

Sandwell Town Deal Assurance Panel

Notes

21 February 2022 at 10.30

This meeting will be held online.

Attendees:	Tony McGovern; Simone Hines; Cllr Iqbal Padda; Jude Thompson; Jenna Langford; Emma Parkes; Matthew Driver, Joanne Wrotchford.
Apologies:	None to record.

Item No.	Item Description	Responsible Officer
1.0	Welcome and Opening Remarks	Tony McGovern
1.1	The Chair welcomed all to the Assurance Panel and outlined the items for discussion as per the agenda.	
2.0	Actions of Previous Panel – 8 February 2022 To agree actions have been recorded accurately, review progress and to confirm they can be published via Mod.Gov.	Tony McGovern
2.1	Updates have been recorded on the attached action log.	
2.2	Agreed: Minutes of the meeting held 8 February 2022 to be uploaded onto Mod.Gov.	
3.0	Ron Davis Centre Expansion, Smethwick (Resubmission) Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022.	PMO/ SIU
3.1	At the previous Assurance Panel held 8 February 2022, further recommendations/ actions were agreed for the project team to address in relation to the commercial case, procurement approach and project costings.	
3.2	Recommendations were reviewed by the project team and further detail was provided for the commercial case and procurement approach. Further work is required on detailed costings, however estimated costs were provided based on Spon Book and QS experience of costs at present. The estimated costs presented to Assurance Panel Members included a level of contingency.	
3.3	An updated Full Business Case finding report was presented to Assurance Panel that incorporated SIU and Mott MacDonald feedback following the updated Full Business Case.	



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3.4	A discussion took place around the procurement approach and the need for supporting information to evidence the rationale for the proposed Open Tender route.	
3.5	Assurance Panel Members made the following recommendations: -	
3.6	Action: Findings Report to be updated to include a new bullet point within the Financial Case to read 'Project Costs analysed by SMBC Quantity Surveyor. Estimated costs between £323k and £330k have been identified, leaving a project contingency of approximately £30k.	SIU
3.7	Action: Project Team to conduct Soft Market testing from existing Framework to determine evidence of Open Tender process.	Project Team/ PMO
3.8	Action: Findings Report to include an additional recommendation regarding the need for Soft Market testing from existing Framework to determine evidence of Open Tender process.	SIU
3.9	Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.	
4.0	Town Hall Quarter, West Bromwich Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022.	PMO/ SIU
4.1	The Town Hall Quarter project was discussed at the first Assurance Panel held 24 January 2022, however was not presented formally for sign off as the Full Business Case was undergoing amendments following Director review.	
4.2	A Full Business Case findings report was presented to Assurance Panel Members and an update was provided in regard to the changes since the last discussion. Members were advised the Strategic case, Management case and Commercial case remained the same, with the exception that reference to phases 2 and 3 were removed as Towns Fund grant would fund Phase 1 only.	
4.3	The Economic Case had been sense checked and updated to reflect a BCR of 1.77 – 2.66. The 2.66 calculation is inclusive of phases 2 and 3.	
4.4	The Financial Case had been updated to include additional match funding. A further £108k was identified meaning the match funding profile has increased from £520k to £628k.	
4.5	Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.	
5.0	Retail Diversification Programme, West Bromwich Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022.	SIU
5.1	A Full Business Case findings report was presented to Assurance Panel Members. SIU conducted a review of all five cases.	
5.2	The Strategic Case adequately evidenced the need and demand for the project, however risks were identified due to the nature of the project (acquisition) that	



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5.3	could lead to project delays/ failure to deliver agreed outputs within agreed timescales.	
5.3	No significant issues were identified within the Management, Economic and Commercial Cases.	
5.4	A detailed discussion took place around the Financial Case to better understand the Financial arrangements and risks associated to the council. All Members understood the nature of this project would result in higher risk.	
5.5	A number of recommendations were identified by SIU as a result of the review. Where possible, the majority have been addressed by the project team and updates against each recommendation were provided to Members.	
5.6	Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.	
6.0	Grove Lane Regeneration, Smethwick Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022.	SIU
6.1	A Full Business Case findings report was presented to Assurance Panel Members.	
6.2	No issues were identified within the Strategic, Management and Commercial Cases. The Full Business Case was recently updated to reflect that the most viable delivery option will be pursued.	
6.3	No significant issues were identified within the Economic Case, however it was noted that planning permission would be required for both the development of the site and housing delivery. It is expected permission would be granted for housing, however the risk of failed planning permission was highlighted to the Panel. This is however unlikely.	
6.4	A discussion took place regarding the Financial Case. The Full Business Case includes reference to a forecast of profit and Panel Members discussed attribution options should surplus profit be achieved. Panel Members were advised the profit could reduce significantly depending on unforeseen ground conditions following site surveys.	
6.5	Assurance Panel Members made the following recommendations: -	
6.6	Action: Subject to viability, it is recommended that Sandwell Council seek to increase affordable housing provision above 25%.	Project Team/ PMO
6.7	Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.	Project Team/ PMO
7.0	Midland Met Learning Campus, Smethwick Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022	SIU
7.1	A Full Business Case findings report was presented to Assurance Panel Members. SIU conducted a review of all five cases.	



