



## 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.

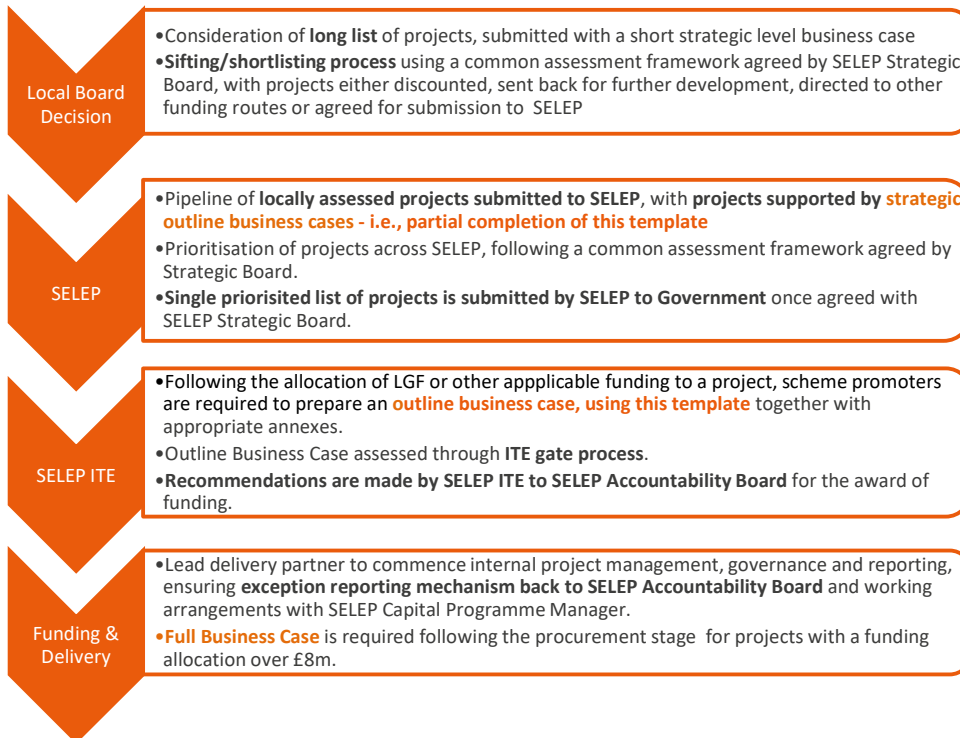
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable 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 through 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 standard 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



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:

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## 1. PROJECT OVERVIEW

1.1. **Project name:**  
Better Queensway

1.2. **Project type:**  
Site Development

1.3. **Federated Board Area:**  
Essex

1.4. **Lead County Council / Unitary Authority:**  
Southend-on-Sea

1.5. **Development location:**  
Southend  
SS2 5AW

1.6. **Project Summary:**  
Better Queensway is an estate and town centre renewal project, seeking to transform a 5.2-hectare site to the north of Southend town centre. The project will include phased demolition of existing residential and commercial units, including four tower blocks and redevelopment to provide up to 1,669 dwellings; and 7,945sq m of commercial space made up of retail, office, and community and leisure space. The project will also involve significant infrastructure and engineering work to provide a new four lane carriageway with footpath, cycle and bus facilities, which will remedy the sites severance with the High Street, provide a greater developable area, reduce pollution and improve connectivity, including important through traffic routes to the seafront.

The Council has been successful in securing £15m of funding from the Housing Infrastructure Fund to make the necessary highway improvement works and has entered into a joint venture with Swan Housing Association as development partner. This approach will employ a 'whole-place' approach to regeneration, addressing the inefficiently planned estate and poor quality of the existing 441 housing units on site, as well as enhancing the wider area and improving access to multiple development sites.

Getting Building Funding is required for an unforeseen capital sum to upgrade local electrical networks to provide the needed capacity to meet new government guidelines on energy use in new homes and to enable sufficient resilience in the local grid to provide the required level of electrical vehicle charging to future proof the town centre. The introduction of the Future Homes Standard set out requirements for new homes to have increased energy efficiency requirements from 2020. This includes a recalibration in the carbon factor in energy calculations, meaning that the gas-based energy system of the current development will no longer comply with government legislation and planning regulations. The scheme no longer meets regulatory standards and cannot legally proceed due to this requirement, and without Getting Building funding it is undeliverable. The upgrade to the energy network is on public highway and Council owned land and a quote has been obtained by UK Power Network (UKPN). Therefore, the works are ready to commence and Getting Building Fund aspects will be completed by 31 March 2022.

1.7. **Delivery partners:**

Partner	Nature of involvement (financial, operational etc.)
Southend-Borough Council (Lead Applicant)	

Swan Housing Association	Development partner-responsible for delivery of the scheme

1.8. **Promoting Body:**  
Southend-Borough-Council

1.9. **Senior Responsible Owner (SRO):**  
Emma Cooney, Director of Regeneration and Growth, Southend Borough Council,  
emma.cooney@southend.gov.uk

1.10. **Total project value and funding sources:**

Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
Housing Infrastructure Fund	£15m	Secured through Marginal Viability Funding Dependent on cost and revenue estimates from professional advisers
Getting Building Fund	£4.2m	Dependent on cost and revenue estimates from professional advisers
To be sourced	£2.7m	Dependent on cost and revenue estimates from professional advisers
<b>Total project value</b>	£21.9 million	

1.11. **SELEP funding request, including type (LGF, GPF, GBF etc.):**  
£4.2 million Getting Building Fund

Initial analysis suggests that there are no State aid implications. The intervention is based on standard Gap Funding principles and formal legal advice will be procured before funding agreements are executed.

1.12. **Exemptions:**  
None

1.13. **Key dates:**  
Commencement of expenditure: 2021  
Commencement of infrastructure and energy provision works: 2021  
Completion of Getting Building Fund works: March 2022  
Scheme completion/ opening date: Phase 1 A complete Q1 2026, full scheme completion Q1 2033

1.14. **Project development stage:**

Project development stages completed to date
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<b>Task</b>	<b>Description</b>	<b>Outputs achieved</b>	<b>Timescale</b>
Consultation	Detailed residential consultation regarding the future of the estate and the regeneration as a key priority for the Borough	Consultation report	2017
Development partner selected through procurement process	Southend-on-Sea Borough Council selected Swan Housing to be their preferred partner to deliver the regeneration of Queensway and take on the long-term management of the regenerated area following a robust procurement process.	Contracts for 30-year joint venture were signed	January 2018-2019
HIF Bid to MVF Secured	Southend Borough Council and Swan Housing were successful in their application for £15m from the Housing Infrastructure Fund	£15m of HIF funding	Feb 2018
Design consultation	Two rounds of public consultation informed a comprehensive design evolution process to accommodate comments and concerns of local residents and business owners	Finalised design for Better Queensway regeneration	2019- 2020
Planning Application Submitted	Planning application produced by Barton Willmore Planning LLP submitted	Planning application	August 2020
Project development stages to be completed			
<b>Task</b>	<b>Description</b>	<b>Timescale</b>	
Planning	Secure detailed planning permission	Feb 2021	
Demolition and Infrastructure Works	Energy upgrade of substation to occur as first stage of development in 2021, to be completed by March 2022	2021-2025	

	Subsequent highways infrastructure investment to commence Demolition of four existing residential blocks to occur	
Construction of housing, commercial space and public realm	Phase 1A complete Q1 2026 (phase total 299, total homes 299) Phase 1B complete Q4 2026 (phase total 203, total homes complete 501) Phase 3A complete Q1 2028 (phase total 318, total homes complete 817) Phase 3B complete Q3 2027 (phase total 117, total homes complete 934) Phase 2A complete Q3 2031 (phase total 135, total homes 1069) Phase 2B complete Q3 2031 (phase total 197, total homes 1268) Phase 2C complete Q3 2031 (phase total 153, total homes 1419) Phase 4 complete Q1 2033 (phase total 249, total homes 1680)	2026-2033

1.15. Proposed completion of outputs:

Land value uplift crystallises when sites are released for development with full planning permission in place. Wider benefits accrue over and beyond the lifetime of the project, with residential outputs the last to materialise.

A full Phasing plan for the site is shown below:



## 2. STRATEGIC CASE

### 2.1. Scope / Scheme Description:

Better Queensway is an estate and town centre renewal project, seeking to transform a 5.2-hectare site to the north of Southend town centre. The project will include the demolition of 4 tower blocks through a phased demolition of existing residential and commercial units, pedestrian footbridge, and associated structures and redevelopment to provide up to 1,669 dwellings; and 7,945sq m of commercial space made up of retail, office, and community and leisure space.

There will also be phased engineering works to remove the roundabout at Queensway/Sutton Road/Southchurch Road, and associated underpass, with re-grading of the Queensway to provide a new 4 lane carriageway at grade with footpath; cycle lane, bus facilities, public realm, landscaping and associated structures as well as a new roundabout linking Southchurch Road and Queensway.

The existing Queensway Estate suffers from high levels of crime and deprivation. The cutting and route of the Queensway road physically severs the town centre from the residential areas of the town to the north and the mainline railway station. The existing towers developed in the 1960's present a blight on such a prominent and accessible part of the town. The underground pedestrian links that do exist are poorly maintained and subject to high levels of crime that deter use, starving the town centre to the south of the footfall required to support viable retail and economic businesses. Furthermore, the provision of 492 dwellings across a site more than 10 hectares, clearly under-utilises the value of the site and the contribution it could make to the town. The Queensway road itself and the associated infrastructure take up in excess of 35% of the land and provide a harsh physical setting with minimal landscaping.

The Better Queensway regeneration scheme seeks to make better use of the site; provide more attractive buildings and architecture in a prominent location; provide for new homes and businesses; provide new areas of public realm and open space and physically stitch this important part of the town back together in a means that supports movement and flow of people through the south into the town centre. The scheme will bring forward a host of benefits:

- address the inefficiently planned estate and poor quality of the existing 441 housing units on site;
- remedy severance with the High Street;
- provide a greater developable area;
- improve connectivity including important through traffic routes to the seafront; and
- reduce pollution.

Prior to this GBF bid, Southend Borough Council secured £15m in funding from the Housing Infrastructure Fund, to deliver the full scheme alongside Swan Housing Association as a development partner.

Getting Building Funding is subsequently required for an unforeseen capital sum to upgrade the local electrical networks to provide the needed capacity to meet new government guidelines on energy use in new homes and to enable sufficient resilience in the local grid. The introduction of the Future Homes Standard set out requirements for new homes to have increased energy efficiency requirements from 2020, with these requirements becoming legislation by 2025.

A key aspect of the Future Homes Standard is a recalibration in the carbon factor in energy calculations, meaning that the gas-based energy system of the current development will no longer comply with government legislation and planning regulations. Getting Building funding is required to upgrade the local electrical networks and power supply. The scheme no longer meets regulatory standards and cannot legally proceed due to this requirement, and without Getting





Building funding it is undeliverable. As part of this upgrade, electrical vehicle charging points will be provided to encourage and enable more sustainable transport options in Southend. UK Power Networks have provided a quote and breakdown of the works required to the power network, which is situated on London Road, to the east of the site. The land sits within public highway and council owned land. The works are summarised below:

- Installation of new 11kV double bus-bar switchboard at Southend Grid 132/11kV - including 4 x new 11kV circuit breakers.
- Installation of 4 x 1km of 11kV cable route between Southend Grid 132/11kV and customer's site.
- Installation of approx. 13 x 11kV/LV substations on-site

## 2.2. Logic Map

<b>Inputs</b>	<b>Outputs</b>	<b>Outcomes</b>	<b>Impacts</b>
<p><b><i>For all schemes:</i></b></p> <p>Grant Spend £4.2m</p> <p>Matched Contributions Spend £15m - HIF</p> <p>Leveraged Funding £2.7m (source to be confirmed)</p>	<p><b><i>For all schemes:</i></b></p> <ul style="list-style-type: none"> <li>- Area of land re-developed: 5.2 ha</li> <li>- Housing units completed: 1,669</li> <li>- Commercial floorspace completed: 7,945sq m</li> <li>- Public realm delivered: 0.7ha</li> <li>- Energy generator in line with Future Homes Standard. This incorporates a new double bus-bar switchboard, installation of a new cable route, and installation of new substations</li> </ul>	<p><b><i>For schemes £2m-£8m:</i></b></p> <ul style="list-style-type: none"> <li>- Housing unit starts: 1,669</li> <li>- Commercial floorspace occupied: 7,945 sq m (sqm and class):</li> <li>- Housing units sold/occupied: 1,669</li> </ul>	<p><b><i>For schemes £2m-£8m:</i></b></p> <ul style="list-style-type: none"> <li>- Increased attractiveness to developers</li> <li>- Increased attractiveness to businesses</li> <li>- Increased footfall</li> <li>- Increased connectivity between Queensway estate and Southend town centre</li> <li>- Regeneration of Southend</li> <li>- Reduced pollution</li> </ul>

2.3. Location description:



Better Queensway's project site is a 5.2ha area within the immediate and wider vicinity of Southend Town Centre, in Essex.

The project will deliver 1,669 dwellings, of which the majority will be located in the Queensway Estate, located north of Southend town centre and just off the Queensway, in place of the four 16-storey tower blocks (Quantock, Pennine, Malvern and Chiltern) and two storey maisonettes. In its current state, the dilapidated concrete tower blocks dominate the Southend-on-Sea skyline. Developer public consultations have found comments describing the estate as "ugly", "bland" and "dark and grey". The site is inefficiently laid out resulting in small, high-density housing and large unusable spaces that encourage anti-social behaviour. The four tower blocks are bisected by a grade-separated eight-lane highway. This is over engineered, prevents movement across the site, produces high levels of noise and emissions pollution, blocks permeability and severs the Town Centre from NE Southend.

