

STAKEHOLDER ENGAGEMENT

To Support Business Cases



OVERVIEW

- 3 Context
- 4 What does a Business Case do?
- 5 Five case model
- 6 Where does stakeholder engagement fit within the five case model?
- 7 How to plan stakeholder engagement to support delivery of your projects
- 8 What to include in your Business Case
- 9 Engagement model
- 10 Business Case and engagement examples
- 18 Top tips



CONTEXT

Once Heads of Terms have been agreed for your town, it is time to develop Business Cases.

According to the DLUCH Stage Two guidance, you will have two months to confirm which projects will be taken forward as part of your Town Deal.

This guide provides information to help support you when developing your Business Cases. It outlines the process in more detail, the key role of engagement and include examples of what a strong Business Case should look like.

Project confirmation should include the following information on each project:



Towns Fund ask



Match-funding total and breakdown



Expected outputs and outcomes



Plan for addressing key conditions



Whether the project will be fast-tracked



Proposed financial profile and the revenue/capital split
(approval at DLUCH's discretion)

WHAT DOES A BUSINESS CASE DO?

WHAT IS A BUSINESS CASE?

A Business Case is a document setting out the case for investment, often used to justify public spending. It needs to clearly set out the case for change, demonstrate that the investment is good value for money, affordable and deliverable.

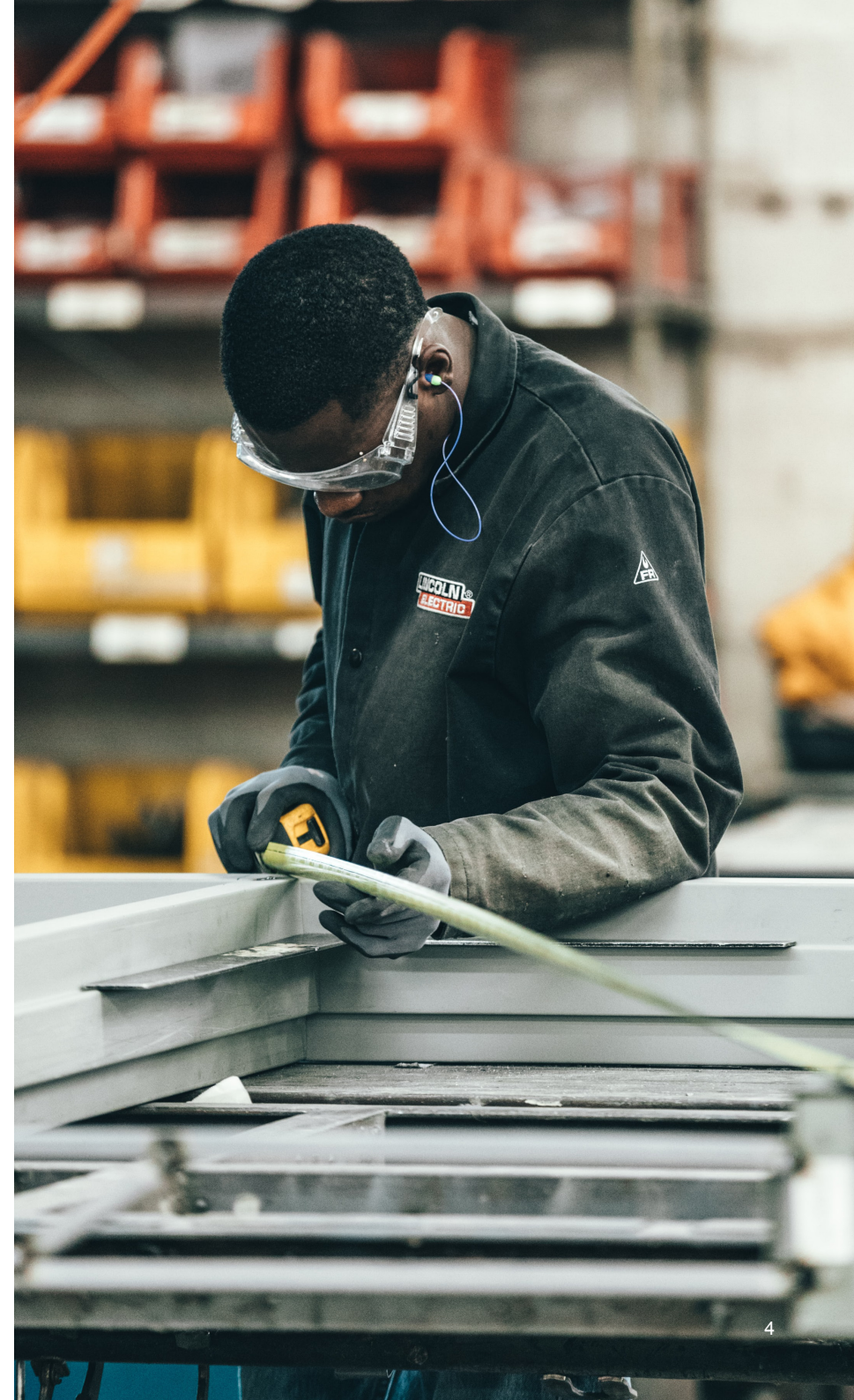
It must be developed for each of your town's selected projects.

