

The template

This document provides the business case template for projects seeking funding which is made available through the **South East Local Enterprise Partnership**. It is therefore designed to satisfy all SELEP governance processes, approvals by the Strategic Board, the Accountability Board and also the early requirements of the Independent Technical Evaluation process where applied.

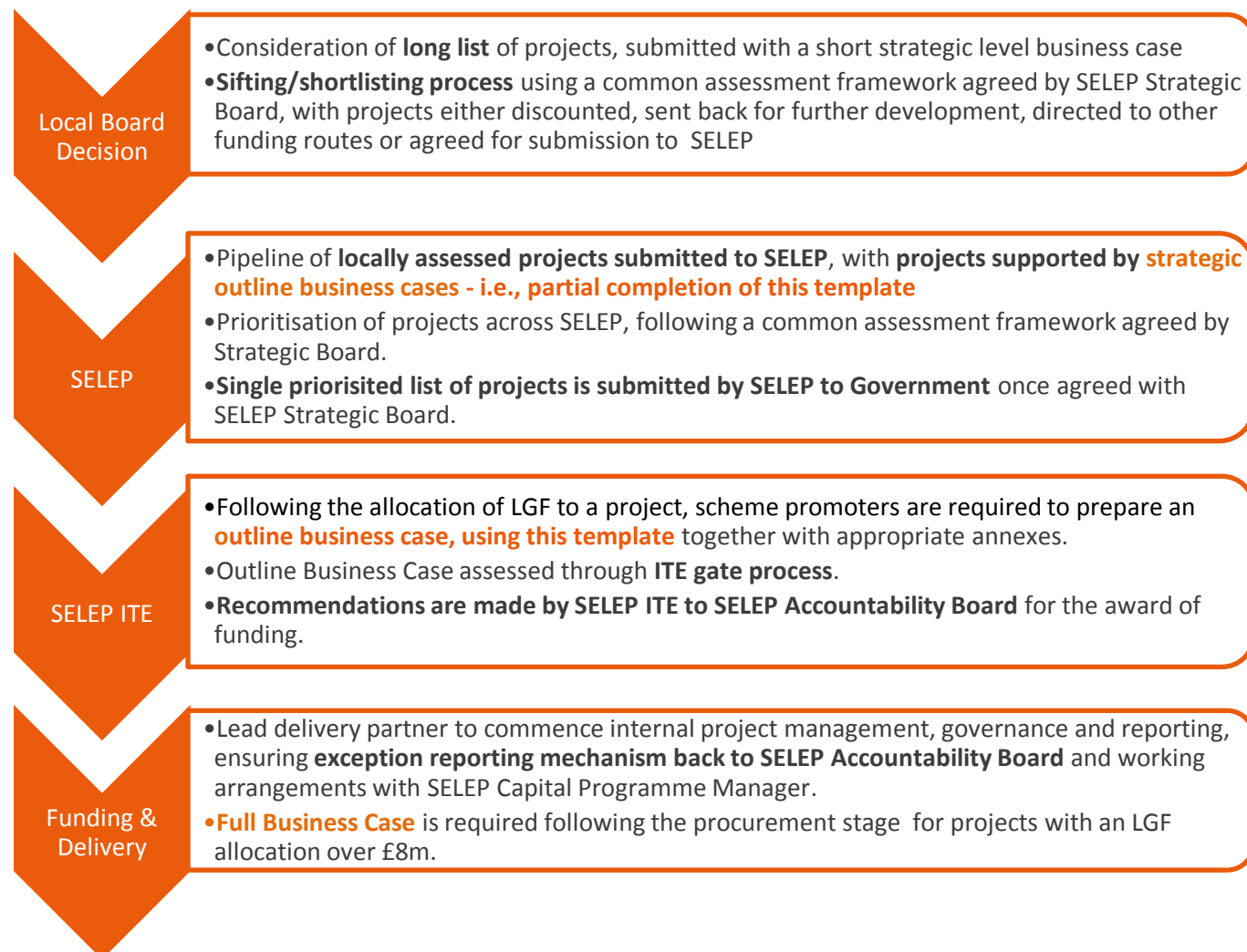
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable Body for a private sector final beneficiary. In those circumstances, the private sector beneficiary would complete this application and the SELEP team would be on hand, with local partners in the federated boards, to support the promoter.

Please note that this template should be completed in accordance with the guidelines laid down in the HM Treasury's Green Book. <https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-government>

As described below, there are likely to be two phases of completion of this template. The first, an 'outline business case' stage, should see the promoter include as much information as would be appropriate for submission though SELEP to Government calls for projects where the amount awarded to the project is not yet known. If successful, the second stage of filling this template in would be informed by clarity around funding and would therefore require a fully completed business case, inclusive of the economic appraisal which is sought below. At this juncture, the business case would therefore dovetail with SELEP's Independent Technical Evaluation process and be taken forward to funding and delivery.

The process

This document forms the initial SELEP part of a normal project development process. The four steps in the process are defined below in simplified terms as they relate specifically to the



LGF process. Note – this does not illustrate background work undertaken locally, such as evidence base development, baselining and local management of the project pool and reflects the working reality of submitting funding bids to Government. In the form that follows:

| Version control | |
|-----------------|-----------------------|
| Document ID | STCIP Final Bus. Case |
| Version | v.4 |
| Author | Tim Rignall |
| Document status | Final |
| Authorised by | |
| Date authorised | |

1.1. Project name:

[Specify the name of the scheme, ensuring it corresponds with the name of the scheme at programme entry (when added to the LGF prioritised list of projects).]

Southend Town Centre Interventions Project.

1.2. Project type:

[Site development, skills, innovation etc.]

Non-transport project – promoting economic vitality of the town centre through a range of initiatives.

1.3. Federated Board Area:

[East Sussex, Kent & Medway, Essex, and Thames Gateway South Essex]

Opportunity South Essex.

1.4. Lead County Council / Unitary Authority:

[East Sussex, Kent, Medway, Essex, Thurrock, Southend-on-Sea]

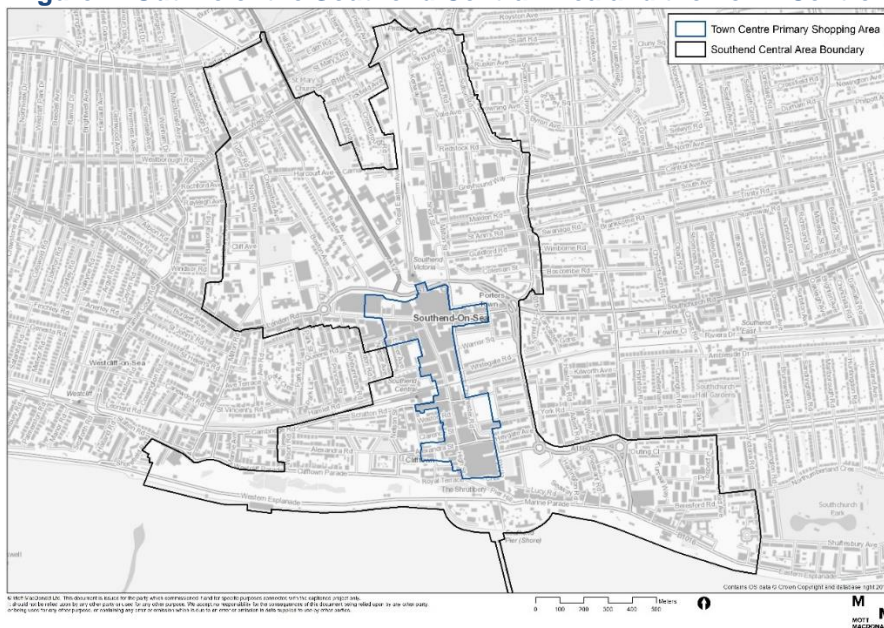
Southend on Sea Borough Council (SBC).

1.5. Development location:

[Specify location, including postal address and postcode.]

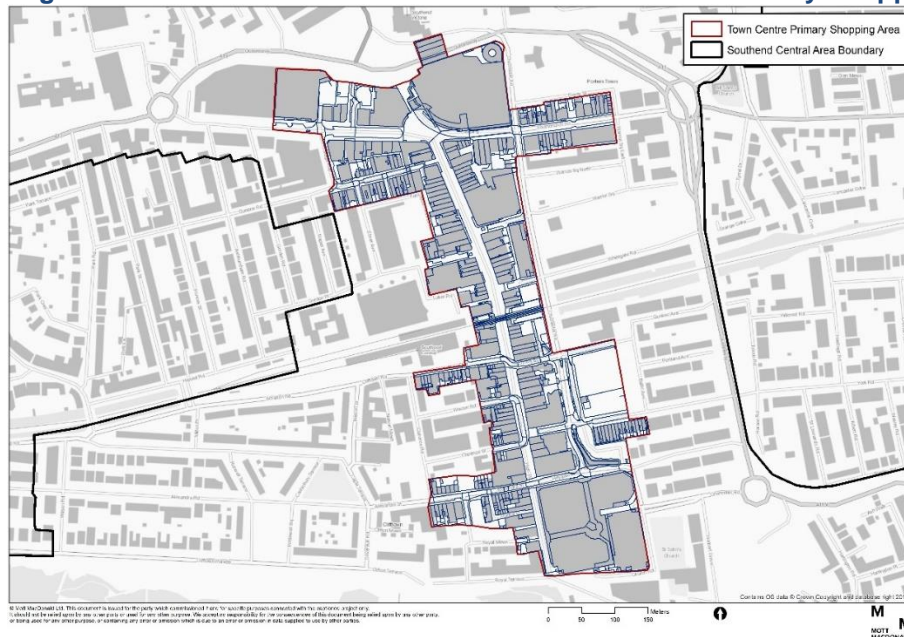
The focus of the Southend Town Centre Interventions Project will be in the Southend Central Area and particularly in the Town Centre Primary Shopping Area as outlined in the Southend Central Area Action Plan (SCAAP) 2018. The SCAAP 2018 will form part of the Southend-on-Sea Local Planning Framework. Figure 1 shows the location of both the Southend Central Area and the Town Centre Primary Shopping Area whilst Figure 2 provides a more detailed overview of the Southend Town Centre Primary Shopping Area.

Figure 1: Outline of the Southend Central Area and the Town Centre Primary Shopping Area



Source: SCAAP 2018

Figure 2: Detailed outline of the Southend Town Centre Primary Shopping Area



Source: SCAAP 2018

Although the majority of the individual schemes within the Southend Town Centre Interventions Project will be located within the Southend Town Centre Primary Shopping Area red line boundary, it should be noted that the 0% loan grant and the 75/25 shop front façade grant will extend past this inner boundary and into the wider Southend Central Area.

Within the Southend Town Centre Primary Shopping Area there are several key streets that will be impacted by the proposed schemes including Farringdon Service Road, Pitmans Close, Station Approach, Luker Road, Elmer Approach, Elmer Avenue, Queens Road, High Street, London Road, Clifftown Road, Tylers Avenue, Clarence Street and Weston Road. The Southend Town Centre Primary Shopping Area falls within the postcode SS1.

1.6. Project Summary: [Provide a summary of the project; max. 0.5 pages.]

The overall objective of the Southend Town Centre Interventions Project is to support the regeneration and revitalisation of Southend town centre. Although Southend town centre remains very popular and enjoys large numbers of visitors it faces several challenges that must be addressed to ensure that the town centre becomes a vibrant, diverse and thriving town centre of the future.

According to the 'Reimagining the Town Centre: Joint Scrutiny Project 2018/19' published in March 2019 the challenges for Southend town centre include increasing vacant retail space, diffuse land ownership (limiting direct public sector intervention), poor messaging about the town centre and issues with public safety. To address these issues affecting the town centre Southend-on-Sea Borough Council is applying for £1.5m in funding from the Local Growth Fund, along with £1m match funding, to help finance the Southend Town Centre Interventions Project which includes the following elements:

- Installation of footfall cameras within the existing CCTV system throughout High Street, to count and report footfall, to influence investment, events and opening hours.
- Availability of a 0% loan grant to encourage businesses within the red line boundary to take up vacant ground floor units and redevelop vacant upper floor units.
- Availability of a 75/25 shop façade grant to encourage businesses within the red line boundary to invest in external shop improvements in terms of design, cleanliness and safety.
- Improved public realm and wayfinding outside both Southend Victoria and Central stations to draw visitors to the High Street and seafront.

- Particular wayfinding improvements leading Southend Central station visitors north through to a redeveloped public space between the Forum and proposed Forum 2 developments.
- Particular shop façade improvements along Clifftown road, which acts as a gateway leading Southend Central station visitors south and eastwards to the High Street.

Other elements of the scheme will include introducing business led activities in vacant units in the town centre to increase activation and utilisation along the High Street, as well as improved lighting and green infrastructure.

1.7. Delivery partners:

[List all delivery partners and specify the lead applicant and nature of involvement, as per the table below.]

The table below sets out the lead applicant and supporting partners.

Table 1: Delivery partners

| Partner | Nature of involvement (financial, operational etc.) |
|--|---|
| Southend-on-Sea Borough Council (Lead Applicant) | Accountable body; financial; and operational. |
| Southend Business Improvement District (BID) | Business engagement, operational and advisory. |
| Southend Community Safety Partnership (CSP) | Operational and advisory. |
| Focal Point Gallery | Community engagement, operational and advisory. |

Source: Southend-on-Sea Borough Council

1.8. Promoting Body:

[Specify who is promoting the scheme.]

Southend on Sea Borough Council.

1.9. Senior Responsible Owner (SRO):

[Specify the nominated SRO and provide their contact details. The SRO ensures that a programme or project meets its objectives and delivers projected benefits. This is not the same as a Section 151 Officer.]

SRO – Emma Cooney, Director of Regeneration and Business Development
Tel: 01702 215404
Email: Emmacooney@southend.gov.uk

1.10. Total project value and funding sources:

[Specify the total project value, how this is split by funding sources, and any constraints, dependencies or risks on the funding sources, as per the table below.]

Table 2: Total project value and funding sources

| Funding source | Amount (£000) | Flexibility of funding scale or profile | Constraints, dependencies or risks and mitigation |
|----------------------------|----------------------|---|--|
| SBC Capital Programme | 1,000 | Spend profile is flexible. Possible increase in scale of investment subject to necessary approvals. | The match funding is secured within the Council's capital programme. The level of funding for CCTV and security measures may be increased in response to recommendations from security services. This additional investment is subject to approval in November 2019. |
| LGF | 1,500 | SBC capital contribution provides some flexibility in when the LGF can be spent LGF investment can be scaled but project wouldn't deliver all the projected benefits. | LGF allocation subject to SELEP approval. |
| Total project value | 2,500 | | |

Source: Southend-on-Sea Borough Council

1.11. SELEP funding request, including type (LGF, GPF etc.):

[Specify the amount and type of funding sought from SELEP to deliver the project. Please also confirm that the funding will not constitute State Aid.]

The project is requesting a LGF contribution of £1.5m. The funding will not constitute State Aid.

1.12. Exemptions:

[Specify if this scheme business case is subject to any exemptions (and provide details of these exemptions) as per the SELEP Assurance Framework 2017, Section 5.7.4 and 5.7.5]

The business case is not subject to any exemptions.

1.13. Key dates:

[Specify dates for the commencement of expenditure, the construction start date and the scheme completion/opening date.]

Table 3: Key dates and milestones

| Key Tasks/Milestones | Dates/Timeframe |
|------------------------------|------------------------|
| LGF Funding awarded | December 2019 |
| Procurement start date | May 2020 |
| Construction start date | June 2020 |
| Construction completion date | February 2021 |

Source: Southend-on-Sea Borough Council

1.14. Project development stage:

[Specify the project development stages to be funded, such as inception, option selection, feasibility, outline business case, detailed design, procurement, full business case, implementation, the current project development stage, and a brief description of the outputs from previous development stages. Add additional rows as necessary. Please note, not all sections of the table may require completion.]

The table below sets out project steps which have taken place to date

Table 4: Project development stages completed to date

| Task | Description | Outputs achieved | Timescale |
|----------------------------|--|--|-----------------------|
| Eol | Completion of Eol form for LGF3b | Eol document and approval proceed to SOBC. | 29/08/2018 |
| SOBC | Completion and submission of SOBC | Outline business case | 26/10/2018 |
| Stakeholder consultation | Consultation with Southend BID, CSP and Focal Point Gallery to test support and aid project design. | Outline business case. | 30/09/2018 |
| Procurement | Market engagement in respect of CCTV and PA system. | This process highlighted that the specification requires some refinement. The Council now has a list of suppliers interested in bidding. | 31/08/2019 |
| Research | Research of 0% loan schemes elsewhere in the country | Scheme design. | Ongoing |
| Research site visit | Mott MacDonald team visited Southend-on-Sea Council. | Town centre unit survey enabling detailed mapping for FBC to be completed | 13/08/2019 |
| Business engagement survey | Online survey sent to members of BID. Physical survey distributed to businesses within Southend town centre. | Results from survey contributed towards the economic modelling undertaken as part of the FBC. | August/September 2019 |

Source: Southend-on-Sea Borough Council

The table below details next steps to be completed, once LGF funding is awarded.

Table 5: Project development stages to be completed

| Task | Description | Timescale |
|----------------------------|--|------------------|
| Programme board | Establish Programme Board | December 2019 |
| Project Teams | Establish project teams to deliver the different interventions making up the programme. | December 2019 |
| Stakeholder Consultation | Further consultation with stakeholders to inform detailed design and implementation. | February 2020 |
| Detailed design | Detailed design of public realm improvements. | April 2020 |
| Procurement | Procurement of footfall cameras | May 2020 |
| | Procurement of public realm improvements | May 2020 |
| | Procurement of wayfinding improvements | May 2020 |
| Loans and grants available | 0% loan grant | May 2020 |
| | 75/25 shop façade grant | May 2020 |
| Project delivery | Ongoing delivery of the project. | To February 2021 |
| Project evaluation | Evaluation of project implementation and confirmation of baseline and one year after opening report. | March 2022 |



1.15. Proposed completion of outputs:

[Include references to previous phases / tranches of the project (link to the SELEP website) and to future projects to be funded by SELEP. Please see SELEP Programme for more information.]