As part of the Better Queensway development, phased engineering works will remove the existing roundabout and associated underpass, with re - grading of the Queensway, to provide a new 4 lane carriageway with footpath; cycle lane, bus facilities, public realm, landscaping and associated structures as well as a new roundabout. Not only will this will improve connection from

Southend High Street and the Southend Victoria Train but also improve town centre accessibility for Southend residents.

Better Queensway will also deliver 7,945sq m of commercial space, comprised of high-quality office, retail and community and leisure space. Although the final location for the commercial space has yet to be determined, it is envisioned a significant proportion of the retail offer will be provided on Southchurch Road, a café/restaurant and small convenience offer will be provided elsewhere on the site and a nursery/creche/pre-school will be provided close to All Saints Church located immediately east of Southchurch Road.

The Queensway Estate is in a prominent town centre location, and the estate's regeneration is the Borough's largest regeneration project in over half a century. Its redevelopment into high quality residential and commercial space, alongside improved connectivity, public realm and green space, is expected to unlock further development and regeneration in Southend.

The specific works to be undertaken to the power network are to be undertaken both on the Queensway Site, and at Southend Grid, which is located at London Road, to the east of the site.

#### 2.4. Policy context:

##### ***The Future Homes Standard 2025***

The UK has set in law a target to bring all its greenhouse gas emissions to net zero by 2050. Homes account for 20% of the UK's emissions and as part of this target of zero emissions by 2050, the UK Government has committed to introducing the Future Homes Standard in 2025. The Government has stated that the aim is for the average home built in 2025 to have 75-80% less carbon emissions than one built to current energy efficiency requirements. Energy efficiency requirements for new homes are set by Part L (Conservation of Fuel and Power) and Part 6 of the Building Regulations. The Future Homes Standard will require new build homes to be future-proofed with low carbon heating and world-leading levels of energy efficiency; it will be introduced by 2025.

Consultation on the introduction of the Future Homes Standard began in January 2020 by the Department for Housing, Communities & Local Government, who have set out plans for the Future Homes Standard, including proposed options to increase the energy performance and energy efficiency requirements for new homes by 2025. As part of the Future Homes Standard, it will no longer be possible to install gas boilers in new buildings.

##### ***National Planning Policy Framework***

The National Planning Policy Framework (NPPF) is an overarching document, which constitutes guidance for local planning authorities on plan making and determining applications. The 'golden thread' throughout the NPPF is achieving sustainable development, which is sought jointly through economic, social and environmental gains, in both plan making and decision-taking. Within the NPPF is a set of 12 core land-use planning principles which should underpin plan-making and decision-taking and which planning should achieve. Paragraph 14 sets out that at the heart of the NPPF is a presumption in favour of sustainable development, which should be seen as a golden thread running through both plan making and decision taking.

For decision-taking this means:

*"Approving development proposals that accord with the development plan without delay; and where the development plan is absent, silent or relevant policies are out-of-date, granting planning*

*permission unless: any adverse impacts of doing so would significantly and demonstrably outweigh the benefits, when assessed against the policies in this Framework taken as a whole; or specific policies in this Framework indicate development should be restricted.”*

Paragraph 11 of the NPPF requires Authorities to approve development proposals that accord with an up-to-date development plan. As an application for residential development, whether the policies of the ‘Development Plan’ are considered ‘up-to-date’ is subject to the supply of housing pursuant to Paragraph 73 of the NPPF, or whether housing delivery is substantially below the requirement over the previous three years. Based on the latest Delivery Tests, in November 2019, it is anticipated Southend will fall short, by 22 percentage points.

The NPPF sets out that the Government expects the planning system to deliver homes, businesses, infrastructure and improve local places, whilst at the same protecting and enhancing the natural and historic environment. Paragraph 17 sets out that the planning system should proactively drive and support sustainable development to deliver the new homes that the country needs.

Paragraph 47 of the NPPF identifies measures to “boost significantly the supply of housing” and states that Local Plans should meet the objectively assessed need for housing in local authority areas. Paragraph 49 states that housing applications should be considered in the context of the presumption in favour of sustainable development. The Government published its National Planning Practice Guidance (NPPG) notes in March 2014. The NPPG notes support the NPPF and provide high level legislation with regards to specific planning issues and processes.

## **Local**

The 2007 Core Strategy forms part of the Southend-on-Sea Local Development Framework and provides the vision, objectives and overarching planning policies and strategy for the spatial development of the whole Borough of Southend-on-Sea until 2021. The Better Queensway project is well aligned to the strategies’ key policies:

- KP1, CP1, CP8: states that the primary focus of regeneration and growth within Southend is the Southend Town Centre and Central Area. BQ will significantly contribute to aims to deliver 2,000 homes under this policy and 6,500 jobs with the provision of commercial space.
- KP2: requires all new development, including transport infrastructure, to contribute to economic, social, physical and environmental regeneration
- KP3: as per policy, BQ have entered into a planning obligation with Swan Housing to ensure the provision of infrastructure and requiring development to accord with any relevant Area Action Plan or Supplementary Planning Document
- CP2: Development will help address the quantitative and qualitative deficiencies in the Town Centre’s retail offer
- CP3: BQ will improve accessibility in and round the town centre and help unlock development sites.
- CP4 and CP5: enabling infrastructure works will contribute to ambitions to delivery high quality, sustainable urban environment which enhances and complements the natural and built assets of Southend

The Core Strategy also provides the framework for the draft Southend Central Area Action Plan 2018 (SCAAP). Planning decisions within Southend Central Area, including those for Better Queensway, must be taken in line with the plan. The Plan details proposals and policies for the regeneration of the town centre, including comprehensive private sector housing and office development, backed by public sector investment to secure new public space and facilities.

BQ forms a key element of the Plan strategy and will directly contribute to the regeneration of the Southend Central Area, including the delivery of a new green space, new housing, social and economic infrastructure, and an enhanced town gateway, including contributions against:

- DS1: BQ will deliver leisure, residential and office uses that will support retail development that is well connected to the Town Centre Primary Shopping Area to maintain centre vitality.
- DS2 and DS3: proposed developments will not obstruct key views which include All Saints Church and Porters Civic House
- DS4: supports the drainage of surface water via SuDS to reduce the risk of on-site flooding
  - o DS5: BQ will improve gateway crossings for pedestrians at key locations on Queensway dual carriageway to support the policies aim for transport and infrastructure improvement and enhanced links to the town centre.
- PA1 and PA2: BQ enabling infrastructure works, as detailed a above, will support the provision of an improved public realm, including enhanced landscaping, lighting and signage, and urban greening.
- PA4: BQ will deliver 1,699 well designed dwellings and contribute to affordable housing provision targets

In accordance with the national land local planning frameworks, a planning application, containing greater detail in terms of alignment, was submitted for Better Queensway in August 2020.

#### **SELEP Strategic Economic Plan (SEP)**

Southend is recognised in the SEP as a major growth location within the A127: London – Basildon – Southend Corridor for both housing and jobs:

*“Southend Central (including Victoria Avenue) is a major new town centre quarter for new offices, including the City Deal secured Growth Hub, and housing”*

The Better Queensway scheme addresses the challenges identified in the SEP regarding accelerating and delivering more homes and supports the policy solutions such as set out on page 38, paragraph 2.84 for each local authority to consider how best to bring land in public ownership forward for residential development.

Furthermore, in the published Evidence Base (2017), being produced as part of a process for preparing the next Strategic Economic Plan, it reiterates SELEP’s ambition to accelerate housing delivery.

#### **2.5. Need for intervention:**

The housing crisis is a well-known and historic problem Britain has been contending with for decades. Academics have provided substantial research on the matter, many politicians have tried to lobby change, and policymakers on numerous attempts have tried to incentivise the supply of more homes. Funds such as the Housing Infrastructure Fund and changes to MHCLG appraisal guides have all been adopted with the focus to deliver more homes.

Within the context for Southend, the South Essex Strategic Housing Market Assessment (SHMA), Southend Central Area Action Plan (SCAAP) and the Local Economy and Property Market Review (LE&PMR) demonstrate acute housing need in the Borough:

- The SHMA identified a range of objectively assessed need for between 3,275 and 3,750 dwellings per annum for the period between 2014-2037.

- The SBC Core Strategy requires “at least 2,000 net additional new homes to be provided within the Central Area during the period from 2001 to 2021” and “a continued housing demand from London in the longer term”.
- LE&PMR confirms a high demand for housing in Southend: “the demand for all residential types is steadily increasing” and the value equation provides an excellent opportunity to harness market uplift to enable delivery; “in terms of sales values, the Queensway area is one of the worst performing areas in Southend” but because of its proximity to the station and town centre, “a new quality unit would achieve a significant increase from existing Queensway values”.

Better Queensway will directly and significantly contribute to the local’s area needs to provide more dwellings.

As to why the market has failed to deliver the necessary and socially optimal level of homes, there are a number of market failures:

- **Short to Medium term Rigidities in Land Supply:** Housing supply is unable to quickly respond to changes in demand or to price signals due to the responsiveness of the land market and inertia in the planning system.
- **Positive Externalities:** There are important social benefits that arise from the creation of new residential development in town centres. For the Better Queensway site this includes the wider social and economic value realised as a result of increased footfall and expenditure in the town, and the environmental benefits of a new energy generator and electric charging mechanisms. However, these benefits are not directly priced by the market, or captured in market valuations and transactions. In short, the potential environmental, economic and social benefits of improvements to Southend, to develop its profile, usage, sustainability and image will be greater than the benefits that can be captured by individual developers acting in isolation. Getting Building Fund investment will drive significant wider positive externality value and this will be monetised through an uplift in residential and commercial values (as detailed in the economic case).
- **Indivisibilities in the provision of infrastructure:** The existing power network of the Queensway Site does not meet regulatory requirements in line with the Future Homes Standard, which will become legislation in 2025, with the first homes for the Better Queensway site due to complete in 2026. UK Power Network (UKPN) holds the statutory licensed monopoly for the power networks of the area and thereby is subject to the regulatory scrutiny of Ofgem. The central role of Ofgem is to ensure that electricity customers obtain “value for money”. As a result, UKPN is constrained to only undertaking works/reinforcement to its network which either: (a) is agreed with the regulator; or (b) is paid for by the entity requesting the connection. UK Power Network cannot undertake speculative or any investment ahead of a need for the same (as this is deemed by Ofgem to be contrary to its obligations - unless such investment is agreed as part of the price review discussions). There is therefore a market failure position, as upfront investment in the energy network is needed to future proof the site. This deters private sector investment and is not a requirement of UKPN.
- **Information asymmetry** – capital lenders do not necessarily possess all of the information about their potential client’s capacity to pay and refuse to loan or set unaffordable terms, a problem exacerbated by housing being expensive as it stands, and as such affecting the efficiency of the market. Incorrect appreciation of risk in the housing market due to price volatility, instability and proneness to cyclical change attracts investor speculation and affect households seeking housing. This is particularly true within the current COVID-19 context.

## 2.6. Sources of funding:

The project was successful in securing £15 million of Housing Infrastructure Funding. This was prior to the change in government regulations and requirement to invest in upgrading the energy provision. Southend-on-Sea Borough Council and Swan Housing do not have the funds to cover the funding shortfall, and there are no other appropriate funding streams at present to secure investment in.

**2.7. Impact of non-intervention (do nothing):**

As noted above, prior to new government guidelines on energy use, the project without GBF funding would have gone ahead. The project is now at a standstill and will be unable to go ahead without funding to increase the capacity of the electrical sub-station. Where before, the do-nothing case may have led to some dwellings to be delivered under a reduced scheme, this is no longer possible due to regulatory conditions imposed on the development.

This means without intervention, the proposed 1,669 dwellings and 7,945 sq m in commercial space will not be able to come forward. Similarly, there will be no town centre regeneration and existing issues with crime, pollution, poor town centre connectivity, and insufficient housing in Southend will remain.

**2.8. Objectives of intervention:**  
Project Objectives

Objective 1: Upgrade and increase capacity of electrical sub-station on Better Queensway site to comply with government regulation

Objective 2: Enable the delivery of the Better Queensway development, with 1,669 homes and 7,945 sq m of commercial space alongside public realm investment brought forward on the site.

Problems or opportunities the project is seeking to address

Problem / Opportunity 1: Changes to government regulation resulting in existing electrical sub-station on Better Queensway site to be noncompliant with government regulation and planning requirements.

Problem / Opportunity 2: Shortage of housing in Southend-on-Sea

Problem/Opportunity 3: Existing Queensway Site providing insufficient number and quality of homes, with significant potential to improve the housing, commercial and public realm offer on a key town centre site.

	Problems / opportunities identified in Need for Intervention section		
	Problem / Opportunity 1	Problem / Opportunity 2	Problem / Opportunity 3
Objective 1	✓		
Objective 2		✓	✓

**2.9. Constraints:**

Upgrades to the power network are required at two locations, one on the site and one at Southend Grid substation. This is in close proximity to the Queensway Estate, on London Road. Although construction work on the road will be required as part of the energy upgrade, the land sits within public highway and council owned land so there are no high-level constraints associated with this work.

**2.10. Scheme dependencies:**



Vacant possession of non-council owned land is not required to deliver the infrastructure & highways package as this sits within public highway and council owned land. 29% of the remaining Better Queensway site is not in Council ownership. The site comprises a mix of affordable housing as well as resident and non-resident leaseholders. There are a number of privately-owned properties alongside Southchurch Road, which are also outside of Council ownership.

