

25 November 2020  
Your reference:  
Our reference: LAS/ZB  
Ask for: Zuber Bapu

Member Services  
Resources Directorate  
Town Hall  
Lancaster Road  
Preston PR1 2RL

[www.preston.gov.uk](http://www.preston.gov.uk)  
tel. 01772 906309  
[z.bapu@preston.gov.uk](mailto:z.bapu@preston.gov.uk)

**To: Members and Officers of  
The City of Preston Town Fund Board  
Councillors M Brown and Moss**

Dear Sir/Madam

### **City of Preston Town Fund Board - 27 November 2020**

You are requested to attend a meeting of the City of Preston Town Fund Board to be held on Friday, 27th November, 2020 at 11.00 am in the Skype.

Board Members are reminded of their responsibility to declare any personal interest or disclosable pecuniary interest in respect of matters contained in this agenda.

The Agenda for the meeting is set out overleaf.

Yours faithfully

*Jackie Wilding*

**Director of Resources**

**City of Preston Town Fund Board**  
**Friday, 27 November 2020**

**AGENDA**

1. **Minutes** (Pages 1 - 4)  
Minutes of the meeting held on 25 September 2020 enclosed.
2. **Harris Quarter Pops Up Programme Shortlist** (Pages 5 - 6)  
Report attached.
3. **City Investment Plan Implementation Update** (Pages 7 - 14)  
Report attached.

**City of Preston Town Fund Board**

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**City of Preston Town Fund Board**  
**25 September 2020**

**Present:** Mr J Chesworth in the Chair; R Connor , Vice Chair; Sir M Hendrick, MP, Councillors M Brown , A Phillips, R Binns, L Smith, R Jenkins, P Green and A-M Parkinson

**Also in attendance:**

Mr J Crellin	– Assistant Director (Head of City Growth & Regeneration) City Development
Ms B Joyce	– City Development
Mr Z Bapu	– Senior Member Services Officer

**Apologies:** Councillor Moss, K O'Connor and M Close

**CD18 Minutes**

The minutes of the meeting held on 24 July 2020 were confirmed as an accurate record.

**CD19 Preston Towns Fund - Harris Quarter Pops Up - Implementation**

The Board received a report on Harris Quarter Pop Up Project. In July 2020, the Council received a letter from the Ministry of Housing, Communities and Local Government (MHCLG) offering Preston a Towns Fund grant of an additional and accelerated £1million to fund capital project(s). At its meeting in July the Towns Fund Board approved that the Harris Quarter Pops Up project be progressed under this initiative. In August 2020 the City Council as accountable body delegated acceptance of the grant to its section 151 officer and delegated to the Council's Cabinet any further project approvals required by the accountable body. The Chief Executive and s151 officer wrote to Government in August accepting the s131 grant offer which is expected to be received in full by the Council this month.

The s131 grant needs be fully defrayed within 8 months, and taking this into account along with the impact of Covid-19 on the Council's delivery capacity officers have considered how best the project can be delivered. The preferred option is for the Council to utilise the Lancashire Regeneration

## City of Preston Town Fund Board

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Property Partnership (LRPP) to appoint Maple Grove Developments (MGD) to act as project and development managers.

The main objective of the project is to encourage visits, from residents and visitors alike, into the City Centre and help re-establish the City Centre as a safe destination of choice. The project will see the design and delivery of a curated range of longer and shorter term uses of Preston's market areas and other public spaces to provide areas for a programme of pop-up events and visitor attractions. A long list of projects including: public realm; innovative use of public spaces; public art; cycle provision; site hoardings; occasional themed markets; and digital screens has been drawn up.

The project sponsor for the accountable body is the Director of Development and Housing who is establishing a working group, comprising Council officers, MGD and Towns Deal Board member organisations UCLan and the County Council. The project sponsor will keep the Town's Fund Board Chair updated on progress. MGD will lead on the first task of the working group to assess each project on the long list against a range of critical success factors, including alignment with existing regeneration proposals underway in the area; affordability; deliverability; impact; and alignment with grant criteria. This assessment process will take between 4 and 6 weeks which will further reduce the time available to deliver the project and defray the grant to circa 6 months.