A Business Case assesses value for money and if completed correctly, will unlock funding to enhance the regeneration of your town.

THE PROCESS

Business Cases are often delivered in three stages, with each stage providing more detailed analysis to justify the investment. After each stage, a decision to proceed to the next stage is taken.

Business Cases should address, in a proportionate manner, the five cases set out in the HM Treasury Green Book (see section 3.4 of the Stage 2 Guidance for further details).



FIVE CASE MODEL

Business Cases should follow a structure around five key chapters or dimensions. This is usually referred to as the 'five case model'.

This is set out in the [HM Treasury Green Book](#) and [our resource on what this means for the Towns Fund](#).



STRATEGIC DIMENSION

What is the case for change, including the rationale for intervention?

What is the current situation? What is to be done? What outcomes are expected? How do these fit with wider government policies and objectives?



COMMERCIAL DIMENSION

Can a realistic and credible commercial deal be struck? Who will manage which risks?



FINANCIAL DIMENSION

What is the impact of the proposal on the public sector budget in terms of the total cost of both capital and revenue?



ECONOMIC DIMENSION

What is the net value to society (the social value) of the intervention compared to continuing with Business As Usual?

What are the risks and their costs, and how are they best managed? Which option reflects the optimal net value to society?



MANAGEMENT DIMENSION

Are there realistic and robust delivery plans? How can the proposal be delivered?

WHERE DOES STAKEHOLDER ENGAGEMENT FIT WITHIN THE FIVE CASE MODEL?

Demonstrating how stakeholder engagement has helped develop your project vision and strategy and how it will help you deliver your projects will be critical. For example:

- In the **Strategic Case** state the key stakeholder groups and particular business partners and how they've influenced, shaped and supported your project scopes.
- In the **Financial Case** include the stakeholders – such as senior project leaders, funders, businesses, public and decision makers - that support the project and its continuing viability.
- In the **Management Case** identify the key stakeholders and include a strategy and plan laying out a programme of stakeholder engagement activities that will help you deliver your project.

An ongoing commitment to engagement with local communities will also make the ultimate success of your project more likely. Local people will be the end-users and beneficiaries of your projects, so keeping them informed of progress and providing opportunities for them to shape the final outcomes is important.

FIVE CASE MODEL

STAKEHOLDER ENGAGEMENT

STRATEGIC CASE

Sets out the rationale and options for investment, and how it provides strategic fit

ECONOMIC CASE

Determines the investment's value for money and how it delivers best public value to society, including wider social and environmental effects

COMMERCIAL CASE

Sets out the commercial viability, procurement strategy and risks

FINANCIAL CASE

Demonstrates the affordability and funding, including the support of stakeholders and customers, as required

MANAGEMENT CASE

Demonstrates that robust arrangements are in place for the delivery, monitoring and evaluation of the project