The Council has developed a CPO strategy for the site. This has quantified the potential costs of CPO and spelt out the steps to achieve a successful CPO. Negotiations have commenced with landowners in an effort to negotiate purchases, but CPO will be used where applicable. This potential requirement has been built into the development timeline.

The highways scheme will need to be approved for the redevelopment of the Queensway Estate to go ahead. The Council is currently consulting on the Highways scheme that underpins the development, and at the completion of this consultation the scheme will be approved by Members.

The scheme is still awaiting full planning permission consent, and an outcome is expected by February 2021.

#### **2.11. Expected benefits:**

A number of benefits which are not valued in the Economic Case will be achieved through the delivery of the Better Queensway project, and specifically through the funding of an improved energy generator for the site. These include:

- Environmental Benefits – these will be delivered through the increased energy efficiency of the new energy generator. The new energy generator will also provide electric vehicle charging points, providing another significant environmental benefit of Southend, through encouraging and enabling the use of sustainable transport means in the town. Additional environmental benefits will result from delivery of the wider scheme, including through reduced highway noise and emission pollution, alongside significant investment in public realm.
- Transport benefits – the delivery of the wider scheme will re-grade the Queensway to provide a new four lane carriageway, new roundabout, new pedestrian and cycling crossings and removal of an underpass, to connect the site with the town centre.
- Amenity benefits – the delivery of the wider scheme will provide enhanced public realm and open space for local people, alongside providing a more attractive living environment and landmark development for Southend.
- Economic benefits – additional jobs and GVA will result from the creation of additional high-quality commercial space, with increased local resident spend through an increased population on the site and across the wider town.

#### **2.12. Key risks:**

A summary of the key risks of the scheme are listed below. Please refer to the Management Case for a detailed risk register.

- Securing Vacant Possession-Vacant Possession of non-council owned land is not required to deliver the infrastructure and highways work as this sits within public highway and council owned land. The Council has developed a CPO strategy for the 29% of the Better Queensway site not in Council ownership.
- Costs increase- detailed financial viability assessments have been undertaken
- Sales/ rental values change- extensive work has been undertaken, including sensitivity testing in the economic appraisal. The Southend residential market has remained particularly buoyant during the COVID-19 pandemic.

- COVID-19 leads to delays in delivery- the programme for delivering the Better Queensway regeneration is over 13 years and so some slippage in timeframes can be accommodated for.
- Securing planning permission- The Hybrid Planning application was submitted to and validated by Southend Borough Council in September 2020. The full planning application is visible on the Southend Borough Council planning website currently. Prior to submission, the LLP held several rounds of public consultation and stakeholder engagement on the proposals. This involved direct contact with hundreds of individuals through a 6-month period of consultation events. A website is available at [www.betterqueensway.co.uk](http://www.betterqueensway.co.uk) which provides the most up to date project information for all to see. Regular resident newsletters are distributed on the estate with progress updates and a resident steering group has been established who provides an opportunity for residents to shape the designs. The extensive engagement means Southend Borough Council and Swan Housing have been able to integrate a large amount of feedback in the scheme proposals. The current council cabinet are supportive of the scheme. There is strong support amongst the existing estate residents for the redevelopment.

### 3. ECONOMIC CASE

#### 3.1. Options assessment:

Due to the regulatory requirement as part of the introduction of the Future Homes Standard in 2020, a detailed options assessment was not possible when developing the preferred option to proceed with the Better Queensway scheme.

One of the objectives of the Future Homes Standard 2020 is to start preparing the housing supply chain for 2025, when it will become illegal to install gas boilers in new buildings. The scale of the Queensway Estate and significant remediation and infrastructure works required means that homes will not come to the market prior to 2026, when it will be illegal to utilise gas boilers as the energy provider for homes. This is the current energy network for the development and so to comply with regulation, there were not a variety of options that could be considered for the scheme.

Discussions with external engineering firm Gardiner and Theobald LLP have been undertaken to see if any alternative options are available to providing a new energy network. A reduced version of the electrical grid upgrades and connection works could be implemented which would lead to a marginal £500,000 in saving. However, this would reduce the required power down to 10 MW for the scheme and would only serve as a short-term fix to the energy supply, without future proofing the site and requiring a further upgrade in the short to medium term. This option has been modelled as the 'Do Minimum' option but is not a viable option for the reasons outlined.

#### 3.2. Preferred option:

The Preferred Option comprises £4.2m of SELEP funding to fully upgrade the energy network. This will provide a new energy network that is compliant with government regulations introduced as part of the Future Homes Standard in 2020. This new regulation requires new homes by 2025 to have high energy efficiency standards. The development as is stands will not be regulatory or planning compliant. The upgrading of the energy network will include the provision of electric vehicle charging points, encouraging and enabling more sustainable modes of transport in the town.

UK Power Network have provided a quote for the works which are required, at two sites, both on the Queensway Estate and at Southend Grid substation on London Road. A summary of the specific upgrades required are listed below:

- Installation of new 11kV double bus-bar switchboard at Southend Grid 132/11kV - including 4 x new 11kV circuit breakers.
- Installation of 4 x 1km of 11kV cable route between Southend Grid 132/11kV and Queensway site.
- Installation of approx. 13 x 11kV/LV substations on Queensway site

The gap funding of the required new energy network enables the delivery of the overall Better Queensway Masterplan, whereby phased demolition of existing residential and commercial uses, alongside highways infrastructure improvements, will bring forward a significant new mixed-use development for Southend, comprising 1,669 residential units and 7,945 sq m of commercial space, alongside significant public realm improvements.

The plans and design of the overall scheme have been subject to extensive community and stakeholder consultation over several years. Two rounds of public consultation from 2017

informed a comprehensive design evolution process to accommodate comments and concerns of local residents and business owners.

In January 2019 Southend-on-Sea Borough Council selected Swan Housing to be their preferred partner to deliver the regeneration of Queensway and take on the long-term management of the regenerated area following a robust procurement process and contracts for a 30 joint venture were signed. Swan, as a regenerating Housing Association, have 25 years' experience of carrying out complex estate regenerations and are committed to managing the project over the long term to deliver benefits for residents and Southend. Southend -on-Sea Borough Council and Swan will work closely with South Essex Homes, who manage the Queensway Estate on behalf of the Council, during the project to support residents. Tenancies will remain with South Essex Homes until residents are moved into their new home and all residents will be provided with a team of dedicated officers to support them.

### 3.3. Assessment approach:

#### **Do Nothing**

Failure to secure funding will lead to the continued stalling of the Queensway Estate development, with the site remaining in its current existing use and without remediation, infrastructure and development works taking place. This is because without SELEP funding the site in its current form will not comply with new government regulatory and planning requirements as part of the Future Homes Standard. Clearly without this strategic intervention in the Queensway Estate regeneration, the opportunity to provide a catalytic effect for the town which kick starts and creates a vibrant new residential neighbourhood, with a significant number of new homes alongside connectivity public realm and commercial space investment is lost.

#### **Do Minimum**

Discussions with engineer firm Gardiner and Theobald have confirmed that a reduced scale upgrade works on improving the capacity and resilience of the electrical grid in the area is possible and would cost £500,000 less. Although for the immediate and short term this will suffice to deliver the same outputs as the preferred option, the additional small fee for the full works is both economically and strategically advantageous. The 'Do Minimum' option will not future proof the site, and additional works would be required to fully upgrade the energy network at a later date.

### 3.4. Economic appraisal assumptions:

#### ***To be read in conjunction with Appendix A.***

The Economic appraisal has been undertaken as an independent analysis by Hatch. Our assumptions are included in Appendix A. Estimates of Land Value Uplift have been derived from the Policy Guidance issued by MHCLG, and other accredited sources. The methodology underpinning our assumptions is based on the MHCLG appraisal guide.

### 3.5. Costs:

As specified in the Strategic Case, without the gap funding from Getting Building fund, the project has stalled, and the Better Queensway regeneration is undeliverable. Therefore, all benefits of land value uplift resulting from increased housing and commercial space on the site, are attributed in this economic appraisal. This means that all public sector costs have also been included in the economic appraisal, as listed below.

All costs in the scheme have had a contingency of 5% applied to them in the economic appraisal, including all infrastructure components. Cost inflation has also been incorporated, at 2.5% per annum.

- Getting Building Fund	£4,200,000
- HIF Undiscounted Funding	£15,000,000
- Match funding (to be sourced)	£2,700,000
<b>Total:</b>	<b>£21,900,000</b>

The total public sector costs on a discounted basis are: **£20,475,768**

With Optimism Bias of 24% the overall costs increase to a discounted value of: **£25,389,952**

### 3.6. Benefits:

Quantified Benefits analysis has been restricted to Land Value uplift only. This has been done in the interests of transparency and to avoid double-counting in line with existing CLG Guidance.

Do Nothing Land Value: **£54,575,605**

Do Nothing Land Value (Deadweight)		(£54,575,605)
Preferred Option Land Value	£179,699,830	
Less Displacement (25%)	(£35,939,966)	
Undiscounted Preferred Option Land Value		£143,759,864
Undiscounted Residential Land Value Uplift (including displacement)		£177,616,526
Undiscounted Non-residential land value uplift (including displacement)		£2,083,304
Total Undiscounted		£179,699,830

#### 'Adjusted' Benefits

An adjusted benefits value was not calculated as part of this bid. The core benefits alone demonstrate that the project delivers strong value for money. This does not however mean there are no further environmental, transport and social benefits of the scheme. We have provided some qualitative analysis of these benefits:

- Environmental Benefits – these will be delivered through the increased energy efficiency of the new energy generator. The new energy generator will also provide electric vehicle charging points, providing another significant environmental benefit to Southend, through encouraging and enabling the use of sustainable transport means in the town. Additional environmental benefits will result from delivery of the wider scheme, including through reduced highway noise and emission pollution, alongside significant investment in public realm. Economic values related to air quality improvement, greenhouse gas emission reduction, reductions in the long run variable cost would further increase the benefits of the scheme.

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- Transport benefits – the delivery of the wider scheme will re-grade the Queensway to provide a new four lane carriageway, new roundabout, new pedestrian and cycling crossings and removal of an underpass, to connect the site with the town centre. A WebTag compliant assessment would add economic value to the proposed project.
- Social benefits – the delivery of the wider scheme will provide enhanced public realm and open space for local people, alongside providing a more attractive living environment and landmark development for Southend. It is envisioned that the town centre regeneration will reduce crime and deliver economic and social value from doing so.

**Jobs** have been assessed at: office jobs at 1 job per 12 sq.m. and retail jobs at 1 job per 18 sq.m, giving a total of 552 **FTEs** gross. This is in keeping with HCA floorspace ratios. These jobs would yield an annual GVA contribution of **£21.2m** once the site is fully occupied (based on ONS' average Southend-on-Sea GVA per filled job of £38,455 across the site and assessed on a gross basis).

### 3.7. Local impact:

As noted above the project will deliver a total of 1,669 dwellings of which 1,157 are for sale, 300 are affordable and remainder shared equity/ownership. This will have a significant contribution locally, including as part of delivering Southend Borough Council's core strategy to deliver 2,000 net additional new homes within the central area by 2021 and SHMA's objective housing assessment need of 3,275-3,750 dwellings per annum.

Furthermore, the local impact of the 552 permanent jobs associated with the scheme can be assessed through the application of simple additionality framework. We assume the following ratios based on the HCA Additional Guide:

Deadweight (7.5%): 41 FTEs  
 Leakage: **Medium** (25%) - A reasonably high proportion of the benefits will be retained within the target area/target group  
 Displacement: **Medium** (50%) About half of the activity would be displaced  
 Multiplier: **Medium** (1.1) - Average linkages. The majority of interventions are in this category.

Total Net Additional Local Jobs: **211 ftes**  
 Net Additional GVA per year: **£8.1m** pa (@ £38,455 per fte)

Additional local project impacts will result from:

- Infrastructure enabling works will improve resident and visitor's accessibility to the town centre and deliver positive environmental impacts
- Town centre regeneration will help indirectly tackle crime

### 3.8. Economic appraisal results:

In the below table, we have presented the net present value from land value uplift alone, that is accounting for the deadweight scenario which values the land value as it currently stands and displacement at 20%.

