structure to ensure that the Town Centre Public Realm project can be delivered to time, quality and budget, as part of the wider masterplan. NWedR will have overall responsibility for delivery of the project, which will be overseen by the Town Deal Board. The proposed management structure for delivery of programme is detailed below.

[rationale supported by evidence of application on similar projects]

NWedR has a strong track record of delivering urban realm projects to budget and timescale. In recent years NWedR has delivered a number of similar projects as outlined below:

- BirdBox (Bromsgrove) - BirdBox is an award winning bespoke multipurpose event space in the town centre designed to attract footfall to the high street.
- Townscape Heritage Initiative scheme (King's Lynn) - The Townscape Heritage Initiative scheme involved 25 buildings in Kings Lynn town centre five of which were major repurposing projects converting big empty units into successful restaurants and bars.
- Public Realm Improvements (Kidderminster) – The initiative involved public realm improvements in the town centre of Kidderminster while enhancing movement by managing traffic through street design.

PROJECT ORGANISATION AND GOVERNANCE

[details of participants with reference to TIP and roles, accountabilities, and responsibilities]

[details of the project delivery organisation functions, key roles, capability, competences – including resourcing strategy (internal/external)]

[details of governance arrangements for oversight and approvals and delegated authorities]

The delivery of **this scheme** will be overseen by RBC, in partnership with Worcestershire County Council. A project manager will be appointed to oversee the procurement of a consultant team to finalise the designs and to secure planning consent at the site.

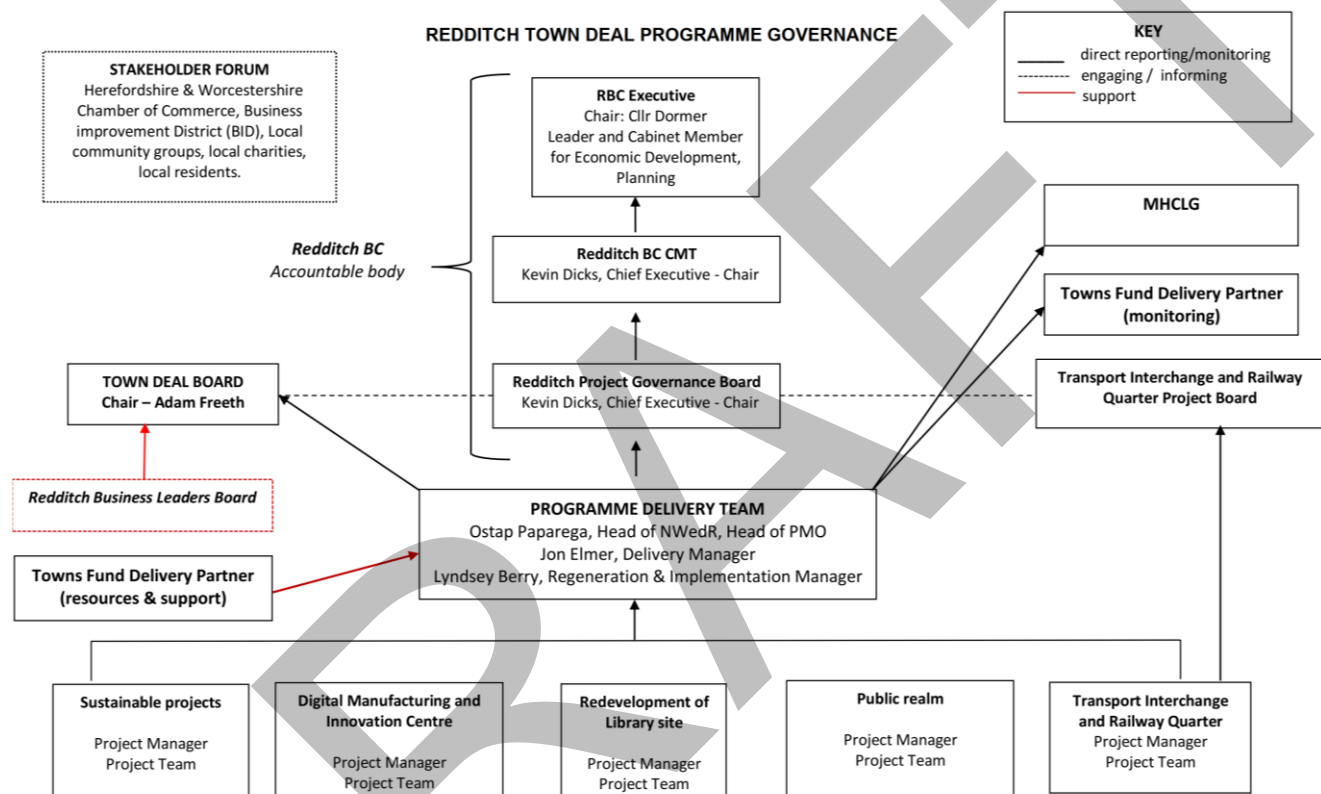
The team would also be required to assist the tender process for a contractor to deliver the works, through providing technical expertise and tender documentation. Finally, the consultant team would be retained to provide project assurance through the delivery phase of the works.

