

APPENDIX A – GPF Prioritisation Report

Scheme Summaries (*alphabetically listed*):

1. A2/A51
2. A28 Chart Road
3. Britton Farm Gillingham
4. Churchill Tunnels
5. Coombe Valley
6. Green Hydrogen
7. Hatchery
8. Herne Relief Road
9. Mountfield Park
10. New Town Works – The Accelerator
11. Northgate Community Healthcare and Wellness Centre
12. No Use Empty Commercial – Phase 2
13. No Use Empty Residential
14. Resort Margate
15. Swanley Town Centre
16. The Margate School
17. Wincheap off-slip, relief road and traffic management scheme
18. Wine Innovation Centre

A2/A251, Faversham

Applicant: Kent County Council

GPF Ask: £620,000

Total Project Cost: £920,000

GPF% of total cost: 67.3%



Project Description:

- This project involves junction improvements at A2/A251 in Faversham due to an increase in accidents.
- The project aims to reduce congestion and safety issues in order to unlock housing and employment at certain sites (see project benefits).
- The LGF investment would be used to further investigate the potential options and contribute to delivery of immediate changes required at the junction. Consultants have provided outline and detailed designs for a junction improvement scheme to address the immediate safety and congestion issues.
- Whilst S106 contributions have been secured, the funding is due in from a number of developments at various payment times delaying project delivery and holding back housing delivery.

Project Benefits:

- The project aims to reduce congestion and safety issues in order to unlock housing and employment at the following sites:
 - Frognal Lane – 300 homes plus 26,840 sqm employment space
 - Oare Gravel Works – 330 homes plus 873 sqm employment space
 - Perry Court – 310 home plus 18,525 sqm employment space
 - Preston Fields – 250 homes
 - Ospringe Brickworks – 250 homes
 - Station Road Teyham – 130 homes
 - Total homes = 1,570
 - Total Employment space = 46,238 sqm
- Economic benefits in terms of improved retail performance through better access
- Road safety benefits
- Journey time and journey time reliability benefits stemming from the improved traffic flow achieved through the scheme

Consequence of GPF not awarded:

- Journey time will be longer
- Accidents at the junction will continue to happen.
- The performance of the junction is critical to the speed of delivery of housing supply in the area. Highways England is increasingly adding pressure for the junction to be improved due to backing up of Junction 6 on the M2 and are unlikely to approve any further development that would affect this junction.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green	<ul style="list-style-type: none"> • As stated before, the performance of the junction is critical to the speed of delivery of housing supply in the area. Highways England is increasingly adding pressure for the junction to be improved due to backing up of Junction 6 on the M2 and are unlikely to approve any further development that would affect this junction.
The strength of the case for investment	Green/ Amber	Safety is a core objective, so the case for investment is strong. However, there are potential alternative funding sources available, including: <ul style="list-style-type: none"> • The scheme has been included in a wider bid to the DfT as part of a Large Local Major bid to deliver improvements to M2 Junction 7 (Brenley Corner). • KCC is also likely to put forward this scheme as a Local Pinch Point Fund bid to DfT. • The scheme would also benefit more from a grant than a loan, which has dictated the lower priority in this KCC list.
Risk, showstoppers and track record of delivery	Green	<ul style="list-style-type: none"> • This is considered a low-risk scheme. • Kent County Council has a strong track record of delivering highways schemes.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

A28 Chart Road, Ashford

Applicant: Hodson Developments Ltd

GPF Ask: £3,500,000

Total Project Cost: £26,644,650

GPF % of total cost: 13.13%



Project Description:

- The project involves dualling of the A28 Chart Road carriageway in both directions between Matalan (Brookfield Road) and Tank (Templer way) roundabouts, separated by a central reservation.
- The existing road is a single carriageway way resulting in limited capacity.
- The project will provide additional capacity on the road network to improve traffic flow.
- It will also be supporting the economy by supporting the delivery of houses in the area.

Project Benefits:

- Provide additional capacity on the road network to improve traffic flow.
- Support the economy by supporting the delivery of houses and jobs in the surrounding area.
- Facilitate 10,000 sqm of commercial space, 9,000 sqm of retail, and 13,000 sqm of community/leisure usage.

Consequence of GPF not awarded:

- The carriageway will remain as a single carriageway meaning there will be limited capacity.
- Journey times will be longer.
- Will no longer be able to support the delivery of houses.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green	<ul style="list-style-type: none"> • The quality of the impact is high (i.e. produces a much better road layout). • The scale of the direct impact is high, as it supports the Chilmington Green development.
The strength of the case for investment	Red	<ul style="list-style-type: none"> • The impact of this scheme is exceptional. • However, this scheme could not be delivered with over £10m of Local Growth (grant) Funding. GPF provides loan funding. • The case for investment has not changed since the LGF bid...
Risk, showstoppers and track record of delivery	Red	<ul style="list-style-type: none"> • As stated above, this scheme was previously granted £10.2m of Local Growth Funding, and the scheme was placed on hold due to issues securing the required bond from the developer. • In total, £7.371m of the Local Growth Fund had to be returned to SELEP to be reallocated to other projects through the LGF3b pipeline development process. • The risks associated with the scheme were therefore deemed to be relatively high (particularly as this is loan, not grant funding). • Finally, this scheme was submitted without much consultation with KCC, the highways authority.
Compliance with core GPF eligibility criteria*	Amber/Red	There is concern about the criteria which states KMEP should "only support projects which can demonstrate an ability to repay the GPF loan by 31 March 2026".

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Britton Farm Mall, Medway

Applicant: Medway Development Company

GPF Ask: £1,290,000

Total Project Cost: £7,490,000

GPF% of total cost: 17.22%



Project Description:

- This project would re-develop Britton Farm Mall into a mixed-use site with an anchor office tenant which has been secured with Kent and Medway NHS and social care Partnership Trust (KMPT), business incubation hub space, residential units and improved realm.
- It will act as a catalyst in regenerating a town centre, whilst providing new homes, workspace and a more pleasant environment in which people can work, live, shop and socialise.
- The GPF repayment mechanism states that the incubation units will provide business rates income. The council would commit to funding any shortfall to repay the GPF.

Project Benefits:

This scheme has various component parts with different benefits associated:

Incubation workspace

- 600 sqm of incubation space
- 35 jobs will be directly created at the incubation workspace.
- Approximately 50 construction jobs as a result of this component, as well as supply chain jobs.

More vibrant town centre

- Redeveloping Britton Farm Mall & the anchor tenant bringing their KMPT staff into the High Street will increase the footfall in the High Street.
- It is expected that this will add impetus to the local economy and will encourage businesses to bring disused town centre premises back into use, thereby creating additional new jobs. The vacancy rate in Gillingham town centre was 9.57% in July 2018.
- Two-year period after project completion, it is expected this added impetus will bring forward at least an additional 25 jobs.
- In addition to the creation of new jobs, this project will directly safeguard a number of jobs in Gillingham town centre (circa 50 jobs in this section of the High Street).
- It is anticipated that the economic benefits will be felt across the entire length of the High Street, resulting in a much-strengthened commercial environment which attracts greater loyalty from local residents and increased investment from the private sector. This combination will significantly enhance the long-term economic viability of Gillingham High Street.