	DCLG Appraisal Sections	Option 1 relative to status quo (Do Something)	Option 2 relative to status quo (Do Minimum)
<b>A</b>	Present Value Benefits [based on Green Book principles and Green Book Supplementary and Departmental Guidance (£m)]	£74,463,689	£74,463,689
<b>B</b>	Present Value Costs with Optimism Bias (£m)	£25,389,952	£24,810,947
<b>C</b>	Present Value of other quantified impacts (£m)	£0	£0
<b>D</b>	Net Present Public Value (£m) [A-B] or [A-B+C]	£49,073,737	£49,652,742
<b>E</b>	'Initial' Benefit-Cost Ratio [A/B]	2.9	3.0
<b>F</b>	'Adjusted' Benefit Cost Ratio [(A+C)/B]	2.9	3.0
<b>G</b>	Significant Non-monetised Impacts	<ul style="list-style-type: none"> <li>• <b>Jobs:</b> Total Net Additional Local Jobs: 211 FTEs</li> <li>• <b>Housing:</b> total 1,669 additional units, comprising 1,157 for sale and 300 affordable rent (captured in land value uplift calculations)</li> <li>• <b>Environmental:</b> improved energy efficiency will contribute economically to air quality improvements, greenhouse gas and long run variable cost reductions.</li> <li>• <b>Social:</b> value of public realm and impact on crime</li> </ul>	
<b>H</b>	Value for Money (VfM) Category	<b>Very good.</b> Only using land value uplift alone, the project demonstrates very good value for money at £3.5 for every £1 of public money invested.	
<b>I</b>	Switching Values & Rationale for VfM Category	<p>The following variables have been tested to identify the change required to obtain a BCR of 2.0 and 1.0 respectively:</p> <ul style="list-style-type: none"> <li>• Optimism Bias <ul style="list-style-type: none"> <li>- Modelled: 24%</li> <li>- BCR 2.0: 78%</li> <li>- BCR 1.0: 247%</li> </ul> </li> <li>• Displacement <ul style="list-style-type: none"> <li>- Modelled: 20%</li> <li>- BCR 2.0: 45%</li> <li>- BCR 1.0: 72%</li> </ul> </li> <li>• LVU Growth <ul style="list-style-type: none"> <li>- Modelled: No growth</li> </ul> </li> </ul>	

	DCLG Appraisal Sections	Option 1 relative to status quo (Do Something)	Option 2 relative to status quo (Do Minimum)
		<ul style="list-style-type: none"> <li>- BCR 2.0: -31% per annum</li> <li>- BCR 1.0: -65% per annum</li> </ul> <ul style="list-style-type: none"> <li>• Construction Costs (discounted with OB)               <ul style="list-style-type: none"> <li>- Modelled: £25.4mn</li> <li>- BCR 2.0: £37.2mn</li> <li>- BCR 1.0: £74.5mn</li> </ul> </li> <li>• Dwellings delivered               <ul style="list-style-type: none"> <li>- Modelled: 1,669</li> <li>- BCR 2.0: 1,285 (77% of modelled))</li> <li>- BCR 1.0: 885 (53%)</li> </ul> </li> </ul> <p>As demonstrated, the project represents strong value for money when subject to sensitivity tests. Land values would have to drop by 31% before the scheme delivered a BCR of less than 2.0:1, and by 65% to deliver a BCR of 1.0:1.</p>	
<b>J</b>	DCLG Financial Cost (£m)		£4.2mn (undiscounted)
<b>K</b>	Risks		<ul style="list-style-type: none"> <li>- Securing Vacant possession- VP of non-council owned land is not required to deliver the infrastructure &amp; highways package itself as sits within public highway / council owned land. The Council has developed a CPO strategy for the 29% of the Better Queensway site not in Council ownership</li> <li>- Costs increase- detailed financial viability assessments have been undertaken</li> <li>- Sales/ rental values change- extensive work has been undertaken, including sensitivity testing in the economic appraisal. The Southend residential market has remained particularly buoyant during the COVID-19 pandemic.</li> <li>- COVID-19 leads to delays in delivery- the</li> </ul>



	<b>DCLG Appraisal Sections</b>	<b>Option 1 relative to status quo (Do Something)</b>	<b>Option 2 relative to status quo (Do Minimum)</b>
			programme for delivering the Better Queensway regeneration is over 13 years and so some slippage in timeframes can be accommodated for.
<b>L</b>	Other Issues		- Planning application has been submitted and is awaiting decision.

## 4. COMMERCIAL CASE

### 4.1. Procurement options:

The works required within UK Power Network's demise on London Road are non-negotiable and UK Power Network must legally deliver those themselves. The "contestable" works, which relate to the utility works connecting the substation to the Queensway site would be possible to tender out and this would be managed by NU Living, Swan Housing's in-house contractor.

An alternative option would be to utilise another contractor to manage the procurement of the non-contestable works. However, NU Living are Swan's in-house contractor, who are delivering the overall Queensway scheme and have significant experience in projects of this type.

### 4.2. Preferred procurement and contracting strategy:

The works to upgrade the energy network would be procured and placed by the LLP of Swan Housing and Southend Borough Council, and the LLP has appointed Swan as the development manager to deliver this scheme.

The works required within UK Power Network's demise on London Road are non-negotiable and UK Power Network would deliver those themselves. The "contestable" works, which relate to the utility works connecting the substation to the Queensway site would be possible to tender out and this would be managed by NU Living.

### 4.3. Procurement experience:

NU Living have significant experience in procurement and the delivery of housing projects. NU living is the development company for Swan Housing Group. Swan Housing has a secured development pipeline, delivering over 6,500 new homes across East London and Essex. With over 675 homes on site, all of these projects are being delivered by NU Living, with recent projects including 360 Barking, a 28-storey tower development in Barking and Dagenham and the delivery of 1,575 homes at Blackwell Reach in Tower Hamlets.

### 4.4. Competition issues:

No competition issues with the supply chain.

### 4.5. Human resources issues:

No human resource issues.

### 4.6. Risks and mitigation:

The LLP will take full responsibility for all elements of procurement in relation to the 'contestable works', and this will need to be undertaken in accordance with the Council's Contracts Procedure Rules as per the terms of the agreement between Swan Living and Southend Borough Council.

NU Living will develop tender documents which will then transfer risks as appropriate to the contractors as part of this procurement process, ensuring that all appointed contractors have minimum thresholds of insurance cover as per the Council's Contract Procedure Rules. All tender documents will be reviewed and agreed by the Council in advance of being posted and the Council will need to be satisfied that the risk allocation is satisfactory.

## 5. FINANCIAL CASE

### 5.1. Total project value and funding sources:

Source	Prior to 2020	Expenditure Forecast				
		20/21	21/22	22/23	23/24	Etc
Housing Infrastructure Fund		£5,000,000	£7,500,000	£2,500,000		
Getting Building Fund		£1,000,000	£3,200,000			
Additional funding required				£2,700,000		
<b>Total funding requirement</b>		£6,000,000	£10,700,000	£5,200,000		

Cost inflation is inputted at RPI, assumed at 2.5% per annum.

### 5.2. SELEP funding request, including type (LGF, GPF, GBF etc.): £4.2 million

### 5.3. Costs by type:

Cost estimates to upgrade local electrical networks to provide the needed capacity to meet new government guidelines on energy use in new homes and to enable sufficient resilience in the local grid to provide the required level of electrical vehicle charging to future proof the town centre were provided by UK Power Networks' licensed distributor Eastern Power Networks plc in March 2020.

The capital budget estimation to provide 11.5MVA for the Better Queensway Development is:

- Non-contestable (works on the substation): £3.1m + VAT
- Contestable (site preparation including groundwork to access electrical infrastructure): £2.5m + VAT

We confirm that Optimism Bias has not been applied to the Financial Case.

Cost type	Expenditure Forecast				
	20/21 £000	21/22 £000	22/23 £000	23/24 £000	Etc.
Capital	£1,000,000	£3,400,000	£1,400,000		
Non-capital					
QRA					
Monitoring and Evaluation					
<b>Total funding requirement</b>	£1,000,000	£3,200,000	£1,400,000		

### 5.4. Quantitative risk assessment (QRA):

A full QRA has not been completed. Project cost estimates are based upon an identified supplier estimate from Eastern Power Networks plc, the licensed distributor for the region on behalf of UK Power Networks.

Construction costs for the whole scheme have provided through commissioned external reports from the Council's BQ advisors: Cushman & Wakefield developed the property costs and Gardiner and Theobald developed the costing for the highways and infrastructure works.

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

Funding source	22/23 £000	23/24 £000	24/25 £000	25/26 £000
GBF Capital source HIF		£5,000,000	£7,500,000	£2,500,000
Capital source SELEP Getting Building		£1,000,000	£3,200,000	
Capital source (to be confirmed)				£2,700,000
<b>Total funding requirement</b>		£6,000,000	£10,700,000	£5,200,000

**5.6. Funding commitment:**

Porters Place LLP will cover any cost overruns relating to expenditure and programme delivery.

**5.7. Risk and constraints:**

Remaining £2,700,000 of gap funding still has to be secured. The spending profile means that there is significant time to secure additional funding to address this remaining small gap in funding. The LLP structure anticipates a mix of funding being brought into the project to deliver. There is an existing Junior Loan facility from each shareholder from which the LLP currently draws funding in line with approved business plan. Further senior debt will be required to deliver the scheme. In phase 1 the project will draw down all of the HIF grant and Swan Housing Association has a pre-purchase arrangement to acquire the affordable homes from the LLP on a "package" basis (land and build). Discussions are ongoing between the LLP and Southend Borough Council for the council to provide the senior debt facility through the public works loan board alongside other options. A funding workstream has been established and liaison between Swan and Southend finance directors is ongoing to ensure funding is in place. Costs increase- detailed financial viability assessments have been undertaken.

Sales/ rental values change- extensive work has been undertaken, including sensitivity testing in the economic appraisal. The Southend residential market has remained particularly buoyant during the COVID-19 pandemic.

COVID-19 leads to delays in delivery- the programme for delivering the Better Queensway regeneration is over 13 years and so some slippage in timeframes can be accommodated for.

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## 6. MANAGEMENT CASE

### 6.1. Governance:

Comprehensive and transparent project governance and management arrangements have already been established to support the delivery of the Better Queensway site and are already in operation through the successful funding allocation from HIF and the development of the project to date. The scheme will continue to follow the same 'tried and tested' governance and management arrangements.

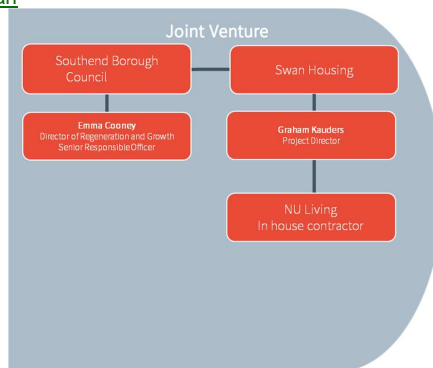
Following a robust procurement process, an LLP was formed through the joint venture between Swan Housing and Southend Borough Council. The LLP has overall responsibility for delivering Better Queensway. Funds will be received by Southend Borough Council and transferred to the LLP, with an agreement in place to allocate risk. The same tried and tested approach was adopted for the allocation of HIF funding.

Emma Cooney, Director of Regeneration and Growth, Southend Borough Council is the Project Sponsor and Senior Responsible Officer.

Swan Housing has been appointed as the development manager to deliver the Queensway scheme, with Graham Kauders, Project Director, responsible for delivery.

NU Living, Swan Housing's in-house contractor will be delivering the scheme and responsible for procuring the in-contestable works of the upgrade to the power networks.

#### Project Management Plan



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### 6.2. Approvals and escalation procedures:

Progress against key milestones will be reported back to SELEP's Programme Manager as required by Southend Borough Council's S151.

A back to back agreement will be established between Southend Borough Council and the LLP to allocate risk, with a similar arrangement in place for the HIF funding.

### 6.3. Contract management:

Capital expenditure and output delivery will be monitored through the existing Capital Programme Monitoring Process and reported to the Council's Cabinet. Tim Rignall, the Council Capital Programme 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 Southend Borough Council.

**6.4. Key stakeholders:**

Existing residents and business occupiers, alongside wider residents in Southend, are key stakeholders. An extensive consultation and engagement programme has already been undertaken with both sets of stakeholders. Southend-on-Sea Borough Council began consulting residents in 2014 on the concept of regenerating the Queensway Estate and made big four decisions to demolish towers, transform the road, offer residents same terms and conditions and agreed scope of project.

Post signing terms on a joint venture partnership with Swan Housing, a second round of consultation with local residents was undertaken, through external consultants Social Life. Social Life Survey was carried out to identify the strengths and weaknesses, needs, aspirations and opportunities presented by the regeneration plans and to enable the development of the “Better Queensway for everyone” programme of community investment. The engagement exercise also provides an evidence baseline to enable the measurement of the impact of this programme and the wider estate regeneration.

**6.5. Equality Impact:**

An Equality Impact Assessment (EqIA) for Better Queensway was previously completed by Southend Council prior to the procurement process for the development partner. The LLP will undertake a further EqIA before a funding agreement is signed.

**6.6. Risk management strategy:**

The Risk Management Strategy provides detail on the outstanding risks of the project. The Strategy demonstrates how mitigating measures are in place and there are no significant outstanding risks.

**6.7. Work programme:**

UK Power Networks have provided a quote for the upgrade to the power network and will undertake the contestable works on their own site from 2021. Swan Housing has the resource availability to procure the additional piece of work on the Queensway site through their in-house contractor, NU Living.

**6.8. Previous project experience:**

Southend Borough Council has extensive experience in delivering regeneration projects to time and budget, and in delivering a range of benefits for local people. The Council’s joint venture partner, Swan Housing Association, has been operating for 25 years and operates across Essex and East London providing high-quality and affordable homes to rent and buy. They locally manage over 11,000 homes, with a secured development pipeline of over 6,500 homes which they will build using their in-house developer and contractor NU Living using both traditional and offsite construction.