The Board made the following comments and observations:-

- Pleased to see a local developer being involved.
- Good news for the City.
- Spend timescale very constrained
- Procurement challenges will need to be overcome.

### **Resolved – That the Board**

- (i) Noted, subject to approval by the Cabinet of the Accountable Body, the use of the Lancashire Regeneration Property Partnership to retain Maple Grove Developments as Harris Quarter Pops Up development and project manager;
- (ii) Endorsed the "long list" of potential project elements and the sifting process set out in this report to enable the final project elements to be costed and delivered; and
- (iii) Requested that MGD and the Project Sponsor update future meetings of this Board on implementation progress.

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### CD20 Towns Fund Investment Programme - Update Report

The Board received an update on the Towns Fund Investment Programme. The City Of Preston Towns Fund Board submitted a City Investment Plan (CIP) to government at the end of July 2020. The CIP sets out a 15 year plan for the city centre including a £24.98m Towns Fund investment programme focussed on the Harris Quarter.

No formal feedback on the submission had been received at the time of writing. It is understood that a process of assessment and moderation has been taking place and that formal feedback may be forthcoming in early October. Heads of Terms will need to be negotiated and agreed by the City Council, in its role as Accountable Body (AB) for the Towns Fund, the government and the Board. The Towns Fund Board, and AB, will need to demonstrate assurance to enable accountable decision making, to ensure value for money and to provide for effective monitoring and evaluation through a Towns Fund Assurance Framework.

In July 2020 the Board requested that the AB ensure its Monitoring Officer and Chief Internal Auditor are appraised of the enhanced roles and responsibilities required of the AB during the next phases. In August the Council of the AB noted the future role of the AB and requested that the Towns Fund Assurance Framework be brought for consideration by the Council at the appropriate time. It is premature to ask the Board or the AB to consider a draft Assurance Framework in advance of any formal offer of Towns Fund grant. It is recommended that an Assurance Framework working group comprising a small group of Board members and officers be established to support the preparation of the Assurance Framework.

An important part of the Assurance Framework is appointment of future Board (and any Board sub group) members. It is recommended that the Assurance Framework working group prepare appointment protocols for consideration by the Board. In July the Board endorsed the establishment of an Investment Panel to make Towns Fund investment recommendations to the Board. It is recommended that the Investment Panel Chair form part of the Assurance Framework working group and that terms of reference for the Panel be prepared for consideration by the Board.

**Resolved** – That the Board:

- (i) Noted the AB's Monitoring Officer and Chief Internal Auditor have been appraised of the enhanced roles and responsibilities required of the AB during the next phases;
- (ii) Noted the AB has requested that a draft Towns Fund Assurance Framework be considered by the Council of the AB, when prepared;

**City of Preston Town Fund Board**

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- (iii) Agreed that an Assurance Framework working group be established, to include the Chief Executive of the AB, the Chair of the Board and Chair of the Investment Panel; and
- (iv) Requested that the Assurance Framework working group draft appointment protocols and terms of reference for the Investment Panel for inclusion within the draft Assurance Framework for consideration by the Board in due course.

<b>City of Preston Towns Fund Board</b> <b>Meeting to be held on 27 November 2020</b>
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<b>Preston Towns Fund</b> <b>Harris Quarter Pops Up – Programme Short List Approval</b>
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## 1. Summary

- 1.1 In July 2020 the Towns Fund Board and in August 2020 the Full Council of the accountable body approved that the Harris Quarter Pops Up project be progressed under the accelerated Towns Fund initiative. In August 2020 the accountable body confirmed its acceptance to government of a £1m capital grant to implement the project.
- 1.2 In September 2020 the Towns Fund Board and the Cabinet of the accountable body: approved the appointment of Maple Grove Developments (MGD) as project and development manager and the Council's Director of Development and Housing as the project sponsor; endorsed a "long list" of potential projects; agreed a process to develop a final short list; and requested the project manager and project sponsor update the Board.
- 1.3 At its meeting in September the Cabinet of the accountable body, noting the grant criteria and timescales for spend delegated authority to the Director of Development and Housing in consultation with the Leader, Deputy Leader (Cabinet Member for Planning and Regulation) and Cabinet Member for Resources to implement the project.
- 1.4 The project sponsor chairs a Harris Quarter Pops Up Project Board, comprising this Board's Chair, Council officers, MGD and Towns Fund Board member organisations UCLan and the County Council. The Project Board has undertaken a sifting process and identified a final short list of projects for consideration by the Board. A presentation on the short list will be made at the Board meeting.
- 1.5 Subject to consideration of the short list by the Board the accountable body will be required to undertake further due diligence on the project short list to satisfy itself that any ongoing liabilities can be met. The due diligence to be concluded by the middle of December.