Additional residential units

- KMPT have been secured as the new anchor tenant for the existing business space at Britton Farm Mall.
- KMPT are currently located at Canada House, which is in Barnsole Road, Gillingham.
- Through the relocation of KMPT to Britton Farm the land at Canada House will be released for development.
- Medway Council have been identified as the priority purchaser for the site, and therefore there is no need for the site to automatically go to the open market.
- Regardless of whether Medway Council or a third party acquire the land it is expected that residential development will be forthcoming on the site, with capacity for an estimated 26 homes or 44 housing units*. This development is likely to take place within two years of the relocation of KMPT.

Consequence of GPF not awarded:

- Developers will have to go elsewhere for the funding.
- Jobs/safeguard will no longer be delivered.
- The high street will continue to decline.
- The valuable space will remain underused wasting potential growth in the high street
- Other businesses amongst the high street will not set come back to life

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Amber	This scheme was originally a LGF3b scheme from 2017. At that time, the ITE calculated a Benefit-Cost Ratio (BCR) of 1.6:1 for the project, but did note in their feedback that 'there are a number of additional non-monetised benefits which are likely to improve the scheme's value for money including: safeguarding jobs, supporting high street viability, and enabling additional houses'. The LGF3b scheme only brought forward 450sqm of incubation space, and the revised proposal increases this to 600 sqm, so please note that this figure should rise. However, it is unclear at Stage 1 if this will reach the desired BCR of 2:1, set by SELEP and Government, hence the amber rating.
The strength of the case for investment	Green	The vacancy rate in Gillingham town centre was 9.57% in July 2018. There is a strong case for investment. Alternative funding is not available.
Risk, Showstoppers and track record of delivery	Green /Amber	The EOI states the expected housing outputs is 44 on one page and 26 on another. This is probably a typo, but would welcome confirmation from Medway Development Company. The risk level is reasonable. The scheme has no planning concerns according to the EOI, and is expected to deliver on time. The GPF repayment mechanism is business rates income, or Medway Council underwriting any shortfall.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Churchill Tunnels, 67 / 69 Highstreet, Dover

Applicant: Farleigh Homes Ltd

GPF Ask: £600,000

Total Project Cost: £1,000,000

GPF% of total cost: 60%



Project Description:

- There is limited information on the EOI.
- This project involves delivering a nine 2-bedroom apartment block as well as Visitor Centre, linked to tunnels of historic importance. This will be carried out by restoring an 1850 Victorian building.
- Apartments on level 1, 2 and 3 will be for social housing (more than 50%).

Project Benefits:

- Nine 2-bedroom apartment block
- A Visitor Centre linked to historic tunnels (no further information given)
- The project will create two FTE apprenticeship roles.
- The project will also create additional social housing for the area.

Consequence of GPF not awarded:

- It is slightly unclear. Assume the whole scheme won't be delivered.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber/ Red	The EOI provided limited detail. No information was given on how the project aligns to SELEP's strategic objectives and local economic growth objectives. It is assumed that the growth objective 'Creating Places' will be met based on benefits listed.
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Amber	The EOI provided limited detail. No information was provided about the Visitors Centre, except to say that MOD agreement was yet to be acquired to access the historic tunnels. Forecast visitor numbers were not provided. Based purely on the housing impact: <ul style="list-style-type: none"> • The quality of the benefit is unknown • The scale of the benefit is moderate -with each residential unit requiring a £66k GPF subsidy.
The strength of the case for investment	Red	The EOI provided limited detail. No information was given on how the GPF would be repaid. No information was provided about the Visitors Centre, except to say that MOD agreement was yet to be acquired to access the historic tunnels. The repayment timescales appear ambitious with the full amount repaid in 21/22. There are limited benefits of this scheme – with each residential unit requiring a £66k GPF subsidy.
Risk, Showstoppers and track record of delivery	Red	See above
Compliance with core GPF eligibility criteria*	Amber/ Red	The lack of information makes us unsure if all criteria will be complied with, in particular, projects must "demonstrate an ability to follow the legal requirements for investment of public funds (e.g. EU State Aid Rules)".

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Coombe Valley, Dover

Applicant: Alliance Building Company

GPF Ask: £1,250,000

Total Project Cost: £3,800,000

GPF% of total cost: 32.9%



Project Description:

- New build housing scheme for 26 flats and 4 houses.
- 100% of flats and houses to be affordable housing units. The units will be sold to the local housing authority on completion. (Local authority buyer to commit via early exchange 'off-plan').
- Infrastructure will be delivered to the standard expected for affordable housing units. Project will include all the necessary associated infrastructure (i.e. gas, electricity, water, waste, water, fast-fibre broadband).
- This project is delivered in an area with a high index of multiple deprivation value, and lower residential sales values.

Project Benefits:

The GPF produces these benefits:

- 30 new build units to be built in a deprived area due to the local plan stating new housing is required.
- Scheme to deliver all units as affordable units to local housing authority.
- Safeguards current construction staff.
- 6 new staff (including 2 new apprentices) to be recruited.
- Promotes growth of Alliance Building by new staff learning new skills.

Consequence of GPF not awarded:

- The developers would not take on the project in this location for open market housing because the area first needs to regenerate. To sell the 26 flats and 4 houses on the open market would take so long as to become non-viable. Whereas an off-plan sale of 30 affordable units reduces the risk and also helps fund the development with tranche payment.
- A deprived area would continue to suffer.
- The project would have to receive funding from elsewhere, or not proceed.
- Jobs will no longer be safeguarded or created.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Amber	<ul style="list-style-type: none"> • The quality of the impact is good. • The scale of the direct impact is moderate – 30 units will be delivered, each requiring a subsidy of approximately £42k.
The strength of the case for investment	Green	<ul style="list-style-type: none"> • This is an area where the market is unlikely to intervene, as the rate of return is marginal. • There is a clear case for intervention.
Risk, Showstoppers and track record of delivery	Green	<ul style="list-style-type: none"> • The project promoter has had short-term loans from No Use Empty before. He has also delivered housing to Folkestone & Hythe District Council. The applicant's track record of delivery is extremely strong. • The risks associated with this project are limited.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Green Hydrogen, Herne Bay

Applicant: Ryse Hydrogen

GPF Ask: £3,470,000

Total Project Cost: £13,500,000

GPF% of total cost: 25.7%



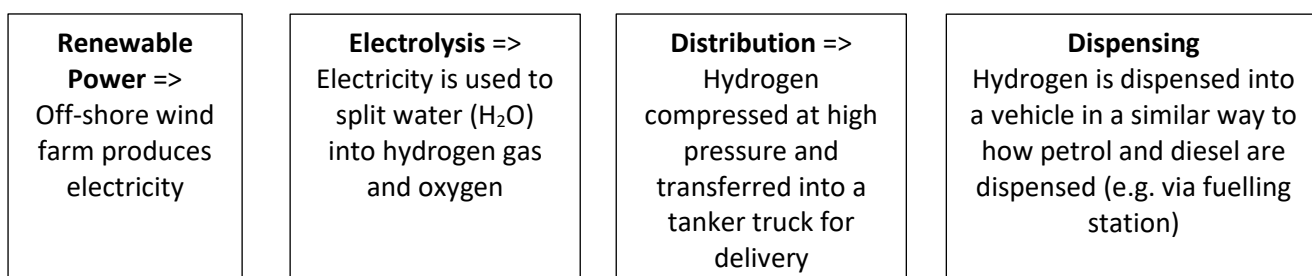
Project Description:

- To install and operate a large 8.8MW wind hydrogen system based at Herne Bay, Kent which will be powered by way of a private wire connection with on-land substation for the existing Vattenfall offshore wind farm called Kentish Flats.
- The system is initially designed to supply green hydrogen to satisfy long term contracts for a fleet of hydrogen buses in the South East, to be joined by truck and train operators.
- Ryse has a contract already to supply Transport for London. The GPF loan allows them to develop a larger facility to enable them to support more customers (names of potential customers were supplied confidentially).
- There are significant economies of scale in constructing a larger facility (see table below):

	Without GPF support	With GPF support
Total Production Capacity – kgs of H2 per day	2000 kgs per day	4000 kgs per day
Maximum Load Factor • %	75%	75%
Number of fuel cell buses serviced daily	55 buses	220 buses
Marketable Price for green hydrogen	£10+ per kg	£5.5 to 6 per kg

- Ryse require the funding in order to accelerate the pace of development.
- Ryse will demonstrate the economic and practical viability of using wind-hydrogen systems to produce hydrogen on a bulk scale to be used in zero emissions mobility solutions.