HOW TO PLAN STAKEHOLDER ENGAGEMENT TO SUPPORT DELIVERY OF YOUR PROJECTS

STAKEHOLDER ENGAGEMENT PLAN

- Each project's Business Case should reflect the benefits it will bring to your town's community and can expand on the vision described in your TIP
- Any new engagement should reflect and build upon previous engagement and insights you have learned from earlier on in the process
- By reflecting this in your stakeholder engagement plan, you will make clear that the views and aspirations of the local community are represented, building trust and advocacy for your projects
- In turn, this reduces the risk of challenges or delays to projects and makes a positive outcome more likely
- Check out our Stakeholder Engagement Plan Guidance [here](#) for more information



SOCIAL VALUE

Stakeholder engagement can highlight and maximise the value of a project to the wider public.

By integrating stakeholders into the design process, you can provide them with a sense of ownership and involvement, connecting people with places and making them feel valued as projects progress.

WHAT TO INCLUDE IN YOUR BUSINESS CASE



STAKEHOLDERS

Every community will be made up of a range of stakeholder interests. One of the main drivers for the Towns Fund is “levelling up” – to invest in towns for the long-term benefit of people who live, work and visit there.

So it’s important to show not only that your projects will deliver the benefit, but also that your stakeholders agree with you on the underlying local challenges, your vision for the town and where the money should be spent.

By showing that you know who your stakeholders are and that you understand their needs in driving projects forward, you can demonstrate a robust case for your projects.

Think about the key businesses, residents and hard to reach groups you have engaged with and make the most of Town Deal Boards and their networks. The more stakeholder feedback you include, the more compelling and substantial your Business Case will be.



ENGAGEMENT IN PRACTICE

Well-timed engagement is essential for projects to be successful. Through showing when you engage, the techniques you used to engage stakeholders and the engagement outcomes resulting from this, you can prove that a project is a viable investment prospect. Developing the detail around engagement is key to making a strong Business Case.



MONITORING

Regularly monitor and adjust plans and activities surrounding your projects. Showcase the evidence that you’ve worked on and have a clear view of the vision for your projects by implementing community feedback into your Strategic Case.



ENGAGEMENT STRATEGY

The overarching strategy that you adopt to deliver a meaningful engagement programme can have a genuine influence over the development of your Business Case and should include input from a wide range of stakeholder groups.

This engagement strategy should reflect the character of your town and consider the stakeholders that are most critical to the success of your projects and those that will be most impacted by them.

Also remember your tactics – using a range of engagement channels to show that you’ve done the hard work to get stakeholder buy in for your projects (as outlined in the Stakeholder Engagement Plan Guidance) will boost your Business Case submission.

ENGAGEMENT MODEL

Here is a simple tool that can help you to plan and implement an engagement plan. This is a standard model to follow, and will enable you to develop engagement at the micro-project level.

IDENTIFY

- Understand project/Business Case
- Vision setting
- Align mission and outcomes into actionable plan
- Stakeholder mapping to identify all groups

DEVELOP

- Identify priority and hard-to-reach groups
- Design implementation plan based on stakeholder needs
- Test and refine to project outcomes

DESIGN

- Build the engagement activity
- Select tools/techniques based on need
- Comms plan
- Timeline

IMPLEMENT

- Launch the project
- Set milestones for review
- Define evaluation measurements
- Design governance tool

MONITOR

- Check-in point
- Tweak and refine engagement/communication when necessary

BUSINESS CASE AND ENGAGEMENT EXAMPLES





BUSINESS CASE AND ENGAGEMENT EXAMPLES

We've outlined why it's important to highlight engagement within your Business Cases.

In the following example slides, we provide generic project examples 'Anytown' is looking to bring forward.