## 2. Decision Required

- 2.1 The Towns Fund Board is requested to:
  - (i) Consider the short list for endorsement;
  - (ii) Request the project sponsor oversee a final due diligence review of the short list by the accountable body to ensure any ongoing liabilities can be met;
  - (iii) Request the project sponsor and the Chief Executive of the accountable body, bring a report to the next Board meeting in the event that the due diligence concludes that project elements cannot progress to the implementation stage;
  - (iv) Endorse the implementation of projects which pass the due diligence review; and
  - (v) Note that final implementation decisions will be carried under the approved accountable body delegations.

### 3. Information

- 3.1 The City of Preston Towns Fund Board and the Accountable Body (Preston City Council) (AB) agreed at their meetings in July and August 2020 that *Harris Quarter Pops Up* – a series of interventions in the Harris Quarter and other public spaces to encourage visits back to the City Centre be progressed.
- 3.2 Discussions on potential projects with a range of stakeholders, including through this Board, commenced in July this year and resulted in the development of a long list of projects. Harris Quarter Pops Up will see a curated combination of permanent, semi-permanent and temporary uses of Preston’s market areas and other public spaces to provide space for a programme of pop up events and visitor attractions. Overall the project represents a significant opportunity to encourage visits, from residents and visitors alike, into the City Centre and help re-establish the city centre as a safe destination of choice.
- 3.3 Maple Grove Developments (MGD) are retained as the project and development manager for the project and the project sponsor is the AB’s Director of Development and Housing. A project Board, chaired by the project sponsor, has been established comprising this Board’s chair, AB officers, MGD, UCLan and County Council officers.
- 3.4 A project long list was presented to this Board in September 2020 and the Project Board has now assessed each project element on the long list against a range of critical success factors, including alignment with existing regeneration proposals underway in the area; affordability; deliverability; impact; and alignment with grant criteria, including the Towns Fund “intervention framework”.
- 3.5 The project short list is set out below. A presentation on the Harris Quarter Pops Up project shortlist will be made to the Board. The presentation will set out detailed information on each project, including costs, timescales for delivery, risks and outstanding issues to be resolved.

	<b>Project</b>	<b>Notes</b>
1	<b>Temporary Mobile Events Space (TMES)</b>	Architecturally designed bespoke mobile structure to accommodate up to 100 people in a variety of locations for a range of uses.
2	<b>Bench Sculpture</b>	Wallace and Gromit bench. In association with Aardman, designed by Preston sculptor Ian Hodgkinson and made at a local foundry.
3	<b>Market Street Phone Boxes</b>	Acquisition and refurbishment of 7/8 red phone boxes in the Harris Quarter for installations and displays.
4	<b>Preston Free Wi-Fi</b>	Installation of free Wi-Fi network in Harris Quarter outdoor spaces provided by Preston based company.
5	<b>Public Art Murals</b>	Display of local artists’ work in outdoor locations in the Harris Quarter and across the City Centre.
6	<b>Animate Site Hoardings</b>	Design and installation of hoardings around Animate site
7	<b>Public Realm</b>	Public realm on Lancaster Road between market canopy and St Johns shopping centre to support connectivity within and to and from the Harris Quarter. Delivered with LCC.