How the system works:



Project Benefits:

From GPF-element (alone):

- Demonstrate a valid pathway to 100% renewable hydrogen at an affordable price.
- 16 jobs will be created with more roles to follow on. Some of these jobs will be highly-skilled.
- Ryse will be able to broaden its customer base in the south east.
- Twice the amount of Hydrogen can be produced (4000 kgs per day).
- An increase in number of fuel cell buses serviced daily (from 55 to 220 buses).
- The cost of Green hydrogen will fall from £10+ per kg to £5.5 per kg.

Consequence of GPF not awarded:

- The first system will be installed at a scale required to meet only the initial small customer demands for hydrogen leading to poor economics and a risk of a system stuck without the capacity for expansion.
- Without the support the ability to support future projects at scale will be constrained. This will impact time scales for producing hydrogen at a cost which is competitive with conventional fossil-based fuel or other “brown” methods for hydrogen generation, as well as the strategy for reaching these levels of production on an economic basis.
- This is a relatively new market, so there is economic benefit to entering the market sooner rather than later.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green/ Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating ideas and enterprise • Developing tomorrow's workforce • Accelerating Infrastructure
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Amber	<ul style="list-style-type: none"> • The quality of the impact is high (i.e. the scheme produces high-quality jobs, and helps Kent and Medway enter an emerging sector). • The scale of the direct impact is moderate in terms of job numbers. • The scale of the indirect impact is good (i.e. helps with the clean growth agenda etc and improves air quality, etc).
The strength of the case for investment	Green	<ul style="list-style-type: none"> • It is a good market proposition, if the economies of scale are so great it appears inappropriate to go through a small scale site. • Company owners are both industry experts. • Real possibility to grow a cutting-edge sector in Kent.
Risk, showstoppers and track record of delivery <i>(Please note this scheme differs from the type of schemes that KMEP usually assesses, and so officer expertise in assessing the project's risk is limited.)</i>	Amber	<ul style="list-style-type: none"> • The project promoter has been asked if this wind hydrogen system is tried and tested. The project promoter responded that the wind hydrogen system has been demonstrated in several locations. The examples listed are: Big Hit project in Orkney (operational in 2016); the Mainz Project run by Siemens, Linde and RheinMain University (operational in May 2014); and the Vattenfall's Hydrogen Refuelling Station in Hamburg Hafencity (operational 2012). • There are other risks, such as planning consent is required. Public consultation meetings have been held, and according to the

		project promoter the local community and MP have indicated support.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Hatchery @ Preston Farm

Applicant:	Hatchery
GPF Ask:	£1 million
Total Project Cost:	£2.4 million
GPF% of total cost:	42%



Project Description:

- The project involves redeveloping a former farm near Sevenoaks into an innovative new work and community hub with the capacity of 250 workers, alongside spaces that will be available to local to the local community for education, recreation and social uses.
- The work carried out is expected to create 20,000 sq. ft of floor space for the businesses to occupy.
- The project will also create an environment that encourages businesses to create new jobs more quickly.

Project Benefits:

From GPF-element (alone):

- Hatchery intend to make 5 direct hires upon the opening of the site:
 - 1 full-time site manager
 - 1 part-time community manager (progressing to full-time)
 - 2 part time front-of-house
 - 1 full-time cleaner
- Creates working space for up to 250 workers across 40 – 50 businesses
- Work space can be used for flexible workers, starts ups, small companies as well as lone workers.

Consequence of GPF not awarded:

- The scheme does not go ahead.
- A funding shortfall will occur which will risk viability of the project and would require the project to reduce its size or to be delivered in a staged development over multiple phases.
- Equity will no longer be available for the creation of additional Hatchery sites within in the South East.
- Approach another lender.
- Local businesses will have to go elsewhere for flexible working space.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating ideas and enterprise • Developing tomorrow's workforce • Accelerating Infrastructure • Creating Places • Working Together
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green	<ul style="list-style-type: none"> • The quality of the benefit is high (with the workspace being serviced to a good standard). • The scale of the impact is high with over 250 jobs created and 20,000 sq. ft of commercial floor space.
The strength of the case for investment	Green	<p>The reason for the project's relative position on this list is due to the very strong demand for workspace in the Sevenoaks district (as evidenced by previous LGF bids to create new workspace).</p> <p>The project promoter is investing a significant amount of personal equity, so is committed to delivering the project.</p>
Risk, Showstoppers and track record of delivery	Amber	The risk concerning this project is that planning is required, and this is in the AONB and Green Belt – although the entire farm site is already designated for business purposes. The project promoter has spoken to officers in SDC, and is meeting SDC's Leader in December to discuss the project.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

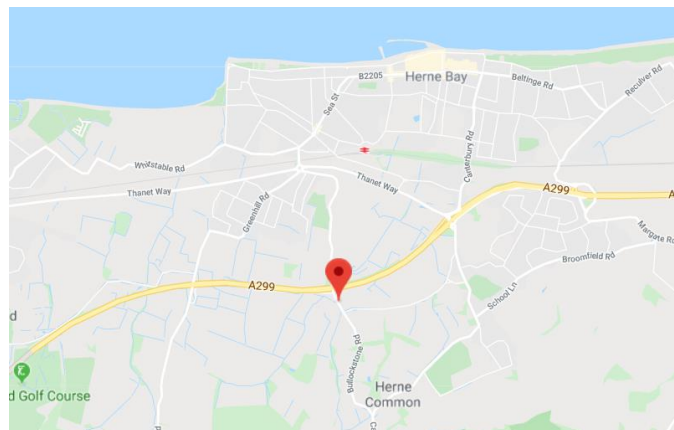
Herne Relief Road- Bullockstone Road Improvement Scheme

Applicant: Kent County Council

GPF Ask: £3,500,000

Total Project Cost: £7,700,000

GPF% of total cost: 45.4%



Project Description:

- The scheme comprises:
 - the widening of Bullockstone Road to 7m
 - provision of pedestrian/cycle facilities
 - a new roundabout at the Bullockstone Road / A291 Canterbury Road junction
 - a new roundabout at the Bullockstone Road / Lower Herne Village spine road junction
 - closing off Lower Herne Road
 - landscaping to replace lost greenery and
 - improvements to drainage.
- The road will connect to a spine road through Lower Herne Village to create the Herne Relief Road.
- The road aims to reduce congestion through the already constrained village of Herne.
- The Herne Relief Road was identified in the 2014 draft Canterbury Local Plan and subsequently was included as policy T13 in the adopted Canterbury Local Plan 2017 to support sites 3 (Hillborough), 4 (Herne Bay Golf Club) and 5 (Lower Herne Village) detailed in policy SP3. The three development sites have a total allocation of around 2,600 new homes.
- The Local Plan acknowledges that the A291 through Herne already suffers from congestion and air pollution and that any developments that will create additional traffic will need to contribute to the Herne Relief Road.

