

The template

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

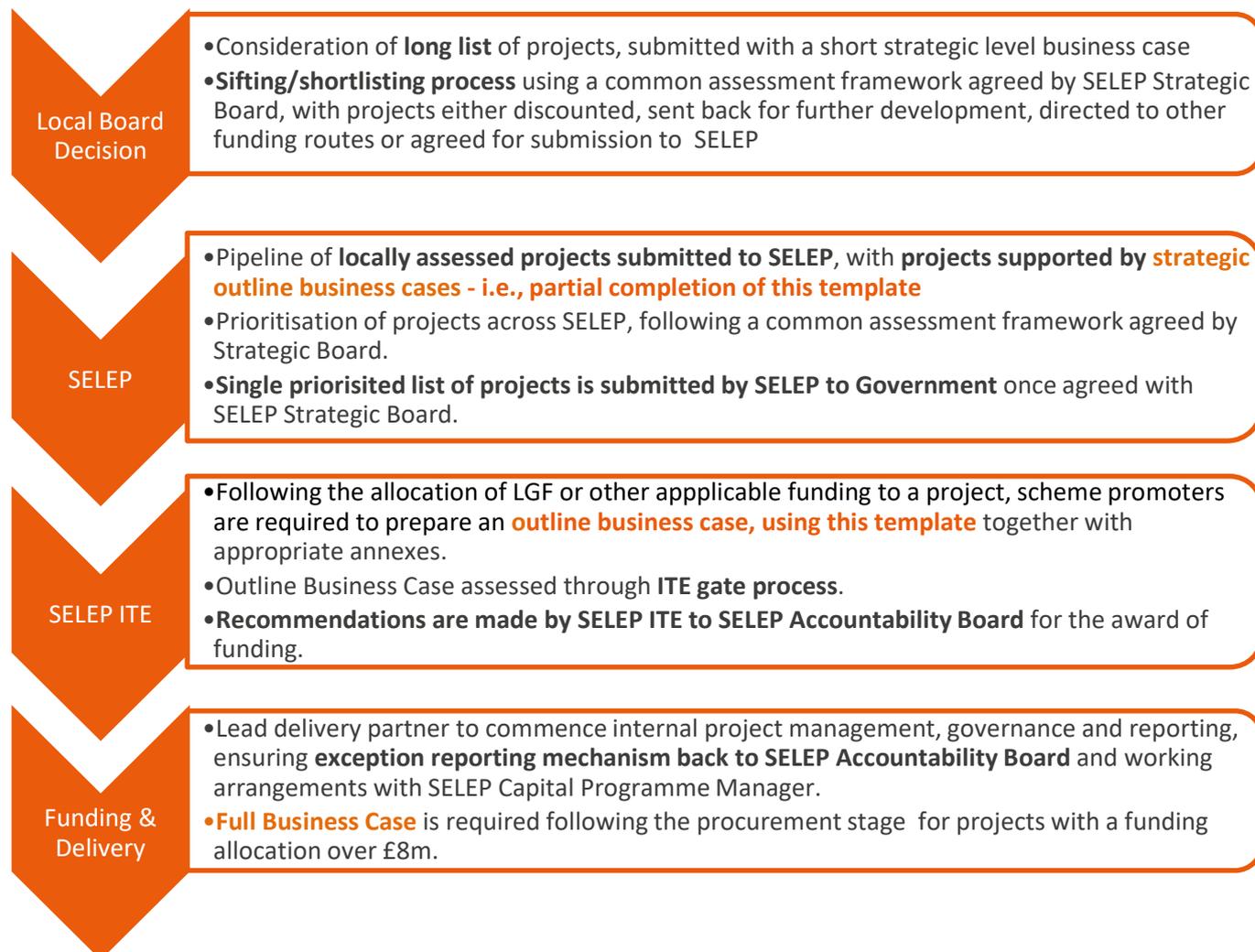
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable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

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

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

The 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:

Version control	
Document ID	
Version	Draft for ITE review
Author	Tim Rignall
Document status	Draft – Gate 2
Authorised by	Emma Cooney
Date authorised	09/10/20

1. PROJECT OVERVIEW

1.1. Project name:

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

South Essex No Use Empty (SENUE)

1.2. Project type:

[Site development, skills, innovation etc.]

The project seeks to bring empty retail and commercial premises back into use through redevelopment and/or repurposing.

1.3. Federated Board Area:

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

Opportunity South Essex

1.4. Lead County Council / Unitary Authority:

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

Southend on Sea Borough Council

1.5. Development location:

[Specify location, including postal address and postcode.]

This is a programme of projects with locations spread across South Essex which takes in the local authority areas of Southend on Sea, Rochford, Thurrock, Basildon, Castle Point and Brentwood.

1.6. Project Summary:

[Provide a summary of the project; max. 0.5 pages.]