A project governance structure based on the Association for Project Management best practice and aligned to the Redditch Borough Council (RBC) decision-making processes has been put in place. This structure will ensure that the programme has appropriate decision-making processes in place with defined responsibilities set.

RBC will act as the accountable body and be responsible for:

- Developing and delivery team, delivery arrangements and agreements
- Developing agreed projects in detail and undertaking any necessary feasibility studies
- Helping develop detailed business case
- Monitoring and evaluating the delivery of individual Towns Fund projects
- Submitting regular monitoring reports to Towns Fund
- Receiving and accounting for the Town's funding allocation
- Ensuring that decisions are made by the board in accordance with good governance principles
- Ensuring transparency requirements are met
- Undertaking any required Environmental Impact Assessments or Public Sector Equalities Duties
- Liaising with potential private investors in identified local projects and schemes

The Governance model for the Redditch Town Deal Programme is shown in the below organogram.



The Redditch Project Governance Board has a strategic role that includes several responsibilities / accountabilities. Specifically the Board:

- Provides overall strategic direction and guidance, including inputs to context beyond the project, such as synergies with other council or partners' projects / interventions.
- Ensures cross-functional representation from Redditch Borough Council, project delivery partners and key stakeholders.
- Is responsible for the overall success of the project (i.e. delivery project outputs and outcomes).
- Ensures appropriate programme and project management processes, systems and procedures are implemented.
- Makes key decisions and is responsible for the commitment of resources (including external funding) to the projects, including taking reports to Cabinet Members, Boards.
- Signs off the completion of each project stages and authorises the start of the next stage (gateway approval).
- Resolves escalated issues and risks from the Project Delivery Team (i.e. which cannot be resolved by the Project Manager).
- Sets project tolerance levels.

- Approves project scope, budget and timeframe.
- Approves major changes to the project scope, budget and duration.
- Approves the key stakeholder and public engagement strategy and programme.
- Approves Project Highlights Reports.
- Approves the End Project Reports.

Redditch Town Deal's delivery will be managed by the North Worcestershire Economic Development and Regeneration (NWEDR), which is a shared service between the local authorities of Bromsgrove, Redditch and Wyre Forest. NWEDR have set up the Programme Management Office (PMO), which will use a cloud based project management software – Verto - to manage the project delivery. Verto is aligned with the Association for Project Management's Book of Knowledge 7th Edition. Each project will develop the following project management documentation hosted on Verto:

- Project plans / Gantt charts (key tasks, milestones and dependencies)
- Project budgets
- Action logs
- Risk logs
- Issue logs
- Change requests
- Highlights reports
- Evaluation reports

The Head of NWEDR will act as the Head of PMO and will be supported by the cNWEDR Delivery Manager and the NWEDR Regeneration and Implementation Manager. The team has experience in delivering similar programmes and projects on behalf of accountable bodies with grants ranging from £3m to £20m.

ASSURANCE

[summary of approach to assurance including application of 3 lines model]

[summary of assurance plans including timing of key reviews and links to decision points]

[submission of an integrated approvals and assurance plan]