Project Benefits:

- The GPF allows the entirety of the scheme to proceed. Although there are three development sites that contribute funding towards the scheme, the timing of the contributions does not align (see consequence of GPF not awarded below).
- Construction of the scheme will enable the construction over 2,600 homes and the creation of over 1,500 jobs.
- LGF funding mitigates the short-term impacts of the development sites construction on the local area by being able to have the scheme in place prior to large volumes of housing being made available.

Consequence of GPF not awarded:

- As stated above, the GPF allows the entirety of the scheme to proceed. Although there are three development sites that contribute funding towards the scheme, the timing of the contributions does not align:

- Funds from Herne Bay Golf Club have been secured and can be drawn down until 2021, but they must be spent by 2026. Lower Herne Village are due to contribute £2,331,000 to the scheme. The funding will not come forward until the 250th house is occupied which, based on build out rate expectations, would be beyond the 2021 claim date for the Golf Club funding.
- A development site at Hillborough in Herne Bay has also been identified to contribute to the scheme, but the planning application is currently being determined. Initial discussions have indicated that funding would be provided on occupation on the 350th home. KCC do not have confidence that even if the planning application was approved, the funding would be provided in sufficient time to enable the contribution to fund the Bullockstone Road improvements.
- There is significant risk, that by waiting for the developers of Lower Herne Village and Hillborough to provide funding for the scheme, that insufficient funds are received in the timescale required and the golf club contribution is lost meaning that the scheme would not be able to be constructed.
- Congestion on the road will continue to occur and rise.
- The delivery of 2,600 houses is put at significant risk.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green	<ul style="list-style-type: none"> • The quality of the impact is high (i.e. produces a much better road layout – see diagram attached for layout). • The scale of the direct impact is very high. Without GPF, the delivery of 2,600 homes is in doubt. • The scale if the indirect impact is high (e.g. less congestion, better road user safety, etc).
The strength of the case for investment	Green	<ul style="list-style-type: none"> • To be certain the scheme goes ahead, the full cost of construction must be covered by the Golf Club funding and GPF.
Risk, Showstoppers and track record of delivery	Green	<ul style="list-style-type: none"> • This is considered a low-risk scheme. • Kent County Council has a strong track record of delivering highways schemes.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.



OVERALL SCHEME

Mountfield Park, Canterbury

Applicant:	Corinthian Land
GPF Ask:	£1,085,000
Total Project Cost:	Commercially sensitive
GPF % of total cost:	Unknown



Project Description:

- Accelerated delivery of enabling highway infrastructure required to unlock initial phases of housing at Mountfield Park, south Canterbury.
- The infrastructure is:
 - new and enhanced pedestrian and cycle facilities between the site and city centre, and
 - junction improvements within the city centre.......some of which would not otherwise be forthcoming prior to the occupation of 700 dwellings.
- This project will enable highway infrastructure to be realised up to five years earlier than would otherwise be possible (The 700th dwelling is scheduled to be built in 5-7 years).
- The interventions of the project will promote non-car access between the development, existing residential areas and schools in South Canterbury, the Kent and Canterbury Hospital, and the city centre.

Project Benefits:

Benefits achieved from the GPF-element of the scheme:

- Accelerated delivery of enabling highway infrastructure required to unlock initial phases of housing at Mountfield Park, South Canterbury (5 years sooner).
- Improved highways capacity, air-quality and health benefits, (linked to the infrastructure) achieved 5 years sooner.

Benefits of the entire scheme:

- Delivery of housing at Mountfield Park – the largest single allocation in the Canterbury
- The entire scheme supports the Local Plan and this scheme is a critical enabler of the District's short to medium-term housing and employment land supply.

Consequence of GPF not awarded:

- The scheme will take longer to complete.
- The applicant will have to approach another lender.
- Highway infrastructure will not be realised up to five years earlier.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Amber/ Red	<ul style="list-style-type: none"> • The quality of the impact is moderate • The scale of the direct impact is moderate/low – no more dwellings are produced due to GPF. Has transport benefits but these will be delivered irrespective of GPF loan - rather the impact is the accelerated timing (benefits arrive 5 years sooner).
The strength of the case for investment	Amber	<ul style="list-style-type: none"> • It is unclear based on the EOI whether alternative funding could be available.
Risk, Showstoppers and track record of delivery	Green/ Amber	<ul style="list-style-type: none"> • The risks associated with this project include obtaining outlining planning consent for the scheme, obtaining section 278 agreement from KCC to deliver works on the highway. • The money will be repaid through capital receipts from land parcels, so the project appears low risk (at face-value) assuming planning is granted.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

New Town Works, Ashford

Applicant: The Creative District Improvement Company

GPF Ask: £2,098,125

Total Project Cost: £2,098,125

GPF% of total cost: 100%



Project Description:

- The New Town Works media cluster centre will be situated at the old New Town Works train depot that is located in close proximity to Ashford International Train Station.
- The Creative District Improvement company are seeking GPF funding for a project at New Town Works called “The Accelerator” which will be a 5000 sq.ft facility within the overall New Town Works media Village. It will focus on developing creative industry businesses in the first two to five year of their lives as they move beyond start-up.
- The support will take the form of heavily discounted shared office and co-working space and a dedicated training and mentoring programme.
- The cluster will form a crucial component of the regeneration of greatly under-utilised site that has a fine heritage, a place of production and innovation of its day.
- The overall aim of New Town Works and its integrated programme of cluster development is to lead to growth with job numbers both on site and in the surrounding supply chain companies.

Project Benefits:

From GPF-element (i.e. benefits from the Accelerator):

- GPF will fund the accelerator space at the New Town Works that will deliver at least 100 local jobs.
- Start-up businesses will be able to develop from the support of The Accelerator. This is expected to include graduate start-ups.
- Business will benefit from the reduced cost for office space and training.

From entire scheme (i.e. benefits from the whole New Town Works):

- The entire scheme will deliver almost 1,000 direct jobs with 850 jobs being within the film/tv studios.
- There will also be a focus on high-quality jobs, which will contribute to improving the earnings profile of those living and working within the town; and narrowing the productivity gap between Ashford and the wider South East providing at least 750 jobs for borough council residents.

- Construction investment of £152 million is estimated to support direct construction employment of 583 jobs and a further 880 indirect jobs through spending and supply chain effects per year of construction.
- Support growth of £50m in GVA per year, contributing to sustainable growth for Ashford.
- New Town Works includes a good quality 120-bed hotel.