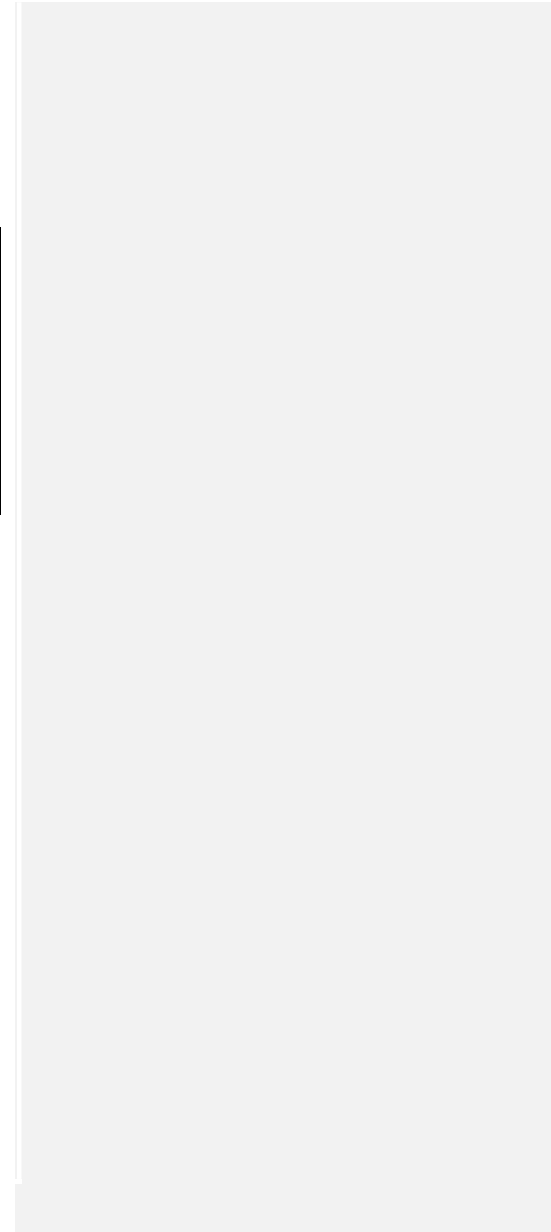
An example project which has been successful in achieving objectives and securing benefits is the £300m regeneration of Robin Hood Gardens in Tower Hamlets, which Swan Housing has undertaken in partnership with the Mayor of London and the London Borough of Tower Hamlets. The scheme has replaced 252 existing homes with 1,575 new homes, 50% of which will be affordable housing; shops and commercial premises, and provided improved public green space and a new station square at Blackwall Reach DLR.

**6.9. Monitoring and evaluation:**

6.91 Logic Map

Objectives	Inputs	Outputs	Outcomes	Impacts
<p>Objective 1: Upgrade and increase capacity of electrical sub-station on Better Queensway site to comply with government regulation</p> <p>Objective 2: Enable the delivery of the Better Queensway development, with 1,669 homes and 7,945 sq m of commercial space alongside public realm investment brought forward on the site.</p>	<p><i>For all schemes:</i> Grant Spend £4.2m</p> <p>Matched Contributions Spend £15m</p> <p>Leveraged Funding £2.7m (to be confirmed)</p>	<p>Area of land re-developed: 5.2 ha</p> <p>Housing units completed: 1,669</p> <p>Commercial floorspace completed: 7,945sq m</p> <p>Public realm delivered: 0.7ha</p> <p>Energy generator in line with Future Homes Standard</p>	<p>1,669 housing unit starts, 7,945 sq m commercial floorspace occupied, Increased commercial rental values Improved energy efficient homes</p>	<p>Increased attractiveness to developers</p> <p>Increased attractiveness to businesses</p> <p>Increased footfall</p> <p>Increased connectivity between Queensway estate and Southend town centre</p> <p>Regeneration of Southend</p> <p>Reduced pollution</p>

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**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>	Yes / 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>	Yes /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>	Yes / 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 G.

Where scheme promoters consider information to fall within the categories for exemption (stated in Appendix G) 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>Emma Cooney</i>
<i>Print full name</i>	<i>EMMA COONEY</i>
<i>Designation</i>	<i>Director of Regeneration and Growth</i>

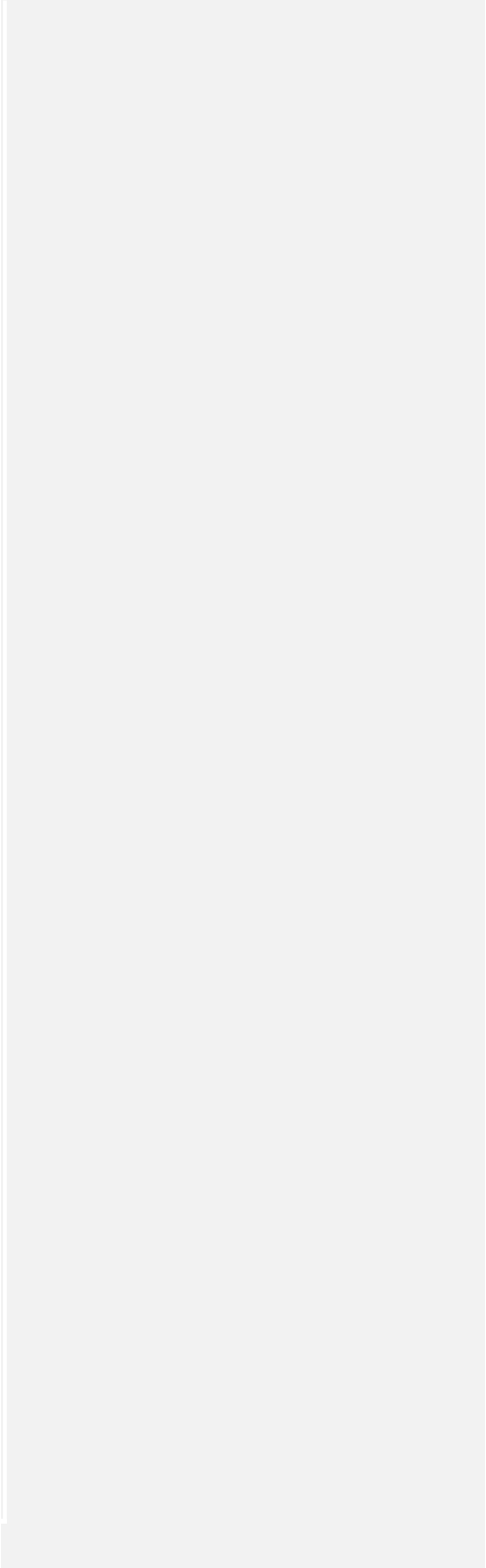
## 8. APPENDIX A – ECONOMIC APPRAISAL ASSUMPTIONS

[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.]

Appraisal Assumptions	Details
QRA and Risk allowance	As per UK Power Network costing report
Real Growth	n/a
Discounting	3.5 per cent as mandated by HMT Green Book
Sensitivity Tests	The following variables were tested to identify the change required to obtain a BCR of 2.0 and 1.0 respectively: <ul style="list-style-type: none"> <li>• Optimism Bias</li> <li>• Displacement</li> <li>• LVU Growth</li> <li>• Construction Costs (discounted with OB)</li> <li>• Dwellings delivered</li> </ul>
Additionality	On employment: <ul style="list-style-type: none"> <li>- Leakage: <b>Medium</b> (25%) - A reasonably high proportion of the benefits will be retained within the target area/target group</li> <li>- Displacement: <b>Medium</b> (50%) - About half of the activity would be displaced</li> <li>- Multiplier: <b>Medium</b> (1.1) - Average linkages. The majority of interventions are in this category</li> </ul> On Land Value Uplift Deadweight: Reference case Displacement: 20%
Administrative costs of regulation	n/a
Appraisal period	2020/21 – 2032/33 (when the project completes)
Distributional weights	Not applied
Employment	HCA employment density guidance
External impacts of development	n/a
GDP	n/a
House price index	n/a
Indirect taxation correction factor	Not required
Inflation	Benefits and costs have been presented in 2020/21 prices – HM Treasury benchmark GDP deflators were used where necessary.
Land value uplift	See detailed note in economic case
Learning rates	n/a
Optimism bias	An upper bound optimism bias of 24% has been applied to the capital expenditure assumptions, following Green Book supplementary guidance
Planning applications	Assumed planning application passes and delivery of dwellings and commercial space can begin in 2026/27
Present value year	2020/21
Private sector cost of capital	£0
Rebound effects	n/a



Regulatory transition costs	n/a
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## 9. APPENDIX B - FUNDING COMMITMENT

*Draft S151 Officer Letter to support Business Case submission*

*Dear Colleague*

*In submitting this project Business Case, I confirm on behalf of [Insert name of County or Unitary Authority] 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 or other grant 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 Growth*

*S151 Officer - Joe Chesterton, Executive Director (Finance and Resources)*

10. APPENDIX C – 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
				[e.g. Medium 3]	[e.g. Very Low 1]	[Likelihood of occurrence multiplied by Impact]		
Securing Vacant possession not achieved	High	Emma Cooney, Southend Borough Council	Emma Cooney, Southend Borough Council	2	4	8	VP is not required to deliver the infrastructure & highways package itself as the land sits within public highway and council owned land. The Council has developed a CPO strategy for the 29% of the Better	2

							Queensway site not within Council ownership. This has quantified the potential costs of CPO and spelt out the steps to achieve a successful CPO. Negotiations have commenced with landowners in an effort to negotiate purchases, but CPO will be used where applicable. This potential requirement has been built into the development timeline.	
Remaining gap funding of	Medium	Emma Cooney, Southend	Emma Cooney, Southend	1	3	3	Programme of delivery is over sufficient	1

£2.7m not achieved		Borough Council	Borough Council				time period to seek additional match funding and HIF funding has already been secured.	
Costs increase	Medium	Emma Cooney, Southend Borough Council	Emma Cooney, Southend Borough Council	3	2	6	Detailed financial viability assessments have been undertaken	2
Highways scheme approval not achieved	High	Emma Cooney, Southend Borough Council	Emma Cooney, Southend Borough Council	1	5		The Council is currently consulting on the Highways scheme that underpins the development, and at the completion of this consultation the scheme will be approved by Members. No issues are likely to occur from existing discussions.	1

Planning permission not achieved	High	Emma Cooney, Southend Borough Council	Emma Cooney, Southend Borough Council	2	4	8	The scheme is still awaiting full planning permission consent, and an outcome is expected by February 2021. From discussions with planning officers there is not expected to be a delay in securing permission.	2
Sales/ rental values are lower than expected	Medium	Emma Cooney, Southend Borough Council	Emma Cooney, Southend Borough Council	3	3	9	Cushman and Wakefield have provided independent advice on expected sales and rental values for the completed development. Contingency has been factored into these values, and sensitivity	3



							tests undertaken on them, demonstrating the robustness of the scheme.	
COVID-19 pandemic leads to delays in construction and delivery of the regeneration	Medium	Emma Cooney, Southend Borough Council	Emma Cooney, Southend Borough Council	3	2	6	The programme for delivering the Better Queensway regeneration is over 13 years and contingency has been built in for delays in delivering the programme.	2

\* 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.

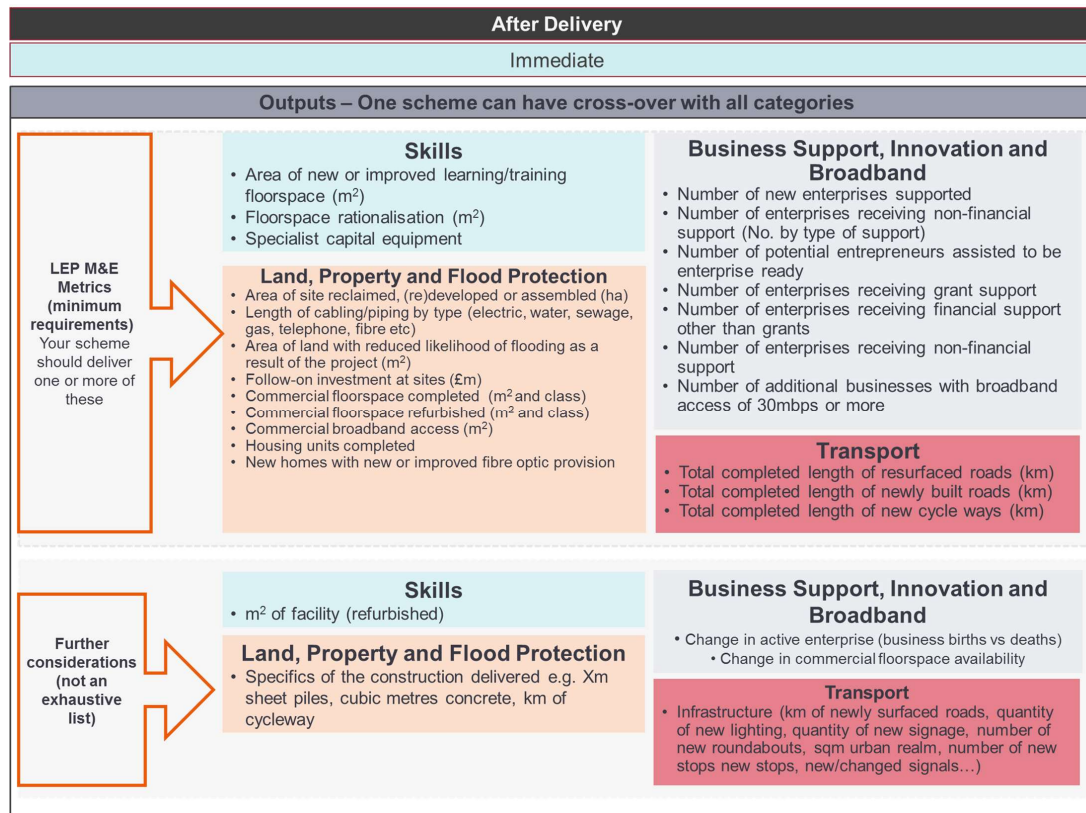
\*\* Impact scale: Very Low (1) likely that impact could be resolved within 2 days; Low (2) potential for a few days' delay; Medium (3) potential for significant delay; High (4) potential for many weeks' delay; Very High (5) potential for many months' delay