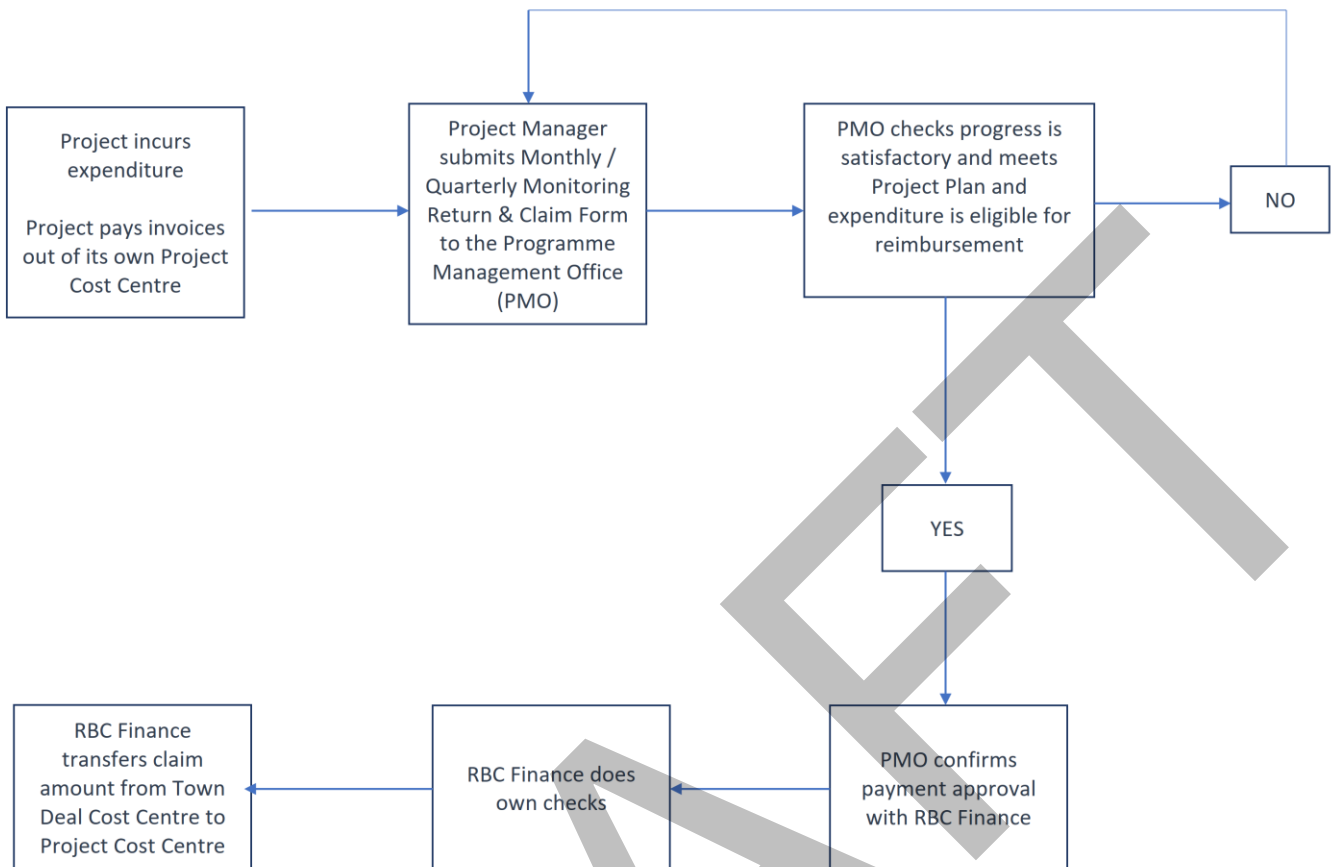
Project sponsors will report on progress to RBC officers who will be responsible for briefing the RBC Executive and the Town Deal Board as appropriate.

Key project monitoring and assurance steps are as follows:

- Project Managers submit Project Highlights Reports to the Programme Management Office (PMO) on a monthly basis.
- PMO submits Programme Highlights Reports to RBC Project Governance Board every six weeks
- PMO presents updated programme issues logs and risk logs at RBC Project Governance Board meetings
- PMO submits quarterly progress update reports to Town Deal Board

Grant claiming - A Town Deal programme cost centre (income and expenditure codes) will be created by RBC Finance.

Project cost centres (income and expenditure codes) will be set up by RBC and WCC for each of their projects. Project expenditure will be covered / provided by RBC and WCC for their own respective projects and claimed from the Town Deal programme in arrears. Once the claim forms are approved by the PMO, the funding is transferred from the Town Deal programme cost centre to the individual project cost centres.



SCOPE MANAGEMENT

[summary of the **scope of the project** and its key elements]

The scope of the project is described more fully in the XX section of XX case, but involves public realm improvements in the vicinity Church Green, Evesham Walk and Unicorn Hill.

[approach to specifying, approving, and managing requirements]

Redditch Borough Council has responsibility specifying, reviewing and approving the detailed design issued under building contracts for general conformity to specification requirements and see that the dates for production and approval of design information are met. Redditch Borough Council will establish and maintain appropriate project management procedures and lines of communication for the exchange of information between consultants and contractors working on the project.

[summary of interfaces with third parties and management approach]

Redditch Borough Council will be responsible for engaging, procuring and managing third parties for the delivery phase of this project, as described above. The procurement arrangements and approach are set out in the Commercial Case.