Consequence of GPF not awarded:

- If GPF funding was not to be received, it would result in the Accelerator being delayed until year 6 of the project, and would mean that the discounted rates (that should attract the start-ups and graduates) may not be provided at such an attractive rate.
- Over 100 jobs would no longer be delivered.
- Businesses will lose out on the opportunity to develop under The Accelerator.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green/ Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating Idea • Developing Tomorrow's Workforce • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green	<ul style="list-style-type: none"> • The quality of the impact is high (It should help to support graduate start-ups that are lower in SELEP compared to the national average. It will help the clustering of the creative sector). • The scale of the direct impact is good in terms of job numbers. <p>The reason for the project's relative position on this list is due to the scale of the impact. The project promoter estimates that at least 100 local jobs will be created directly from the accelerator space. The project supports a priority Locate in Kent sector (i.e. the Creative and Digital Sector). The project appears lower-risk than some of the others, with a 15-year lease agreed for the Accelerator.</p> <p>Another reason for supporting this project is because the project promoter has said that the serviced facility will particularly wish to attract graduates starting-up their own businesses to this serviced facility. The promoter has conversations lined up with three universities that will take place shortly.</p>
The strength of the case for investment	Green/ Amber	The strength of the investment case was good/adequate reading the EOI. The strength of the investment case was raised when additional information was provided by the project promoter explaining about the Accelerator's role in supporting scale-ups and graduate

		<p>start-ups.</p> <p>However, the advice of the businesses that considered this application is that, if KMEP chooses to progress this scheme to stage 2, then the project promoter should be asked to specify in writing how these graduates will be supported (e.g. ask them to add some KPIs/conditions). This will lessen the risk that the facility will be used for others as time moves on, rather than the graduates and SME start-ups that this facility is currently aimed at.</p>
Risk, showstoppers and track record of delivery	Amber	<p>Planning consent is still to be granted. The project promoter's website says that they have a track record of delivering projects, such as: Wimbledon Film and TV, Custard Factory.</p> <p>The amber rating is partly due to the fact that interaction with the three universities is still to occur – so risk that their projected graduate start-up figures may be ambitious.</p>
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Northgate Community Healthcare and Wellness Centre

Applicant: Northgate Medical Practice

GPF Ask: £2,500,000

Total Project Cost: £13,500,000

GPF% of total cost: 18.5%



Project Description:

- The project comprises of a 3,300 sqm extension to the current 1,000 sqm medical practise and the purchase of the adjacent public pay and display car park as agreed with Canterbury City Council to bring together primary care and community care to work collaboratively together with integrated services for health of the Canterbury community and to reduce hospital admissions whilst bringing new and innovative services and employment to the area.
- Please note that other funding in this project is a NHS Capital Bid which has not been secured yet. The STP have advised the NHSE funding will be announced in the Autumn Statement which has been delayed by the General Election. The funding will then be allocated regionally next year.
- Securing of the car park will not take place until funds are agreed which is why the bid has been made. The car park will cost £1.4m. The remaining element of the GPF is to cover the costs of the master planning fees and costs.
- If the NHSE bid is not successful, then the project will be adjusted and funded privately by the practise and the purchase of the car park will still be integral to the project.

Project Benefits:

- The project will deliver an extra 40 – 50 employees including clinicians and admin staff.
- The Dentist practise that is being developed within the development expects to recruit 4-5 staff.
- In addition to this 100 – 135 employees will be relocating from Hersden and Kent & Canterbury Hospital to the site.
- The Northgate development would support and ensure the larger expansion of Kent & Medway Medical School places for the future students and at the same time would enable the healthcare development to absorb the local area population growth particularly for long term and chronic conditions.
- The expected completion date for the development is 2023 and the first training GPs from Kent and Medway Medical school will be allocated in the practice in 2020 with the first cohort of qualified doctors being placed in 2025.

Consequence of GPF not awarded:

- The project will have to be reviewed as to where the costs of the master plan fees and car park cost will come from should GPF funding not be received. This may mean the scale of development would need to be reduced.
- The car park of the site will not be purchased unless paid by another fund.
- The job creations will no longer be delivered.

Criteria Check List: Officer Assessment

Criteria	RAG	Comment
Project's fit with SELEP and local economic growth objectives;	<p>Amber (in relation to SELEP)</p> <p>(Green in terms of health)</p>	<p>This scheme has strong health benefits. It meets with the objectives of the NHS Five Year Forward View. However, SELEP's current economic strategy (Smarter, Faster, Together) has only peripheral references to health objectives, as part of its developing tomorrow workforce.</p>
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	<p>Green/ Amber</p>	<ul style="list-style-type: none"> • The quality of the impact is high in terms of health outcomes for the residents. • The scale of the direct impact is moderate in terms of job numbers. • The centre will enable circa 50 new jobs in the practice, but the remaining 135 employees may be relocating from the hospital. The Government's green book places more worth on new jobs created or brought to the area, rather than the relocation of jobs from the local area. • The KMMS students cannot be viewed as a benefit (due to 'double-counting' with the £4m KMMS benefits already delivered).
The strength of the case for investment	<p>Amber</p>	<ul style="list-style-type: none"> • This is an important health scheme, but it is not clear if other funding sources (i.e. NHS funding pots) could deliver this scheme.
Risk, Showstoppers and track record of delivery	<p>Red</p>	<p>There appears to be a large showstopper risk. The GPF eligibility criteria state the GPF must only fund capital, and not revenue funding. While some revenue fees can possibly be capitalised, the concern is that nearly 50% of the cost is for master-planning services (and not all these fees can be capitalised).</p> <p>Also, the scheme does require other sources of funding that are not yet fully secured, such as the 'NHS Capital Bid Funding'. An outline business case is being submitted to the Government to consider.</p>

Compliance with core GPF eligibility criteria*	Red	As stated above, this project may not meet all the eligibility criteria, specifically: "Project requires capital (not revenue) loan funding investment".
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*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

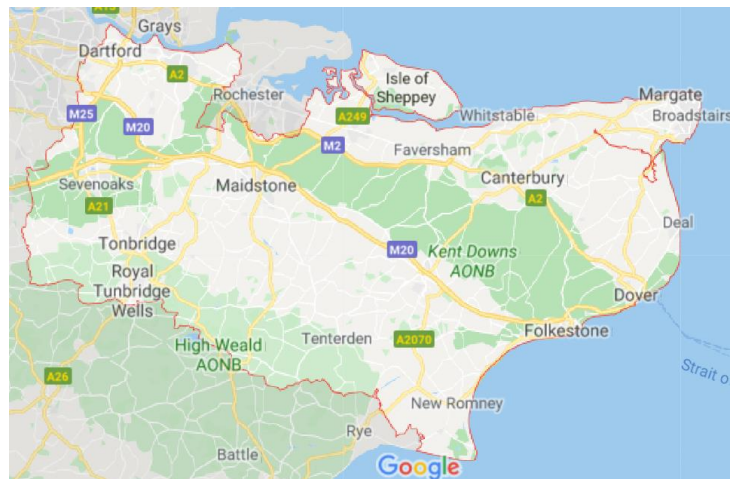
NUE Commercial Phase II in Kent

Applicant: Kent County Council

GPF Ask: £2,000,000

Total Project Cost: £4,000,000

GPF% of total cost: 50%



Project Description:

- Building on the success of the NUE Commercial project (GPF R2 awarded KCC £1m), a second phase is proposed requesting an investment of £2m.
- This NUE scheme is intended to provide pan-Kent benefits, with property owners from across the 12 districts able to apply for a loan.
- KCC are willing to work with Medway Council if KMEP and Medway council wish to extend the scheme to cover Medway as well.
- Funding will create more commercial space by returning long-term empty commercial properties back into use. This will assist with economic growth attracting new business rates as well as creating or safeguarding jobs.
- In addition to this project which are of a mixed commercial/residential nature, there will also be an increase in the number of new homes available, providing job opportunities and generating new council tax receipts as well as attracting new homes bonus (subject to government continuing).