ANYTOWN BOROUGH COUNCIL

Profile

- Coastal or port town, strong past industrial heritage (e.g. steel, ironworks, shipbuilding, coal mining)
- Victorian terrace housing and aging marine docks
- A centre of excellence in marine engineering
- Increasing deprivation, low productivity and wages, high levels of unemployment
- Low-skilled labour force, high crime, aging population
- Dense population, declining town centre footfall, over supply of retail space
- Lack of high-quality housing, health inequality, large area of brownfield sites
- Low level of business start ups and space, mismatch of skills and occupations
- Part of a geographic green energy enterprise, presence of high value sectors (e.g. nuclear, defence, energy)
- Poor social mobility leading to need for skills infrastructure to help unlock vocational and higher education skills training
- Unique natural capital, strong heritage assets with potential to attract tourism
- Sprawled development along edges leading to diminished town centre role as cultural and commercial heart and derelict assets
- Huge reliability on one major employer or industry (e.g. nuclear, aviation), therefore exposure to acute social-economic impact
- Commuter dormitory with high air pollution and poor public transport



Case Study One

ANYTOWN BOROUGH COUNCIL

Transport and Urban Regeneration Project



“Anytown is a nice place to live, but the town centre would be so much better if we didn’t have to dodge the traffic when we go out shopping.”

Anytown respondent, 2018

PROJECT TITLE

Pedestrianisation of Anytown Market Square Precinct

WHO ARE THE KEY STAKEHOLDERS?

- Market Square businesses (cafés, stall holders, SME firms e.g. accountants)
- School surrounding the Market Square
- Young people interested in climate activism and looking for things to do in their town
- People with disabilities concerned that pedestrianisation may affect their access

INTERVENTION

Investing in the streets and spaces around the Anytown Market Square Precinct to improve interconnectivity, public realm and to make the area easier to walk around

Who are the decision-makers, influencers and investors?

- Political stakeholders – including MPs, local and parish councillors
- Businesses and private sector organisations
- Community groups and representatives
- Transport organisations
- Voluntary sector organisations



Case Study One

ANYTOWN BOROUGH COUNCIL

Transport and Urban Regeneration Project



PROJECT DESCRIPTION, BENEFITS AND CHALLENGES

Benefits

- Supporting the town's sustainable shift to green transport and to the high quality town centre amenity offer
- Reducing the dominance of traffic and creating a healthier and more attractive environment for people to walk through, with wider footpaths and trees and plants where possible

Challenges

- Ensuring that access is maintained for people with disabilities
- Scepticism from road users that traffic will now increase in other areas of the town

Engagement approach

- Put the public at the heart of the campaign surrounding the project (e.g. get children to design pictures of what the Market Square will look like without cars)
- Place the social value and long-term community investment into sustainable transport and a safer, less polluted environment for future generations at the centre of engagement
- Combine digital methods to target younger audiences with traditional sessions to ensure older members of the community are not excluded



Case Study Two

ANYTOWN BOROUGH COUNCIL

Skills Infrastructure Project



PROJECT TITLE

Powering Up Anytown

WHO ARE THE KEY STAKEHOLDERS?

- Job Centre and local recruitment organisations
- Local residents looking to upskill of all working ages
- Businesses
- Colleges and local educational facilities

INTERVENTION

A market-led employment initiative that has assisted over 5,600 people back into work since 2019, generating a substantial assumed economic benefit. The programme supports people with work-readiness, whilst supporting employers to train and retain programme participants.

The programme focusses on building employer relationships and is seeking to help over 1,000 people back into work over the next three years, with a particular focus on increasing youth employment, upskilling residents and retaining talent in Anytown.

The recent job losses driven by Covid-19 have been experienced by residents with a range of skills profiles; the programme will be adapted to meet their needs and potential employers' needs over the next three years. The project will also include increased investment in digital equipment. The higher level, specific digital skills that will be delivered are aimed at meeting the aspirations as set out in local and national policy.

Who are the decision-makers, influencers and investors?