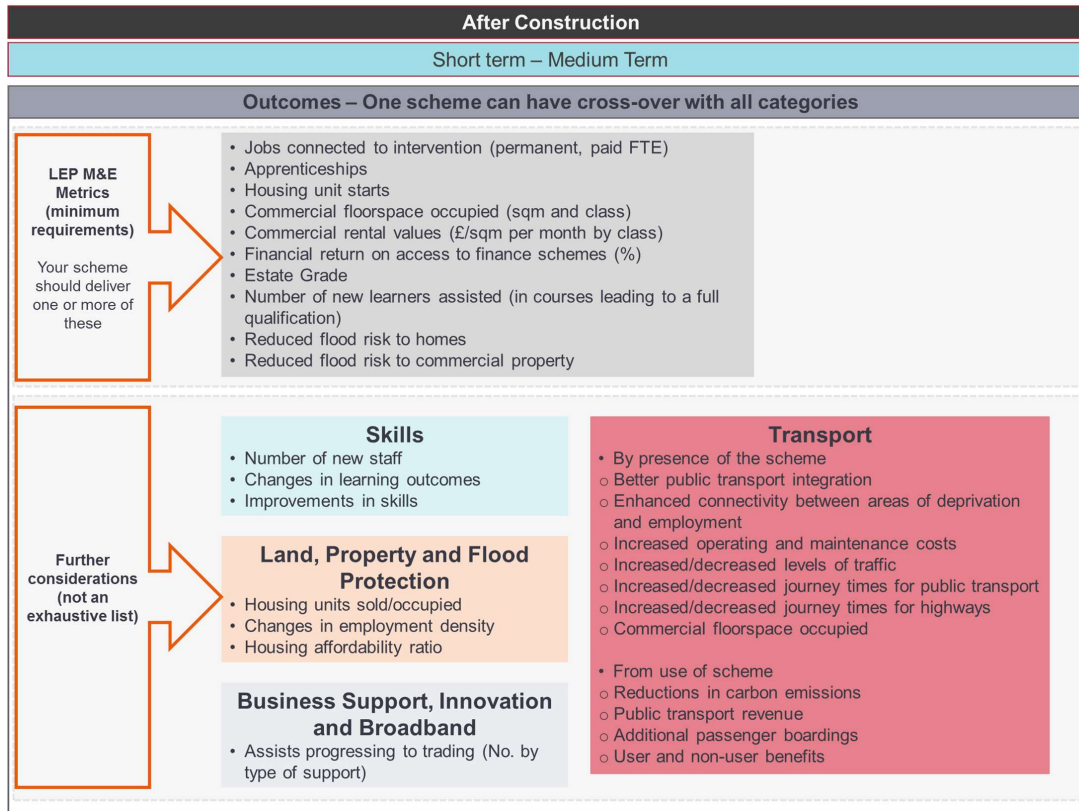
*Please note, not all sections of the table may require completion.*

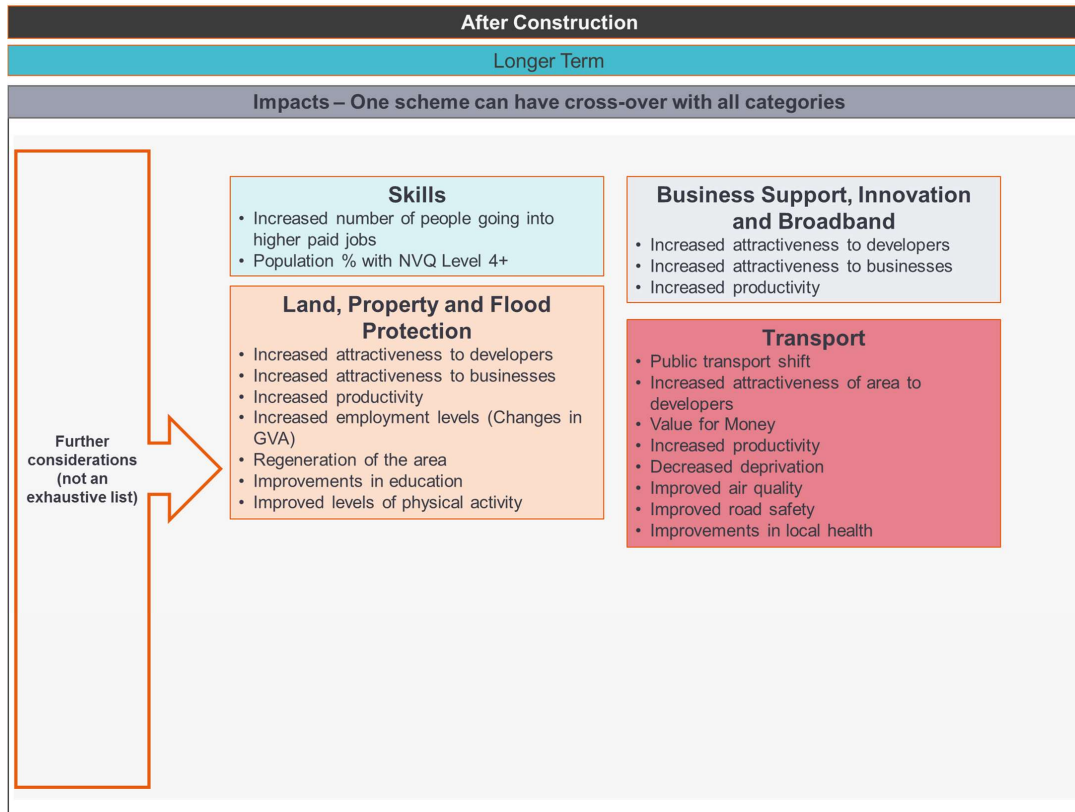
11. APPENDIX D – GANTT CHART

Tasks	Start date	Finish date	2021									2022				
			April	May	June	July	August	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Etc.
Upgrade to energy network																

12. APPENDIX E – MONITORING AND EVALUATIONS METRICS FOR LOGIC MAP







## MONITORING AND EVALUATION PLAN

### PURPOSE

- The Monitoring and Evaluation Plan details what the intended inputs, outputs, outcomes and impacts are of the scheme. These values will most likely come from the Business Case, but may also come from supplementary documentation associated with the scheme.
- The Monitoring and Evaluation Plan details of how inputs, outputs, outcomes and impacts will be measured in the One Year After Opening Report and the Five/Three Years After Opening Report and any associated costs.
- The Monitoring and Evaluation Plan also outlines the proposed approach to measuring the baseline information for each of the inputs, outputs, outcomes and impacts and any costs associated with this.
- When the baseline information has been collated, it is reported upon in the Baseline Report template.

### A NOTE ON COSTS

The Monitoring and Evaluation of a scheme will rely on internal resource and potentially, some external resources. Both could come at a cost either in terms of time or money.

The Monitoring and Evaluation Plan is to be completed as part of the Business Case. At the same time, a Baseline Report would also be completed.

The costs that are anticipated for the collation of the Baseline Report are therefore current costs. However, the costs incurred for data collection for the One Year After Opening Report and Five/Three Years After Opening Report would occur in the future. Therefore, it is important to consider the effect of inflation on these costs.



## SOUTH EAST AN OVERVIEW TO THE MONITORING AND EVALUATION PROCESS

LOCAL ENTERPRISE PARTNERSHIP

The following provides information on the process for Monitoring and Evaluation and how the reports fit into this process.





**SOUTH EAST LOCAL ENTERPRISE PARTNERSHIP** PROPORTIONATE APPROACH TO COMPLETING THE REPORT

The LGF supports a wide range of schemes in terms of scope and capital costs.

The Monitoring and Evaluation process has been designed to be aligned to the scale of the scheme based on its total delivery value (including LGF allocations). As a minimum, the number of jobs and housing brought forward by the scheme should be considered. These are factors which the Ministry of Housing, Communities and Local Government (MHCLG) consider to be key outcomes of LGF schemes.

The following is an indicative guide to which inputs, outputs, outcomes and impacts should be included within the Monitoring and Evaluation process for different scales of intervention.

This is based on the scale of the total value of each scheme or the value of a package in totality. Where there are complementary phases of a scheme that are funded at different times, consider establishing the Monitoring and Evaluation for the overall scheme delivered.

Value of Scheme/Package	Inputs	Outputs	Outcomes	Impacts
Under £2m	As described within the report templates	As described within the report templates	Number of jobs and houses delivered	n/a
£2m- £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package (see Appendix A supplied separately)  Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately)  Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case
More than £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package plus applicable measures from the 'Further considerations' section (see Appendix A supplied separately)  Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately)  Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case





## SOUTH EAST BETTER QUEENSWAY LOCAL ENTERPRISE PARTNERSHIP

This Monitoring and Evaluation Plan provides the details of the inputs, outputs, outcomes and impacts of the Better Queensway Project, how they will be measured, and the costs associated with this for the Baseline Report and One Year After Opening Report and Five/Three Years After Opening Report.

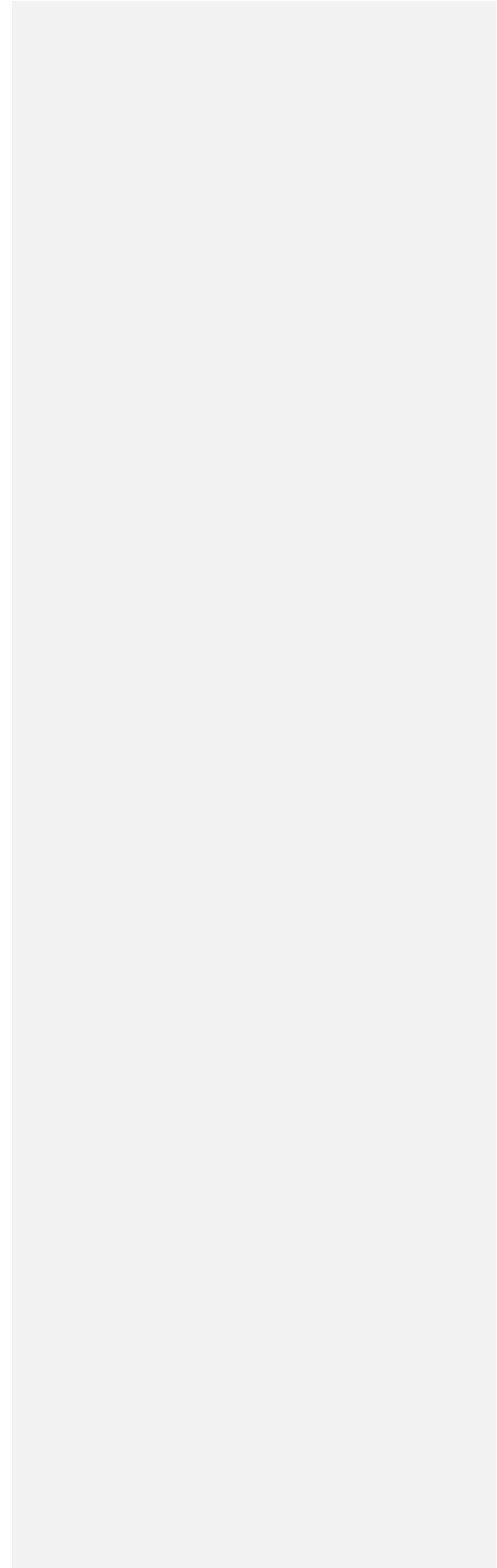
The objectives of the scheme are:

Objective 1: Upgrade and increase capacity of electrical sub-station on Better Queensway site to comply with government regulation

Objective 2: Enable the delivery of the Better Queensway development, with 1,669 homes and 7,945 sq m of commercial space alongside public realm investment brought forward on the site.

The geography of the scheme is shown in the map below





## INPUTS

This section requires the scheme promoter to provide information about Scheme Spend, Project Delivery, Project Risk and Project Changes. These are referenced against the values in the Business Case.

- Update the table to include actual Financial Years for the period of delivery and approaches to monitor/track these values
- *Note – you may need to extend this table if the funding occurs in a period more than 3 years before your scheme opening date.*

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	Prior to 2020	2020/21				2021/22				2022/3				
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
IN1	Grant Spend	Planned / Forecast	Result-oriented approach	Quarterly	Planned/ Forecasted Spend Profile														
IN2	Matched Contributions Spend	Planned / Forecast	Result-oriented approach	Quarterly	Planned/ Forecasted Spend Profile	£922,131													
IN3	Leveraged Funding	Planned / Forecast			Planned/ Forecasted Spend Profile														

#### INPUT 4: PROJECT DELIVERY AND MILESTONS

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Start of project (start spending LGF or match funding)	2021
Public Consultation	Not required
Detailed Design	2020-21
Full Planning Permission Granted	2020-21
Site Mobilisation Works Commence	2021
Project Completion / Site Opening	2033

#### INPUT 5: RISK MITIGATION

- Please note any anticipated risks and mitigation [Please refer back to Risk Register in the Business Case].

A summary of the key risks of the scheme are listed below. Please refer to the Management Case for a detailed risk register.

- Securing remaining gap funding of £2,700,000

Securing Vacant possession- The Council has developed a CPO strategy for the 29% of the site not in Council ownership

- Costs increase- detailed financial viability assessments have been undertaken
- Sales/ rental values change- extensive work has been undertaken, including sensitivity testing in the economic appraisal. The Southend residential market has remained particularly buoyant during the COVID-19 pandemic.
- COVID-19 leads to delays in delivery- the programme for delivering the Better Queensway regeneration is over 13 years and so some slippage in timeframes can be accommodated for.

