

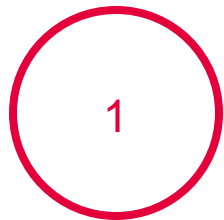
# S151 Officer Focus Group

- *5<sup>th</sup> April 2022*
- *4<sup>th</sup> May 2022*
- *8<sup>th</sup> June 2022*
- *7<sup>th</sup> July 2022*

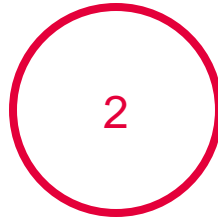


# Aims of the sessions

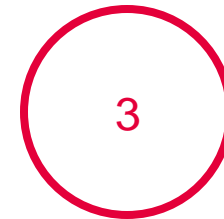
- Continue to enable s151 officers to have a forum for discussion
- Identify support needs that can be met by Towns Fund Delivery Partner (TFDP) up to July
- Provide a channel for collective feedback to CLGU / DLUHC to inform next steps
- Continue to facilitate a core network of s151 officers across Towns Fund programme
- Intended as key part of legacy beyond TFDP involvement in Towns Fund programme



**Introduction**



**Progress to  
date**



**Discussion  
Topics**

## Latest insights from s151 officers



Lisa Quinn

During 2021, the Towns Fund Delivery Partner (TFDP) facilitated the creation of a network of s151 officers, deputy s151 officers and supporting finance officers, in support of the Towns Fund Programme.

This network was a great success, and so the TFDP was keen to continue to support this network when we commenced our new support period, in February 2022. We reconnected with the s151 officer network in March 2022, and we have already supported two s151 officer focus group sessions (held on 5th April 2022 and 4th May 2022). We had good attendance at each session, and it was great to welcome back familiar faces from previous network sessions and new attendees from across the 101 Towns. As ever, the open discussion continued to enable sharing of practical tips on how to navigate some of the challenges that Towns face at each milestone.

Insights from s151 offices can provide valuable points of reflection for Towns, as you work through the next stages of your programme. Based on the sessions held in April and May this year, we present the main themes below:

### April session themes and insights:

- There was positive feedback on the success of establishing local Towns Fund programmes, with good progress on local reporting via the accountable body and the TDB.
- Some officers are still not sure that the Town Deal Board or the political leadership of the accountable body fully understand the importance of the s151 officer role.
- Sign-off of Business Cases is challenging. In some cases, this is due to the programme not allowing sufficient time, and in other cases, s151 officers have had to ask the Town Leads for more detail or for clarity on certain elements of the summary document to ensure they are happy to sign it off, leading to delay.
- Some s151 officers are concerned about ultimate DLUHC Business Case Summary Document submission deadlines. It was clear that, in some cases, extension requests were becoming inevitable.
- Some Towns are looking at transitioning and strengthening their governance and assurance frameworks, as they may not have the necessary internal skills / capacity. This is usually due to the size of the accountable body and / or relative size of capital programme.
- Project delivery can be more successful when a project is based on a planned position prior to the Towns Fund Programme; it can be more challenging when a project was identified for the first time at Town Investment Plan stage.
- Many accountable bodies are having to seek significant external support for larger and more complex projects.
- The practical reality of financial year-end is a key concern. The application of capital swaps is not always possible, and due to the approach for 5% upfront payments and subsequent payments, there could be an even bigger challenge for 2022/23 year-end.
- In terms of project adjustment, cost pressures, supply chain issues and contractor availability are making it really challenging to deliver certain projects, leading to requests for mergers or amendments to projects.
- Matched funding is a key challenge and concern; in some cases, the original matched funding can no longer be secured, for instance due to change in circumstance post-pandemic. In other cases, match funding is yet to be secured or even yet to be identified.