Table 6: Proposed completion of outputs

| Output | Likely completion |
|---|---|
| Installation of footfall cameras within the existing CCTV system | Installation from June 2020 – December 2020 |
| Introduction of 0% loan grant | Installation from March 2020 – Feb 2021 |
| Introduction of 75/25 shop façade grant | Installation from March 2020 – Feb 2021 |
| Introduction of improved public realm and wayfinding outside both Southend Victoria and Central stations | Installation from June 2020 – December 2020 |
| Introduction of wayfinding improvements leading Southend Central station visitors north through to a redeveloped public space between the Forum and proposed Forum 2 developments | Installation from June 2020 – December 2020 |
| Introduction of shop façade improvements along Clifftown road | Installation from June 2020 – December 2020 |

Source: Southend-on-Sea Borough Council

2. STRATEGIC CASE

The Strategic Case should present a robust case for intervention, and demonstrate how the scheme contributes to delivering the SELEP Strategic Economic Plan (SEP) and SELEP's wider policy and strategic objectives. It includes a rationale of why the intervention is required, as well as a clear definition of outcomes and the potential scope for what is to be achieved.

The outlook and objectives of the Strategic Case need should, as far as possible, align with the Monitoring and Evaluation and Benefits Realisation Plan in the Management Case.

2.1. Scope / Scheme Description:

[Outline the strategic context for intervention, by providing a succinct summary of the scheme, issues it is addressing and intended benefits; max. 2 pages.]

Like many comparable town centres in the UK, Southend town centre has felt the impact of the recent economic recession and changing retail patterns. Several factors including reduced consumer expenditure growth, changes in customer requirements and growth of online retailing have created a need for retailers to rapidly adapt their business strategies and store formats in the light of changing economic circumstances. The combination of these factors has resulted in falling footfall to smaller town centres, and an increasing number of retailers concentrating trading activities within larger centres and out-of-town retail parks in order to compete effectively with on line retailers. Consequently, where intervention is not secured, many town centres across the country are experiencing increasing vacancy rates and a steady decline in the environment.

Southend-on-Sea Borough Council does not currently collect footfall data, however recent footfall data obtained by the Royals shopping centre (based at the southern end of High Street) recorded a decade low footfall count of 5,834,558 in 2018 having decreased from 6,195,761 in 2009, in line with national trends¹. Ongoing changes to the role of the High Street have led to increasing vacancy rates of High Street units. In the last decade the vacancy rate in Southend town centre reached a peak of 10% in 2012 before falling to a recent low in 2015 of 2% and more recently reaching 7% in 2016² as shown in Figure 3. This is a conservative estimate with recent BID monitoring suggesting a current vacancy rate of 12% across the Primary Shopping District.

Figure 3: Vacancy rates in Southend



¹ Southend-on-Sea Borough Council (2018), Footfall data for the Royals Shopping Centre

² Peter Brett Associates and Southend-on-Sea Borough Council (2018) Southend-on-Sea Borough Council Main Retail and Leisure Study Main Report

In a more recent survey conducted by Southend-on-Sea Borough Council in January 2019, the Victoria Shopping Centre has a very low occupancy rate with only 36% of its retail units being recorded as occupied in the same survey³. There has also been a loss of major retailers such as BHS and Top Shop from High Street that has impacted on the quality of the retail offer in the town centre. The lack of comprehensive council-owned footfall data has acted as a barrier to encouraging replacement flagship retailers to take up vacant units on the High Street. It is expected that without intervention, this decline will continue.

In recognition of the changing role of the High Street, there have been a growing number of cafes, bars and restaurants established, particularly at the northern end of the centre adjacent the Odeon cinema and at its southern end linked to the major tourist and related leisure facilities located adjacent the seafront. This has brought a new vibrancy to the town centre complemented by increasing the number of options for visitors and residents to spend time in the area, other than retail.

The town centre has also attracted negative publicity due to several safety related issues including regular reported instances of anti-social behaviour. This negative publicity has had a significant impact on perceptions of safety amongst town centre users. The town's Community Safety Partnership has identified that areas to the rear of commercial properties, such as unprotected waste areas, attract those elements of the street community that are looking to engage in illegal and/or anti-social activity⁴. Likewise, the current environment of some of these areas is putting off potential investors and visitors to the area due to a decline in the quality of the environment and concerns over their public safety.

These challenges facing Southend town centre are summarised in the 'Reimagining the Town Centre: Joint Scrutiny Project 2018/19' published in March 2019 as follows:

- The long, linear nature of the High Street with too much vacant retail space which is also often the wrong configuration and size.
- The latent potential of the town – recognising its role as a local centre, a centre of education and a visitor destination.
- The diffuse land ownership and the limited extent of the land owned by the Council; the perception and practical application of legislation and policy.
- The messaging about the town centre – both in terms of awareness of what it offers and the civic pride it does, or doesn't, engender.
- There are also issues of public safety and anti-social behaviour within the town centre.

The Council is implementing a range of programmes of work in and around the town centre to improve urban environment, accessibility and security. These are summarised below (and discussed in more detail in section 2.9):

- Forum 2 cultural development
- Cool Towns
- Town Centre Redevelopment Improvement Project
- Southend Central Area Transport Scheme (S-CATS)
- Sustainable Urban Neighbourhoods Research and Implementation Support in Europe (SUNRISE)
- Better Queensway
- Capital works to deliver new cameras and security measures

Such programmes will have an indirect impact on the challenges identified in the scrutiny report, however the full potential of these programmes will not be achieved without a series of interventions which will encourage footfall around the town centre and increase utilisation of these projects and areas of the town centre.

³ Southend-on-Sea Borough Council (2019), Vacancy Rates in Southend Town Centre

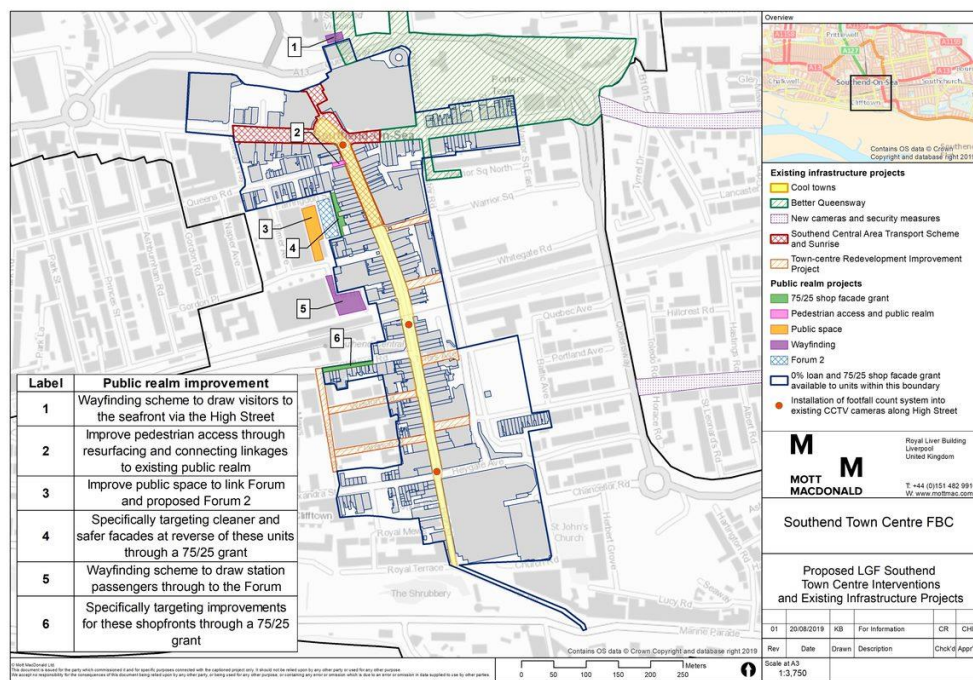
⁴ Southend Community Safety Partnership (2019), Anti-Social Behaviour. Available at: <http://southendcsp.org.uk/index.php/anti-social-behaviour/>

To address these issues affecting the town centre, Southend-on-Sea Borough Council is applying for £1.5million in funding from the Local Growth Fund to help finance the Southend Town Centre Interventions Project which includes the following elements:

- Installation of footfall cameras within the existing CCTV system throughout the High Street, to count and report footfall, to influence investment, events and opening hours.
- Availability of a 0% loan grant to encourage businesses within the red line boundary to take up vacant ground floor units and redevelop vacant upper floor units.
- Availability of a 75/25 shop façade grant to encourage businesses within the red line boundary to invest in external shop improvements in terms of design, cleanliness and safety.
- Improved public realm and wayfinding outside both Southend Victoria and Central stations to draw visitors to the High Street and seafront.
- Particular wayfinding improvements leading Southend Central station visitors north through to a redeveloped public space between the Forum and proposed Forum 2 developments.
- Particular shop façade improvements along Clifftown road, which acts as a gateway leading Southend Central station visitors south and eastwards to the High Street.

Other elements of the scheme will include introducing business-led activities in vacant units in the town centre to increase activation and utilisation along the High Street, as well as improved lighting and green infrastructure. These programmes of work are shown in Figure 4.

Figure 4: Southend Town Centre Interventions Project – scheme locations and wider programmes



Source: Mott MacDonald

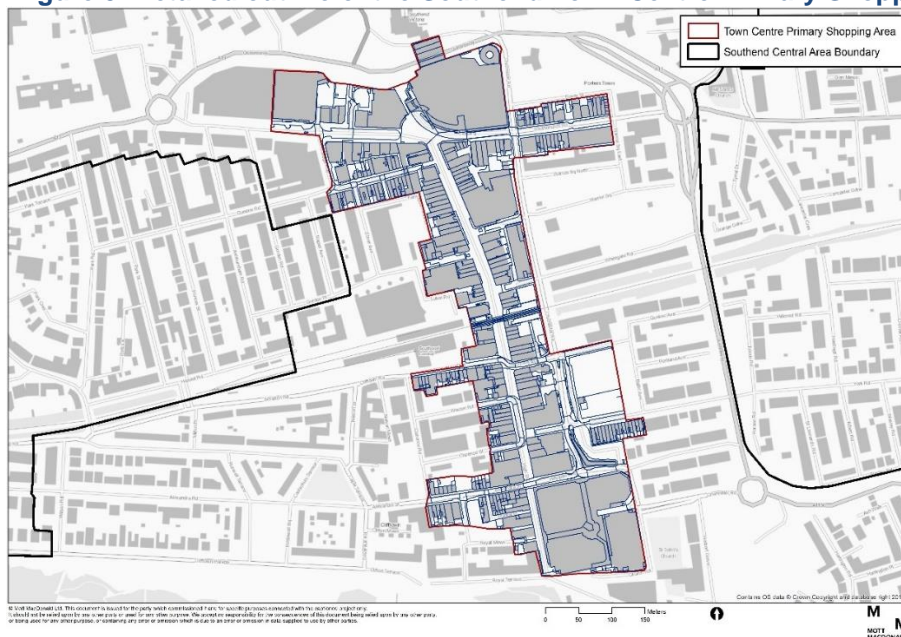
2.2. Location description:

[Describe the location (e.g. characteristics, access constraints etc.) and include at least one map; max. 1 page excluding map.]

The focus of the Southend Town Centre Interventions Project will be in the Southend Central Area and particularly in the Town Centre Primary Shopping Area as outlined in the SCAAP 2018. The SCAAP 2018 will form part of the Southend-on-Sea Local Planning Framework.

Figure 5 shows the location of the Southend Town Centre Primary Shopping Area.

Figure 5: Detailed outline of the Southend Town Centre Primary Shopping Area



Source: Mott MacDonald

Southend town centre provides a range of business, educational, retail and leisure facilities. It is focused on two indoor shopping malls, Victoria shopping centre to the north and The Royals shopping centre to the south, connected by a long 0.5-mile linear pedestrianised High Street. The High Street benefits from close access to both Southend Victoria and Southend Central railway stations offering connections across the South East into London. The southern end of the High Street also offers a link between the town centre and the major tourist attraction offered by the seafront. Southend town centre is also the location of one of the three campuses of South Essex College.

The town centre in general is characterised by the poor wayfinding and signage along the length of the High Street thus limiting the amount of footfall on the High Street from visitors to the seafront. There is also limited signage clearly marking pathways from the main transport hubs in the town centre through the railway stations and the High Street.

2.3. Policy context:

[Specify how the intervention aligns with national/regional/local planning policies and the SELEP SEP; max. 3 pages.]

Smaller schemes: (less than £2 million) are required to complete this section in line with the scale of the scheme; max. 1 page]

This section demonstrates the local, regional and even national policies and objectives which the Southend Town Centre Interventions Project would contribute to meeting.

National

The UK Government's National Planning Policy Framework (NPPF) recognises the challenges local authorities face in diversifying their High Streets and provides tools (High Street Task Force) and funding (Future High Street Fund) and business rates discounts to select businesses to overcome these challenges. The Ministry for Housing, Communities and Local Government (MHCLG) has several specific policies dedicated to revitalising town centres in response to changing role of the High Street, primarily the Future High Street Fund which support long term improvements to High Streets through physical infrastructure, improved transport access and incorporating technology. The High Street Task Force lead by the Institute of Place Management and managed by Price Waterhouse Coopers (PWC) works in tandem to the fund, providing cross sector support and best practice examples revitalising High Streets to a range of local stakeholders. MHCLG has produced a range of policies in response to the shorter-term requirements of the High Street outlined in the NPPF; reducing the level of vacant units, diversifying services available and allowing the High Street to increase flexibility. Planning Reform on High Streets now allows various changes of office space use without need for prior planning approval for up to 3 years, to give reasonable time in testing the local market.

Regional

Strategic Economic Plan

The South East Local Enterprise Strategic Economic Plan (SE LEP SEP) is committed to maximising private, public and community investment across the sub-region. It has set out to achieve this through implementing a 'Growth Deal' as a strategy to target four business-led local area delivery partnerships, including Thames Gateway South Essex. The Southend Central Area is located within this partnership and is referred to within the SEP as a key area for various initiatives designed to harness potential and stimulate regeneration. Future plans to unlock potential development sites will be brought into fruition through a package of public realm works, these will improve the overall environment of the town centre and align with the objectives ensuring the town centre offer a range of experiences and provides people with an environment they want to be in.

South Essex Joint Strategic Plan (JSP) & South Essex Statement of Common Ground (SCG)

The 'South Essex 2050 Ambition' has been developed by local authorities in the sub-region to create a long-term growth ambition spanning strategic spatial, infrastructure and economic priorities. The JSP which will include relevant strategies related to the Southend Town Centre Interventions Project including the South Essex Spatial Strategy. This will support town centre hierarchy, and cross cutting themes which include high quality development and design. The South Essex SCG sets out locally specific ambitions and an agreement amongst the local authorities to ensure South Essex is an economically successful and dynamic place. Specific to the objectives set out in the Southend Town Centre Interventions Project is the SCG's pledge to support the growth and regeneration of the town, district and local centres within Southend-on-Sea as well as create communities that contribute to the well-being of residents, including planning for community and cultural facilities and enhanced areas of open space. This directly links with the objectives of the Southend Town Centre Interventions Project.

Local

Southend-on-Sea New Local Plan: Planning for Growth and Change

Southend-on-Sea Borough Council is working on producing a new Local Plan for the borough and it has undergone the first round of public consultation. Although at an early stage in the development of the Southend-on-Sea New Local Plan outlines the key factors influencing Southend town centre including reduced customer expenditure growth and the growth of internet/multi-channel retailing and concluding that because future demand for retail growth is limited there is an urgent need to consider alternative strategies for the town centre to retain its vitality and vibrancy.

Southend 2050

Southend 2050 is the Borough's ambition for the future and sets out key themes and outcomes it hopes to achieve over the coming years. Theme 1: Pride and Joy, has an outcome that directly links to the Southend Town Centre Interventions Project as it sets out to deliver public spaces that are clean and inviting, as well as an increased variety of cultural and leisure activities. The Southend Town Centre Interventions Project supports this outcome as it aims to improve the town centre of Southend through making it an environment people want to be and a place that offers a range of experiences. Moreover, the Southend 2050 'Opportunity & Prosperity' theme specifically aims to evolve the town centre and connect other regeneration schemes to the High Street to establish a network of various homes, shops and leisure opportunities. The Southend Town Centre Interventions Project aims to improve the attractiveness and accessibility of the town centre through ensuring it is easy to navigate, improvements to the public realm and increasing public safety. The Southend 2050 Ambition directly relates to these Southend Town Centre Interventions Project outcomes as it seeks to make the borough accessible, with strong community networks that will deter anti-social behaviour.

SCAAP

Policy DS1 states that all new retail developments should be well integrated and closely linked with the Town Centre Primary Shopping Area. The policy emphasises the importance of active frontages with high quality design in order to preserve an attractive town centre. Ensuring new retail developments are integrated into the Town Centre Primary Shopping Area directly aligns with the objectives of making the town centre animated by day and night and offers a range of experiences by providing a variety of retail spaces for visitors and improving the atmosphere within the town centre. Policy DS1 supports the objectives of ensuring the town centre is well understood and communicated by requiring retail spaces to have appropriate, good quality frontages. This is supported further by Policy DS5, which seeks to improve the public realm through a variety of methods, including the improvement to signage and appropriate placed windows and entranceways to improve blank frontages around the town centre.

The SCAAP specifically refers to the High Street in Policy PA1 'High Street Policy Area Development Principles'. The overall aim of this policy is to regenerate and attract visitors to the High Street through improvements to the public realm, accessibility and expansion of leisure activities offered. Policy PA4 seeks to enhance connectivity and legibility to aid way finding to the High Street, supporting Objective 4 of the Southend Town Centre Interventions Project through ensuring the town centre is understood and well communicated.

Scrutiny Report

The 'Reimagining the Town Centre Joint Scrutiny Project 2018/19' details the process undertaken to gather the views of local visitors, residents and businesses to understand what they think Southend should be like in 2050. The objectives set out in the Southend Town Centre Interventions Project are based on the themes set out in the scrutiny report, which include:

- The town centre is animated by day and by evening
- The town centre offers a range of experiences and reasons to stay
- The town centre provides an environment where people want to be
- The town centre is understood and well communicated

The Council leads in relationship

The Southend Town Centre scheme is designed to meet the same objectives as this report, reflecting the wide ranging engagement which took place with a number of key stakeholders and users of the High Street.

Better Queensway

At the northern end of the town centre the Council is working with the private sector to develop proposals to regenerate the Queensway area in a £480 million project. The scheme aims to reconnect communities separated by the Queensway road and improve access to the town centre, seafront, jobs and shops, helping to boost the local economy. The objectives of increasing connectivity and accessibility as part of the Better Queensway scheme align closely with the objectives of the Southend Town Centre Interventions Project as outlined in the Reimagining the Town Centre Joint Scrutiny Project 2018/19 report. Specifically, the objectives of ensuring the town centre provides an environment and reasons to stay as well as the town centre being understood and well communicated.