## OUTPUTS

- Please provide information about:
  - The planned/anticipated value for each output with the delivery of the scheme and reference this value from the Business Case or supporting documents
    - How the output will be monitored and evaluated for the One Year After Opening Report – you may need to include maps/diagrams to support this
    - The frequency of data collection related to the output
    - The anticipated cost of undertaking the monitoring and evaluation of the output for the One Year After Opening Report
  - The approach used to obtain baseline information for each output
    - Costs associated with this

EXAMPLE		
ID	Output Description	
OP1	Type of service improvement	<b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b>
		<b>Value:</b> 6 minutes from x to y by tram in the morning peak hour
		<b>Source of Value:</b> Full Business Case, p10
		<b>Future Monitoring Approach:</b> Through public timetable information from scheme opening (July 2021) for tram
		<b>Frequency of tracking:</b> Once after opening for One Year After Report
		<b>Costs Allocated to Monitoring:</b> Free- from public data source
		<b>Details: Proposed Method of Collecting Baseline Information</b>
		<b>Approach for Collection:</b> Review of public transport timetable for equivalent bus route
		<b>Costs Allocated:</b> Free- from public data source

*COMPLETE AND REPEAT FOR ALL OUTPUTS*

ID	Output Description	
OP1	Area of land re-developed:	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 5.2 ha</p> <p><b>Source of Value:</b> HIF Funding Bid September 2018</p> <p><b>Future Monitoring Approach:</b> Tracking of development against phasing plan</p> <p><b>Frequency of tracking:</b> Once after opening for One Year After Report</p> <p><b>Costs Allocated to Monitoring: 0</b></p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> Planning application</p> <p><b>Costs Allocated:</b> Free from existing studies</p>
OP2	Housing units completed	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 1,669</p> <p><b>Source of Value:</b> HIF Funding Bid September 2018</p> <p><b>Future Monitoring Approach:</b> Construction log</p> <p><b>Frequency of tracking:</b> Once after opening for One Year After Report</p> <p><b>Costs Allocated to Monitoring:</b> Free, part of construction administration</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p>

		<p><b>Approach for Collection:</b> Planning application</p> <p><b>Costs Allocated:</b> Free, existing document</p>
OP3	Commercial floorspace completed: 7,945sq m	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 7,945sq m</p> <p><b>Source of Value:</b> Full Business Case, p8</p> <p><b>Future Monitoring Approach:</b> Construction log</p> <p><b>Frequency of tracking:</b> Once after opening for One Year After Report</p> <p><b>Costs Allocated to Monitoring:</b> Free, part of construction administration</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> Planning application</p> <p><b>Costs Allocated:</b> Free, existing document</p>
OP4	- Public realm delivered: 0.7ha	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 0.7ha</p> <p><b>Source of Value:</b> Full Business Case, p3</p> <p><b>Future Monitoring Approach:</b> Construction log</p> <p><b>Frequency of tracking:</b> Once after opening for One Year After Report</p> <p><b>Costs Allocated to Monitoring:</b> Free, part of construction administration</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> n/a</p> <p><b>Costs Allocated:</b> n/a</p>





OP5	- Energy generator in line with Future Homes Standard	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> n/a</p> <p><b>Source of Value:</b> Full Business Case, p3</p> <p><b>Future Monitoring Approach:</b> Construction log</p> <p><b>Frequency of tracking:</b> Once after opening for One Year After Report</p> <p><b>Costs Allocated to Monitoring:</b> Free, part of construction administration</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> n/a</p> <p><b>Costs Allocated:</b> n/a</p>
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## OUTCOMES

- Please provide information about:
  - The planned/anticipated value for each outcome with the delivery of the scheme and reference this value from the Business Case or supporting documents
    - How the outcome will be monitored and evaluated for the One Year After Opening Report and for some outcomes, the Five/Three Years After Opening Report as well – you may need to include maps/diagrams to support this
    - The frequency of data collection related to the outcome
    - The anticipated cost of undertaking the monitoring and evaluation of the outcome for reports after opening
  - The approach used to obtain baseline information for each outcome
    - Costs associated with this

EXAMPLE		
ID	Output Description	
OC1	Jobs connected to the intervention	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 30 jobs – 15 from construction and 15 total FTE as a result of the scheme (5 additional jobs delivered in each year after opening for the first three years only)</p> <p><b>Source of Value:</b> Full Business Case, p22</p> <p><b>Future Monitoring Approach:</b> Construction jobs from contractor’s data. FTEs from surveying new businesses along the route of the tram with a short email questionnaire after scheme opening.</p> <p><b>Frequency of tracking:</b> Once after opening and once for five years after opening report</p> <p><b>Costs Allocated to Monitoring:</b> £450 for the email questionnaire to be externally delivered for each future report and 1 day of internal resource for mapping responses in GIS. In total £900 but with inflation, this is equivalent to £958+2days of internal resource for both the One Year After Opening Report and Five/Three Years After Opening Report</p>
		<p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> There is one business in the impact area of the scheme on a small business park which is newly opened. This is a small accountancy firm. An email would be sent to this business to understand the number of people employed there.</p> <p><b>Costs Allocated:</b> To send the email and interpret results- £0</p>

COMPLETE AND REPEAT FOR ALL OUTCOMES

ID	Output Description	
OC1	Housing unit starts	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 1,669</p> <p><b>Source of Value:</b> Full Business Case, p8</p> <p><b>Future Monitoring Approach:</b> Data from developer's</p> <p><b>Frequency of tracking:</b> Five years after opening report</p> <p><b>Costs Allocated to Monitoring:</b> Free, easy to access</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> Planning application</p> <p><b>Costs Allocated:</b> Free, existing document</p>
OC2	Commercial floorspace occupied	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 7,945sq m</p> <p><b>Source of Value:</b> Full Business Case, p8</p> <p><b>Future Monitoring Approach:</b> Data from developer's</p> <p><b>Frequency of tracking:</b> Five years after opening report</p> <p><b>Costs Allocated to Monitoring:</b> Free, easy to access</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p>

		<p><b>Approach for Collection:</b> Planning application</p> <p><b>Costs Allocated:</b> Free from existing studies</p>
OC3	Housing unit starts	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p>
		<p><b>Value:</b> 1,669</p>
		<p><b>Source of Value:</b> Full Business Case, p8</p>
		<p><b>Future Monitoring Approach:</b> Data from developer's</p>
		<p><b>Frequency of tracking:</b> Once after opening</p>
		<p><b>Costs Allocated to Monitoring:</b> Free, easy to access</p>
<p><b>Details: Proposed Method of Collecting Baseline Information</b></p>		
<p><b>Approach for Collection:</b> Planning application</p>		
<p><b>Costs Allocated:</b> Free from existing studies</p>		

- Impacts are often not measurable but can be anecdotal or inferred. However, if they can be measured then an approach and budget should be allocated for this.
- They are a longer-term effect of the scheme being in place and often occur as a result of the outcomes
- They would not be monitored or tracked beyond the Five/Three Years After Opening Report

EXAMPLE		
ID	Output Description	
IM1	Improved road safety	<b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b>
		<b>Value:</b> General downwards trend in accidents
		<b>Source of Value:</b> Full Business Case, p42
		<b>Future Monitoring Approach:</b> STATS 19 (Road Accident Statistics)
		<b>Frequency of tracking:</b> Annually
		<b>Costs Allocated to Monitoring:</b> Free dataset from online but would require 1 day of GIS analysis from internal resource for each report
		<b>Details: Proposed Method of Collecting Baseline Information</b>
		<b>Approach for Collection:</b> STATS 19 (Road Accident Statistics)
		<b>Costs Allocated:</b> Free dataset from online but would require 1 day of GIS analysis from internal resource

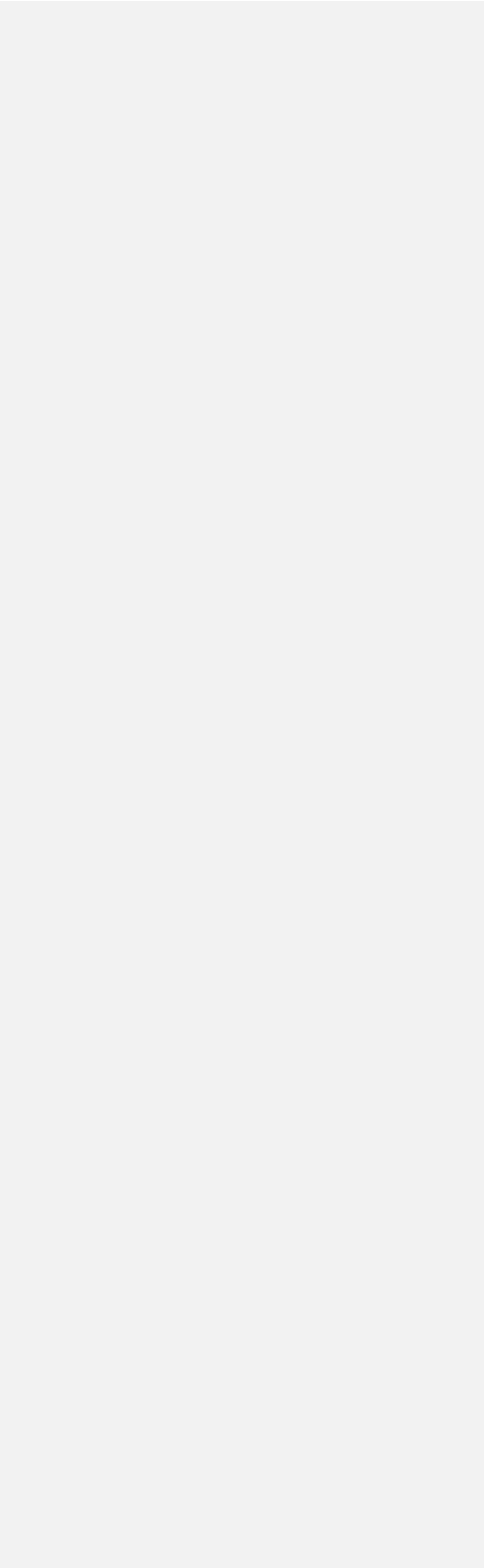
*COMPLETE AND REPEAT FOR ALL IMPACTS*

ID	Output Description	
IM1	Increased attractiveness to developers	<b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b>
		Not measurable
		<b>Details: Proposed Method of Collecting Baseline Information</b>
		Not measurable
IM2	Increased attractiveness to businesses	<b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b>
		Not measurable
		<b>Details: Proposed Method of Collecting Baseline Information</b>
		Not measurable
IM3		<b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b>

	Regeneration of the area	<p>Not measurable</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p>Not measurable</p>
IM4	Regeneration of the area	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p>Not measurable – estimate could be made using HM Treasury GB guidance and LA data on traffic count but this is not considered robust</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p>Not measurable – estimate could be made using HM Treasury GB guidance and LA data on traffic count but this is not considered robust</p>

...IM2, IM3, IM4 etc





## **BASELINE REPORT**

### **PURPOSE**

- The Monitoring and Evaluation Plan details what the intended inputs, outputs, outcomes and impacts are of the scheme. It provides details of how they will be measured and any associated costs of the monitoring process.
- The Baseline Report provides information and metrics about the current situation in the impact area of the scheme before delivery commences. Information should be provided for each of the intended inputs, outputs, outcomes or impacts. This baseline data can be used in subsequent stages to identify the scale of change brought about by the scheme.
- The tables in the report provide the basis for a tracking spreadsheet (Benefits Realisation Profile (BRP)) which will be shared with the LEP. The tracking spreadsheet is used to track the baseline, planned/anticipated values and the actual values for every input, output, outcome or impact after the scheme opens.
- The tables in this report include a space for baseline values and for planned/forecast values for each input, output, outcome or impact. These values are likely to come from the Full Business Case, but may also come from supplementary documentation associated with the scheme.



## AN OVERVIEW TO THE MONITORING AND EVALUATION

### PROCESS

The following provides information on the process for Monitoring and Evaluation and how the reports fit into this process.



## PROPORTIONATE APPROACH TO COMPLETING THE REPORT

The LGF supports a wide range of schemes in terms of scope and capital costs.

The Monitoring and Evaluation process has been designed to be aligned to the scale of the scheme based on its total delivery value (including LGF allocations). As a minimum, the number of jobs and housing brought forward by the scheme should be considered. These are factors which the Ministry of Housing, Communities and Local Government (MHCLG) consider to be key outcomes of LGF schemes.

The following is an indicative guide to which inputs, outputs, outcomes and impacts should be included within the Monitoring and Evaluation process for different scales of intervention.

This is based on the scale of the total value of each scheme or the value of a package in totality. Where there are complementary phases of a scheme that are funded at different times, consider establishing the Monitoring and Evaluation for the overall scheme delivered.

Value of Scheme/Package	Inputs	Outputs	Outcomes	Impacts
Under £2m	As described within the report templates	As described within the report templates	Number of jobs and houses delivered	n/a
£2m- £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package (see Appendix A supplied separately)  Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately)  Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case
More than £8m	As described within the report templates	As described within the report templates	All those prescribed by the LEP and applicable to the scheme/package plus applicable measures from the 'Further considerations' section (see Appendix A supplied separately)  Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case	Those relevant to the scheme/package from within the list in Appendix A (supplied separately)  Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case



## SOUTH EAST BETTER QUEENSWAY

LOCAL ENTERPRISE  
PARTNERSHIP

This Baseline Report provides the details of the inputs, outputs, outcomes and impacts of the Better Queensway Project in 2020 before the scheme is constructed/delivered.

A summary of the key risks of the scheme are listed below. Please refer to the Management Case for a detailed risk register.