Project Benefits:

From GPF-element:

- Receiving the GPF ask of £2m will help to bring 18 empty commercial units back into use, typically these will be empty shops in town centre locations, building on the experience of NUE Commercial (GPF R2).
- 36 new homes will also be delivered as an incidental result of funding a mixed commercial/residential project (minimum of two residential units above shops can be created under permitted development).
- Based on 54 units (18 commercial and 36 homes) $\text{£2M}/54 = \text{£37k GPF per unit}$
To be delivered:
 - 27 Jobs safeguarded/created (during project phase)
 - 18 Commercial Units – with associated employment (after delivery stage)
 - 36 new homes
 - 84 People housed
 - Business Rates collected
 - New council Tax receipts
 - New Homes bonus (subject to Government further support)
- Whilst larger schemes may deliver a greater level of floor space, this project is focused on helping owners and small developers of smaller sized properties

(primarily town centre locations) who have difficulty in accessing traditional lending or cannot access government grants because there are more targeted towards the bigger developers. With the support of NUE, they can access funds, deliver projects and help support the SME community.

Consequence of GPF not awarded:

- NUE Commercial scheme will come to a halt as there is no alternative funding available to support the commercial element.
- The opportunity to extend the offer to Medway in addition to a continuing to operate in the 12 Kent districts would be lost.
- NUE could seek to work alongside councils which are now engaged and working to access Future High streets funding. However this is restricted to a maximum of 4 town centres.
- Commercial units will remain empty and not attract investment.
- Environmental impact and attract anti-social behaviour
- Proposed jobs (including safeguarded) during construction phase will no longer delivered.
- Fewer homes available which Impact on the choice of residential accommodation available to Kent residents.
- Property will continue to deteriorate resulting in more money needing to be spent on refurbishment.
- Loss of Business Rates/New Council Tax receipts (and any other Government Bonus)

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating ideas and enterprise • Developing tomorrow's workforce • Accelerating Infrastructure • Creating Places • Working Together
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green/ Amber	<ul style="list-style-type: none"> • The quality of the impact is high. • The scale of the direct impact is moderate in terms of jobs and housing numbers. • However, the scale of the indirect impact is good (in terms of it producing a positive regenerative effect on the various high streets around the county, that are experiencing a change in retail behaviours by consumers).
The strength of the case for investment	Green/ Amber	<ul style="list-style-type: none"> • NUE Commercial scheme will come to a halt as there is no alternative funding available to support the commercial element.
Risk, showstoppers and track record of delivery	Green	<ul style="list-style-type: none"> • NUE Commercial Phase One was funded by SELEP GPF in 2017. It has delivered outputs ahead of schedule, and has repaid SELEP back sooner, allowing this funding to be reinvested in new GPF projects.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

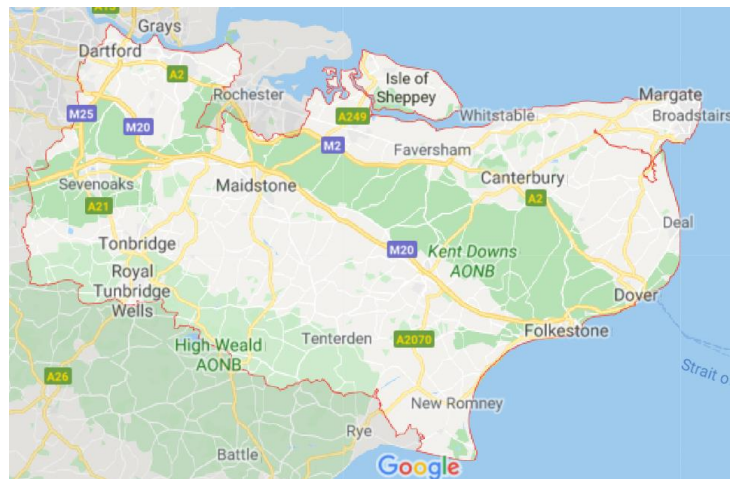
NUE Residential in Kent

Applicant: Kent County Council

GPF Ask: £2,500,000

Total Project Cost: £5,000,000

GPF% of total cost: 50%



Project Description:

- KCC's award winning No Use Empty (NUE) initiative is the longest running empty homes initiative in the UK. Operating since 2005, the scheme was expanded across all 12 districts in Kent and in 2009, a returning average of 400 empty homes back into use per year to the decent home's standard.
- The initiative has brought back into use over 5,900 properties through a range of interventions and their secured short-term loans have exceeded £27m which has levered an additional £29m from the public/private sectors which has allowed NUE to support 1,000 units.
- The NUE initiative is intended to provide pan-Kent benefits, with property owners from across the 12 districts able to apply for a loan.
- KCC are willing to work with Medway Council if KMEP and Medway Council wish to extend the scheme to cover the Medway Towns as well.
- The project is focused on helping owners and developers of properties who have difficulty in accessing traditional lending or cannot access government grants because these are more targeted towards the bigger developers, with NUE support they can access funds, deliver projects and help support the SME community.

Project Benefits:

From GPF-element (alone):

- An investment of £2.5m from GPF will extend the NUE initiative to include the unitary authority of Medway giving blanket coverage across Kent fulfilling an ambition to offer a loan product in the unitary or help scale up the approach in order to return 100 additional empty properties back into use across the 12 districts.
- The £2.5m will be used to provide short term secured recyclable loans (units of 25k), either as a 1st or 2nd charge, using the established application, approval and monitoring processes used by the NUE team.
- By receiving GPF funding the scheme will deliver:
 - 120 jobs/safeguarded (during project phase)
 - 100 new homes
 - 200 people housed
 - New Council Tax receipts (change in numbers, e.g large property converted to multiple units.
 - New Homes Bonus (subject to Government further support)

Consequence of GPF not awarded:

- NUE Residential will continue to work but only in the 12 Kent districts with limited recycled funding currently approved (£3m 2020-21, £4-5m 2021/2022).
- The opportunity to extend the offer to Medway would be lost and the availability to use GPF Funds in Medway. (KCC only supports 12 districts)
- 100 Empty residential properties not being brought back into use when there is demand for housing.
- Empty houses in Kent will continue to deteriorate resulting in more money needing to be spent on refurbishment.
- Environmental impact and attract anti-social behaviour
- An empty home can reduce the value of a neighbouring property by 18%
- Proposed jobs (including safeguarded) during construction phase will no longer delivered.
- Property will continue to deteriorate resulting in more money needing to be spent on refurbishment and potentially not be able to be mortgaged.
- Fewer homes available which Impact on the choice of residential accommodation available to Kent residents.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating Places • Developing Tomorrow's Workforce • Working Together
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green	<ul style="list-style-type: none"> • The quality of the impact is high (as shown by previous NUE homes). • The scale of the direct impact is good in terms of housing numbers. • An investment of £2.5m from GPF will help return a further 100 empty residential homes back into use across Kent - making an average subsidy of £25k per home. • (Business cases under £30k are deemed generally to be good rather than adequate schemes).
The strength of the case for investment	Amber	<ul style="list-style-type: none"> • The scheme was deemed amber as the NUE Residential will continue to work but only in the 12 Kent districts with limited recycled funding currently approved (£3m 2020-21, £4-5m 2021/2022).
Risk, showstoppers and track record of delivery	Green	<ul style="list-style-type: none"> • In its first ten years, the NUE residential initiative has brought back into use over 4,100 properties. • KCC has a very strong track record of managing and administering the scheme.
Compliance with core GPF eligibility criteria*	Green	Compliant with criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Resort Margate, Margate

Applicant: Resort Margate CIC

GPF Ask: £2,500,000

Total Project Cost: £2,500,000

GPF% of total cost: 100%



Project Description:

- Resort Margate is currently a thriving hub for creative businesses which is located in the landmark historical Pettman Building, Margate.
- The Pettman building is up for sale by the landlord and the GPF ask is for funding to purchase the building from the landlord.
- This project involves creating a flagship creative workspace & creative industries centre in Cliftonville, Margate.
- Resort Margate CIC are looking to develop and deliver jobs in a high-quality, high-productivity priority sector and offer sector leadership and network growth to underpin strategic ambitions for Kent and the South East.