2.4. Need for intervention:

[Specify the current and future context and articulate the underlying issues driving the need for intervention referring to a specific market failure, need to reduce externalities, Government redistribution objectives etc.; max. 2 pages.]

Southend town centre, like many town centres across the UK, is experiencing a continued decline resulting in growing vacancy rates (especially in the north and central section of the High Street) and decreasing footfall as outlined in Section 2.1. The SCAAP report has identified several issues impacting on the performance of Southend town centre and therefore contributing to the growing vacancy and declining footfall trends including:

- The long, linear nature of the High Street with too much vacant retail space which is also often the wrong configuration and size
- The latent potential of the town – recognising its role as a local centre, a centre of education and a visitor destination.
- The diffuse land ownership and the limited extent of the land owned by the Council; the perception and practical application of legislation and policy.
- The messaging about the town centre – both in terms of awareness of what it offers and the civic pride it does, or doesn't, engender
- Significant levels of illegal and/or anti-social activity

Without public sector intervention these issues are likely to persist and worsen thereby only serving to discourage visitors and in turn further inward investment.

Market failures

In the case of Southend town centre there are several market failures which exist and prevent the private sector from securing a solution on its own. Successful High Streets across the UK are characterised by several features including clear signage and wayfinding, public and green spaces, appropriate public realm and various measures to ensure community safety. Although the delivery of these infrastructure improvements would serve to address the identified issues impacting on the social and economic health of the High Street in Southend town centre, the delivery of these elements falls to the public sector given the lack of direct return to this investment, and therefore little incentive for the private sector to deliver or contribute to such schemes.

Another market failure is the private sector's limited capacity to deliver a joined up, comprehensive approach to delivery. As set out in 2.1 and 2.9, the Southend Town Centre Interventions Project aligns with other schemes and projects being delivered in and around the town centre. To maximise the outcomes of this project, the scheme interventions should be progressed in tandem and effectively link up with these existing programmes of work. A market led approach would result in a piecemeal scheme which would not achieve the same quantum of benefits.

However, whilst public sector intervention is required, SBC itself owns little of the land in the town centre therefore limiting its direct power to enforce change that would improve and address the issues facing the town centre. The Council has engaged the private sector in a number of ways through the BID and Scrutiny report, resulting in designing a scheme which utilises the Council's position to distribute grants and manage redevelopment projects, and encourages the market to engage with the programme. Consequently, the introduction of 0% loan scheme and 75/25 shop façade grant are designed to encourage the private sector to take the initiative and lead improvements in the town centre.

Evidence of success of such interventions elsewhere

There has been a growing body of research⁵ to suggest that the emerging role of town centres is to become a 'destination' to encourage residents and visitors to visit and spend more time (and money) in their local urban centre. Investment in good quality public realm and measures to make public space more desirable are critical to the competitiveness of place and key to transforming a town centre into a destination. Evidence of high-quality public realm in flagship locations such as Oxford Street in London

⁵ IMRG (2017) Retail Reimagined: The Digitally Remastered High Street

estimates an uplift in footfall in the region of 32%, and a 17% increase in retail sales⁶, as a result of good public realm investment. On a smaller scale, examples such as Altrincham near Manchester has reaped the benefits of investing in good public realm, amongst other measures, which has meant 'footfall has increased, and vacancy rates have fallen'. Trafford Council's town Centres Business Growth Programme has levered in over £600,000 of private investment and created 100 jobs⁷. This precedent suggests that investment in the public realm and other related activities generates 'economic benefit streams' that translate into 'economic impact' through a number of mechanisms: attracting investment; increasing land and property values; attracting visitors; increasing tourism; improving productivity; and enhancing image.

There have been a number of loan schemes and grants to redevelop shop fronts and occupy vacant units offered by local authorities over the past few years. Despite their relatively recent introduction, there is a growing body of evidence that such interventions contribute to increased footfall and decreases in vacancy rates in town centres. Cheshire East Council introduced a grant as part of a wider programme of public realm enhancements that will cover 75% of a maximum £2,000 allocation. Since its introduction, 35 properties have benefitted from the grant with feedback from beneficiaries being positive with reports of increased footfall and examples of vacant properties being restored due to the funding from the scheme. Similarly, Thurrock Council introduced a grant that would cover up to 75% of £3,000 that could be applied to the creation or repair of shop fronts signage, external lighting and internal security grilles and/or security glazing⁸. Uptake of this grant has been positive amongst local businesses as since 2014 there have been 28 successful applications with the majority applying for the maximum amount of funding available. Trafford Council have also had experience implementing a 0% loan of £20,000 to help businesses occupy vacant premises by contributing towards the financial cost of physical improvements and year one overheads⁹. Since 2013 over 30 loans have been taken out by applicable businesses and the majority applied for the maximum loan value.

There is a strong argument to be made that by investing in public realm and similar interventions, as proposed here, footfall trends could be reversed, and an increase in visitor numbers and spend per visitor could see currently vacant sites occupied.

2.5. Sources of funding:

[Promoters should provide supporting evidence to show that:

- all reasonable private sector funding options have been exhausted; and
- no other public funding streams are available for or fit the type of scheme that is being proposed

Public funding is regarded as a last resort. Promoters are encouraged to think carefully about and provide strong evidence that the intervention they are proposing has exhausted all other potential sources of funding and there is a genuine need for intervention from the public sector; max. 1.5 pages.]

As set out in 2.4, the private sector would not normally fund many of the public realm works or invest in CCTV so it falls to the public sector to make the investment that will create the right conditions to attract private sector investment.

The private sector can provide loan funding, but this would be at market rates. The public sector is available to provide the loan funding at 0% in order to incentivise the works which will help to achieve the project objectives.

Table 8 provides the expected amount of funding to be provided by both LGF and the Public Section (Southend-on-Sea Borough Council) for the Southend Town Centre Interventions Project.

⁶ Savills (2016) What will the pedestrianisation of Oxford Street mean for retail?

⁷ Trafford Council (2018) Altrincham shortlisted in Great British High Street Awards

⁸ Thurrock Council (2018), Shop front improvement scheme. Available at: <https://www.thurrock.gov.uk/local-schemes-to-benefit-businesses/shop-front-improvement-scheme>

Table 8: Total scheme costs (£000)

| | 2019/2020 | 2020/21 | Total (£000) |
|---------------------------------------|-----------|---------|--------------|
| LGF (£000) | 285 | 1,205 | 1,500 |
| Public Sector - Council (£000) | 200 | 872.5 | 1,072.5 |
| Total (£000) | 485 | 2,087.5 | 2,572.5 |
| % of total costs | 19% | 81% | 100% |

Source: Southend-on-Sea Borough Council

Table 9 provides the expected expenditure forecast for the Southend Town Centre Interventions Project setting out the individual elements of the scheme.

Table 9: Southend Town Centre High Interventions Project expenditure forecast

| Cost type | Expenditure forecast | | |
|---|----------------------|----------------|----------------|
| | 19/20 £000 | 20/21 £000 | Total £000 |
| Capital cost | | | |
| Improved wayfinding outside Southend Victoria | 75 | 75 | 150 |
| Improved wayfinding outside Southend Central | 50 | 150 | 200 |
| Improved public realm outside Forum (to Queens Road) | | 400 | 400 |
| Business led activities in empty units | 50 | 200 | 250 |
| Shop Front Grant | 30 | 70 | 100 |
| 0% loan scheme | 50 | 300 | 350 |
| Footfall cameras and data analytics | 30 | | 30 |
| Match funding - CCTV and Security Measures | 200 | 800 | 1000 |
| Non-capital [For example revenue liabilities for scheme development and operation] | | | |
| Monitoring and Evaluation | | 20 | 20 |
| SBC allowance QRA | | 72.5 | 72.5 |
| Total | 485 | 2,087.5 | 2,572.5 |

Source: Southend-on-Sea Borough Council

2.6. Impact of non-intervention (do nothing):

[Describe the expected outcome of non-intervention. Promoters should clearly establish a future reference case and articulate the impacts on environment, economy and society, if applicable. The future reference case should acknowledge that market conditions are likely to change in the future, with or without any intervention. 'Do nothing' scenarios where nothing changes are unlikely; max. 1 page.]

A robust economic appraisal hinges on an accurate do nothing/do minimum scenario. The do nothing/minimum acts as a reference case (ie what would happen anyway). The benefits of the reference case are removed from the gross economic benefits in order to reveal the net additional economic benefits related to a scheme (ie the true economic benefits from a particular investment).

Falling footfall and rising vacancy rates in town centres are a national problem, and Southend is no different, as evidenced in Section 2.1. In the case of Southend, CoStar vacancy rates for Southend town centre have risen by 3 percentage points over the 5 year period 2011-2016⁹. The town centre will continue to struggle to attract flagship retailers and/or chains without the necessary footfall data. Coupled with an uncertain economic outlook for the UK (Brexit, changing national retail and High Street trends), without intervention, ie the 'Do Nothing' scenario, it is expected that these trends will continue at the same rate as a minimum.

Southend Council is already implementing a wider programme of works (Better Queensway, TRIPS, S-CATs etc) so there would be an indirect impact on the High Street area from these programmes through improved environment of the surrounding areas. However, implemented alone these programmes will not

⁹ Peter Brett Associates and Southend-on-Sea Borough Council (2018) Southend-on-Sea Borough Council Main Retail and Leisure Study Main Report



directly address the issues identified as barriers for Southend town centre such as growing vacancy rates, poor messaging and anti-social behaviour.

In the event of Southend-on-Sea Borough Council failing to acquire the necessary LGF funding for the Southend Town Centre Interventions Project, the individual elements included in this programme of works cannot be delivered. Without targeted intervention, the full potential of the wider programmes of works will not be reached, the challenges identified for the High Street will not be addressed and there will continue to be a rise in vacancy rates and falling footfall figures.

2.7. Objectives of intervention:

[Outline the primary objectives of the intervention in the table below, and demonstrate how these objectives align with the problems presented in the Need for Intervention section.]

The primary objectives of the Southend Town Centre Interventions Project are to ensure that:

- The town centre is animated by day and by evening.
- The town centre offers a range of experiences and reasons to stay.
- The town centre provides an environment where people want to be.
- The town centre is understood and well communicated.
- The council leads in relationship.

By achieving these objectives, the Southend Town Centre Interventions Project is seeking to offer a solution to the following problems or opportunities:

- The long, linear nature of the High Street with too much vacant retail space which is also often the wrong configuration and size
- The latent potential of the town – recognising its role as a local centre, a centre of education and a visitor destination.
- The diffuse land ownership and the limited extent of the land owned by the Council; the perception and practical application of legislation and policy.
- The messaging about the town centre – both in terms of awareness of what it offers and the civic pride it does, or doesn't, engender.
- Significant levels of illegal and/or anti-social activity.

[Complete the following using a system of 0, ✓, ✓✓, ✓✓✓ which maps the objectives to their ability to address each problem. Add rows and columns as required and note not all sections of the table may require completion; max. 1 page.]

Table 10: Southend Town Centre High Street - Problems / opportunities identified in Need for Intervention section

| Scheme Objectives | Problems / opportunities identified in Need for Intervention section | | | | |
|---|---|---|---|--|---|
| | The long, linear nature of the High Street with too much vacant retail space which is also often the wrong configuration and size | The latent potential of the town – recognising its role as a local centre, a centre of education and a visitor destination. | The diffuse land ownership and the limited extent of the land owned by the Council; the perception and practical application of legislation and policy. | The messaging about the town centre – both in terms of awareness of what it offers and the civic pride it does, or doesn't, engender | Significant levels of illegal and/or anti-social activity |
| The town centre is animated by day and by evening | xx | xx | xx | xx | xx |
| The town centre offers a range of experiences and reasons to stay | xxx | xxx | xxx | xxx | xx |
| The town centre provides an environment where people want to be | xxx | xxx | xxx | xxx | xxx |
| The town centre is understood and well communicated | xx | xx | xx | xxx | xx |
| The council leads in relationship | xx | xxx | xxx | xx | xx |

Source: Southend-on-Sea Borough Council and Mott MacDonald

2.8. Constraints:

[Specify high level constraints or other factors such as social/environmental/financial/developments/schemes/legal consents and agreements which may affect the suitability of the Preferred Option; max. 0.5 page.]

The potential benefits realisation of the Southend Town Centre Interventions Project will be constrained from reaching its full potential should the full amount of LGF funding not be awarded for the scheme.

Southend town centre is physically constrained by the lack of available space for further development in the form of additional buildings or infrastructure but also green infrastructure along and around the High Street. The town centre is also physically constrained through the presence of utility infrastructure such as water and mains gas piping directly underneath the High Street itself. This impacts both the construction of new buildings and infrastructure but also on the ability of the Council to plant trees along the High Street as part of any green infrastructure projects as the roots will disturb the underlying utility infrastructure.

There are additional physical constraints in Southend town centre relating to the requirement for ongoing maintenance of the High Street following previous regeneration works and the difficulties in sourcing the same materials required.

The lack of capacity within the private sector to address the challenges the High Street faces is another key constraint for the Southend Town Centre Intervention Project. This is set out in the market failures section in 2.4. To mitigate this constraint the Council has specifically designed this scheme to utilise the Council's resources (e.g. a to pursue the Southend Town Centre Intervention Project funded by public sector funding thereby encouraging engagement from the private sector including the BID.)

There are minimal known planning, legal or development constraints on Southend town centre that would impact on the Southend Town Centre Intervention Project.

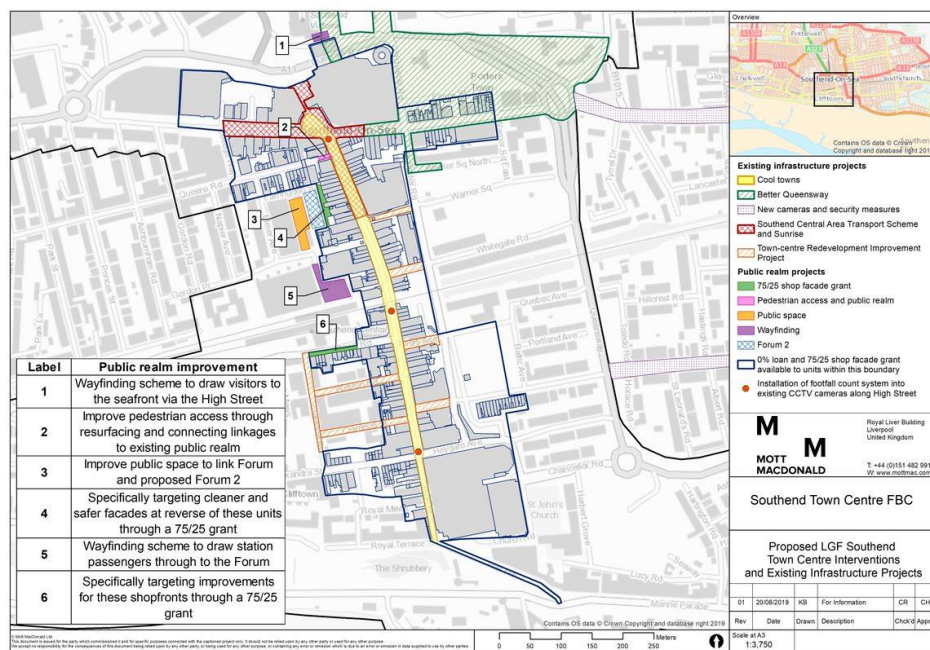
2.9. Scheme dependencies:

[Provide details of any related or interdependent activities that if not resolved to a satisfactory conclusion would mean that the benefits of the scheme would not be fully realised; max. 0.5 page.]

Southend town centre and the surrounding area is set to benefit from several schemes and programmes of work including the Southend Town Centre Intervention Project. These schemes and programmes of work have their own specific aims and objectives but will broadly seek to improve the urban environment, accessibility and security in and around the town centre similar to the Southend Town Centre Intervention Project. Therefore, it is essential that the delivery of the Southend Town Centre Intervention Project is undertaken in a manner that takes into account these other programmes of work.

The location of these wider schemes and programmes of work are shown on Figure 6.

Figure 6: Southend Town Centre Interventions Project – scheme locations and wider programmes



Source: Mott MacDonald

The Town-centre Redevelopment Improvement Project (TRIPs) seeks to use DfT funding to deliver £2.5 million of investment to key town centre locations. The purpose is to improve local access to the town centre, bus interchange and rail stations by redirecting car parking traffic, improving public realm and modifying the highway.

The Southend Central Area Transport Scheme (S-CATS) is a £7m project funded by the DfT Local Growth Fund through SELEP. Phase 2 is £2m public realm and streetscape improvement scheme along London Road to make this an attractive gateway to Southend High Street. The project will see a much-improved streetscape and improved access and safety for pedestrians and cyclists.

Southend-on-Sea Borough Council have also sought to find creative solutions to mobility issues in the town centre in partnership with the Sustainable Urban Neighbourhoods Research and Implementation Support in Europe (SUNRISE). The ambition of SUNRISE is to organise street trial events which will involve the use of a 'street kit' (temporary street furniture, temporary paint, planters etc.).

Southend-on-Sea Borough Council has also committed to regenerate the area north of the town centre through the 'Better Queensway' project with the aim of creating an attractive area with a community focus. It is anticipated that the 'Better Queensway' project will include the delivery of approximately 1,200 new dwellings as well as other supporting development such as retail and leisure development.

Following the success of the original development, 'The Forum', in 2013 plans are in place to complete the educational quarter of the town centre through the development of 'The Forum II'. This development will be a mix of accommodation that includes an expansion of the Focal Point Gallery, a café run by South Essex College and open to the public, a new digital art hub, and a range of performance spaces.

The use of Capital Works funding to deliver new CCTV cameras and other security measures along the A13 and York Road will contribute towards the safety and security of resident, businesses and visitors entering and exiting the town centre via these key road links.

Aside from ensuring that the Southend Town Centre Interventions Project aligns with these other related programmes of work being delivered or scheduled to be delivered in the future in the town centre there are no other immediate dependencies for the project. The main emphasis needs to be ensuring that all of the programmes in Southend town centre are delivered in a collaborative manner that enables the maximum amount of benefits to be delivered.

2.10. Expected benefits:

[This section identifies scheme benefits (which will be achieved through delivering the scheme) which may not be valued in the Economic Case. Specify the extent of the scheme benefits referring to relevant economic, social, environmental, transport or other benefits. This is where any 'GVA based' estimates of benefits should be reported together with any dependent development (e.g. commercial or residential floorspace). Please reference the relevant section of the Economic Case where additional information regarding the assessment approach can be found; max. 0.5 page.]