[summary approach to solution development, confirmation management, acceptance]

PROGRAMME/SCHEDULE MANAGEMENT

[summary structure of programme and principal stages and workstreams]

[summary timescales and explain if project is being fast-tracked]

[details of dependent and interdependencies with rest of TIP and non-TIP projects]

While the Town Centre Public Realm project is a stand alone project, it is one of 5 projects that form a programme of works in the Redditch Town Investment Plan aimed at revitalising and rejuvenating the town centre and making Redditch a great place to live, work, visit and invest. Therefore there are synergies between the Town Centre Public Realm project and other TIP initiatives, most notably the Redditch Library redevelopment project.

[summary of **key milestones** including key decision points, assurance, consents, approvals]

[summary of critical/near critical paths and/or higher risk workstreams/activities]

[summary of schedule hierarchy and tools and include high level pictorial summary]

[summary of constraints, assumptions, and basis for programme rates/durations]

[details of most likely forecast completion date within stated range]

[summary of risks and issues likely to affect implementation and delivery performance]

The following table shows the indicative schedule for delivering the project.

Key Milestone	Deadline
TIP submission	22 January 2021
Heads of Terms Agreement	June 2021
Stakeholder engagement	March 2022
Detailed projects and business case development	May 2022
Agree final projects and funding (Funding Agreement)	July 2022
Delivery of Project	August 2022 – March 2026

RISK AND OPPORTUNITIES MANAGEMENT

[summary of risk management strategy reflecting organisation, financial and commercial case and covering identification, classification, quantification, mitigation)

An effective risk management strategy for the project will be based on the principles for risk management contained in within the PRINCE2 guidance. The project will implement a hierarchy of risk management that aims to eliminate risks where possible, then mitigate any impacts of foreseeable risks. This will be done formally at project site meetings and project board meetings. The investment has generally been assessed to be a medium to low risk project.

[summary of processes and tools including whether qualitative and quantitative assessments are proposed]

The procedure for identifying key risks will be as follows:

- Assess: assess the risks in terms of their probability and impact on the project objectives;
- Plan: prepare the specific response to the threats (e.g. to help reduce or avoid the threat), or this could also be to plan to maximise the opportunity if the risk happens;
- Implement: carry out the above in response to an identified threat or if one occurs; and
- Communicate: report and communicate the above to relevant project team members and stakeholders.

[summary of risk themes and key risks and mitigations]

Risk Element	Identified risk	Allocation
Funding	Viability gap for development of site	RBC
	Allocated funding may not be sufficient to deliver all aspects of the project	RBC
Planning/Consents	Planning permission for site refused	RBC

	Conditions of planning permission may increase costs or timelines of the project	RBC
Project overruns	The development may take longer than anticipated.	RBC
Site	Feasibility work identifies factors which result in a need to redesign or delay development.	RBC
Procurement	Unable to find a suitable contractor through the public procurement process.	RBC
Demand	Increase in visitation may be less than was originally forecast	RBC

[summary of risk themes and key risks and mitigations]

[summary of approach to issue management if separate from risk management]

[if applicable, summary of retained risks and mitigation/management plans]

[summary of approach to opportunities management and realisation]

[assessment of opportunities to gain from industry productivity initiatives]

As the Town Centre Public Realm project develops, there may be opportunities to gain from industry productivity initiatives. Contractors will be encouraged to flag if there are any opportunities which may benefit this project, in addition to the project delivery team (and wider stakeholders) also being encouraged to regularly review developments in this sector to understand if any opportunities could be realized.

PROJECT MANAGEMENT

[summary of proposed project management approach/methodology]

The Redditch Borough Council's approach to project management is based on a clear structure with lines of accountability running throughout the delivery team, connecting each part of the team to senior leadership within the Redditch Borough Council, enabling monitoring of progress, accountability and the ability to escalate issues where required. The Redditch Brough Council has a long track record of delivering successful projects across a number of portfolios using this structured approach to project management.

[statement describing intent to apply existing or need to develop new processes]

The Redditch Borough Council is putting in place a dedicated programme and project management structure to ensure that the interventions set out in the Town Investment Plan application can be delivered to time, quality and budget, as part of the wider masterplan. The proposed management structure for delivery of programme is detailed below.

[summary of key processes for controlling scope, programme, cost, risk, HSE (health safety and environment), assurance and reporting]

The Project Board's day-to-day client liaison with each project team will be overseen by the Programme Sponsor. The Sponsor is responsible for project assurance, maintaining focus of the project team on the required objectives, authorising expenditure within delegated levels of authority and act as the client representative for the scheme. The Programme Sponsor will be responsible for the strategic alignment of each project during delivery, ensuring proposed changes are checked against effects on aim, benefits and critical success factors.