**Report to City of Preston Towns Fund Board****Towns Fund City Investment Plan – Implementation Update  
Appendix 1 – Assurance Framework Scope****Meeting to be held on 27 November 2020****1. Summary**

- 1.1 The City Of Preston Towns Fund Board submitted a City Investment Plan (CIP) to government at the end of July 2020. The CIP sets out a 15 year plan for the city centre including a £24.98m Towns Fund investment programme focussed on the Harris Quarter.
- 1.2 Preston was one of thirteen “cohort one” places to submit Investment Plans in July. Government have, to date, announced seven Towns Fund award decisions with a decision on Preston’s Deal expected imminently.
- 1.3 The announcement will be accompanied by Heads of Terms to be agreed by the City Council, as Accountable Body and the Board. If it is not possible to convene a full Board meeting within the timescales set out by government it is proposed, as a backstop, that final Board approval to the Heads of Terms is delegated to the Chair and Deputy Chair.
- 1.4 The City Council will need to put arrangements in place to ensure timely consideration of and response to the Heads of Terms.
- 1.5 The Towns Fund Board has established an Assurance Framework working group to oversee the preparation of a Towns Fund Assurance Framework which is required to demonstrate assurance to enable accountable decision making, to ensure value for money and to provide for effective monitoring and evaluation.
- 1.6 It is premature to ask the Board or the Accountable Body to consider a draft Assurance Framework in advance of a formal offer of Towns Fund grant however the working group has agreed the scope of the Framework which will be brought for consideration by the Board and Council of the Accountable Body in due course.
- 1.7 Alongside the Towns Fund investment programme the CIP sets out six priorities, and this report provides an update on actions to progress these priorities, including the preparation of a Strategic Regeneration Framework for the Preston Station Quarter.
- 1.8 At its meeting in January 2020 the Board approved the need for of an external communications and marketing agency to support Board on a communications plan. Freshfield PR have now been appointed to work alongside Groundswell Innovation who have ben re-appointed to lead on stakeholder engagement.

**Recommendations:**

The Board is asked to:

- (i) In the event that it is not possible to convene a full Board meeting, delegate authority to the approval of Heads of Terms to the Chair and Deputy;
- (ii) Request that the Accountable Body is able to consider the Heads of Terms within the time-frame set out by government;
- (iii) Endorse the scope of the Assurance Framework and request that a final draft is brought to a future meeting of the Board; and
- (iv) Note the ongoing work to progress the CIP priorities;

### **3. Information**

- 3.1 The City Of Preston Towns Fund Board submitted a City Investment Plan (CIP) to government at the end of July 2020. The CIP sets out a 15 year plan for the city centre including a £24.98m Towns Fund investment programme focussed on the Harris Quarter.
- 3.2 Preston was one of thirteen “cohort one” places to submit Investment Plans in July. Government made a decision in October to split the award decisions into two announcements, with seven towns receiving their funding decision earlier in November. Preston, and the other five places are awaiting their funding announcement.

### **Heads of Terms**

- 3.3 The Board may recall that it had previously been advised that Heads of Terms would be issued, and upon agreement to the Heads of Terms an announcement would be made. However it is now understood that a Heads of Terms letter will be issued alongside the award announcement. It is further understood from discussion with Towns Fund colleagues, that a response to the Heads of Terms is likely to need to be provided back to government within a two to four week period, by the Council, as Accountable Body and the Board.
- 3.4 The Heads of Terms are an agreement in principle for funding and are expected to include:
  - Allocated Towns Fund budget and financial profile
  - List of projects to receive funding and recommended assurance route for business cases
  - List of support agreed by other government departments
  - Key conditions and requirements
- 3.5 The timeframe of between two and four weeks provides little time for negotiation of the Terms, in addition it may not be possible to schedule a full meeting of the Board or to secure agreement by write round. With regard to the Board approval, it is therefore proposed in the event that it is not possible to convene a full Board meeting within this short time period, and that as a backstop, that the Board delegate final approval to the Heads of Terms to the Chair and Deputy Chair.
- 3.6 The Heads of Terms will also need to be approved by the Accountable Body (AB). The AB will therefore need to ensure it is able to consider and provide a response to the Heads of

Terms within the time period. It is understood from discussion with Towns Fund colleagues that those places in the first tranche of cohort one announcements secured the necessary Board and Accountable Body approvals within the time period set out by government.