The delivery of the Southend Town Centre Interventions Project is expected to deliver a multitude of different benefits to the town centre and its users. The introduction of improved wayfinding throughout the High Street will encourage and make it easier for visitors from the two railway stations to visit the town centre as well as other attractions in the area. This improved wayfinding will also encourage greater numbers of visitors in the town centre from the seafront to the south.

The improvement in public realm along the High Street will also serve to create a more aesthetically pleasing and attractive environment for residents and visitors encouraging longer durations of stay from those visiting. These visual improvements created via the improved public realm will also contribute towards an improvement in perception of the town centre.

In recent years the town centre has attracted negative publicity due to several safety related issues including regular reported instances of anti-social behaviour which has negatively impacted perceptions of safety amongst town centre users. The delivery of the Southend Town Centre Interventions Project, in particular the investment in public realm, is expected to help reduce the number of instances of anti-social behaviour and encourage greater numbers of visitors and durations of visits to the town centre that will in turn improve the perception of the area.

Within the Economic Case Mott MacDonald have conducted an economic assessment of the potential benefits should the Southend Town Centre Interventions Project be delivered in terms of jobs and GVA. This assessment models:

- Do Nothing scenario (assumes the Southend Town Centre Interventions Project is not delivered and jobs are lost as vacancy rates rise).
- Do Something scenario (assumes the Southend Town Centre Interventions Project is delivered and those jobs lost in the Do Nothing are safeguarded, and a small number of units become occupied as a result).

A ten year appraisal has been applied as part of the cost benefits analysis. Over the course of the appraisal period, the Southend Town Centre Interventions Project could deliver up to 62 gross direct jobs and £2.12m of gross GVA per annum. At a net level, after adjusting for leakage, displacement and multiplier impacts a total of 45 net additional jobs generated. When the lost employment impacts in the Do Nothing scenario are safeguarded as part of the Do Something, total number of jobs saved and created mounts to 55 after ten years.

When compared to the LGF ask (£1.5m), this equates to a cost per net job to the SELEP of £27,272.

If the project was not to proceed and the 'Do Nothing' scenario was chosen, negative economic impacts would be realised from loss of employment space.

Further explanation of these economic benefits can be found in Section 3.5 in the Economic Case. It should be noted that the qualitative benefits in terms of perception, civic pride and attitudes of residents and visitors to the town centre are important factors here, however they have not been quantified for this appraisal.

2.11. Key risks:

[Specify the key risks affecting delivery of the scheme and benefit realisation e.g. project dependencies, stakeholder issues, funding etc. Information on risk mitigation is included later in the template. This section should be kept brief and refer to the main risk register in the Management Case; max. 0.5 page.]

The Council is committed to the proactive management of key external and internal risks and actively promotes the principles of effective risk management throughout the organisation. The Risk Management Strategy and Framework aims to apply best practice to the identification, evaluation and control of key risks and ensure that residual risks are monitored effectively. This will be achieved by:

- Enabling senior management and Members to support and promote risk management;
- Developing and embedding clear strategies and policies for risk;
- Equipping and supporting staff and partners to manage risk well;
- Establishing and promoting effective arrangements for managing risks with partners;
- Developing effective risk management processes to support the business;
- Ensuring risks are handled in a way which gives the Council assurance that risk management is delivering successful outcomes and supporting creative risk-taking; and
- Using risk management to contribute to the delivery of improved outcomes.

Southend Borough Council will achieve these aims by implementing and maintaining, as part of the South East LEP Capital Project Business Case, a Risk Management Framework, comprising this risk policy statement, the strategy and toolkit. These documents will be reviewed regularly against good practice guidance to ensure that they are fit for purpose and continue to drive forward a robust approach to risk management. The Council's Internal Audit Team will provide capacity to support this activity.

See Risk Register in Appendix B.

3. ECONOMIC CASE

The economic case determines whether the scheme demonstrates value for money. It presents evidence of the expected impact of the scheme on the economy as well as its environmental, social and spatial impacts.

In addition to this application form, promoters will need to provide a supporting Appraisal Summary Table (AST). This should provide:

- a calculation of Benefit-Cost Ratio (BCR) according to the DCLG Appraisal Guidance, with clearly identified, justified and sensitivity-tested assumptions and costs
- inclusion of optimism bias and contingency linked to a quantified risk assessment
- inclusion of deadweight, leakages, displacement and multipliers

Smaller schemes (less than £2 million) are not required to provide a supporting AST, and do not have to calculate a BCR.

3.1. Options assessment:

[Outline all options that have been considered, the option assessment process, and specify the rationale for discounting alternatives.

Promoters are expected to present a sufficiently broad range of options which avoid variations (scaled-up or scaled-down version) of the main options. The key to a well scoped and planned scheme is the identification of the right range of options, or choices, in the first instance. If the wrong options are appraised the scheme will be sub-optimal from the onset.

Long list of options considered:

Description of all options which have been considered to address the problem(s) identified in the **Need for Intervention** section above, including options which were considered at an early stage, but not taken forward.

The Council, in tandem with representatives from the Business Improvement District (BID) and stakeholders from local community safety teams, conducted a review in August 2019 of potential options to address the issues set out in the Need for Intervention section of this FBC. The review followed HM Treasury Green Book guidance on options appraisal for developing a business case, and considered a long list of options to address these issues, and scored these options against critical success factors (CSFs). The outcome of the options appraisal is set out in the table overleaf.

Table 12: Long list options appraisal

| Problems to address | Long list of options | Strategic fit and meets business needs | Potential Value for Money | Supplier capacity and capability | Potential affordability | Potential achievability |
|---|--|--|---------------------------|----------------------------------|-------------------------|-------------------------|
| High levels of retail/commercial unit vacancies | Direct ownership interventions | x | | | | x |
| | CPO property to offer for discounted rents or alternative uses | x | | | | |
| | Business rates discount scheme | x | | | | x |
| | Take up of vacant units by private sector | x | x | | x | |
| | Direct usage of vacant sites on the High Street for community purposes | x | x | x | x | x |
| | Footfall cameras within existing CCTV | x | x | x | x | x |
| Negative | Public realm and way finding outside Southend | x | x | x | x | x |

| | | | | | | |
|--|--|---|---|---|---|---|
| perceptions of safety amongst town centres users | Victoria and Central stations to encourage movement to the High Street and through the primary shopping areas seafront | | | | | |
| | Public space between Forum and Forum 2 to maximise the use of this space | x | x | x | x | x |
| | Build new public space to host events | x | | | | |
| Poor public realm and 'look and feel' factors deterring inward investors | 0% loan fund to take up vacant units and redevelop upper floors | x | x | x | x | x |
| | 75/25 shop façade grant | x | x | x | x | x |
| Significant levels of illegal and/or anti-social activity | Outreach programme | x | | | | x |
| | Increased police presence | x | | | | x |
| | CCTV and security measures | x | x | x | x | x |

Source: Southend-on-Sea Council and Mott MacDonald

From the long list, several options were discarded for the following reasons:

- In some instances, the Council does not have the ownership or rights to implement these options, such as 'direct ownership interventions'. The Council owns very few units in the High Street, and has already engaged with private sector businesses as much as they can to generate this economic activity organically.
- In other cases, the Council or other organisations are already implementing similar schemes elsewhere. Providing a community outreach programme or increased police presence to address anti-social behaviour is covered elsewhere by the Council, and therefore not appropriate for this scheme
- For others, the cost of implementation is prohibitively expensive, or would require significant change to the local taxation / planning process (Eg CPO or business rate discount scheme) . Clearing and building a new public space to host events would address perceptions of safety amongst town centre users, however the cost of delivering this would outweigh the economic and financial benefits, and therefore is not deemed appropriate for this scheme.

Options assessment:

Describe how the long list of options has been assessed (assessment approach), rationale behind shortlisting/discarding each option.

Short list of options:

The 'Options Assessment' section is an opportunity to demonstrate how learning from other projects and experience has been used to optimise the proposal, and the Preferred Option is expected to emerge logically from this process; max. 2 pages.

Smaller schemes (less than £2 million) are required to complete an Options assessment which is proportionate to the size of the scheme; max. 1 page.]

The interventions which met each of the CSFs were grouped together and chosen as the 'preferred option'.

Option 1: Do nothing

It should be recognised that the Council currently has a wider programme of works underway which will have an impact (albeit small) on vacancy rates and footfall in the town centre. These are listed below and referred to in the Strategic Case:

- Cool Towns
- Town Centre Redevelopment Improvement Project
- Southend Central Area Transport Scheme (S-CATS)
- Sustainable Urban Neighbourhoods Research and Implementation Support in Europe (SUNRISE)
- Better Queensway
- Capital works to deliver new cameras and security measures

These measures are already underway however, and therefore the 'do nothing' scenario for this assessment includes minimal impacts these interventions would have on footfall and vacancy rates, without further LGF funded interventions.

Option 2: Do Something 1 (preferred option)

In this option the group of interventions which meet the CSFs are implemented alongside the wider programme of works. The impact would deliver their own benefits, as well as maximising the potential of the wider programme of works as footfall will be directed to these areas in the town centre.

3.2. Preferred option:

[Describe the Preferred Option and identify how the scheme aligns with the objectives. Include evidence of stakeholder support for the Preferred Option either through consultation on the scheme itself or on the strategy the scheme forms part of; max. 1 page.]

Preferred Option: Option 2

The preferred option which forms the basis of this analysis includes the following interventions:

- Installation of footfall cameras within the existing CCTV system throughout the High Street, to count and report footfall, to influence investment, events and opening hours.
- Availability of a 0% loan grant to encourage businesses within the red line boundary to take up vacant ground floor units and redevelop vacant upper floor units.
- Availability of a 75/25 shop façade grant to encourage businesses within the red line boundary to invest in external shop improvements in terms of design, cleanliness and safety.
- Improved public realm and wayfinding outside both Southend Victoria and Central stations to draw visitors to the High Street and seafront.
- Particular wayfinding improvements leading Southend Central station visitors north through to a redeveloped public space between the Forum and proposed Forum 2 developments.
- Particular shop façade improvements along Clifftown road, which acts as a gateway leading Southend Central station visitors south and eastwards to the High Street.

Other elements of the scheme will include introducing business led activities in vacant units in the town centre to increase activation and utilisation along the High Street, as well as improved lighting and green infrastructure.

These interventions have been chosen in order to achieve the objectives of improving the perception of safety and improving occupancy rates in the town centre. The objectives are aligned with those established as part of the 2019 Southend Scrutiny Report, which involved a considerable amount of engagement with a Reference Group consisting of selected members of a broad mix of stakeholders that included Southend BID, University of Essex, Citizens Advice Bureau, Commercial Property sector, Culture and Creative sector, digital sector, and a resident, in line with the requirement of the scrutiny committees..

The initial project scope was shared with the Reference Group for comment at the start of the project and a meeting held to discuss the project and its approach with Reference Group members. At the start of 2019 a mid-project summary was shared with the Reference Group to review the evidence received to date and the emerging messages. At the end of the project a copy of the draft report was shared with the group to consider the recommendations made and for final review. At this point the report was also shared with the Youth Council so as to be able to take their views into account before finalising the report.

Members of the Reference Group were also invited to attend a number of the evidence sessions held during the project's span including a meeting to consider the Government's consultation on planning reform, a presentation from Centre for Cities, the Key Cities Town Centre conference and the Local Plan consultation event for the town centre.

Table 13: Southend Town Centre High Street- Problems / opportunities identified in Need for Intervention section

| Scheme Objectives | Problems / opportunities identified in Need for Intervention section | | | | |
|---|---|---|---|--|---|
| | The long, linear nature of the High Street with too much vacant retail space which is also often the wrong configuration and size | The latent potential of the town – recognising its role as a local centre, a centre of education and a visitor destination. | The diffuse land ownership and the limited extent of the land owned by the Council; the perception and practical application of legislation and policy. | The messaging about the town centre – both in terms of awareness of what it offers and the civic pride it does, or doesn't, engender | Significant levels of illegal and/or anti-social activity |
| The town centre is animated by day and by evening | xx | xx | xx | xx | xx |
| The town centre offers a range of experiences and reasons to stay | xxx | xxx | xxx | xxx | xx |
| The town centre provides an environment where people want to be | xxx | xxx | xxx | xxx | xxx |
| The town centre is understood and well communicated | xx | xx | xx | xxx | xx |
| The council leads in relationship | xx | xxx | xxx | xx | xx |

Source: Southend-on-Sea Council and Mott MacDonald

The specific elements of the scheme were developed in response to the consultation findings generated through the development of the Scrutiny Report. Details of the scheme were included in a business survey made available to all business units in the red line boundary of the scheme study area, and responses were positive (more detail is included in Section 3.3).

In terms of stakeholder support, this proposal has been developed in full consultation with Southend BID. We have also discussed the proposal with representatives of the Community Safety Partnership; and have briefed the Crime Prevention Tactical Adviser at Southend Police Station. A further meeting was held with the Focal Point Gallery based at The Forum to identify potential public realm improvements and way-finding signage.

Assessment approach:

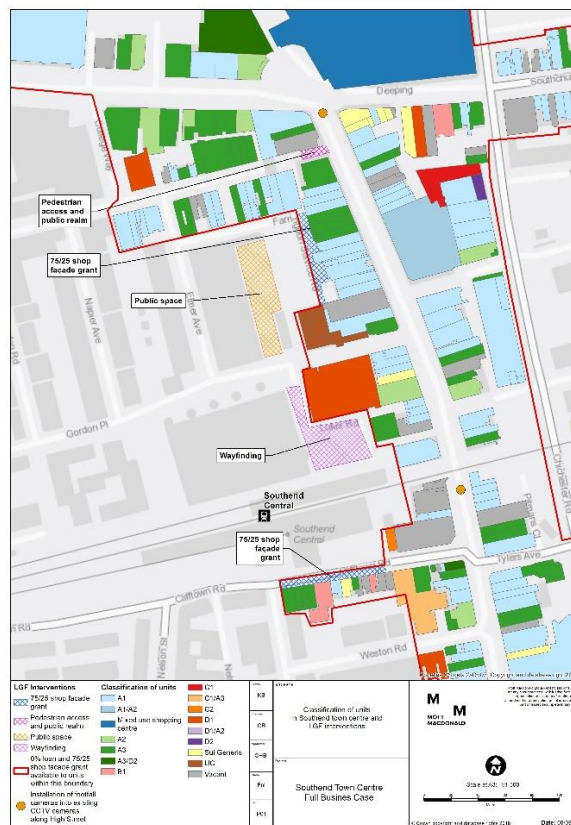
[Describe the approach used to assess the impacts of the scheme, describing both the quantitative and qualitative methods used, and specify the Do Minimum and Do Something scenarios. The assessment approach should be a proportionate application of the DCLG guidance; max. 1.5 pages.]

An economic impact assessment was undertaken to model employment and associated Gross Value Added (GVA) impacts which could be realised as a result of the Town Centre Interventions scheme. This was modelled using Mott MacDonald's Transparent Economic Assessment Model (TEAM) which assesses the economic benefits arising from land-use change, calculated in-line with HM Treasury Green Book principles of additionality. The model assesses the core economic benefits of the associated land-use changes relating to jobs and GVA. The model uses Office of National Statistics (ONS) datasets alongside bespoke local area analysis, in this case for the Eastern region, South East LEP area, and Southend-on-Sea, to inform specific assumptions.

To capture evidence for the assumptions underpinning the modelling, evidence was gathered on rising vacancy rates, footfall figures from local shopping centres to establish trends for Southend Town Centre. A business survey was launched between 23rd August 2019 – 2nd September 2019 and was sent to members of the BID and a hard copy distributed to units within the red line boundary to capture evidence on impact of the proposed interventions on local business' investment decisions. The findings from this survey fed into the economic modelling to support assumptions on impacts in the Do Nothing and Do Something Scenarios.

A site visit was undertaken in August 2019 to establish the location of the proposed interventions, and to undertake an up to date assessment of unit uses and vacant units along the High Street within the study area. Figure 7 illustrates the location of interventions with vacant units along the High Street.

Figure 7: Land use, vacant units and proposed interventions within the Southend Town Centre study area



Source: Mott MacDonald

The map indicates that a lot of the physical interventions (e.g. public realm, wayfinding, focused efforts for the shop façade grant and 0% loan) will be focused to the west of the High Street, between Southend Central station leading north towards Southend Victoria. Therefore, the assessment focuses on the units most likely to be directly affected within this area. It is acknowledged that there will be positive economic impacts experienced more broadly than this area, but the robustness of the assessment would decrease if the study area was increased. The Do Nothing and Do Something scenarios are set out below.

Do Nothing: Southend town centre wider programmes only

In this scenario, in line with national trends and historic vacancy rates for Southend, without intervention footfall is expected to continue to fall year on year, and vacancy rates are expected to rise across the town centre and study area. As a result there is anticipated to be a steady loss of employment within the focused study area as more units become vacant year on year. There will be limited mitigation of this impact as a result of the wider programme of works (set out in the Strategic Case) which are underway in areas adjacent to the High Street. However, without focused intervention in the study area, this will not reverse the rising trend in vacancy rates and a number of jobs are expected to be lost in this scenario.

The total loss of employment floorspace modelled in this scenario is as follows:

Table 14: Fall in employment floorspace under the Do Nothing

| | Baseline | Phase 1 | Phase 2 |
|--|----------|-----------|-----------|
| | 2019 | 2020-2025 | 2026-2030 |
| Vacant floorspace (m ²) | 2345 | 2416 | 2488 |
| Lost floorspace compared to previous phase (m ²) | - | 70 | 143 |
| Floorspace - A1 | 0 | 35 | 71 |
| Floorspace - A3 | 0 | 35 | 71 |

Source: Mott MacDonald

Do Something: Wider programme of works + Town Centre Interventions

In this scenario, the scheme interventions seek to overcome the challenges the High Streetfaces which contribute to falling footfall numbers and therefore rising vacancy rates. As a result of the interventions, the quality of the focused study area environment improves and the full potential of the wider programme of works is maximised. As a result vacancy rates no longer rise year on year and the jobs lost in the Do Nothing scenario are safeguarded. Due to the nature of the scheme including a 0% loan scheme and a 75/25 shop façade grant to encourage private sector investment, it is likely that a number of the currently vacant units close to the public realm and way finding interventions (in the area receiving the most tangible investment) will be occupied by local businesses who were already interested in locating to the area. This is anticipated to lead to a marginal additional benefits in terms of employment and GVA in addition to the safeguarded jobs from the Do Nothing scenario.