- Political stakeholders – including MPs, local and parish councillors
- Businesses and private sector organisations
- Community groups and representatives
- Colleges and local educational facilities



Case Study Two

ANYTOWN BOROUGH COUNCIL

Skills Infrastructure Project



PROJECT DESCRIPTION, BENEFITS AND CHALLENGES

Benefits

- Supporting the local skills pipeline and driving digital skills to unlock vocational and higher education skills training
- Focusing on and enhancing the skills that young people need to get ahead, ensuring they benefit from economic growth and regeneration
- Supporting economic recovery post-Covid-19, by improving the matching of existing jobs vacancies with a variety of long-term and short-term unemployed participants
- Increased share of young people and adults who have relevant skills for employment and entrepreneurship

Challenges

- Existing deprivation and poor social mobility has led to a lack of confidence from people currently out of work, making it harder for them to re-enter the workplace

Engagement approach

- Capture the benefits of upskilling for future community prosperity through a detailed campaign focusing on retaining Anytown's talent and giving people of all ages the opportunities they need to thrive at work
- Leveraging personal and first-hand testimony of people who have experienced the 'Powering Up Anytown' scheme. Messaging disseminated by project advocates through engagement including speeches, interviews or participation in panels, are more likely to be absorbed by communities and stakeholders
- Combine digital methods to target younger audiences with traditional sessions to ensure older members of the community looking to re-enter the workforce are not excluded



Case Study Three

ANYTOWN BOROUGH COUNCIL

Arts, Culture and Heritage Project



PROJECT TITLE

Refurbishment of Anytown Discovery Centre

WHO ARE THE KEY STAKEHOLDERS?

- Local creative sector (as a coastal town, Anytown is popular with young artists)
- Schools and local colleges
- History, art and conservation societies – the conservation society is against the project and concerned that revamping the old Discovery Centre will mean the loss of an important landmark for the town

INTERVENTION

Refurbishing and upgrading the Anytown Discovery Centre, with improved educational and technological facilities, alongside a bigger theatre, to ensure that the Centre continues to play a vital role in the community in future. Repairing the ageing façade at the front of the building

Who are the decision-makers, influencers and investors?

- Political stakeholders – including MPs, local and parish councillors
- Businesses and private sector organisations
- Community groups and representatives
- Arts and culture groups, investors in local theatre and wider local creative sector.
- Voluntary sector organisations



Case Study Three

ANYTOWN BOROUGH COUNCIL

Arts, Culture and Heritage Project



PROJECT DESCRIPTION, BENEFITS AND CHALLENGES

Benefits

- New state-of-the art learning centre with improved facilities for children to enhance learning
- Prospective location of new cultural and events venues and producing associated site designs and an overall delivery plan, which also sets out how the town centre's existing leisure, culture and evening economy provision will be enhanced and expanded

Challenges

- Opposition from the local conservation society due to repairs needed to old-fashioned building façade

Engagement approach

- Engagement and partnership-first approach. Put the public at the heart of the campaign surrounding the project (ie hold workshops with local arts and culture organisations, eg theatre groups etc to discuss what they want from the Centre
- Local businesses and voluntary organisations will see information shared through contact programmes and virtual events. Community updates will be distributed
- Use an innovative campaign to capture the arts and culture offer at the heart of Anytown and leverage this to market the project
- Combine digital methods to target younger audiences with traditional sessions to ensure older members of the community are not excluded

TOP TIPS



Highlight the key role of stakeholder engagement throughout your Business Case



Develop project-specific stakeholder audits and engagement plans



Keep monitoring how people are responding to your projects and include this within your Business Case



Keep in mind that many stakeholders will be the ultimate end-users of your projects so feedback can help shape the design or service offer to better meet their needs



Stakeholder engagement can provide an early warning of issues and challenges, helping you keep projects on track



Keep the people focus alongside the commercial aspect of your Business Case – these projects are designed to improve long-term quality of life and enhance future prosperity for your town's community

USEFUL LINKS

[Evidence of Engagement Guide](#)

[MHCLG Stage 2 Business Case Guidance](#)

[Guide to the Implications of the new Green Book for the Towns Fund](#)

[Stakeholder Engagement Plan Guidance](#)

[HM Treasury Project Business Case Guidance](#)

[Engaging with Businesses Guidance](#)

[Engaging Younger Audiences Guidance](#)

[Social Value 101](#)

[Guide to Good Community Engagement](#)

Towns[®]
Fund 




Visit the [Town's Fund website](#) for more stakeholder engagement resources

ARUP



FUTUREGOV

COPPER

 Grant Thornton