[summary of processes for managing key interfaces, consents, and compliance]

A designated Project Manager will run each project on a day-to-day basis on behalf of the Redditch Borough Council, with the primary duty of delivering the project within the required constraints of quality, cost, time, and risk. The Project Manager will also be tasked with ensuring that the project can achieve the benefits defined in the project brief. As the primary project lead, the Project Manager is responsible

for managing the drawdown of professional fees and monitoring the performance of external consultants against their appointment criteria.

[summary of approach to information management]

Client to provide

This will include the use of a Project Plan (Microsoft Project), Communications Plan, Risk and Issue Logs which will be maintained by the Project Manager.

[details for managing change linked to organisation, governance, and delegated authorities]

Monitoring actions to ensure compliance with Authority's governance.

- Approving the appointments of consultants and contractors (within delegated authority) and taking an active involvement in the appointment process.
- Maintaining at all times, on behalf of the Project Board, an overview of the project in relation to the business case.
- Informing and working with the stakeholders and other client departments.
- Ensuring that each Project Manager (and Project Team) receives decisions and instructions from the Project Board on time.
- Establishing with each Project Manager an agreed approach to major issues that arise (particularly risk assessment, value management and change control).

[arrangements for managing professional service contracts and third-party agreements]

STAKEHOLDER ENGAGEMENT

[summary of key stakeholders and their interests and power to influence delivery]

Key Stakeholders include Redditch Borough Council, Worcestershire County Council, local business and community groups. A key vehicle for stakeholder engagement has been the Redditch Town Deal Board whose membership is outlined below:

Name	Organisation
Leigh Walton (Chair)	Redditch Community Forum / Redditch Resident
Simon Hyde (Vice Chair)	Faun Zoeller
Cllr Matthew Dormer	Leader - Redditch Borough Council
Kevin Dicks	Redditch Borough Council
Ostap Paparega	North Worcestershire Economic Development & Regeneration
Rachel Maclean	Redditch MP
Simon Hyde	Faun Zoeller (UK) Ltd
David Mitchell	Mettis Aerospace
Gary Woodman	Worcestershire LEP
Tim Martin	West Midlands Combined Authority
Annette Daly	YMCA
Penny Unwin	Worcestershire County Council OPE
Simon Geraghty	Leader – Worcestershire County Council
Shanaaz Carroll	Greater Birmingham & Solihull LEP
John Hobbs	Worcestershire County Council
Peter Sugg	Young Solutions

Julia Breakwell	HoW College
Ian Smith	Cities & Local Growth Unit
Rebecca Collings	Towns Fund Delivery Partner
Other officers / partners as agreed and required	

[summary of strategy(s) to engage through development, delivery, and operations]

Once the design teams are in place, they will be an extensive public and stakeholder engagement process.

[summary of approach to communications with stakeholders including the public]

Stakeholder feedback and evaluation forms will be used and also stakeholder input at exhibition events will be recorded and the design iterations will be measured / evaluated against the feedback.

BENEFITS, MONITORING AND EVALUATION

[summary/cross reference to the benefits register covering development/delivery/operations]

Refer to the Economic Case for the full list of project benefits expected to result from the project.

[approach to developing a benefits realization plan and its approval]

Monitoring and evaluation are essential parts of any project. It provides an opportunity to improve performance by reviewing past and current activities, with the aim of replicating good practice in the future and eliminating mistakes in future work. The Redditch Borough Council has a responsibility to report on how funding is being utilised for this scheme and how its expenditure represents value for money to the taxpayer and how spending aligns with the main objectives of the scheme.

[arrangements for tracking and reporting benefits through development/delivery]

In order to monitor the delivery of the scheme correctly, the Redditch Borough Council proposes to create a detailed monitoring and evaluation plan. Monitoring and evaluation plans will be published on the Redditch Borough Council website and will be available to the public.

Monitoring and evaluation costs will be covered through the Town Investment Plan ask as per the Financial Case. Data will be collected on a number of key metrics relating to Redditch Library redevelopment, including footfall, retail vacancy numbers, number of local events, private commercial investment. It will be the responsibility of the Programme Manager to collate the annual data for the purposes of delivering the monitoring and evaluation report at project close. A proportionate approach to Monitoring and Evaluation will ensure value for money, utilising existing data to deliver efficiency for both the Redditch Borough Council and the Town Investment Plan.

[high level strategy for monitoring and evaluating benefits realization]

Monitoring and Evaluation (M&E) is essential for any publicly-funded project. It provides an opportunity to improve performance by reviewing past and current activities, with the aim of replicating good practice in the future and eliminating mistakes in future work. RBC has a responsibility to report on how funding is being utilised for this scheme and how its expenditure represents value for money to the taxpayer and how spending aligns with the main objectives of the scheme.