- [Continuation of s151 officer networking](#)
- [The need for s151 officer networking](#)
- [The role of s151 officer](#)
- [Working together on project assurance and signoff](#)
- [Latest insights from s151 officers](#)

# Focus Group Highlights

# November s151 officer sessions

In a [blog](#) published in December, we provided a summary of open discussion from s151 officer focus group sessions held in October and November, including following points:

- The officers emphasised the importance of direct communication with the Town Deal Board Chair to minimise potential conflict, particularly during the development of business cases.
- They feel that there needs to be a better understanding of the s151 role, and the local Towns Fund programme needs to afford enough time for the s151 officer review of business cases.
- The need for programme flexibility has been a strong theme across all discussions, with officers preferring that local flexibilities and controls can be applied to achieve successful outcomes for towns.
- They felt that full involvement in the Towns Fund programme can be a significant commitment for the s151 officer and their team, especially for smaller accountable bodies.
- In addition, for smaller accountable bodies the Towns Fund programme can significantly outweigh the existing capital programme, bringing new challenges for those involved.
- They expressed concerns that, depending on which Wave a town is in, there may be a more concentrated delivery timeframe due to the overall programme delivery deadline of 2025/26.

# April Focus Group Highlights

- Spend / commitment deadlines are a challenge – biggest concern is that, due to large value of payments in 2021/22, including 5% upfront payment, officers will have to use **flexibility at the end of the financial year to ‘capital swap.’** However, at the end of this year, or future years, when all grant payments have been made, there may not be the flexibility to do this. This message could be fed back to your CLGU Area Lead.
- Towns would like clarity on **how any clawback would be dealt with** to remove concerns – the latest project adjustment guidance ([Project Adjustment FAQs](#)) provides some clarity, but suggest that towns work with CLGU Leads to determine the local position.
- Depending on the nature of a project, and who delivers the function at the end, the authority needs to secure their **partial exemption position** – this is worth putting on people’s radar, as there is a risk for the accountable body taking on the VAT.

# May Focus Group Highlights

- Officers raised concerns over cost inflation and the need for flexibility within the programme – funding profiles will be significantly higher than originally reported.
- Towns are considering joining up programmes for Levelling Up and Shared Prosperity Funds – however other towns noted their Town Deal Boards are more complex, so this is not possible.
- One Town shared experience of project adjustment for an Innovation Centre. They purchased a property with funding from LEP, but now have associated revenue costs. As a result, getting project adjustment signed off was quite onerous, and it took several months, which has caused difficulties due to cost inflation and revenue spend needs.
- Another Town noted that interest from government and politicians can support their project progressing as well as slow it down, depending on the nature of the interest.

# June Focus Group Highlights

- Capital Swap makes it hard to fill out the Monitoring and Evaluation form. The form would be more informative if the Department allowed Towns to carry forward funding, by showing a narrative around how they have achieved these outcomes in reality, showing the true spend against the projects.
- From an audit point of view, the application of freedoms and flexibilities has resulted in a lack of alignment between funding and project spend. The capital swap / switch works on a cash flow basis, but, on an accounting basis, it is messy and makes reporting more difficult.
- The Future High Streets Fund: according to the memorandum of understanding 2022/23 the treatment is different – it only stipulates that Towns must spend all funding by end of programme in 2024 – this is inconsistent with Towns Fund, which requires a year-on-year commitment of spend.
- Concerns were raised that towns are struggling to get external consultants on board.
- An officer raised a query about future restrictions on projects – if a decision is taken in the future to sell the asset and utilise the money for regeneration purposes, are there any restrictions or clawback on this going forward? TFDP responded that they are not aware in the guidance of any restrictions of this and are currently seeking a response.
- In addition to this, in terms of benefits realisation – how long after grant funding do towns have to realise the benefits? The [M&E guidance](#) states "interim impact evaluations are planned for the end of both Town Deals and Future High Streets Fund programmes, with a full impact evaluation planned for within 3 years of both programmes coming to a close"



# July Focus Group Highlights

- A number of Local authorities are not big enough to allow them to do 'Capital Swaps,' so this flexibility does not always work – 'freedoms and flexibilities' do not always work on a fund like Towns Fund.
- Some s151 Officers feel frustrated or 'misleading' when they must report funding has been spent on projects when, in reality, it has been swapped.
- Officers suggested the need for a more formal network to feedback and engaged to DLUHC to address ongoing concerns or questions, such as a practical working group with financial representation to reflect and feedback the practical realities.
- The timing of payments can add further complications and 'false' deadlines.

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