

Newcastle and Kidsgrove Town Deals

Approach to scheme prioritisation – v1.3

June 2020

Introduction

AECOM have been commissioned to deliver Town Deal Investment Plans for Newcastle-Under-Lyme and Kidsgrove.

The £3.6bn Towns Fund was established to unleash the full economic potential of over 100 places and level up communities throughout the country. A significant investment of up to £25 million is available in each place. This funding will help to increase economic growth with a focus on regeneration, improved transport, better broadband connectivity, skills and culture.

The objective of the Fund is to drive the economic regeneration of towns to deliver long term economic and productivity growth through:

- **Urban regeneration, planning and land use:** ensuring towns are thriving places for people to live and work, including by: increasing density in town centres; strengthening local economic assets including local cultural assets; site acquisition, remediation, preparation, regeneration; and making full use of planning tools to bring strategic direction and change.
- **Skills and enterprise infrastructure:** driving private sector investment and ensuring towns have the space to support skills and small business development.
- **Connectivity:** developing local transport schemes that complement regional and national networks and improving digital connectivity.

About this document

This document outlines an approach for prioritising the 'long list' of interventions that have been identified via the stage of consultation and the call for projects.

The approach to prioritisation aims to score long listed projects based on a two-phase method. Firstly, projects will be scored based on their strategic fit with the objectives identified in the Town Deal Prospectus as well as local economic development priorities. This will ensure that the projects taken forward are clearly aligned with the Town Deal and local policy objectives and would therefore contribute to a robust Town Investment Plan.

The second phase of the prioritisation approach then adopts the principles of the Green Book and typical approaches to business case appraisal. The proposed approach does not adopt a full 'assurance process' (e.g. undertaking a detailed assessment of value for money, options assessment, funding approval and programme management considerations) as most of the schemes identified to date are at an early stage of development.

A summary of the scoring approach for prioritisation is presented on page 5 of this document.

Strategic fit

The multi-criteria assessment first needs to assess whether scheme proposals are aligned with the priorities of the Town Deal initiative. The fit with local priorities is also assessed based on the Newcastle Economic Development Strategy and the Stoke and Staffordshire LEP's Local Industrial Strategy.

Criteria	Assessment question	Proposed weighting
Town Deal Priorities 1. Urban regeneration, planning and land use: ensuring towns are thriving places for people to live and work, including by: <ul style="list-style-type: none"> Increasing density in town centres; Strengthening local economic assets including local cultural assets; site acquisition, remediation, preparation, regeneration; and Making full use of planning tools to bring strategic direction and change. 	To what extent does the proposed scheme contribute towards Town Deal priorities?	35%
2. Skills and enterprise infrastructure: <ul style="list-style-type: none"> Driving private sector investment and ensuring towns have the space to support skills and small business development. Specific responses to COVID-19¹ 		
3. Connectivity: <ul style="list-style-type: none"> Developing local transport schemes that complement regional and national networks. Supporting the delivery of improved digital connectivity. 		
Stoke and Staffordshire Local Industrial Strategy 1. Place 2. Ideas 3. Business Environment 4. People 5. Infrastructure	To what extent does the proposed scheme fit with the LEP's Local Industrial Strategy?	5%
Newcastle-Under-Lyme's Economic Development Strategy 1. Local Services that Work for Local People 2. Growing our People and Places 3. Healthy, active and safe Borough 4. A town centre for all	To what extent does the proposed scheme fit with the Newcastle's Economic Development Strategy?	5%

Interventions will be scored on a scale of 0-25 based on their fit with the priorities of the Town Deal Prospectus; the Stoke and Staffordshire Local Industrial Strategy, and Newcastle-Under-Lyme's Economic Development Strategy.

Score	Rating
25	An excellent fit with [policy] priorities
20	A strong fit with [policy] priorities
15	A medium fit with [policy] priorities
10	A fit with [policy] priorities
5	A limited fit with [policy] priorities
0	No fit with [policy] priorities

¹ This has been included to reflect the changing circumstances since Town Deal guidance was released and the anticipated employment and skills impact of COVID-19.

Assurance

The prioritisation process focuses on across the remaining case four cases of a business case – financial, economic, commercial and management. Two key criteria for assessment have been selected for each ‘case’. These are all scored out of 25 and are summarised below, alongside a proposed weighting:

Economic case – 20% weighting assessed against the extent to which schemes:

- Have the potential to be transformational in their impact.
- Provide a positive economic return.

Financial case – 15% weighting assessed against the extent to which schemes:

- Are requesting an affordable amount of Town Deal Funding.
- Will leverage funding from other sources than the Town Deal.

Commercial case – 10% weighting assessed against the extent to which schemes:

- Have clear evidence of demand, need, or stakeholder support.
- Are considered viable and sustainable.

Management case – 10% weighting assessed against the extent to which schemes:

- Fit within the timescales associated with Town Deal funding?
- Have a lead body / applicant with a track record of successfully delivering similar (size or theme) schemes?

Schemes will be assessed against the above assurance criteria based on the following scoring:

Score	Description
5	Very High – Comprehensive evidence of the scheme addressing a criterion
4	High - Robust evidence of the scheme addressing a criterion
3	Medium - Variable evidence of the scheme addressing a criterion
2	Low – Weak evidence of the scheme addressing a criterion
1	Very low – very weak evidence of the scheme addressing a criterion
0	No evidence available to score a scheme against a criterion

A summary of the prioritisation approach is presented in the table below.