Project Benefits:

- GPF will enable Resort Margate to purchase the current building which they are a tenant in as well as refurbish.
- Resort Margate will not have to move to another location and can continue to operate as normal.
- 8 new jobs created within the Resort
- Provides additional workspace for 60 jobs (self-employed, freelancers and growth businesses)
- Safeguards 41 jobs
- 40 existing micro-business are safeguarded in the building.
- 40 new microbusinesses can be located within the Resort.
- Benefits over 120 other businesses through place-making.

Consequence of GPF not awarded:

- Resort Margate will have to relocate
- Job creations and safeguarded jobs (shown above) will be lost.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green/ Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating Places • Creating ideas • Working Together
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green	The quality of the impact is extremely high. Resort Margate has been shown to have a clustering impact, and indeed multiple businesses are located there already. The scale of the impact is also relatively high – with 80 businesses directly created/safeguarded.
The strength of the case for investment	Green	The Hub has a strong reputation amongst the creative sector and draws new creatives to the area and produces a clustering effect. It appears to be well-run, and the type of scheme can help drive forward economic growth in a priority sector. It is clear that alternative funding sources have been exploited.
Risk, showstoppers and track record of delivery	Red	There is uncertainty over the ability of Resort Margate to purchase the building at its market value, rather than at an inflated cost. The project falls over if the building cannot be purchased or an alternative building found. The landlord is aware of the desire of the Resort Margate to purchase the building, and his negotiation tactics appear to reflect this. However, if the landlord does agree to sell, the project promoter has a thorough building survey. The GPF repayment mechanism is not as robust as other schemes', with a bid to the Heritage Lottery Funding

		potentially being required to enable full refurbishment and then loan repayment.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Swanley Town Centre

Applicant: Sevenoaks District Council

GPF Ask: £1,490,000

Total Project Cost: £44,773,000

GPF% of total cost: 3.32%



Project Description:

- Infrastructure investment to unlock delivery of up to 1255 residential units and 376 jobs with a hotel, restaurant, business start up and incubator space, retail and leisure. Figures have been derived from planning permissions or submissions.
- GPF will provide 'gap funding to progress an already consented series of schemes and future proofing the delivery of infrastructure'.
- There was limited information in the EOI on the 'series of schemes'. In a table of milestones, the EOI referred to the locations listed below, but details of each scheme were not provided:
 - New leisure
 - Residential White Oak
 - 27 – 37 high street business, space and housing
 - Bevan place residential hotel and restaurant
 - Allder way and Russett Way Residential
 - U and I town centre regeneration
 - Other residential

Project Benefits:

- 1255 residential units and 376 jobs will be delivered
- Along with the above a hotel, restaurant, business start up and incubator space as well as a retail and leisure park will also be delivered

Consequence of GPF not awarded:

- Housing and infrastructure could no longer be delivered
- Jobs could no longer be delivered
- Applicant will have to seek investment elsewhere

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places • Developing Tomorrow's Workforce • Creating ideas and Enterprises
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green/ Amber	<ul style="list-style-type: none"> • This infrastructure investment will unlock delivery of up to 1255 residential units and 376 jobs. • The scale of the benefits is high. • The quality of the benefits is unknown, as no detail was provided on each infrastructure scheme. However, it is recognised that this is an area where investment would be highly beneficial (e.g. within M25 so high economic growth potential).
The strength of the case for investment	Amber/ Red	<p>The concern regarding this scheme is that there was limited detail in the EOI explaining how these benefits would be achieved. Further information was requested, but not received. Without additional information, the level of risk is unknown, and it is unclear whether the level of jobs and homes is proportional to the scheme.</p> <p>There was little detail about whether alternative funding sources had been considered.</p>
Risk, Showstoppers and track record of delivery	Amber/ Red	See above
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

The Margate Arts School, Margate

Applicant: The Margate School

GPF Ask: £725,000

Total Project Cost: £725,000

GPF% of total cost: 100%



Project Description:

- The Margate School is based in the old Woolworths building, located on Margate's High Street.
- The Margate School has had a lease for the site, and has made the ground, first and second floor usable already.
- GPF is sought to:
 - Create a functional and industry standard teaching and working space of circa 370sqm on third floor of the building.
 - Convert the basement into a media and digital production facility.
 - Convert the existing goods lift into an accessible lift
 - Install accessible toilets on each floor making it accessible to professionals with disabilities.
 - Install proper heating and replace some of the windows.
 - Make the basement watertight and carry out some structural work to strengthen ceiling space.
 - Utilise a small plot of land behind the building for additional workspace (circa 300sqm) and a small green area.
 - Create physical infrastructure for the Margate Children's Gallery.
 - Install industry specific technical specialist equipment.

Project Benefits:

The EOI stated that the benefits are as follows:-

- Safeguarding 150 existing jobs through an improved infrastructure.
- Contributes to professional development of 250 individuals through the ability to provide industry standard training.
- 280 post-graduate qualifications supporting the creative industries.
- 80 new jobs through increased spending in the local economy.

Further questions were asked to clarify how these figures were derived. In this response, the project promoter said:

- The master course currently has 8 students per cohort. After GPF investment, this rises to 20.

- The 250 number comes from 3 sources (construction staff, business creation and one job per addition turnover created).

Consequence of GPF not awarded:

- Jobs will no longer be created or safeguarded
- The applicant will have to approach another lender
- Floors of the building will remain unused
- The school will not be able to support all students
- The school would have to take a different route by seeking sponsorship

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Green/ Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating ideas and enterprise • Developing tomorrow's workforce • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Amber	The Margate School currently leases the old Woolworths building in Margate. It has already converted the ground, first and second floors for use. It seeks GPF funding to make the third floor and basement usable, add a DDA-accessible lift, and possibly create a Margate Children's Gallery on a connected plot of land (subject to TDC approval).
The strength of the case for investment	Amber	It is not certain if other more appropriate funding sources could be found.
Risk, Showstoppers and track record of delivery	Red	There is a very high level of uncertainty, including market demand, spending profile, the repayment risk, the wider development project, and the lease uncertainty (the lease is due to end soon). The project is 100% loan, so there is no additional funding if risks are overcome.
Compliance with core GPF eligibility criteria*	Amber/ Red	It is unsure if all criteria will be complied with - The applicant shows loan funding being drawn down every year, and repayments made every year. This is unusual; most projects draw down the loan in the early years, invest it to produce outcomes, and then repay the full amount in later years. A GPF criteria is that KMEP should 'only support projects which can demonstrate an ability to repay the GPF loan by 31 March 2026'.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Wincheap off-slip, relief road and traffic management scheme

Applicant: Kent County Council

GPF Ask: £2,000,000

Total Project Cost: £17,600,000

GPF% of total cost: 11.3%



Project Description:

- The bid is for funding towards the construction of an A28 Wincheap relief road through Wincheap estate, complete with bus and cycle lane. This offers the opportunity to remove all east bound traffic from the current A28 Wincheap by redirecting it onto the relief road and to provide environmental improvements along this length of Wincheap.
- This scheme complements the construction of the A2 off slip and the relocation and extension of Wincheap park and ride. The additional funding will ensure that the full package of measures can be provided. This includes:
 - A2 east-bound off slip
 - Link road to Wincheap estate
 - Gyratory through Wincheap estate
 - Wincheap Road transportation scheme
 - a city bound bus lane.
- Together, this package of measures will ensure that the additional housing developments at Thanington can be accommodated onto the network and can demonstrate mitigation by air quality benefits and transportation improvements.
- The off slip, relief road and gyratory will help to relieve traffic coming into Canterbury along Harbledown bypass and will balance traffic flows on the north western side of the city by removing some of the right turning traffic onto Wincheap at Wincheap roundabout.
- The majority of the scheme is funded from two strategic developments at Thanington and a bid has also been made to Homes England for £4.4M towards the cost of the A2 off slip road.