The total growth in employment floorspace modelled in this scenario is as follows:

Table 15: Rise in occupied units in terms of floorspace under the Do Something

| | Baseline | Phase 1 | Phase 2 |
|--|----------|-----------|-----------|
| | 2019 | 2020-2025 | 2026-2030 |
| Number of vacant units (cumulative) | 14 | 10 | 10 |
| Employment floorspace gained (m ²) | 0 | 1086 | 1086 |
| Floorspace - A1 | 0 | 543 | 543 |
| Floorspace - A3 | 0 | 543 | 543 |

Source: Mott MacDonald

3.3. Economic appraisal assumptions:

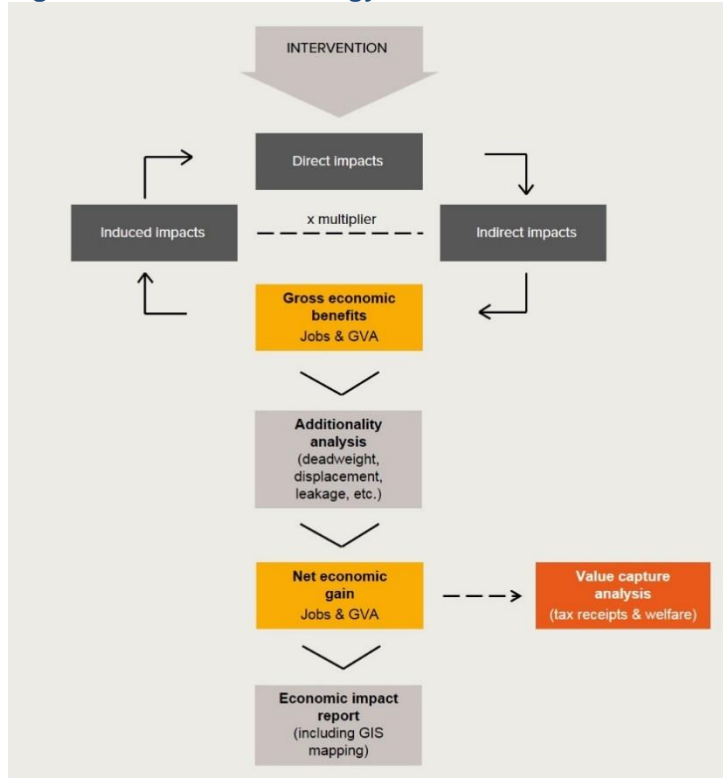
[Provide details of the key appraisal assumptions by filling in the table in Appendix A, expand if necessary. Key appraisal assumptions as set out in Appendix providing justification for the figures used and any local evidence, where appropriate (different from the standard

assumptions or the ones with the greatest influence on the estimation of benefits). Explain the rationale behind displacement and deadweight assumptions.

Smaller schemes (less than £2 million) are not required to complete this section].

TEAM operates as follows:

Figure 8: TEAM methodology



Source: Mott MacDonald

For the Do Nothing, the current floorspace of the 14 vacant units within the focused study area (Figure 6) was calculated (informed from the site visit), and a phased vacancy rate was applied over the course of the appraisal period based on historic footfall and vacancy rate trends, along with evidence from the business survey.

For the Do Something, four of the 14 currently vacant units within the immediate vicinity of the public realm and wayfinding interventions were identified and modelled to become occupied over the course of the appraisal period. The potential economic benefits of the development site are calculated through the following steps:

- Inputting of key site details into TEAM including the development footprints and land uses.
- Calculation of economic impacts through:
 - Gross direct effects of the sites in terms of employment and economic output (measured by GVA) once fully developed. These are calculated using the land use assumptions below relating to development footprints, land uses, occupancy rates and employment densities to convert land use to jobs. The GVA is then calculated using GVA per worker aligned to the jobs created.
 - The net economic gain to SELEP from these proposed interventions is captured by adjusting the gross impacts for additionality, that is “the net, rather than [the gross impact of an intervention] after making allowances for what would have happened in the absence of the intervention”. The assessment therefore adjusts the gross impacts by considering the following additionality assumptions:
 - Additionality assumptions relating to deadweight, leakage & displacement (see below).

- Indirect and induced effects of the developed site from those businesses supported further down the supply chain.
- The economic impacts have been presented at both a gross and net level throughout the analysis. It is important to note that, of gross and net impacts, it is the anticipated net additional economic impacts which indicate the true economic 'benefit' of a scheme to the existing and projected economy.

Assumptions

The table below summarises the key assumptions used to assess the number of direct and indirect jobs potentially lost in the Do Nothing scenario; without intervention.

Table 16: Do Nothing Assumptions

| Assumption | Level | Justification |
|----------------------------------|--|---|
| Land Uses | A1 / A2 / A3 / D1 / Sui Generis | Identified during August 2019 site visit; assumed 50% A1 and 50% A3 of future units based on existing trends based on evidence of current uses on the High Street. |
| Employment densities | As per guidance | Employment densities are based on those presented in HCA (2015) Employment Densities Guide ¹⁰ . These employment densities are a key input in driving these gross jobs figures. There was no further information available at this time with regards the density of development. |
| Occupancy rate | 100% | Modelling likely vacant or occupied specific units, rather than the aggregate occupancy of many units across a large area |
| Composite multiplier | 1.44 | In the absence of any detailed information regarding staff salaries or supplier expenditure, a composite multiplier value of 1.44 has been applied. This is based on the regional level ready reckoner from the HCA's Additionality Guide ¹¹ . |
| GVA per worker | £23,813 - £44,548 | Based on review of GVA per filled worker figures for UK, regional and NUTS3 level (Southend-on-Sea) ¹² , a GVA per filled worker figure of £23,813 has been applied for all potential restaurant or café sites. This is the GVA productivity for broad sector I: Accommodation and Food Service Activities. A GVA per filled worker figure of £44,548 has been applied for all potential retail sites. This is the GVA productivity for broad sector G: Wholesale and Retail Trade. |
| Do Nothing trend in vacancy rate | 3% every 5 years, on current baseline of 14% | A conservative assumption to calculate loss of employment in this scenario, informed by: <ul style="list-style-type: none"> • Latest historic CoStar vacancy rates for Southend town centre (which has risen by 3 percentage points over the 5 year period 2011-2016). • 5% of respondents to the business survey responded 'strongly disagree' with the statement: 'Thinking about the town centre environment, my business is likely to remain in the area for the foreseeable future.' |
| Appraisal period | 10 years | A 10-year appraisal period starting from the first year of cost incurred 2019/2020 running to 2029/30, a conservative estimate to reflect the likely period such benefits will last for. |
| Appraisal start year | 2019/2020 | This is the first year costs are anticipated to start, with benefits anticipated to start from 2020/2021 onwards |
| Price base year | 2018/2019 | Benefits and costs are based on FY 2018/2019 prices. |

Sources: TEAM Mott MacDonald assumptions, various sources listed.

¹⁰ HCA (2015) Employment Densities Guide

¹¹ HCA (2014) Additionality Guide

¹² ONS, GVA (B) per filled worker by sector and region, 2018.

The table below summarises the key assumptions used to assess the gross and net additional employment impacts under the Do Something scenario.

Table 17: Do Something Assumptions

| Assumption | Level | Justification |
|----------------------|--|---|
| Land Uses | A1 / A2 / A3 / D1 / Sui Generis | Identified during August 2019 site visit; assumed 50% A1 and 50% A3 of future units based on existing trends based on evidence of current uses on the High Street. |
| Employment densities | As per guidance | Employment densities are based on those presented in HCA (2015) Employment Densities Guide ¹³ . These employment densities are a key input in driving these gross jobs figures. There was no further information available at this time with regards the density of development. |
| Occupancy rate | 100% | Modelling based on a conservative four units in the immediate vicinity of the physical interventions becoming occupied in the first 5 year phase of development. These units were chosen because of their proximity to the public realm, wayfinding and place making interventions. Evidence of success of similar schemes elsewhere are set out in the Strategic Case. |
| Composite multiplier | 1.44 | In the absence of any detailed information regarding staff salaries or supplier expenditure, a composite multiplier value of 1.44 has been applied. This is based on the regional level ready reckoner from the HCA's Additionality Guide ¹⁴ . |
| GVA per worker | £23,813 - £44,548 | Based on review of GVA per filled worker figures for UK, regional and NUTS3 level (Southend-on-Sea) ¹⁵ , a GVA per filled worker figure of £23,813 has been applied for all potential restaurant or café sites. This is the GVA productivity for broad sector I: Accommodation and Food Service Activities. A GVA per filled worker figure of £44,548 has been applied for all potential retail sites. This is the GVA productivity for broad sector G: Wholesale and Retail Trade. |
| Displacement | 25% | A conservative number of units (4) have been identified as likely to become occupied in this scenario – these businesses will most likely already be seeking to move to the town centre, and the interventions will encourage that move. There is however a small chance that this activity will be displaced from a nearby town centre and therefore not deliver net additional benefits to the SELEP economy. The 2014 HCA Additionality Guide advises 25% as a low level of displacement and that has been applied here. |
| Leakage | 11% | Based on travel to work flows in the SELEP area approximately 11% of SELEP jobs are filled by non SELEP residents. Therefore, leakage is expected to be relatively low. |
| Deadweight | 25% | Rising historic vacancy rates demonstrate that there is a lack of market demand for vacant units on the High Street. Therefore, it is unlikely that a large proportion of the economic activity modelled in this scenario 'would have happened anyway'. As such, an assumption of 25% deadweight is applied here in line with the 2014 HCA Additionality Guide value for low level of deadweight. |
| Total benefit | DS benefits + safeguarded jobs lost in the DN benefits | Benefits associated with the safeguarded jobs from the Do Something scenario, plus marginal benefits from vacant units becoming occupied |
| Appraisal period | 10 years | A 10-year appraisal period starting from the first year of cost incurred 2019/2020 running to 2029/30, a conservative estimate to reflect the likely period such benefits will last for. |
| Appraisal start | 2019/2020 | This is the first year costs are anticipated to start, with benefits |

¹³ HCA (2015) Employment Densities Guide

¹⁴ HCA (2014) Additionality Guide

¹⁵ ONS, GVA (B) per filled worker by sector and region, 2018.

| | | |
|-----------------|-----------|--|
| year | | anticipated to start from 2020/2021 onwards |
| Price base year | 2018/2019 | Benefits and costs are based on FY 2018/2019 prices. |

Sources: TEAM Mott MacDonald assumptions, various sources listed.

3.4. Costs:

[Provide details of the costs of the scheme. All public-sector costs should be included:

- Public sector grant or loan
- [Public sector loan repayments] (negative value)
- Other public sector costs
- [Other public sector revenues] (negative value)

If the land is owned by the public sector, then the public sector will be incurring holding costs assumed to be 2% of the existing value of the land per year. Should the land be used for non-residential development these holding costs will be avoided. This needs to be reflected in the appraisal as a negative cost.

Please note that any private costs associated with the development should be included in the appraisal as a dis-benefit and therefore feature in the numerator of the BCR calculation rather than the denominator.

Additional details regarding the consideration of costs as well as standard assumptions that can be used in the absence of local data can be found in the [DCLG appraisal data book](#).]

The costs mentioned in this section will refer to the total project costs applicable to the 'Do Something' scenario, estimated to total £2.5m (in 2018/2019 prices). A total of £1m match funding from the Council's capital programme has been secured to deliver the related CCTV and security measures as part of the scheme. This assessment is based on the costs being divided over two fiscal years:

Table 18: Total scheme costs (£000)

| | 2019/2020 | 2020/21 | Total |
|--------------------------------|-----------|---------|----------|
| Costs LGF | 285 | 1,215 | 1,500 |
| Public Sector - Council | 200 | 872.5 | 1,072.5 |
| % of total costs | 19% | 81% | 100% |
| Total in £ | £485 | £2,015 | £2,572.5 |

Source: Mott MacDonald

As per the breakdown shown above, the discounting factor used for future benefits (3.5% per year) has been applied from the first year after the base year in this economic analysis, i.e. from 2019/2020 fiscal year.

As the land is not being used for residential development, it is assumed that Council will not incur any holding costs and, as such, holding costs have not been considered in the appraisal.

3.5. Benefits:

[Provide details of the benefits of the scheme identifying the 'initial' and adjusted benefits that were used to calculate the 'initial' and 'adjusted' BCR. The DCLG Appraisal Guidance provides additional details regarding the initial and adjusted benefit calculations on page 17.

'Initial' Benefits

All impacts quantified based on the Green Book Guidance and Green Book Supplementary and Departmental Guidance should feature in the 'initial' BCR calculation. These impacts currently include:

- Air quality
- Crime
- Private Finance Initiatives
- Environmental
- Transport (see WebTAG guidance)
- Public Service Transformation
- Asset valuation
- Competition
- Energy use and greenhouse gas emissions
- Private benefits e.g. land value uplift
- Private sector costs if not captured in land value
- Public sector grant or loan if not captured in land value
- Public sector loan repayments if not captured in land value

'Adjusted' Benefits

There are several external impacts to the users or entities already present in a development area or to the society that are additional to the impacts included in the Green Book Supplementary and Departmental Guidance.

Such external impacts include potential agglomeration impacts on third parties, health impacts of additional affordable housing and brownfield land clean-up, educational impacts of additional housing, transport externalities, public realm impacts, environmental impacts, and cultural and amenity impacts of development. Such externalities should still form part of the appraisal and included in the 'adjusted' BCR.

Promoter should present here additional estimates of impacts based on their own evidence. These estimates might be based on tentative assumptions where the evidence base is not well established. Additional guidance regarding the identification of externalities and ways of estimating the 'adjusted' impacts are available in Annex F of the DCLG Appraisal Guidance.]

Initial Benefits

The benefits of this scheme cover the jobs safeguarded without intervention, plus a conservative estimate of jobs gained as a result of a conservative number of units becoming occupied as a result of the interventions. Please note these calculations are rounded to the nearest whole number.

Employment safeguarded under the Do Something

The DN scenario sees a continuation of the trend in falling footfall and rising vacancy rates in the town centre. When a 3% increase in vacancy rates is applied to the existing vacant floorspace within the focused study area every five years of the 10-year appraisal period, this results in a total of 11 gross direct and indirect jobs lost from the focused study area. These jobs are anticipated to be safeguarded in the DS scenario

Table 19: Employment and GVA per annum lost in the Do Something

| | Baseline | Phase 1 | Phase 2 |
|---|----------|-----------|-----------|
| | 2019 | 2020-2025 | 2026-2030 |
| Vacant floorspace | 2345 | 2416 | 2488 |
| Vacancy rate (current and anticipated) | 14% | 17% | 20% |
| Employment floorspace lost in each phase (m²) | - | 70 | 143 |
| Job associated with increased in vacant units (gross direct) | - | 4 | 8 |
| Job associated with increased in vacant units (indirect) | - | 1 | 2 |

| | | | |
|--|---|-----------------|-----------------|
| Total jobs | | 5 | 11 |
| Total GVA per annum lost from increased in vacant units | - | £188,317 | £382,284 |

Source: Mott MacDonald

Marginal additional employment impacts under the Do Something

The economic impacts associated with four of the 14 vacant units within the study area becoming occupied over the course of 10 years are illustrated in the table below. This has also been presented alongside the jobs safeguarded in the Do Nothing scenario, to present total anticipated benefits in the Do Something scenario.

The four vacant sites in the immediate study area becoming occupied could contribute to 62 gross direct jobs and £2.12m of gross GVA per annum from Phase 1 onwards when all units are anticipated to be occupied. At a net level, after adjusting for leakage, displacement and multiplier impacts, TEAM forecasts a total of 45 net additional jobs generated. When the lost employment impacts in the Do Nothing scenario are safeguarded as part of the Do Something, total number of jobs saved and created mounts to 55 after ten years. When compared to the LGF ask (£1.5m), this equates to a cost per net job to the SELEP of £27,272.

When the lost employment impacts in the Do Nothing scenario are safeguarded as part of the Do Something, total annual GVA reaches £2.03m after ten years. Over the course of 10 years, the present value of these benefits is equivalent to £12.3m

If the project was not to proceed and the 'Do Nothing' scenario was chosen, negative economic impacts would be realised from loss of employment space.

Table 20: Gross and Net employment and GVA benefits per annum

| | Safeguarded jobs from Do Nothing | | | | Marginal additional employment from vacant units becoming occupied (Do Something) | | | |
|---|----------------------------------|--------------------------|-----------------------------------|--------------------------|---|--------------------------|-----------------------------------|--------------------------|
| | Phase 1 2020- 2025 | Phase 2 2026- 2030 | Phase 1 2020- 2025 | Phase 2 2026- 2030 | Phase 1 2020- 2025 | Phase 2 2026- 2030 | Phase 1 2020- 2025 | Phase 2 2026- 2030 |
| | Number of Jobs | | Annual Gross Value Added (GVA) £m | | Number of Jobs | | Annual Gross Value Added (GVA) £m | |
| Gross direct impacts | 4 | 8 | £0.14 | £0.28 | 62 | 62 | £2.12 | £2.12 |
| Net direct impacts (minus leakage, displacement and substitution) | - | - | - | - | 31 | 31 | £1.06 | £1.06 |
| Multiplier impacts (indirect or induced jobs) | 1 | 2 | £0.05 | £0.1 | 14 | 14 | £0.59 | £0.59 |
| Total net impact | 5 | 11 | £0.19 | £0.38 | 45 | 45 | £1.65 | £1.65 |
| Total jobs saved and additional by end of Phase 2 | | | | | | | | 55 |
| Total annual GVA DN + DS by end of Phase 2 | | | | | | | | £2.03 |

Source: Mott MacDonald

3.6. Local impact:

[If the scheme has a significant level of local impacts these should be set out in this section.]

Southend already possesses a strong visitor economy. These improvements to the public realm and other interventions to improve the built environment of the town centre have the potential to further establish the town as destination for those in the South East, and further afield. Falling footfall has led to increased vacancy rates over recent years (see Figure 3).

Contributions to the visitor economy are important and should be noted as a key impact of this proposed project. However, no quantification of visitor impacts has been made, given:

- the lack of information relating to footfall directly in the areas where the interventions would be placed;
- how much visitor spend would be additional; and
- that capturing additional expenditure in the town centre would very likely lead to double counting since it is the expenditure underpinning the job estimates.

3.7. Economic appraisal results:

[Please provide details of the key appraisal results (BCR and sensitivity tests) by completing the table below. Please note, not all sections of the table may require completion.]

Promoters should also include a statement which identifies other schemes which may have potentially contributed to the same benefits/impacts.