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7.2	No issues were identified within the Strategic, Economic, Commercial and Management Cases. Panel Members were informed planning permission was submitted to Sandwell Council in November 2021.	
7.3	A discussion took place regarding the Financial Case in relation to Match Funding. Since submitting Confirmation Tables to DLUHC, match funding has reduced from £3.6m to £2.898m to reflect the current specification which includes significant technologies and enhancements to deliver a Net Zero Carbon facility.	
7.4	As at 21 February 2022, £0.650m has been secured from the NHS Trust and the remaining balance of match funding is yet to be identified, though discussions are on-going between the NHS Trust and the WMCA. The WMCA have agreed to join the project board. The project team have identified a number of potential funding sources to fund the gap.	
7.5	Panel Members were informed that should the balance of match funding not materialise, the project would scale back sustainability / low carbon initiatives and still deliver a scheme which provides the outcomes for learners and the community.	
7.6	<i>Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.</i>	
8.0	Britannia Park, Rowley Regis Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022.	PMO/ SIU
8.1	A Full Business Case findings report was presented to Assurance Panel Members. SIU conducted a review of all five cases.	
8.2	No issues were identified within the Strategic and Management Cases. No issues were identified within the Economic Case however, Panel Members were informed the final Benefit Cost Ratio (BCR) calculation was pending. Mott MacDonald Consultancy have informed Sandwell Council the calculation will be no lower than 1.5 and as such the project represents acceptable value for money.	
8.3	The Commercial and Financial Cases included a recommendation to conduct further work to accurately predict financial revenue implications and that the approach to inflation estimation is to be clearly articulated within the financial case, in order to validate the appropriateness of the method.	
8.4	Panel Members agreed with the recommendations included within the Full Business Case Findings Report.	
8.5	<i>Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.</i>	
9.0	West Bromwich Connected Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022.	SIU



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9.1	A Full Business Case findings report was presented to Assurance Panel Members. SIU conducted a review of all five cases.	
9.2	No issues were identified within the Strategic, Economic, Management and Commercial Cases.	
9.3	The Financial Case identified a query with the Financial Profile. The Full Business Case includes spend in 2025/26, however the project end date is noted as March 2025.	
9.4	Panel Members were informed indicative costs were provided within the Full Business Case including a breakdown and contingency of 15%. The indicative costs were based on an average from SMBC Highways Team and calculated using Greater Manchester advice.	
9.5	Panel Members agreed with the recommendations within the Full Business Case Findings Report.	
9.7	Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.	
10.0	Rowley Regis Connected Panel to consider report and approve for the Project Summary document to be submitted to DLUHC 24 March 2022.	SIU
10.1	A Full Business Case findings report was presented to Assurance Panel Members. SIU conducted a review of all five cases.	
10.2	No issues were identified within the Strategic, Economic and Management Cases. Panel Members noted that no sensitivity analysis had been undertaken, however the project team used Webtag, a system that is Greenbook compliant.	
10.3	As per the other connectivity projects, Panel Members were informed indicative costs were provided within the Full Business Case. In addition, a project Gantt Chart had not been provided.	
10.4	Assurance Panel Members made the following recommendations: -	
10.5	Action: That a project plan is provided identifying the key milestones and planned timescales for each phase of the project.	Project Team/ PMO
10.6	Action: That more detailed costings and supporting information are provided for the proposed schemes in each of the three towns to support the estimated costs included within the business case.	Project Team/ PMO
10.7	Agreed: Project Summary Document to be prepared and proceed with the submission to DLUHC process.	
11.0	AOB	Tony McGovern/ All
11.1	None raised.	
12.0	Date of next Assurance Panel Thursday 10 March 2022, 13:00 hours	For Information



Item No.	Item Description	Responsible Officer
Representative		
Chair	Tony McGovern, Director Regeneration & Growth, Sandwell MBC	
Assurance Panel Members	Jude Thompson, Chair of Sandwell Superboard Simone Hines, SMBC Director of Finance, S151 Officer Cllr Iqbal Padda, SMBC Cabinet Member Regeneration & Growth	
SMBC Officers (attending in advisory capacity)	Jenna Langford Emma Parkes Matthew Driver Joanne Wrotchford	