### **Assurance Framework**

- 3.7 At their meetings in July and August the Board and the AB respectively received detailed reports on the roles, responsibilities and requirements of the Board and the AB and that these would be set out in a detailed Assurance Framework (AF). In simple terms the purpose of the AF is to:
- Enable accountable decision making
  - Ensure value for money
  - Provide for effective monitoring and evaluation
- 3.8 At its meeting in September the Board approved the established of an Assurance Framework working group to oversee the preparation of the AF. The working group is chaired by the Board Chair, and comprises the Chief Executive and Leader of the AB, Chair of the Investment Panel and the Investment Manager of the Local Enterprise Partnership. AB officers will be involved in all stages and sections of the AF drafting.
- 3.9 It is premature to ask the Board or the Accountable Body to consider the AF in advance of a formal offer of Towns Fund grant and the AF will be brought for consideration by the Board and Council of the Accountable Body in due course. Following agreement by the Board the Assurance Framework will need to be considered and approved by the Council of the AB.
- 3.10 The AF working group met in October to discuss and agree the scope of the AF. There is no specific guidance for Towns Fund Assurance Frameworks. In 2019 the Ministry of Housing, Communities and Local Government put in place the “National local growth assurance framework” for Mayoral Combined Authorities with a Single Pot funding arrangement and Local Enterprise Partnerships.
- 3.11 This framework implemented the recommendations of: the Non-Executive Director Review into LEP Governance and Transparency (the Mary Ney Review); ILEP Governance and Transparency Best Practice Guidance (published in January 2018); Strengthened Local Enterprise Partnerships / Ministerial review; and Public Accounts Committee Report into the governance of the Greater Cambridge Greater Peterborough Local Enterprise Partnership which followed a National Audit Office investigation.
- 3.12 The Board’s AF working group agreed that the “national local growth assurance framework” provided an appropriate template upon which to draw up Preston’s Towns Fund AF.
- 3.13 Underpinned by the Nolan Principles, which already form part of the Terms of Reference for this Board, the AF must provide:
- (a) clear description of roles and responsibilities;

- (b) Arrangements for taking and accounting for all decisions and ways of working – ensuring effective public engagement, with key documents, decisions etc. made public in line with the requirements placed on Local Authorities, and an agreed means to manage conflicts of interest
- (c) Responsibilities of the Accountable Body – provide detail of how they are ensuring proper financial oversight of their projects, programmes and portfolios, including clarity on the role of the Section 151 Officer with regards to governance and financial oversight; and
- (d) Arrangements to ensure value for money

- 3.24 A scope of headings for the AF is attached at Appendix A. Many sections of the AF will mirror protocols and standards set down in the Council's standing orders. The AF must be published on the City of Preston Town's Fund website, and, as a minimum, be reviewed annually.
- 3.25 Following receipt of the Heads of Terms the AF working group will meet to consider a detailed draft of the AF with the intention of bringing a final draft to a meeting of the Board early in 2021 and then to the Council of AB for approval.
- 3.26 The AF will set out the assurance process for approval of business cases. Investment funds cannot be drawn down from government until the business cases have been approved by the Board and signed off by the Council's s151 officer. Project sponsors will require clarity of the assurance process for business cases, which are likely to take 3-5 months to allow for preparation, independent assessment, consideration by the Investment Panel and the Board. Therefore the AF needs to be approved and in place as soon as practically is possible.

### **CIP Priorities**

- 3.27 The 6 priorities of the CIP, which has a spatial focus on the City Centre are:
- Transforming Preston's cultural infrastructure, focusing on our cultural and leisure facilities, spaces and programmes;
  - Supporting the recovery, skills, growth and resilience of Preston's economy;
  - Delivering a new commercial district at Preston Station Quarter;
  - Delivering a ground-breaking approach to community health and wellbeing in the city.
  - Expanding and diversifying the housing supply to significantly boost city centre living.
  - Achieving a step change in sustainable movement and accessibility in the city by delivering Preston's Transport Plan.
- 3.28 The pipeline of projects which will deliver these 6 priorities will develop over time. While it is recognised that the implementation of these priorities may not be the direct responsibility of the Board it has been agreed, where possible, the Board receive regular updates to understand what progress is being made in order to provide support and direction where appropriate. Sections 3.29 to 3.32 provides a brief summary of some demonstrable progress to be noted.