Smaller schemes (less than £2 million) are not required to complete a quantified economic appraisal but are required to include a Value for Money rationale.]

When calculating Net Present Value (NPV) of costs and benefits, a base year of 2019 and a discount rate of 3.5% has been applied as per HM Treasury Green Book guidance. For NPV benefits, an appraisal period of 10 years from 2019 has been applied.

Table 22: NPV calculations

| | DCLG Appraisal Sections | Option 2 (Do Something) |
|----------|---|---|
| A | Present Value Benefits [based on Green Book principles and Green Book Supplementary and Departmental Guidance (£m)] | 12.3 |
| B | Present Value Costs (£m) | 2.5 |
| C | Present Value of other quantified impacts (£m) | - |
| D | Net Present Public Value (£m) [A-B] or [A-B+C] | 9.79 |
| E | 'Initial' Benefit-Cost Ratio [A/B] | 4.91 |
| F | 'Adjusted' Benefit Cost Ratio [(A+C)/B] | - |
| G | Significant Non-monetised Impacts | |
| H | Value for Money (VfM) Category | High Value for Money |
| I | Switching Values & Rationale for VfM Category | Based on a BCR of 4.91 and in line with MHCLG Appraisal Guidance, Option 2 represents high value for money. The economic assessment was based on a focused and limited study area around the core interventions to increase reliability of the results. There will most likely be considerable benefits outside of this study area, however the causal link is less robust and therefore we have chosen to exclude that from this analysis. |
| J | DCLG Financial Cost (£m) | N/A |
| K | Risks | Whilst there is a growing body of evidence about the link |

| | DCLG Appraisal Sections | Option 2 (Do Something) |
|---|-------------------------|--|
| | | <p>between public realm improvements and increased footfall, the nature and quality of these interventions is crucial to realising these benefits.</p> <p>The EOI referred to the following additional risks:</p> <ul style="list-style-type: none"> • Failure to secure partner support • Business take-up of 0% loan fund • Failure to procure all aspects of the programme – find suppliers. • Insufficient internal SBC capacity to deliver. |
| L | Other Issues | |

Source: Mott MacDonald

Sensitivity testing

On the request of the Independent Technical Evaluator, sensitivity testing has been undertaken for the following scenarios to demonstrate how the BCR is affected by changes in funding take up rates:

The central case models the following:

- Vacancy rate safeguarded – DM: 3% over 5 years
- Vacant units occupied – DS: 4 units in phase 1, 0 units in phase 2

To demonstrate the impact of a slower funding take up rate, the following scenarios were also modelled, and are illustrated in the figure below:

Demand sensitivity 1

- Vacancy rate safeguarded – DN: 3% over 5 years
- Vacant units occupied – DS: 2 units in phase 1, 2 units in phase 2

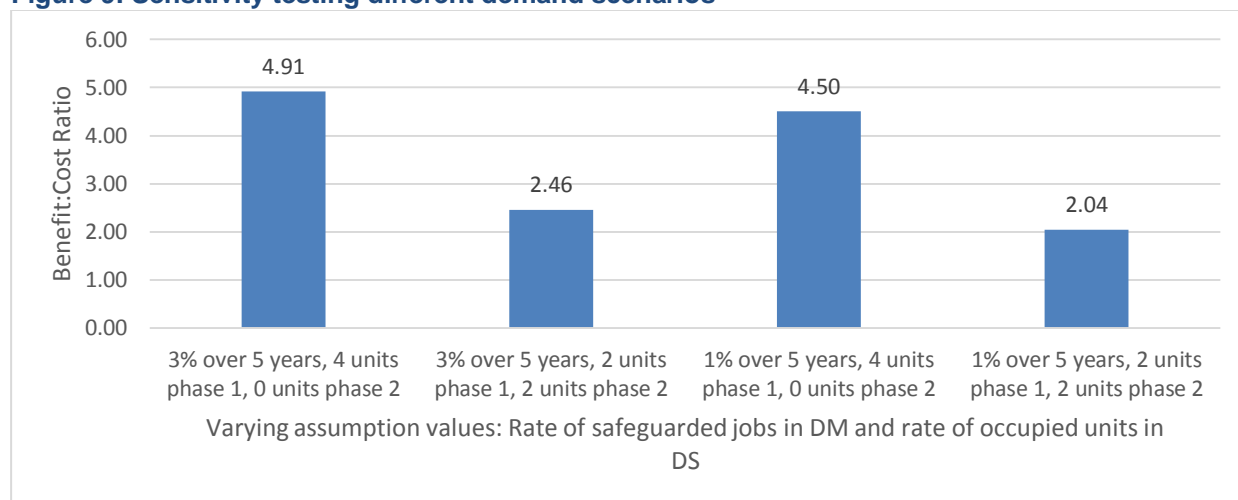
Demand sensitivity 2

- Vacancy rate safeguarded – DN: 1% over 5 years
- Vacant units occupied – DS: 4 units in phase 1, 0 units in phase 2

Demand sensitivity 3

- Vacancy rate safeguarded – DN: 1% over 5 years
- Vacant units occupied – DS: 2 units in phase 1, 2 units in phase 2

Figure 9: Sensitivity testing different demand scenarios



The sensitivity testing demonstrates that, even with low levels of safeguarded jobs in the DN and a slower rate of take up in the DS, a BCR over 2 is still returned, indicating a high value for money despite a lower demand scenario.

50% less LGF funding

The impact of being awarded only half of the LGF funding has also been modelled. The Council provided the following adjusted expenditure profile should only £750,000 be granted by SELEP. A loss of funding would result in the wayfinding outside both stations being cut from the programme, as well as the public realm outside the forum reducing by nearly 75%. These interventions are critical to the economic impacts which have been modelled in the Economic Case (ie the take up of currently vacant units in the direct vicinity of these works).

Table 23: Expenditure forecast under the scenario of 50% LGF funding

| Cost type | Expenditure forecast | | |
|---|----------------------|---------------|---------------|
| | 19/20 £000 | 20/21 £000 | Total £000 |
| Capital cost | | | |
| Improved public realm outside Forum (to Queens Road) | | 120 | 120 |
| Business led activities in empty units | 50 | 150 | 200 |
| Shop Front Grant | 25 | 65 | 90 |
| 0% loan scheme | 50 | 240 | 290 |
| Footfall cameras and data analytics | 30 | | 30 |
| Match funding - CCTV and Security Measures | 200 | 800 | 1000 |
| Non-capital [For example revenue liabilities for scheme development and operation] | | | |
| Monitoring and Evaluation | | 20 | 20 |
| QRA | | 72.5 | 72.5 |
| Total | 355 | 1467.5 | 1822.5 |

As a result, anticipated demand and take up of the vacant units is anticipated to be much lower. A reduced expenditure profile is anticipated to have the following impacts:

Demand sensitivity under 50% less LGF

- Jobs safeguarded through reduced vacancy rate - DN: no jobs safeguarded; units continue to become vacant at the current rate of 3% over every 5 years
- Vacant units occupied – DS: 2 units occupied in phase 1, no further units occupied in phase 2

This results in a BCR of 0.71; indicating that without the full grant being awarded, core elements of the scheme will not be delivered and the relative economic benefits cannot be guaranteed to the same quantum as with the full £1.5m amount.

| Funding awarded | Jobs safeguarded through reduced vacancy rate - DN | Vacant units occupied - DS | PVB | PVC | BCR |
|-----------------|--|--|-------|-------|-------------|
| 50% LGF | 0 | 2 units in phase 1, 0 units in phase 2 | £1.25 | £1.77 | 0.71 |

4. COMMERCIAL CASE

The commercial case determines whether the scheme is commercially viable and will result in a viable procurement and well-structured deal. It sets out the planning and management of the procurement process, contractual arrangements, and the allocation of risk in each of the design, build, funding, and operational phases.

4.1. Procurement options:

[Present the results of your assessment of procurement and contracting route options and the supplier market, and describe lessons learned from others or experience; max. 1 page.]

The supplier market for all aspects of the project is well established and as such should be relatively straightforward.

- Public Realm Improvements – here we can draw on the experience of our Highways and Transportation Team who have completed similar procurement for Phases 1 and 2 of the SCAAP – Transport Package project and are currently preparing for procurement of Phase 3. S-CATS was procured utilising the Southend-on-Sea's Lot 2 New Works Contract (see below).
- CCTV – Equipment, functionality and upgrades have been specified and we have undertaken early market engagement to establish companies that will be interested in taking part in the procurement process. The interested parties have been invited to survey existing equipment and infrastructure to inform proposals.

4.2. Preferred procurement and contracting strategy:

[Define the procurement strategy and contracting strategy (e.g. traditional, (design and build, early contractor involvement) and justify, ensuring this aligns with the spend programme in the Financial Case and the project programme defined in the Management Case; max. 2 pages.]

As the project comprises a number of different initiatives, we will pursue a number of different procurement routes. All procurement will be conducted in accordance with Southend Council's Contract Procedure Rules and will be overseen by the internal Procurement Team.

Public Realm Improvements – In 2015 Southend-on-Sea let the Highways contracts into five "Lots" which divide the work into distinct areas; Planned and Reactive Maintenance; New Works; Traffic system Control, Traffic system Maintenance, and Resurfacing. The procurement process complied with OJEU with the new contracts based on the HMEP/NEC3 Term Service Contract commencing on 1st April 2015 for 7 years, extendable by 3 years to 10. The Council appointed the successful tenderer for the Lot 2 New Works Contract in April 2015 to undertake all projects that are considered to be improvements the Council's highway network, such as highway, pedestrian, bus priority and cycling schemes. However there may be elements that involve works along footpaths, bridleways, in car park and on private land. This appointment has a duration of seven to ten years. The Framework is based on the NEC3 Term Service Contract April 2013 utilising Option A, priced Contract with price list. The work is commissioned via Option X19: Task Order. With Option A it determines the amount to be paid by the Contractor for carrying out a specified task. Option X19 provides the Council with the facilities to control work on a task-by-task basis. The procurement of public realm improvements will be made through Southend Borough Council Term Contract for New Works.

0% loan fund – The loan fund eligibility criteria will require recipients to procure goods/ services in a manner compliant with the Council's Contract Procedure rules.

Shop front grant - The loan fund eligibility criteria will require recipients to procure goods/ services in a manner compliant with the Council's Contract Procedure rules.

CCTV – Interested parties have already been invited to register their interest in supplying and installing equipment and have been invited to undertake surveys. Based on the information returned the Council has shortlisted companies and will run a restricted procedure in accordance with Contract Procedure rules.

BID/Business led activities – The bid operates within the Council's Contract Procedure rules and any procurement will be fully compliant.

4.3. Procurement experience:

[Describe promoter (and advisor) experience of the proposed approach including any lessons learnt from previous procurement exercises of a similar scale and scope; max. 0.5 pages.]

The Council is very experienced in different types of procurement and has a considerable amount of knowledge and experience in the Procurement Team.

Southend-on-Sea Borough Council has procured a number of projects through various different routes. The "Better Southend" projects, including the A127 Progress Road Junction Improvement, the A127/A1159 Cuckoo Corner Junction Improvement, A127/A13 Victoria Gateway and City Beach improvements, were procured utilising the Highway Agency's East & South East Framework Contract. This Contract allowed Southend to undertake a mini Tender process with the five Contractors which had already been procured by the Highways Agency.

The Council also procured a development partner for the Southend Airport Business Park project and its advisers have subsequently supported Henry Boot to procure a design and build contract for the anchor tenant.

4.4. Competition issues:

[Describe any competition issues within the supply chain; max. 0.5 page.]

All works will be procured in accordance with the Council's contract procedure rules. For the CCTV aspects of the project, there has already been some supplier engagement to raise awareness of the opportunity and to help with preparation of the tender specification. There has been a healthy interest in the work.

For the public realm works, the Council has established frameworks which will ensure healthy competition.

4.5. Human resources issues:

[Where possible, describe what you have done to identify and mitigate against any human resource issues; max. 0.5 pages.]

As indicated elsewhere, the Council's Capital Programme Manager will act as project manager for the TCIP project. To provide additional capacity and mitigate against any adverse impact, the Council has recently appointed a Capital Programme Support Officer who is now in post. Additional capacity is also being recruited to the Highways team who will lead the public realm aspects of the project and has been recruited to the ICT Team who are leading the procurement of the CCTV aspects of the project. This additional capacity recognises the need to meet the challenging timescales for spending LGF allocations. Elsewhere, a strong delivery partnership has been established to ensure that resources from the Council, The BID, CSP and Focal Point Gallery are available to support and promote project delivery.

The situation will continue to be monitored through the project governance arrangements and also, in respect of Council staff, the established system of monthly 1-2-1 conversations.

4.6. Risks and mitigation:

Specify the allocation of commercial risks (e.g. delivery body, federated area, scheme promoters) and describe how risk is transferred between parties, ensuring this is consistent with the cost estimate and Risk Management Strategy in the Management Case; max. 1 page.]

The nature of this bid is that there is one lead authority who will conduct the majority of procurement; other partners (e.g. Southend BID) will assist with delivery. The project includes a number of different interventions which will be procured separately but each will have a similar approach to risk allocation and transfer between the project promoter and contractor. SE LEP will contract with the County Council and we will contract with suppliers. Our position will be protected through robust contract documentation. The relevant documentation can be provided as part of the contractual process.

The contract for public realm works will be in accordance with Southend-on-Sea Borough Councils Lot 2 Term Service Contract for New NEC3 April 2013 Option A.

4.7. Maximising social value:

[Where possible, provide a description of how the procurement for the scheme increases social value in accordance with the Social Value Act 2012 (e.g. how in conducting the procurement process it will act with a view of improving the economic, social and environmental well-being of the local area and particularly local businesses); max. 0.5 page.]

As part of its procurement framework the Council has a policy statement, with supporting guidance, which demonstrates how maximum value can be secured from the requirements of the Public Services (Social Value) Act 2012. The Act embeds consideration of social value (economic, social and environmental benefits) within the procurement process. The Council is taking every opportunity to achieve better outcomes for its communities, residents and the environment through a range of its functions and activities, including but not limited to procurement of goods and services, regeneration and development opportunities, partnership working with community and voluntary sector organisations and, of course, through embedding an added value ethos into the everyday work of the council. All procurement will be conducted in accordance with the Councils approved policy and we will look to maximise social value opportunities.

5. FINANCIAL CASE

The Financial Case determines whether the scheme will result in a fundable and affordable Deal. It presents the funding sources and capital requirement by year, together with a Quantitative Risk Assessment (QRA), project and funding risks and constraints. All costs in the Financial Case should be in nominal values¹⁶.

The profile of funding availability detailed in the Financial Case needs to align with the profile of delivery in the Commercial Case.

5.1. Total project value and funding sources:

[Specify the total project value and how this is split by funding sources by year, as per the table below (expand as appropriate). This should align with the total funding requirement described within the Project Overview section. Please include details of other sources of funding, and any conditions associated with the release of that funding. LGF can only be sought to 2020/21.]

| Source | Prior to 2018/19 | 2018/19 | 2019/20 | 2020/21 | 2021/22 onwards | Total |
|--|------------------|---------|----------|------------|-----------------|------------|
| LGF 3B | | | £285,000 | £1,215,000 | | £1,500,000 |
| Other sources of funding (please list below) | | | | | | |
| SBC capital | | | £200,000 | £800,000 | | £1,000,000 |
| SBC QRA allowance | | | | £72,500 | | £72,500 |
| Total | | | £485,000 | £2,087,500 | | £2,572,500 |

The maintenance of the CCTV equipment installed as part of this project will be covered through the ongoing maintenance contract. The Council is responsible for a borough wide CCTV and ANPR network and the equipment to be installed will be an extension/enhancement to that network. The Council has ongoing revenue budget provision of c./£70,000 to cover maintenance.

Likewise the Council has budgetary provision for the maintenance of public realm, way finding signage and associated infrastructure. The enhancements implemented under these proposals will be maintained from this existing budget provision. It is worth noting that all the areas that are being enhanced are already part of ongoing maintenance schedules.

All administrative costs associated with the management of the programme and the loan and grant aspects will be met by the Council. Project management capacity has been supplemented specifically for this project and resource has been identified in the Economic Development team to support these priority objectives. As the Council is happy to meet these costs we haven't sought to quantify them for the business case.

5.2. SELEP funding request, including type (LGF, GPF, etc.):

[Specify the amount and type of SELEP funding sought to deliver the project. This should align with the SELEP funding requirement described within the Project Overview section.]

We are requesting an LGF contribution of £1.5m towards the cost of this project.

¹⁶ Nominal values are expressed in terms of current prices or figures, without making allowance for changes over time and the effects of inflation.

5.3. Costs by type:

Detail the cost estimates for the project by year as per the table below (expand as appropriate) and specify how the inclusion of the Quantitative Risk Assessment (QRA) and other overheads aggregate to the total funding requirement. Where conversion has been made between nominal and real cost estimates (and vice versa) please provide details of any inflation assumptions applied. The Financial Case should not include Optimism Bias. Please confirm that optimism bias has not been applied in the Financial Case. Also, include details of the agreed budget set aside for Monitoring and Evaluation, and ensure this aligns with the relevant section in the Management Case. Please note, not all sections of the table may require completion.]

| Cost type | Expenditure forecast | | |
|---|----------------------|---------------|---------------|
| | 19/20 £000 | 20/21 £000 | Total £000 |
| Capital cost | | | |
| Improved wayfinding outside Southend Victoria | 75 | 75 | 150 |
| Improved wayfinding outside Southend Central | 50 | 150 | 200 |
| Improved public realm outside Forum (to Queens Road) | | 400 | 400 |
| Business led activities in empty units | 50 | 200 | 250 |
| Shop Front Grant | 30 | 70 | 100 |
| 0% loan scheme | 50 | 300 | 350 |
| Footfall cameras and data analytics | 30 | | 30 |
| Match funding - CCTV and Security Measures | 200 | 800 | 1000 |
| Non-capital [For example revenue liabilities for scheme development and operation] | | | |
| Monitoring and Evaluation | | 20 | 20 |
| QRA | | 72.5 | 72.5 |
| Total | 485 | 2087.5 | 2572.5 |

The Council has undertaken considerable soft market testing in respect of the CCTV system and has recently renewed elements of the borough wide system, for example in Leigh on Sea. As a consequence we are able to forecast with a high degree of certainty the cost estimates for this work. In terms of wider security measures the market is specialised and we have been working with anti-terrorism specialists from Essex Constabulary alongside specialist consultant support. This specialist input has informed our cost estimates and we have a high degree of certainty.