RBC is committed to the ongoing monitoring of the impacts of the schemes that it introduces to ensure that benefits are realised, impacts are identified, and any unforeseen effects are understood. In the case of the redevelopment of the Redditch Library site, the monitoring and M&E arrangements will include reporting against the project's business plan and financial performance, as well as the required construction monitoring and evaluation. The design of the M&E approach will be proportionate to the size of the investment, the risks, and the uniqueness of the project as well as being aligned to the requirements of other funding agencies.

The M&E objectives for this project are as follows:

- Implementation of the projects and how this impacts the intended outcome.
- Outputs of delivery.
- Outcomes measuring the intermediate effects of the project and what they achieve.
- Reporting the implementation and outputs of the intervention throughout the lifetime of the project and subsequent years after completion.

The Town Centre Public Realm project will be monitored throughout its life course following the logic model developed for the scheme and associated indicators.

Many of the required data sources are currently readily available, and some will require additional research and reporting, for example food and beverage turnover. Increased footfall will be tracked and measured via footfall counters.

In order to monitor the delivery of the scheme correctly, RBC proposes to:

- create a detailed monitoring and evaluation plan;
- publish the monitoring and evaluation plan on the Council website so as to be available to the public;
- provide progress reports on the evaluation process throughout the project lifecycle through its rigid management structures; and
- provide an initial report based on data collection annually throughout the project lifecycle.

Guidance for monitoring key benefits and factors for overall success of the project are set out in the tables listed below. These will be regularly reported on by RBC to the Project Governance Board. Tables below set out the structure for gathering, assessing and monitoring benefits and outcomes.

Benefit	Timescale	Measured	Risks	Critical Success Factors
5 new / improved public spaces encompassing approximately 9,571m ² of urban realm	Immediate			
Increased footfall	Ongoing			
Improved perceptions of Redditch by residents and visitors	Ongoing			
Increase in land values	Ongoing			
Improved streetscape and urban furniture	Short term			
Increased number of local journeys made by walking / cycling	Short term			
Greater feeling of safety amongst residents	Short term			

Improved physical health as a result of increased walking / cycling provision	Medium term			
Increased private sector investment supporting uptake of vacant commercial space	Medium term			
Change in perception of Redditch as a more attractive town to live, work and invest	Long term			

Once Heads of Terms have been agreed, towns are required to develop business cases for each project and submit a Summary Document to Ministry of Housing, Communities and Local Government (MHCLG). MHCLG will need to review and be satisfied with the Summary Document before funding can be released.

The **Summary Document is mandatory**, even if you do not use the TFDP business case template.

SUMMARY DOCUMENT

Towns Fund Stage 2 Business case guidance Annex C: Summary Document template

Towns must:

- Submit a completed Summary Document for each project to Ministry of Housing, Communities and Local Government (MHCLG) as soon as they are ready and within 12 months of agreed Heads of Terms.
- **Where towns require funding in 2021/22** then Summary Documents **must** be submitted to MHCLG by 14 January 2022.
- Note that in the event of late submission of Summary Documents (SD), MHCLG cannot guarantee payment. If there is a risk of late submission, towns should promptly liaise with their MHCLG local leads.

- **With the first Summary Document, include** Part 2: Town Investment Plan (TIP) conditions (where applicable).

Please note: MHCLG will use the financial profile (Annex A-1) submitted previously to make any payment.

Programme-level update

Where not submitted today, the remaining Summary Documents submission timings.

Project name	Month/Year
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

Part 1: Project Summary Document

Towns should complete this for each project.

Summary Document table	
1. Project name:	
2. Heads of Terms project conditions	
<ul style="list-style-type: none"> - Actions taken to address any conditions attached to the project in the Heads of Terms, where applicable. - Where the condition was to provide a delivery plan please input in the section below (no.9) and/or attach to this document. 	
3. Business case appraisal	
Provide details of how the business case has been appraised including: <ul style="list-style-type: none"> - business case type - any internal or external assurances 	
4. MHCLG capital (CDEL) 5% payment	
Main activities, if applicable: <ul style="list-style-type: none"> • • • • • 	
5. Quantified benefit-cost ratio/value for money (e.g. Benefit Cost Ratio or Net Present Social Value)	
A quantified benefit-cost ratio should be provided. If it has not been generated, a summary of evidence used by the S151 Officer to demonstrate value for money should be stated.	
6. Deliverability	
Will this project still be delivered within the Towns Fund timeframe? (Y/N)	

7. Delivery plan

Including details of:

- timescales and key milestones
- partnerships
- interdependencies
- risks and mitigation measures (if not provided above).