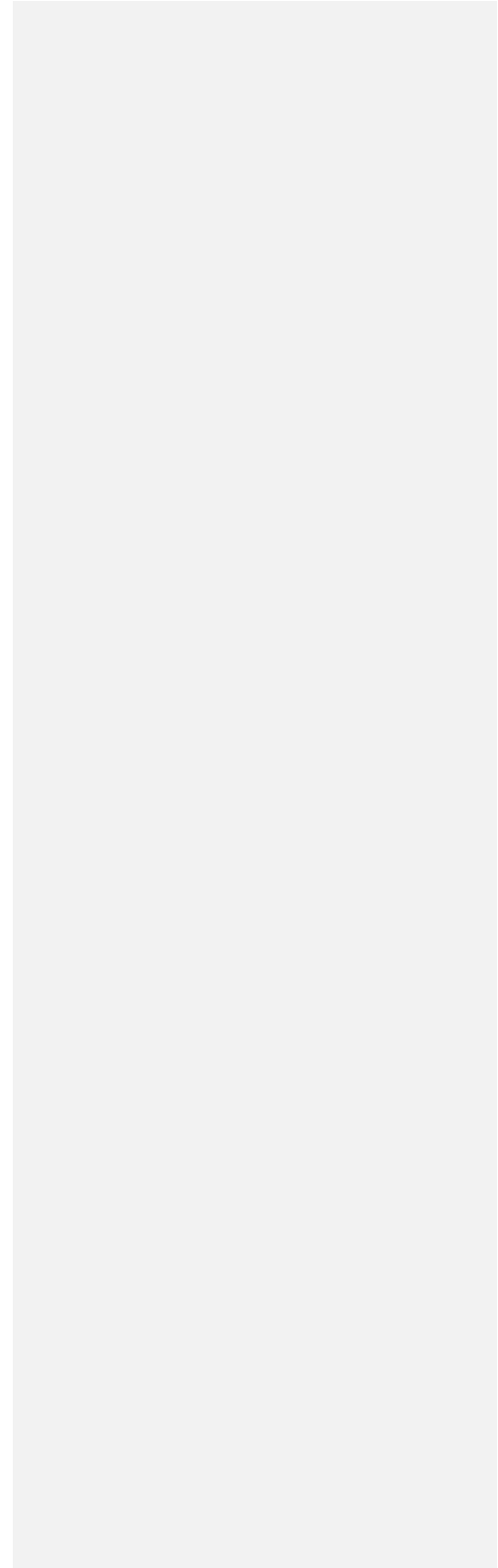
- Securing Vacant possession- The Council has developed a CPO strategy for the 29% of the site not in Council ownership
- Costs increase- detailed financial viability assessments have been undertaken
- Sales/ rental values change- extensive work has been undertaken, including sensitivity testing in the economic appraisal. The Southend residential market has remained particularly buoyant during the COVID-19 pandemic.
- COVID-19 leads to delays in delivery- the programme for delivering the Better Queensway regeneration is over 13 years and so some slippage in timeframes can be accommodated for.

Objective 1 Upgrade and increase capacity of electrical sub-station on Better Queensway site to comply with government regulation

Objective 2: Enable the delivery of the Better Queensway development, with 1,669 homes and 7,945 sq m of commercial space alongside public realm investment brought forward on the site.

The geography of the scheme is shown in the map below







## INPUTS

This section requires the scheme promoter to provide information about Scheme Spend, Project Delivery, Project Risk and Project Changes. These are referenced against the information provided in the Monitoring and Evaluation Plan.

- Update the table to include actual Financial Years in the period before opening.
- Monetary values should exclude inflation (nominal values) to easily compare forecast and actual values.
- *Note – you may need to extend this table if the funding occurs in a period more than 3 years before your scheme opening date.*
- Only the values for spend and leveraged funding will go into the BRP.

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	Prior to 2020	2020/21				2021/22				2022/3			
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	Planned / Forecast	Result-oriented approach	Quarterly	Planned/ Forecasted Spend Profile		£1,000,000				£3,200,000							
IN2	Matched Contributions Spend	Planned / Forecast	Result-oriented approach	Quarterly	Planned/ Forecasted Spend Profile	£922,131					£5,594,262				£8,483,687			
IN3	Leveraged Funding	Planned / Forecast			Planned/ Forecasted Spend Profile													
ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source		Year 1 2020				Year 2 2021				Year 3 2022			

						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
IN1	Grant Spend	Planned / Forecast			Planned/ Forecasted Spend Profile													
IN2	Matched Contributions Spend	Planned / Forecast			Planned/ Forecasted Spend Profile													
IN3	Leveraged Funding	Planned / Forecast			Planned/ Forecasted Spend Profile													

#### INPUT 4: PROJECT DELIVERY AND MILESTONS

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Start of project (start spending LGF or match funding)	2021
Public Consultation	Not required
Detailed Design	2020-21
Full Planning Permission Granted	2020-21
Site Mobilisation Works Commence	2021
Project Completion / Site Opening	2033

#### INPUT 5: RISK MITIGATION

A summary of the key risks of the scheme are listed below. Please refer to the Management Case for a detailed risk register.

- Securing Vacant possession- The Council has developed a CPO strategy for the 29% of the site not in Council ownership
- Costs increase- detailed financial viability assessments have been undertaken
- Sales/ rental values change- extensive work has been undertaken, including sensitivity testing in the economic appraisal. The Southend residential market has remained particularly buoyant during the COVID-19 pandemic.
- COVID-19 leads to delays in delivery- the programme for delivering the Better Queensway regeneration is over 13 years and so some slippage in timeframes can be accommodated for.

## OUTPUTS


- Please provide information about:
  - what the baseline value is for each output and its source;
  - how the baseline value was measured;
  - what the planned/anticipated value is for the output and reference this source; and
  - how the value will be measured after the scheme opens.

EXAMPLE							
ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1	Type of service improvement	<b>Baseline</b>	8 minutes from x to y by bus 11 in the morning peak hour	Through public timetable information	n/a	Timetable Bus 11 (March 2018)	March 2018
		<b>Planned/Anticipated</b>	6 minutes from x to y by tram in the morning peak hour	Through public timetable information	Once after opening for One Year After Report	Full Business Case, p10	From scheme opening (July 2021)

**Details: Method of Collecting Baseline Information**

Public transport information from the latest bus timetable for service 11 was reviewed from stop X to Stop Y. The map shows where these locations are.

The cost of collecting this information was £0.



*COMPLETE AND REPEAT FOR ALL OUTPUTS*

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1	Area of land re-developed	Baseline	5.2 ha	Through planning application	n/a	HIF Funding Bid	September 2018
		Planned/Anticipated	5.2 ha	Through planning application	Once after opening for One Year After Report	Full Business Case, p8	One year after project is completed (2034)

**Details: Method of Collecting Baseline Information**

Surveys and supporting research when scoping the development, submitted as part of the planning application

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP2	Housing units completed	Baseline	441	Planning application research	n/a	Planning Application	August 2020
		Planned/Anticipated	1,669	Through construction log	Once after opening for One Year After Report	Full Business Case, p8	One year after project is completed (2034)

**Details: Method of Collecting Baseline Information**

Surveys and supporting research when scoping the development, submitted as part of the planning application

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP3	Commercial floorspace completed	Baseline	8,453	Planning application research	n/a	Planning Application	August 2020
		Planned/Anticipated	7,945	Through construction log	Once after opening for One Year After Report	Full Business Case, p8	One year after project

							is completed (2034)
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**Details: Method of Collecting Baseline Information**  
Surveys and supporting research when scoping the development, submitted as part of the planning application

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP4	Public realm delivered	Baseline	0	n/a	n/a	n/a	n/a
		Planned/ Anticipated	0.7ha	Through construction log	Once after opening for One Year After Report	Full Business Case, p3	One year after project is completed (2034)

**Details: Method of Collecting Baseline Information**  
n/a

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP5	Energy generator in line with Future Homes Standard	Baseline	n/a	n/a	n/a	n/a	n/a
		Planned/ Anticipated	1	Through construction log	Once after opening for One Year After Report	Full Business Case, p3	One year after project is completed (2034)

**Details: Method of Collecting Baseline Information**  
Surveys and supporting research when scoping the development, submitted as part of the planning application

## OUTCOMES

- Provide information about:
  - what the baseline value is for each outcome and its source;
  - how the baseline outcome value was measured;
  - what the planned/anticipated value is for the outcome and reference for this source; and
  - how the value will be measured after the scheme opens.



EXAMPLE							
ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1	Jobs connected to the intervention	<b>Baseline</b>	10 jobs from one business	Short email questionnaire	n/a	Email questionnaire before opening	2020
		<b>Planned / Anticipated</b>	30 jobs – 15 from construction and 15 total FTE as a result of the scheme (5 additional jobs delivered in each year after opening for the first three years only)	Construction jobs from contractors data. FTEs from surveying new businesses along the route of the tram with a short email questionnaire after scheme opening.	Once after opening and once for five years after opening report	Full Business Case, p22	After opening
<b>Details: Method of Collecting Baseline Information</b>							
There is one business in the impact area of the scheme on a small business park which is newly opened. This is a small accountancy firm. Through an email questionnaire before opening, we found that it employs 10 FTE. The cost of finding out this information was 1 day of internal resource.							

*COMPLETE AND REPEAT FOR ALL OUTCOMES*

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1	Housing unit starts	Baseline	441	Planning application research	n/a	Planning Application	August 2020
		Planned/ Anticipated	1,669	Through construction log	Once after opening for One Year After Report	Full Business Case, p8	One year after project is completed (2034)

**Details: Method of Collecting Baseline Information**

Surveys and supporting research when scoping the development, submitted as part of the planning application

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC2	Commercial floorspace occupied	Baseline	8,453	Planning application research	n/a	Planning Application	August 2020
		Planned/ Anticipated	7,945	Data request to Developer		Full Business Case, p8	One year after project is completed (2034)

**Details: Method of Collecting Baseline Information**

Surveys and supporting research when scoping the development, submitted as part of the planning application

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
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OC2	Housing unit starts	<b>Baseline</b>	441	Planning application research	n/a	Planning Application	August 2020
		<b>Planned/ Anticipated</b>	1,669	Through construction log	Once after opening for One Year After Report	Full Business Case, p8	One year after project is completed (2034)

**Details: Method of Collecting Baseline Information**

Surveys and supporting research when scoping the development, submitted as part of the planning application

**IMPACTS**

- Impacts are often not measurable but can be anecdotal or inferred. However, if they can be measured then an approach and budget should be allocated for this.
- They are a longer-term effect of the scheme being in place and often occur as a result of the outcomes.
- They would not be monitored or tracked beyond the Five Years After Opening Report.

<b>EXAMPLE</b>							
<b>ID</b>	<b>Output Description</b>		<b>Value</b>	<b>Monitoring approach</b>	<b>Frequency of Tracking</b>	<b>Source</b>	<b>Date</b>
IM1	Improved road safety	<b>Baseline</b>	14 slight 7 serious 2 killed	STATS 19 (Road Accident Statistics)	n/a	STATS 19	2020

		<b>Planned/ Anticipated</b>	General downwards trend in accidents	STATS 19 (Road Accident Statistics)	Annually	Full Business Case, p42	By 2026
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**Details: Method of Collecting Baseline Information**

Map STATS19 data and analyse results for key roads and junctions affected by reductions in traffic as a result of the scheme. This required 1 day of GIS time. STATS19 data was free to use.

*COMPLETE AND REPEAT FOR ALL IMPACTS*

**NOT MEASURABLE**

	<b>Output Description</b>		<b>Value</b>	<b>Monitoring approach</b>	<b>Frequency of Tracking</b>	<b>Source</b>	<b>Date</b>
IM1		<b>Baseline</b>					

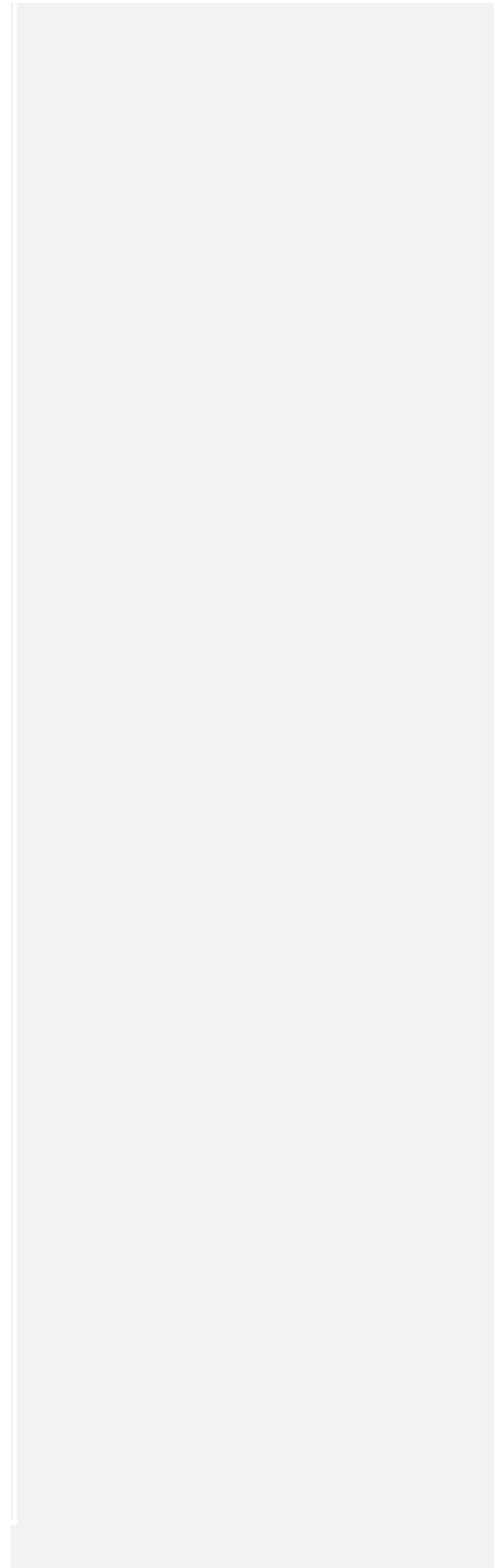
		Planned/ Anticipated					
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**Details: Method of Collecting Baseline Information**

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
IM2		Baseline					
		Planned/ Anticipated					

**Details: Method of Collecting Baseline Information**

...IM3, IM4 etc



#### 14. APPENDIX G - 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.*