Project Benefits:

- A reduction in crashes of 1.3 per year on the local roads and 3.4 per year on the strategic roads.
- Vehicles on the local roads have a slightly longer journey, but at higher speeds.
- Vehicles on the strategic road network have a shorter journey and at higher speed.
- An additional benefit is the relief brought to Wincheap Road eastbound. A significant number of the properties on the eastbound side of the road are conservation listed and would benefit from the reduction of traffic close by.
- This length of Wincheap is in an Air Quality Management Area. The removal of a considerable proportion of the traffic together with higher vehicle speeds should

help to improve the air quality. A children's playground is in Wincheap within the AQMA.

- A financial benefit of £109,000 per annum due to reliability benefits.
- Additional funding to this package of measures will also help to bring forward the Wincheap estate regeneration scheme which will deliver additional retail at this site to complement the city retail.

Consequence of GPF not awarded:

- Kent County Council is pursuing other funding sources.
- A bid has also been made to Homes England for £4.4M towards the cost of the A2 off slip road.

Criteria Check List: Officer Assessment

<u>Criteria</u>	<u>RAG</u>	<u>Comment</u>
Project's fit with SELEP and local economic growth objectives;	Amber	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Accelerating Infrastructure • Creating Places
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Green/ Amber	<ul style="list-style-type: none"> • It is unclear from the EOI how many additional houses or jobs may come forward as a result of the scheme. • However, this is a known area of severe congestion, where highway improvements are warranted.
The strength of the case for investment	Green/ Amber	<ul style="list-style-type: none"> • Further discussions are being held with Highways England and Homes England to assess whether additional Grant/Loan funding may be available to complete this package of works. The scheme would benefit more from a grant than a loan, which has dictated the lower priority in this KCC list.
Risk, showstoppers and track record of delivery	Green	<ul style="list-style-type: none"> • This is considered a low-risk scheme. • Kent County Council has a strong track record of delivering highways schemes.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.

Wine Innovation Centre, East Malling

Applicant:	NIAB EMR
GPF Ask:	£600,000
Total Project Cost:	£1,550,000
GPF% of total cost:	38.7%



Project Description:

- NIAB EMR and the East Malling Trust propose to build a facility to host a Wine Innovation Centre at the East Malling Estate.
- The Centre will include a 1000 sqm building, hosting several fruit pressing technologies, fermentation tanks, molecular biology labs, sensory assessment equipment, space for knowledge-transfer meetings, and an open innovation workspace.
- The vision of the project complements NIAB EMR'S investment in the UK'S only research vineyard to support Kent's wine sector to develop as global leaders in innovation.
- The Wine Innovation Centre's research will support the East Malling Viticulture Consortium which includes members (such as Chapel Down and Gusbourne) that collectively account for more than 60% of the wine production in Kent. The majority of the UK's vineyards are in Kent.
- The project will also facilitate the development of the strategy for the research agenda of NIAB EMR as a key focus for innovation in the food and drink sector of the SELEP region.

Project Benefits:

These benefits are generated through the GPF investment: -

- Research is anticipated to generate upwards of £1million in addition R&D spend in the region.
- The project will create 4 new knowledge-based and highly skilled jobs in addition to safeguarding 5 jobs at NIAB EMR.
- The Centre will help unlock follow-on private sector investment that is needed to deliver further R&D facilities (estimated at £300k in value).
- The project enables NIAB EMR to continue delivering competitive research and re-enforce the strong role that Kent must play in the UK wine industry.
- This is closely aligned with the ambition to develop a wider Innovation Campus at the East Malling Estate and contribute to the economic growth and skills agenda of the Kent and Medway region stimulating demand for the provision of high-quality training and 50+ new jobs in the horticulture sector.
- Having the centre will enable NIAB EMR to attract and retain high-calibre staff (as technology becomes outdated, it becomes increasingly difficult to retain staff at the cutting-edge of research).

- Enable the wine producers of Kent to benefit from the research that will help them improve their yield percentages and make them more productive (the sector has slim profit margins). The sector will also become more sustainable and resilient to potential future threats (e.g. invasion of new pests, etc).
- The access to modern winery will provide the infrastructure to deploy cutting-edge equipment.
- The project will develop a platform for the evaluation, configuration and deployment of new data-driven technologies for high-throughput analysis of vines performance data and how this impacts wine quality.
- Investment will also help to support wider government and industry agendas in a post Brexit economy, and help support the wine makers export.

Consequence of GPF not awarded:

- Without the new buildings proposed, each business would need to have their own research facilities – something that none of the businesses in viticulture, horticulture and wider agriculture can afford.
- The industry will not have as much confidence in laboratory research as it would when larger scale trials are completed.
- Uptake and subsequent industry growth will both be slower than what could be achieved.
- Other wine producing countries will be ahead on issues such as quality and consistency.
- Without the lack of depth in the innovation sector, the region will be ill-prepared to respond to the needs of the sector which will seriously undermine the opportunity for growth.

Criteria Check List: Officer Assessment

	<u>RAG</u>	
Project's fit with SELEP and local economic growth objectives;	Green	Meets with the following SELEP objectives taken from Smarter, Faster Together: <ul style="list-style-type: none"> • Creating ideas and enterprise • Developing tomorrow's workforce • Accelerating Infrastructure • Creating Places • Working Together
Impact of the project in creating (or safeguarding) jobs, homes, and/or learner numbers.	Amber	<ul style="list-style-type: none"> • The quality of the impact is high (i.e. the scheme produces high-quality jobs, and helps the clustering of the sector). • The scale of the direct impact is moderate in terms of job numbers. • The scale of the indirect impact is good.
The strength of the case for investment	Green	<ul style="list-style-type: none"> • Given the current average yield in the sector, there is a critical need for innovation to commercialise and maximise Kent's production. • Also, draft Local Industrial Strategy shows R&D investment in SELEP is amongst the worst in whole of UK (e.g. • Only 1.5% of total Innovate UK funding is spent in SELEP – yet SELEP has 7% of national population and business stock). • Kent and Medway are the centre of UK wine production.
Risk, Showstoppers and track record of delivery	Green	NIAB EMR has a strong track record of delivery (e.g. created the 'East Malling Centenary' strawberry variety that is now being grown in Spain). This is a research project so harder to guarantee a fixed rate of return for investment. However, NIAB EMR is one of the few organisations known to KMEP which brings together a large consortium of businesses with R&D bodies, and often HE partners.
Compliance with core GPF eligibility criteria*	Green	Compliant with all criteria.

*Project will require S151 Officer support – which will be sought after the KMEP meeting if project is selected for stage 2. All 11 third-party schemes are in this situation.