8. Town Deal Board Chair name & signature

Name of the Town Deal Board:

Chair's name and signature:

Date:

9. By signing, I agree that:

1. The business case, in a proportionate manner, is Green Book compliant.
2. The 5% early capital (CDEL) has been included in the Town Fund project costs across the programme.
3. This project and expenditure represent value for money, including the 5% early capital (CDEL) provided.
4. Project-level Equality Impact Assessments such as Public Sector Equalities Duty and/or Environmental Impact Assessments have been undertaken.
5. For final submission - programme-level Public Sector Equality Duty assessment has been undertaken by the accountable body.

Name of the lead Local Authority and signature of the Chief Executive Officer or S151 Officer

Name of the lead Local Authority:

Job title:

Name and signature:

Date:

Part 2: Town Investment Plan (TIP) conditions

Towns are **only** required to submit this with the **first batch** of Summary Document if any TIP conditions are listed in the Heads of Terms. All TIP conditions must be met **before funding can be released**.

TIP conditions table	
1. TIP improvement condition	
Set out TIP improvement conditions as agreed in Heads of Terms	
2. Evidence	
Provide evidence of how conditions have been addressed	
3. Name of the Town Deal Board Chair & signature	
Name of the Town Deal Board:	
Chair's name and signature:	
	Date:
4. Lead Local Authority's name & signature of the Chief Executive Officer or S151 Officer.	
Name of the lead Local Authority:	
Job title:	
Name and signature:	
	Date:

Annex: submission checklist

Use this as guidance when submitting the Summary Documents.

Items	Checked	Qty
first submission		
1. Programme-level update	<input type="checkbox"/>	
2. Part 1: Project Summary Document	<input type="checkbox"/>	
3. Part 2: Town Investment Plan (TIP) conditions	<input type="checkbox"/>	
4. Final Monitoring & Evaluation (M&E) plan	<input type="checkbox"/>	
5. Any other documents	<input type="checkbox"/>	
all other submissions		
1. Programme-level update	<input type="checkbox"/>	
2. Part 1: Project Summary Document table	<input type="checkbox"/>	
3. Final M&E plan	<input type="checkbox"/>	
4. Any other documents	<input type="checkbox"/>	

PROPORTIONALITY GUIDE

You should consider the following questions and prompts to help guide the level of detail required for your business case. Ultimately, this is a question for your local assurance processes and your Town Deal Board.

GENERAL CONSIDERATIONS

Key questions to consider the level of detail and effort required for your business case as a whole include:

- Is your project large (smaller projects – e.g. <£1m – require less detail compared to larger projects – e.g. projects over £25m)?
- Is the project of regional or national significance?
- Is it a complex or innovative project?
- Is this the first time you have delivered a project of this kind?

If you answer ‘Yes’ to one or more of these questions, you will need to produce a more detailed business case.

Ultimately, you should follow any guidance on the level of detail required for business cases based on your local assurance processes.

For each of the five cases below, we set out key questions and considerations to help you gauge the level of detail required for your business case.

At the end of this document, you can use the [Proportionality Tool](#) to assess where each business case falls on the scale of these key questions, which should help you understand the level of detail required for your business case.

STRATEGIC CASE

Key questions to consider the level of detail and effort required for your Strategic Case include:

- Is the project a key enabler for other projects or programmes? Is it part of a set of projects to achieve more transformational change?
- Is there a complex stakeholder or policy challenge which requires further evidence or articulation of wider strategic alignment?
- Does the project or its theory of change have any dependencies on other projects or activities?

ECONOMIC CASE

Key questions to consider the level of detail and effort required for your Economic Case include:

- Is the project in any way high risk or/and new and novel? Are the benefits of this type of project well understood and is there evidence that they are likely to be achieved?
- Is the “Do something” well-articulated – or does it need further refinement? Are the scenarios easily defined?

- What is the level of certainty around the costs and benefits? Is the BCR or NPV calculation particularly sensitive to any of the variables or assumptions?
- Is there any interrelationship or complexity between costs, benefits etc.? For instance, prices or costs impacting on demand?
- Are the costs and benefits dependent on the commercial or financial deal?
- Are there any significant dis-benefits?
- Is the case dependent on significant benefits which are difficult to monetise?
- Is the project likely to have a different impact on different groups (e.g. age, income)?