In terms of public realm and wayfinding work the Council is developing detailed designs for the LGF funded SCAAP project and has recently implemented other town centre schemes (TRP, Sponge and NPIF). This recent experience has informed a good understanding of the market place and we are confident that cost estimates are accurate and that materials and other infrastructure are available.

Capital cost estimates are based on quotations from suppliers which will remain at current prices, therefore inflation is not applied. Optimism bias has not been included.

Regarding non-capital funding, £20,000 is required to establish the monitoring and evaluation activities. Future years' monitoring and evaluation (eg 1 year ex post) will be covered by Council budgets.

5.4. Quantitative risk assessment (QRA):

[Provide justification for the unit costs and a Quantitative Risk Assessment (QRA) provisions (detailed in the capital and non-capital tables above); max. 2 pages. Please provide supporting documents if appropriate.]

A Quantitative Risk Assessment (QRA) is included at Appendix G. .

5.5. Funding profile (capital and non-capital):

[Where possible, explain the assumed capital and non-capital funding profile, summarise the total funding requirement by year, and funding source (add rows / columns as appropriate). Please note, not all sections of the table may require completion. Also, explain the external factors which influence/determine the funding profile, describe the extent of any flexibility associated with the funding profile, and describe non-capital liabilities generated by the scheme; max. 1 page.]

| | Expenditure Forecast | | | | | |
|----------------------------------|-----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Funding source | 17/18 £000 | 18/19 £000 | 19/20 £000 | 20/21 £000 | 21/22 £000 | 22/23 £000 |
| Capital source - LGF | | | 285 | 1,995 | | |
| Capital source – SBC | | | 200 | 800 | | |
| Non-capital source LGF | | | | 20 | | |
| QRA - SBC | | | | 72.5 | | |
| Total funding requirement | | | 485 | 2087.5 | | |

The funding profile prioritises the public realm and CCTV works which will create the ‘feel good’ factor amongst local business owners and encourage take up of the 0% loan fund and shop front grants.

The loans will be used to improve buildings and shop frontages, to bring upper floors back into use, to assist new businesses to set up and existing businesses to expand or move into the town centre. In developing the scheme we have had the benefit of being able to draw on good practice from elsewhere including Kent, Trafford and Powys. The final scheme is still subject of discussion with the BID and other stakeholders but under current proposals. We will offer loans of between £5k and £50k. 50% of the agreed loan amount will be paid on commencement of the works and 50% will be paid on completion. The loans would be provided interest free with a repayment term of 24 months.

Our aspiration would be to retain the LGF funding as a revolving loan fund but this element of the funding could be returned to SELEP if required.

5.6. Funding commitment:

[Provide signed assurance from the Section 151 officer to confirm the lead applicant will cover any cost overruns relating to expenditure and programme delivery, as per the template in Appendix A. Please also confirm whether the funding is assured or subject to future decision making.]

Please see Appendix A. The funding is now assured and included within the Councils capital programme.

5.7. Risk and constraints:

[Specify project and funding risks and constraints. Describe how these risks have, where appropriate, been quantified within the QRA/contingency provisions; max 0.5 pages.]

A full description of risks is provided in Appendix B.

6. MANAGEMENT CASE

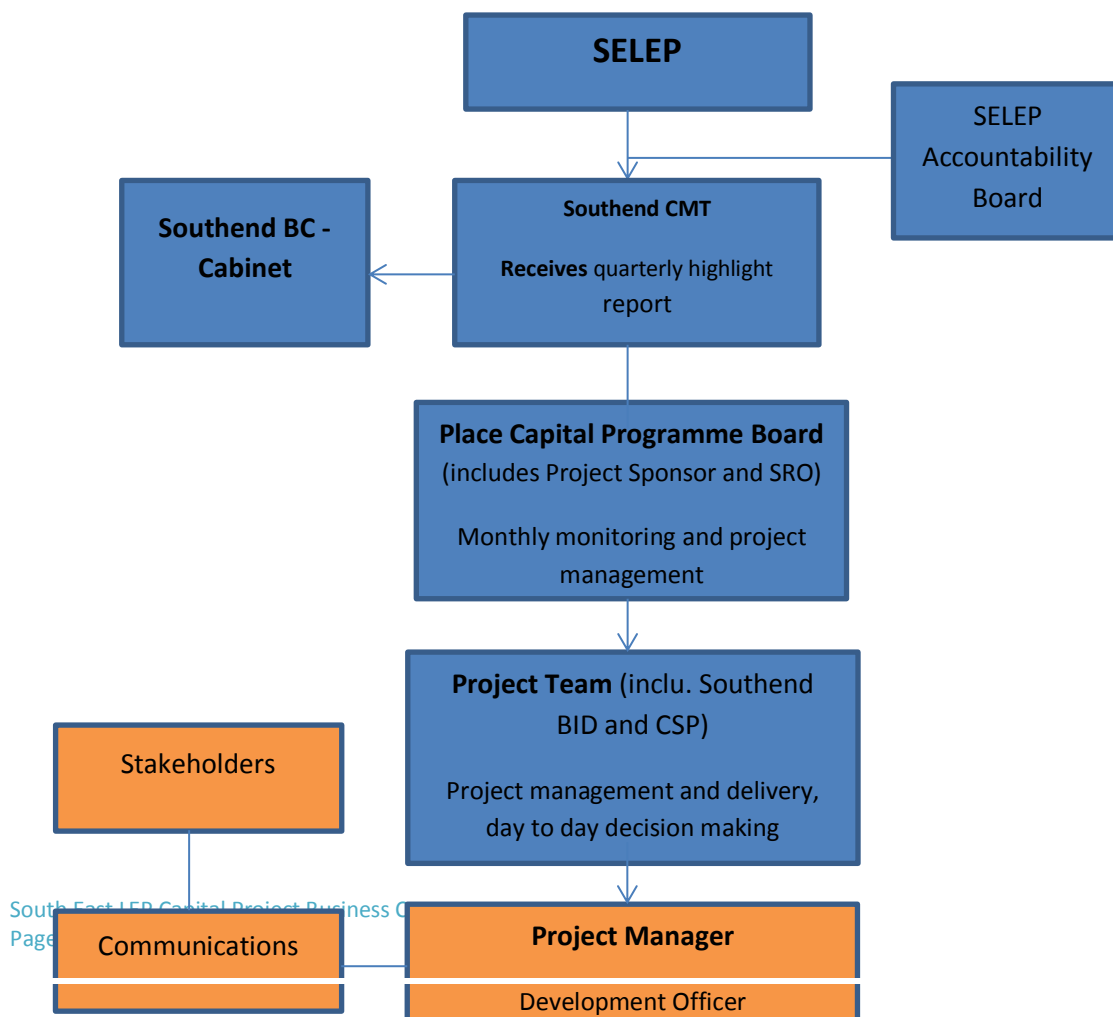
The management case determines whether the scheme is achievable and capable of being delivered successfully in accordance with recognised best practice. It demonstrates that the spending proposal is being implemented in accordance with a recognised Programme and Project Management methodology, and provides evidence of governance structure, stakeholder management, risk management, project planning and benefits realisation and assurance. It also specifies the arrangements for monitoring and evaluation in terms of inputs, outputs, outcomes and impacts.

6.1. Governance:

[Nominate the project sponsor and Senior Responsible Officer, explain the project governance structure (ideally as a diagram with accompanying text) and describe responsibilities, project accountability, meeting schedules etc.; max. 1 page.]

The Project Sponsor will be Andrew Lewis, Deputy Chief Executive (Place). Andy is the project sponsor for a number of other LGF projects including Southend Airport Business Park and the transport schemes on the A127. The Senior Responsible Officer will be Emma Cooney, Director of Regeneration and Business Development. Emma is currently the SRO for The Forum II project which is part funded through LGF.

The governance structure will be as follows:



6.2. Approvals and escalation procedures:
[Specify the reporting and approval process; max. 0.5 pages.]

Comprehensive and transparent project governance and management arrangements will be established to support the delivery of the project. The project will follow the same 'tried and tested' governance and management arrangements that have been established for earlier LGF projects.

The Place Capital Programme Manager (Tim Rignall) will act as Project Manager responsible for co-ordinating day to day delivery, stakeholder management and communication. He will report to the Project Team which meets monthly and comprises membership from council officers, the BID, Community Safety Partnership, Focal Point Gallery and any other key delivery partners as appropriate. This has day-to-day responsibility for all aspects of project delivery.

This Team reports on a quarterly basis to the Place Capital Programme Board. The membership of the Programme Board is comprised of the Council's Deputy Chief Executive and 5 directors plus support officers and the BID and CSP. The purpose of this Board is to make key decisions, take strategic oversight and monitor spend and performance. Members of the board report back to SBC Cabinet as Accountable Body. Any issues in relation to scheme delivery are first raised and discussed at the Project Team level, before being escalated if required to the Programme Board level. There is the ability for key/pressing issues to be raised directly outside of the quarterly reports through direct liaison between the Project Manager and the Deputy Chief Executive. Issues that still cannot be resolved at this level or requests for approval that require it can be taken to the Council's Cabinet.

The Programme Board will ensure that all SELEP reporting requirements are met.

6.3. Contract management:
[Explain your approach to ensuring that outputs are delivered in line with contract scope, timescale and quality; max. 0.5 pages.]

Capital expenditure and output delivery will be monitored through the Council's existing Capital Programme Monitoring Process and reported to the Project Team, Programme Board and the Council's Cabinet. Tim Rignall, the Council Capital Programme Manager (and Project Manager), will be responsible for this on a day to day level, reporting into Emma Cooney, Director of Regeneration and Business Development. All economic outputs will be monitored by the Place Capital Programme Board comprising senior representatives from the Council, BID and CSP as above. Progress against key milestones will be reported back to the SELEP's LGF Programme Manager through the Project Team at regular intervals as required as part of a dedicated project monitoring process as is already in place for other LGF projects in accordance with the terms of the SELEP funding agreement.

6.4. Key stakeholders:
[Describe key stakeholders, including any past or planned public engagement activities. The stakeholder management and engagement plan should be provided alongside the Business Case; max. 0.5 pages.]

In developing the project proposal there has already been significant engagement with Southend BID, The Community safety Partnership and Focal Point Gallery. We also benefit from significant business engagement undertaken by the Sunrise project as part of the SCAAP Transport Package project and by the BID as part of the development of this project. Over the life of the TCIP project multiple promotion, information and engagement events that will need to be arranged and harnessed and cascaded to stakeholders. The co-ordination, management and organisation of these events will be the responsibility of the Project Team with oversight from PCPB.

We are planning to utilise a combination of the in house SBC and Southend BID media teams with input from FPG for the appropriate drafting and subsequent release of promotional and media material. With regard to press releases, SBC are to take a lead role in the local newspaper with a particular focus on the Southend Echo. Southend BID is to focus on the business communications with a particular focus on face to face communications and use of their established media channels.

Stakeholders include David Amess MP; Portfolio Holder; local ward Councillors; Southend Business Partnership; Southend BID; Southend Community Safety Partnership; town centre businesses; SELEP (LGF spend profile and reporting); Southend Council officers; Focal Point Gallery; and tourist/visitor services.

A comprehensive Stakeholder Management Plan will be prepared by the Project Team once funding, and the level of funding, is confirmed.

6.5. Equality Impact:

[Provide a summary of the findings of the Equality Impact Assessment (EqIA) and attach as an Appendix to the Business Case submission. If an EqIA has not yet been undertaken, please state when this will be undertaken and how the findings of this assessment will be considered as part of the project's development and implementation. The EqIA should be part of the final submission of the Business Case, in advance of final approval from the accountability board; max. 0.5 pages]

As yet an EqIA has not been undertaken for the project. The work is planned to be completed during November 2019 which will ensure that the findings and recommendations from the assessment can be incorporated into the project as part of the full business case preparation. This will ensure that any findings are fully incorporated as part of detailed design and subsequent implementation. The analysis will be completed using the Council's approved guidance and templates.

6.6. Risk management strategy:

[Define the Risk Management Strategy referring to the example provided in Appendix B (expand as appropriate), ensuring this aligns with the relevant sections in the Financial and Commercial Case. Please provide supporting commentary here; max. 0.5 pages.]

The Council is committed to the proactive management of key external and internal risks and actively promotes the principles of effective risk management throughout the organisation. The Risk Management Strategy and Framework aims to apply best practice to the identification, evaluation and control of key risks and ensure that residual risks are monitored effectively. This will be achieved by:

- Enabling senior management and Members to support and promote risk management;
- Developing and embedding clear strategies and policies for risk;
- Equipping and supporting staff and partners to manage risk well;
- Establishing and promoting effective arrangements for managing risks with partners;
- Developing effective risk management processes to support the business;
- Ensuring risks are handled in a way which gives the Council assurance that risk management is delivering successful outcomes and supporting creative risk-taking; and
- Using risk management to contribute to the delivery of improved outcomes.

Southend Borough Council will achieve these aims by implementing and maintaining, as part of the South East LEP Capital Project Business Case, a Risk Management Framework, comprising this risk policy statement, the strategy and toolkit. These documents will be reviewed at each Project Team meeting as a standard agenda item. They will be reviewed against good practice guidance to ensure that they are fit for purpose and continue to drive forward a robust approach

to risk management. The Council's Internal Audit Team (who set the Council's approach to risk management) will provide challenge to ensure the robustness, relevance and timeliness of the strategy.

See Risk Register in Appendix B.

6.7. Work programme:

[Provide a high-level work programme in the form of a Gantt Chart which is realistic and achievable; by completing the table in Appendix C (expand as appropriate). Please describe the critical path and provide details regarding resource availability and suitability here; max. 0.5 pages]

As the project represents a series of discrete (although related) interventions there are potentially a number of critical paths. This can be seen as beneficial to the programme as a delay in one area will not necessarily impact on delivery across the other elements.

Across the different elements of the project the early stages of stakeholder engagement and translating this to detailed design will obviously be key to wider progress. Beyond this procurement of works for the physical public realm improvements and installation of specialist equipment (CCTV) will need to be managed and planned carefully. For the physical works we can draw on the recent experience of colleagues in Transportation and Highways who have successfully implemented the TRIP, NPIF and SCAAP projects in the town centre. The specification for the CCTV equipment has already been prepared and preliminary discussions have taken place with suppliers. For the 0% loan fund and shop front grants it will be important to be able to launch the programmes on time to secure take up. Much of the scheme design work has already been undertaken drawing on examples of good practice from elsewhere.

The Council has the benefit of significant programme and project management expertise and also has access to significant risk and financial management resource. This expertise and resource has extensive experience of externally funded projects including LGF.

6.8. Previous project experience:

[Describe previous project experience and the track record of the project delivery team (as specified above) in delivering projects of similar scale and scope, including whether they were completed to time and budget and if they were successful in achieving objectives and in securing the expected benefits; max. 0.5 pages.]

Since 2008, the Council has secured funding from a range of sources. It has delivered major capacity enhancements at two junctions on the A127 which were predicated on the opening up of employment opportunities in the JAAP area and town centre. Southend has consistently maintained its strategic objectives to deliver the Southend Airport Business Park development and funding decisions have been made accordingly. Consistent with this strategy the Council is now undertaking a third scheme with Pinchpoint funding at the Tesco junction. The Council has also delivered two significant public realm schemes at City Beach and Victoria Gateway which sought to improve access to and dwell time for local traders, the UK's first combined public-academic library, 'The Forum' in partnership with Further Education and Higher Education providers, the Royal Pavilion events and conference centre on the end of Southend pier and the Garon Park Swimming and Diving centre used by the British diving team during the London 2012 Olympics. Many of these have been recognised for their innovation, delivery and impact through industry awards. The local authority is adaptable, agile and has a positive approach to development and does so working with relevant partners as reflected when it was awarded LGC Council of the Year 2012. The majority of Council-led projects have been delivered on time and to budget and the Council has a strong delivery track record.

6.9. Monitoring and evaluation:

[SELEP are required to submit detailed quarterly project monitoring reports to the Department for Business, Energy and Industrial Strategy for schemes that have been funded through the LGF to enable ongoing monitoring and evaluation of individual projects. Monitoring and evaluation metrics should be aligned to these reporting requirements (South East Local Enterprise Partnership Assurance Framework 2017, Section 5.8 – see SELEP Business Case Resources document). A proportionate approach to Monitoring and Evaluation should be followed ensuring evaluation objectives relate back to the business case and build on assumptions used in the appraisal process.

Specify the following:

Inputs

- £1.5m of LGF and £0.5m from SBC's capital programme.

Outputs (delivering the scheme/project)

- Improved shop fronts.
- Vacant town centre space converted to new commercial or residential space.
- Additional CCTV cameras with improved functionality (facewatch) and connectivity.
- Improved footways including block paving and resurfacing.
- New street furniture.
- New way finding signage.
- Public art in key locations.
- Additional and improved landscaping.
- Empty retail units brought back into use.
- Improved pedestrian accessibility in the town centre.