- 3.29 Since the submission of the CIP, the City Council, County Council and UCLan have agreed to work together to commission the Strategic Regeneration Framework for the Preston Station Quarter – a specific action set out in the CIP. The purpose of the SRF is to provide a visionary and evidence-based framework for the Station Quarter that will establish the potential of the area, set land use and design principles, guide development and decision making and also attract interest and investment in the City. The process for procuring a Masterplanning team is now underway with a team to be appointed before the end of 2020.
- 3.30 The County Council, supported by the City Council, continue to make progress on the implementation of the Transforming Cities Fund – Transforming Ring Way project. A project working group has been established to oversee the work programme which to date has comprised project scoping, surveys, testing early design concepts and drafting an engagement plan.
- 3.31 The updated Preston City Living strategy (City Living Preston) was launched in October 2020 at an online event organised by the Built Environment Network and has already stimulated a significant amount of new interest in developing and investing in the Preston housing market. City Living Preston was awarded the overall national Planning Award in September 2020 and the regional Royal Town Planning Institute category award for Spatial Planning in November.
- 3.32 The County Council has set up the Lancashire Economic Growth and Recovery Fund to support a programme of activity across Lancashire. The City Council was asked to submit a list of projects for consideration and the CIP proved invaluable in providing both the strategic context for investment, and also to be able quickly to set out specific projects in the pipeline which could meet the County Council's fund objective. A prioritised list of projects was submitted, including capital investment for internal improvements to the Guild Hall and Harris Quarter public realm and revenue investment for Health and Well Being building.

### **Communications and Stakeholder Engagement**

- 3.33 At its meeting in January 2020 the Board approved the appointment of an external communications and marketing agency to support Board on the development of a communications and engagement plan and delegated the appointment to the Chief Executive of Preston City Council, in consultation with the Chair. Freshfield PR have now been appointed to work alongside Groundswell Innovation who have been re-appointed to lead on stakeholder engagement.
- 3.34 Freshfield PR and Groundswell Innovation will work together over the next six months to:
- Prepare and implement stakeholder engagement plans for projects which are fully funded in the Heads of Terms and able to progress to the business case stage;
  - Support work with project sponsors whose projects are not fully funded in the Heads of Terms;
  - Distil the complete CIP into a core messages short document; and
  - Develop and deliver a co-ordinated communications and pr strategy to support the Towns Fund Board, the City Investment Plan, the Harris Quarter Investment Programme and the Preston Partnership

3.35 Groundswell and Freshfield PR will attend future Board meetings and will prepare a helpful set of protocols and key messages to support Board members to push positive Investment Plan messages out to their networks and to be used in networking, panel and media opportunities.

**Recommendations**

The Board is asked to:

- (i) In the event that it is not possible to convene a full Board meeting, delegate authority to the approval of Heads of Terms to the Chair and Deputy;
- (ii) Request that the Accountable Body is able to consider the Heads of Terms within the time-frame set out by government;
- (iii) Endorse the scope of the Assurance Framework and request that a final draft is brought to a future meeting of the Board; and
- (iv) Note the ongoing work to progress the CIP priorities;

## Report to City of Preston Towns Fund Board Meeting to be held on 27 November 2020 Towns Fund City Investment Plan – Implementation Update Appendix 1 – Assurance Framework Scope

### Part 1 Enable accountable and transparent decision making

- Governance
- Local Engagement plan
- Appointment Process for Board Members and Chairs
- Diversity statement
- Board remuneration and officer salaries
- Induction and training
- Code of conduct
- Conflict of interests
- Complaints for third Parties and the public
- Whistleblowing policy
- Data
- Publication of Meeting and Agenda Items
- Handling Confidential and Exempt Information
- Publication of Accounts and Financial Information
- Transparent Use of Public Funding
- Management of contracts
- Government branding
- Roles and responsibilities of:
  - Board Chair
  - Sub Committee chairs
  - Accountable Body
  - S 151 officer
- Decisions Relating to Awards of Public Funds
- Scrutiny arrangements
- Audit arrangements

### Part 2 Ensuring value for money

- Business cases and value for money
- Accepted methodology, assessment, outputs and monitoring
- Treasury Green book template – but level of detail proportionate to funding sought
  - Project sponsor produces
  - Independently appraised
  - Reviewed by investment committee
  - Recommendations for funding to main Board

### Part 3 Performance and Monitoring

- Dependent on project conditions at the business case stage
- Regular reporting against agreed financial output metrics
- Social value framework
- Oversight by the Accountable Body Section 151 Officer
- Annual assurance process
- Self-Regulation and Peer Review

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