FINANCIAL CASE

Key questions to consider the level of detail and effort required for your Financial Case include:

- What are the various sources of co-funding and commitment levels, and are there key uncertainties around those?
- Are there any foreseen Capital or Revenue constraints?
- What are the key assumptions that will impact the financial viability and what sensitivities do you plan to run? Are there any key financial risks to the project?
- Has there been consideration of tax and accounting treatment with your local assurance owner / accounting buddy?

COMMERCIAL CASE

Key questions to consider the level of detail and effort required for your Commercial Case include:

- What is the commercial strategy underpinning delivery of the project?
- Which party owns which risk and the basis for the risk allocation? To what extent is there opportunity for suppliers to bear risk? Where suppliers are able to take risk how will the pricing mechanism reward/penalise them?
- Does the project involve partnering with multiple bodies and, if so, how will agreements be negotiated?
- Does the scope of the project require specialist input and are there any specific challenges or risks?
- Is the market understood and is the project likely to result in competitive tender(s)?
- Are there any specific challenges in deciding the procurement route to market? To what extent can existing processes for procurement and contract management be used? Do you have experience with this type of procurement?
- To what extent can the project be delivered as a single package or are multiple packages required?
- Can social value be delivered through procurement?

MANAGEMENT CASE

Key questions to consider the level of detail and effort required for your Management Case include:

- Does the accountable body have an existing and proven approach for the delivery of projects and how will that be applied to the delivery of the project?
- What is the scale and complexity of the project?
- What are the key risks, who are the owners and how will they be managed?
- Is this an innovative project and does the project sponsor have experience in delivering similar projects?
- How many organisations will be involved in the delivery of the project and have they worked together?

- Does this project require complex delivery arrangements and are the roles and responsibilities clear and agreed?
- To what extent is the project dependent on projects by others and how will interfaces be managed?
- How many stakeholders will need to be engaged during development and delivery stages and how will this be achieved?
- What is the basis for the workstreams/activities in the proposed delivery schedule and the confidence in achieving key milestones?
- To what extent are there existing processes and procedures for project controls and how will these be applied?
- Who requires to assured, about what, to what level of detail and to what extent can existing arrangements be adapted and used?
- Is benefits realisation dependent on other parties, behavioural change, or additional enablers such as training or programming?
- How many outcomes and outputs will need to be monitored, and is there an established method for monitoring the outcomes and outputs that have been identified?

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PROPORTIONALITY ASSESSMENT TOOL

	Less detail		More detail
General			
Project size and value	<£1m	↔	£25m+
Regional and national significance	Local	↔	Regional / national
Innovation	Low	↔	High
Experience delivering similar projects	High	↔	Low / no experience
Strategic case			
Enabler of other projects and transformational change	Local impact	↔	Transformational change
Stakeholder picture	Simple	↔	Complex
Key dependencies with other projects	No dependencies	↔	Strong dependencies
Economic case			
Risk and novelty of project	Low	↔	High
Scenario definition	Simple	↔	Complex, including Covid-19 impacts
Certainty around costs and benefits	High certainty	↔	Low certainty
Disbenefits	No disbenefits	↔	Potential Disbenefits
Monetising benefits	Easy to monetise	↔	Difficult to monetise
Distributional impacts across groups	simple impacts, less relevant to project	↔	Complex distributional impacts
Financial case			
Co-funding and uncertainties	Clear co-funding approach	↔	High uncertainty and complex co-funding
Capital and Revenue restraints	None	↔	Some
Financial viability and key financial risks	Low risks	↔	High financial risks
Tax and accounting treatment	Clear	↔	Complex, to be defined

	Less detail		More detail
Commercial case			
Number of parties	1	↔	>3
Procurement experience	Procured before	↔	Never procured
Risks and allocation	Clear and obvious	↔	Shared and need defining
Market assessment	Sufficient capacity	↔	Limited capacity
Procurement route	Framework	↔	Negotiated deal
Contract conditions	Standard, used before	↔	Modified, complex
Payment mechanisms	Cost reimbursement	↔	Target price
Incentives	None	↔	Pain / Gain
Assurance required	Minimal	↔	Independent
Value added	Minimal	↔	Multiple opportunities
Management case			
Technical complexity	Low	↔	High
Novelty	No novel aspects	↔	Little experience
Delivery risks	Few and manageable	↔	Many, likely, resource hungry
Dependencies	Few	↔	Many
Delivery model	Single body	↔	Multi-party
Project team	1-3	↔	>5
Project model	Single	↔	Part of a programme
Stakeholders	Passive management	↔	Active management
Assurance required	Minimal	↔	Independent
Benefits	Clear, concise, measurable	↔	Multi-faceted