Outcomes (monitoring)

- *Identify and describe how the relevant performance indicators (KPIs) will be used to monitor the outcomes, including high-level outcomes, transport (outputs), land, property and flood protection (outputs) and business, support, innovation and broadband (outputs) (as per the table in Appendix D)*

| Outcome | KPI |
|---|--|
| Increased local employment opportunities. | Jobs connected to intervention (permanent, paid FTE) |
| Encourage new retailers/retail expenditure in Southend. | Vacant floorspace in town centre (business case establishes baseline). |
| Increased visitor numbers. | Quarterly footfall figures. |
| Reduced number of empty retail units in the town centre. | Anticipated commercial floorspace refurbished |
| Increased residential provision through better use of vacant space. | Housing units completed. |
| Reduced number of incidents of anti-social behavior. | Reported incidents of ASB. |
| Reduced number of recorded crimes. | Reported and recorded crimes. |
| Greater footfall in key areas around the High Street. | Quarterly footfall figures. |
| Increased dwell time of visitors in the town centre. | Time spent in town centre |

Impacts (evaluation)

Employment impacts:

- 11 jobs safeguarded, 62 gross direct jobs created equivalent to £2.4m GVA per annum after 10 years
- 11 jobs safeguarded, 45 net additional jobs created equivalent to £2.03m GVA per annum after 10 years

Local impacts:

- Attracting investment
- Increasing land and property values
- Attracting visitors
- Improving productivity
- Enhancing image

As previously outlined, capital expenditure will be monitored through the existing Capital Programme Monitoring Process and reported to the Council's Cabinet as undertaken for earlier LGF projects. All economic outputs will be monitored by the Place Capital Programme Board, comprising senior representatives from the Council and other partners as appropriate, with data collated on a regular basis by the Capital Programme Manager. Progress against key milestones will be reported back to the SELEP through the Project Team at regular intervals as required as part of a dedicated project monitoring process. KPI's will be defined in agreement with the SELEP as part of the Funding Agreement and will include the following, relating to the scheme's SMART objectives and desired outcomes:

| Objectives | Desired outcomes |
|--|--|
| Objective 1 – The town centre is animated by day and by evening. | Increased local employment opportunities. Encourage new retailers/retail expenditure in Southend Increased visitor numbers Reduced number of empty retail units in the town centre. Increased residential provision through better use of vacant space. Greater footfall in key areas around the High Street. |
| Objective 2 – The town centre offers a range of experiences and reasons to stay. | Increased local employment opportunities. Encourage new retailers/retail expenditure in Southend Increased visitor numbers. Increased residential provision through better use of vacant space. Greater footfall in key areas around the High Street. Increased dwell time of visitors in the town centre |
| Objective 3 – The town centre provides an environment where people want to be. | Reduced number of incidents of anti-social behavior. Increased visitor numbers. Reduced number of recorded crimes. Reduced number of empty retail units in the town centre. Greater footfall in key areas around the High Street. |
| Objective 4 - The town centre is understood and well communicated | Encourage new retailers/retail expenditure in Southend Increased visitor numbers. Reduced number of empty retail units in the town centre. Increased dwell time of visitors in the town centre |
| Objective 5 - The council leads in relationship. | Encourage new retailers/retail expenditure in Southend Reduced number of empty retail units in the town centre. |

This project will build on the benefits and outcomes to be delivered through both the Forum II and Southend Central Area Action Plan (SCAAP) Transport package projects which received funding through LGF.

6.10. Benefits realisation plan:

[A Benefits Realisation Plan provides details of the process that will be followed to ensure that benefits are sustained and that returns on investment are maximised where possible. The Benefits Realisation Plan identifies the potential benefits and how these will be tracked and measured, the risks that may prevent benefits being realised and the critical success factors that need to be in place to ensure that benefits are realised. In many cases, benefits realisation management should be carried out as a duty separate from day to day project management. Describe the proposal for developing a Benefits Realisation Plan which should involve continuous public engagement to ensure the anticipated benefits are realised. The Benefits realisation plan should be consistent with the Strategic and Economic Case; max. 0.5 page.]

As noted elsewhere in this business case, a wide range of benefits are forecast to be generated through delivery of this project. We recognise the importance of having robust arrangements in place to allow benefits to be captured and to be alert to instances where there may be challenges to achieving anticipated benefits. The Monitoring and Evaluation Plan (Appendix H) has captured the benefits to be realised from the project as a series of inputs, outputs, outcomes and impacts. Following the approach adopted by SELEP these will be transferred to the Benefits Realisation Plan Template. The content will remain under review through the course of implementation to ensure identified indicators continue to provide a true reflection of the activities being delivered and benefits arising. These approaches build on the Council's experience of collecting evidence in support of a wide range of capital investment programmes. Our approach to benefits capture and realisation includes:

- Agreeing target benefits at the point of finalising project details, prior to delivery commencing, including indicators to be used, how they are anticipated to arise from supported activities, responsible owners and timescales for achievement.
- Alerting all members of the delivery team to the anticipated range of benefits at the outset of activity so everyone is aware of the target indicators.
- Giving the project manager overall responsibility for benefits capture with responsible owners to be identified against each indicator below this.
- Alerting works teams/contractors to the benefits they are responsible for realising and how evidence will need to be captured
- Having clear overall monitoring and evaluation approaches (as above).

Once funding, and more importantly the level of funding, has been confirmed a Benefits Realisation Plan will be prepared to support the monitoring and evaluation plan. Assuming that funding is confirmed on 15 November 2019 the BRP will be prepared by no later than 20 December 2019. This activity will be led by the Project Manager who has previously used the SELEP templates to develop a BRP for Southend Airport Business Park.

The Monitoring and Evaluation Plan has captured the benefits to be realised from the project as a series of inputs, outputs, outcomes and impacts. Following the approach adopted by SELEP these will be transferred to the new Benefits Realisation Plan Template. The content will remain under review through the course of implementation to ensure identified indicators continue to provide a true reflection of the activities being delivered and benefits arising. These approaches build on the Council's experience of collecting evidence in support of a wide range of capital investment programmes.

7. DECLARATIONS

| | |
|---|----|
| <i>Has any director/partner ever been disqualified from being a company director under the Company Directors Disqualification Act (1986) or ever been the proprietor, partner or director of a business that has been subject to an investigation (completed, current or pending) undertaken under the Companies, Financial Services or Banking Acts?</i> | No |
| <i>Has any director/partner ever been bankrupt or subject to an arrangement with creditors or ever been the proprietor, partner or director of a business subject to any formal insolvency procedure such as receivership, liquidation, or administration, or subject to an arrangement with its creditors</i> | No |
| <i>Has any director/partner ever been the proprietor, partner or director of a business that has been requested to repay a grant under any government scheme?</i> | No |

**If the answer is "yes" to any of these questions please give details on a separate sheet of paper of the person(s) and business(es) and details of the circumstances. This does not necessarily affect your chances of being awarded SELEP funding.*

I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer Davies Gleave, and other public sector bodies who may be involved in considering the business case.

I understand that a copy of the main Business Case document will be made available on the South East Local Enterprise Partnership website one month in advance of the funding decision by SELEP Accountability Board. The Business Case supporting appendices will not be uploaded onto the website. Redactions to the main Business Case document will only be acceptable where they fall within a category for exemption, as stated in Appendix E.

Where scheme promoters consider information to fall within the categories for exemption (stated in Appendix E) they should provide a separate version of the main Business Case document to SELEP 6 weeks in advance of the SELEP Accountability Board meeting at which the funding decision is being taken, which highlights the proposed Business Case redactions.

I understand that if I give information that is incorrect or incomplete, funding may be withheld or reclaimed and action taken against me. I declare that the information I have given on this form is

correct and complete. Any expenditure defrayed in advance of project approval is at risk of not being reimbursed and all spend of Local Growth Fund must be compliant with the Grant Conditions.

I understand that any offer may be publicised by means of a press release giving brief details of the project and the grant amount.

| | |
|-------------------------------|----------------------------------|
| <i>Signature of applicant</i> | <i>Tim Rignall</i> |
| <i>Print full name</i> | Tim Rignall |
| <i>Designation</i> | Capital Programme Manager |



8. APPENDIX A - FUNDING COMMITMENT

Draft S151 Officer Letter to support Business Case submission

Dear Colleague

In submitting this project Business Case, I confirm on behalf of Southend on Sea Borough Council that:

- The information presented in this Business Case is accurate and correct as at the time of writing.*
- The funding has been identified to deliver the project and project benefits, as specified within the Business Case. Where sufficient funding has not been identified to deliver the project, this risk has been identified within the Business Case and brought to the attention of the SELEP Secretariat through the SELEP quarterly reporting process.*
- The risk assessment included in the project Business Case identifies all substantial project risks known at the time of Business Case submission.*
- The delivery body has considered the public-sector equality duty and has had regard to the requirements under s.149 of the Equality Act 2010 throughout their decision-making process. This should include the development of an Equality Impact Assessment which will remain as a live document through the projects development and delivery stages.*
- The delivery body has access to the skills, expertise and resource to support the delivery of the project*
- Adequate revenue budget has been or will be allocated to support the post scheme completion monitoring and benefit realisation reporting*
- The project will be delivered under the conditions in the signed LGF Service Level Agreement with the SELEP Accountable Body.*

I note that the Business Case will be made available on the SELEP website one month in advance of the funding decision being taken, subject to the removal of those parts of the Business Case which are commercially sensitive and confidential as agreed with the SELEP Accountable Body.

Yours Sincerely,

SRO (Director Level)

Emma Cooney, Director of Regeneration and Business development

S151 Officer

Joe Chesterton, Executive Director (Finance & Resources)

9. APPENDIX B – RISK MANAGEMENT STRATEGY

| Description of Risk | Impact of Risk | Risk Owner | Risk Manager | Likelihood of occurrence (Very Low/ Low/Med/ High/ Very High) (1/2/3/4/5) * | Impact (Very Low/ Low/ Med/ High/ Very High) (1/2/3/4/5) ** | Risk Rating | Risk Mitigation | Residual Likelihood/Impact Scores |
|--------------------------------------|---|-------------|--------------|---|---|-------------|---|-----------------------------------|
| Development space and infrastructure | Lack of available development space and infrastructure along and around the High street | Emma Cooney | Chris Styles | 3 | 4 | | The project is focussing on refurbishment of existing premises and or improvement of predetermined spaces so 'unknowns' have been removed. To facilitate other projects utilities have been mapped. | 1/1 |
| Utility infrastructure | Utility infrastructure impeding potential improvements to public realm as greenery cannot be implemented. | Emma Cooney | Chris Styles | 3 | 4 | | This issue has been addressed in the development of other projects such as LGF funded SCAAP. Creative solutions such as Scot Scape living walls and smart pillars provide an effective work around https://scotscape.co.uk/smartscape | 2/2 |
| Availability of materials | Materials to repair and maintain previous regeneration works on the High Street | Emma Cooney | Chris Styles | 3 | 4 | | As part of the work to design the SCAAP project and recent works adjacent to the Pier a 'palate' of materials has been identified. All materials included in this list are easily available. | |

| | | | | | | | | |
|---------------------------|---|-------------|-------------|---|---|--|--|-----|
| | are difficult to procure | | | | | | | |
| Private sector engagement | Lack of private sector engagement in addressing the challenges of the High Street | Emma Cooney | Tim Rignall | 3 | 4 | | The project proposals have been developed in full consultation with the BID and their members were surveyed to test likely demand for products. The private sector were also a key partner in the recent town centre task force which developed the 'Reimagining the Town Centre' recommendations. These proposals deliver on a number of those recommendations. | 2/2 |
| Funding decision | A late decision on the award of funding by Accountability Board | Emma Cooney | Tim Rignall | 3 | 4 | | The project has been scoped over the remaining duration of the Growth Deal Period. Public realm and way finding works have been prioritised but could be delivered later in the programme and still achieve spend prior to 31 March 2021. The grant and loan elements of the programme are scalable and can be adjusted to fit a shorter delivery period. | 2/1 |

| | | | | | | | | |
|-----------------------------------|---|-------------|------------------------------|---|---|--|--|-----|
| Cost estimates | Estimates of scheme costs are too low. | Emma Cooney | Tim Rignall/ Chris Styles | 3 | 2 | | A number of regeneration schemes have either recently been delivered in the town centre or are pending. The work done on the detailed design of these schemes gives assurance around the cost estimates for public realm, wayfinding and CCTV work . | 1/1 |
| Failure to secure partner support | For the benefits of the project to be fully realised it will be important to have full partner support. Support of the BID will be crucial for business support | Emma Cooney | Tim Rignall | 1 | 4 | | Partners have been fully engaged in developing this proposal and arrangements are in place to continue that engagement during design and delivery. | 1 |
| Business take-up of 0% loan fund | If businesses don't embrace the loan scheme benefits won't be realised | Emma Cooney | Chris Burr | 2 | 3 | | We have extensive experience of delivering this type of loan/grant scheme and can bring the lessons learnt to this programme. Indications from the BID suggest good support and similar programmes elsewhere (e.g. Powys) report good take up. | 2 |
| Failure to procure all aspects of | Project can't be fully implemented. | Emma Cooney | Tim Rignall | 2 | 4 | | Discussions have taken place with potential suppliers to test availability and supply times. | 1 |

| | | | | | | | | |
|--|-------------------------|-------------|------------|---|---|--|---|---|
| the programme – find suppliers. | | | | | | | Tenders will be widely publicised in accordance with procurement procedures. | |
| Insufficient internal SBC capacity to deliver. | Project isn't delivered | Emma Cooney | Chris Burr | 2 | 4 | | Capacity has been enhanced through appointment of Capital Programme Manager. Internal provision has been made to backfill for officers delivering other key projects. Will make use of expertise and capacity in partner organisations e.g. Police and BID. | 1 |

* Likelihood of occurrence scale: Very Low (1) more than 1 chance in 1000; Low (2) more than 1 chance in 100; Medium (3) more than 1 chance in 50; High (4) more than 1 chance in 25; Very High (5) more than 1 chance in 10.

** Impact scale: Very Low (1) likely that impact could be resolved within 2 days; Low (2) potential for a few days' delay; Medium (3) potential for significant delay; High (4) potential for many weeks' delay; Very High (5) potential for many months' delay

Please note, not all sections of the table may require completion.

| Tasks | Start date | Finish date | 2019 | | | 2020 | | | | | | | | | | | | 2021 | | | | | | | | | | | | 2022 | | |
|--|------------|-------------|------|---|---|------|---|---|---|---|---|---|---|---|---|---|---|------|---|---|---|---|---|---|---|---|---|---|---|------|---|---|
| | | | O | N | D | J | F | M | A | M | J | J | A | S | O | N | D | J | F | M | A | M | J | J | A | S | O | N | D | J | F | M |
| Establish Programme Board | 1/11/18 | 30/11/18 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Establish project teams | 1/11/18 | 31/12/18 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Stakeholder consultation | 1/11/18 | 28/02/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Detailed design | 8/12/18 | 30/04/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Procurement | 3/01/19 | 31/07/19 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project delivery | 1/04/18 | 29/02/21 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Project evaluation, benefits realisation and reporting | 4/01/21 | 31/03/21 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Key Milestones/ Deliverables | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Programme launch | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Launch of 0% loan scheme and Shop Front Grants | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Public realm improvements | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| CCTV improvements | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Property improvements from 0% loan scheme | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Shop front improvements | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |



11. APPENDIX D – MONITORING AND EVALUATIONS METRICS

Please note, it is not necessary to report against all the Monitoring and Evaluation Metrics below unless they are relevant to the scheme. There is scope to add further Monitoring and Evaluation Metrics where necessary.

| Category | Key Performance Indicators | Description |
|--|---|--|
| High-level outcomes | Jobs connected to intervention (permanent, paid FTE) | <i>[Add description where relevant to describe how the relevant KPIs will be used to monitor the outcomes]</i> |
| | Commercial floorspace planned - please state sqm and class | |
| | Commercial floorspace constructed to date - please state sqm and class | |
| | Housing unit starts (forecast over lifetime) | |
| | Housing unit starts (to date) | |
| | Housing units completed (forecast over lifetime) | |
| | Housing units completed (to date) | |
| Transport (outputs) | Total planned length of resurfaced roads (km) | |
| | Total completed length of resurfaced roads (km) | |
| | Total planned length of newly built roads (km) | |
| | Total completed length of newly built roads (km) | |
| | Total planned length of new cycle ways (km) | |
| | Total completed length of new cycle ways (km) | |
| | Type of service improvement | |
| Land, Property and Flood Protection (outputs) | Anticipated area of site reclaimed, (re)developed or assembled (ha) | |
| | Actual area of site reclaimed, (re)developed or assembled (ha) | |
| | Length of cabling/piping planned (km) - Please state if electricity, water, sewage, gas, telephone or fibre optic | |
| | Length of cabling/piping completed (km) - Please state if electricity, water, sewage, gas, telephone or fibre optic | |
| | Anticipated area of land experiencing a reduction in flooding likelihood (ha) | |
| | Actual area of land experiencing a reduction in flooding likelihood (ha) | |

| Category | Key Performance Indicators | Description |
|--|---|-------------|
| | Follow-on investment at site (£m) - Please state whether Local Authority, Other Public Sector, Private Sector or Third Sector | |
| | Anticipated commercial floorspace refurbished - please state sqm and class | |
| | Actual commercial floorspace refurbished - please state sqm and class | |
| | Anticipated commercial floorspace occupied - please state sqm and class | |
| | Actual commercial floorspace occupied - please state sqm and class | |
| | Commercial rental values (£/sqm per month, by class) | |
| | Anticipated number of enterprises receiving non-financial support (#, by type of support) | |
| | Actual number of enterprises receiving non-financial support (#, by type of support) | |
| | Anticipated number of new enterprises supported | |
| Business, Support, Innovation and Broadband (outputs) | Actual number of new enterprises supported | |
| | Anticipated number of potential entrepreneurs assisted to be enterprise ready | |
| | Actual number of potential entrepreneurs assisted to be enterprise ready | |
| | Anticipated number of enterprises receiving grant support | |
| | Actual number of enterprises receiving grant support | |
| | Anticipated number of enterprises receiving financial support other than grants | |
| | Actual number of enterprises receiving financial support other than grants | |
| | Anticipated no. of additional businesses with broadband access of at least 30mbps | |
| | Actual no. of additional businesses with broadband access of at least 30mbps | |
| | Financial return on access to finance schemes (%) | |



12. APPENDIX E – ECONOMIC APPRAISAL ASSUMPTIONS

[The DCLG appraisal guide data book includes all of the appraisal and modelling values referred to in the appraisal guidance. Below is a summary table of assumptions that might be required. All applicants should clearly state all assumptions in a similar table.]

Please refer to tables 16 and 17 for an exhaustive list of economic appraisal assumptions

| Appraisal Assumptions | Details |
|-------------------------------------|---------|
| QRA and Risk allowance | |
| Real Growth | |
| Discounting | |
| Sensitivity Tests | |
| Additionality | |
| Administrative costs of regulation | |
| Appraisal period | |
| Distributional weights | |
| Employment | |
| External impacts of development | |
| GDP | |
| House price index | |
| Indirect taxation correction factor | |
| Inflation | |
| Land value uplift | |
| Learning rates | |
| Optimism bias | |
| Planning applications | |
| Present value year | |
| Private sector cost of capital | |
| Rebound effects | |
| Regulatory transition costs | |



13. APPENDIX F - CATEGORIES OF EXEMPT INFORMATION

There is a clear public interest in publishing information and being open and transparent. But sometimes there is information which we can't publish because it would cause significant harm to the Council - for example by damaging a commercial deal or harming our position in a court case. Equally sometimes publishing information can harm someone who receives a service from us or one of our partners.

The law recognises this and allows us to place information in a confidential appendix if:

*(a) it falls within any of paragraphs 1 to 7 below; and
(b) in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

- 1. Information relating to any individual.*
- 2. Information which is likely to reveal the identity of an individual.*
- 3. Information relating to the financial or business affairs of any particular person (including the authority holding that information)*
- 4. Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.*
- 5. Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.*
- 6. Information which reveals that the authority proposes— (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.*
- 7. Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.*