Southend on Sea BC is seeking £1.2M GBF funds to return long-term empty commercial properties back into use, for residential, alternative commercial or mixed-use purposes. The project will focus on secondary retail and other commercial premises which have been significantly impacted by changing consumer demand, the impact of the pandemic and which may have been impacted by larger regeneration schemes

The project will mirror the Kent County Council (KCC) No Use Empty Commercial Project funded under GPF Round 2 which has been very successful. The NUE brand has been established in Kent for 15 years with a proven track record. By bringing empty commercial properties back into use, South Essex NUE will:

- support **economic growth** through new commercial activity: attracting new business rates, and creating and safeguarding jobs
- increase the number of **new homes** available as a result of mixed use development: generating new council tax receipts and attracting Government New Homes Bonus

- support **wider regeneration**, in particular assisting in improving the vitality and viability of existing commercial areas, improving the quality of the local environment, complementing wider regeneration activities and supporting community safety and cohesion.

South Essex NUE will achieve this by providing short-term secured loans (up to 3 years) to bring long-term empty commercial properties back into use. While the groundwork and project identification will be completed by local authorities in South Essex the project will also make use of the management and systems that are already in place for the existing NUE scheme in Kent County Council. A draft Service Level Agreement (SLA) has been established which will be refined (subject to formal approval for the project) to take into consideration any further comments or considerations which may arise.

1.7. Delivery partners:

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

Partner	Nature of involvement (financial, operational etc.)
<i>Southend on Sea Borough Council (Lead Applicant)</i>	Financial and operational
<i>Basildon Borough Council</i>	Financial and operational
<i>Brentwood Borough Council</i>	Financial and operational
<i>Castle Point Borough Council</i>	Financial and operational
<i>Rochford District Council</i>	Financial and operational
<i>Thurrock Council</i>	Financial and operational
<i>Kent County Council</i>	Operational (under SLA)

1.8. Promoting Body:

[Specify who is promoting the scheme.]

Southend on Sea Borough Council

1.9. Senior Responsible Owner (SRO):

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

Emma Cooney, Director of Regeneration and Growth, Southend on Sea Borough Council.

1.10. Total project value and funding sources:

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

Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
<i>GBF</i>	1.20m	Subject to satisfactory business case
Local authorities	0.10m	Approved
Private sector	1.35m	Forecast based on experience of Kent NUE
Total project value	£2.65m	Subject to confirmation of private sector

		contribution.
--	--	---------------

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

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

£1.2m is requested from the Get Building Fund (GBF). The funding will not constitute state aid.

1.12. Exemptions:

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

None.

1.13. Key dates:

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

Opening date – Project will be launched in January 2021 following the Christmas break.

Completion – In line with GBF guidance the project will complete by 31 March 2022. While all money will be paid out prior to 31 March 2022 some construction may continue beyond this date. All loans will be repaid by 31 March 2025 with funds recycled to provide a further round of funding.

Commencement of expenditure – Expenditure will begin once the first loan application is approved. With an early start to fieldwork this is estimated to be February 2021.

Construction start date – with a number of projects to be supported there will be a number of start dates between January 2021 and March 2022.

1.14. Project development stage:

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

Project development stages completed to date			
Task	Description	Outputs achieved	Timescale
GBF application	Expression of interest and inclusion in SELEP submission.	Provisional allocation subject to business case.	4 August 2020
GBF business case	Submission of GBF business case	Business case prepared and submitted.	11 September 2020
Project development stages to be completed			
Task	Description	Timescale	
ITE Assessment	Completion of Gate 1 assessment	25 September 2020	
Business case submission	Updated business case submission	9 October 2020	
Funding decision	SELEP to inform OSE/SBC of funding	November 2020	

	decision.	
Site identification	Identify 4-5 potential sites to take forward with GPF funds. Investigative work: Authorities to identify potential projects to take forward and have at least one to include as at launch of fund. Using local intelligence and networks we will identify developers and owners who have previously discussed or highlighted schemes which return empty commercial space back into use.	January 2021
South Essex NUE launch	Launch of OSE NUE – once decision known	January 2021
Groundwork and site identification	Encourage more sites – follow up work after the launch to maximise potential to draw on GPF funds	Ongoing to January 2022 or when loan fund is fully allocated
Assessment of applications	Consideration and assessment of applications throughout life of South Essex NUE.	Ongoing to January 2022 or when loan fund is fully allocated
Evaluation	Evaluation of project	In line with SELEP M&E requirements
Loan repayments	Repayment of loans by developers	March 2025
Project close		March 2025
Introduction of rolling loan fund	The repaid GBF will be recycled to support further projects.	April 2025

1.15. Proposed completion of outputs:

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

There are no previous tranches to the project although the same scheme runs in Kent <https://www.no-use-empty.org.uk/>

Outputs by objective are as follows:

Objective 1: support economic growth through new commercial activity

- Reduced number of empty units
- new business rate receipts
- jobs safeguarded
- 706sqm of commercial floorspace

Objective 2: increase the number of new homes available as a result of mixed use development:

- generating new council tax receipts
- attract Government New Homes Bonus

Objective 3: support wider regeneration:

- improved vitality and viability of existing commercial areas
- improved quality of the local environment
- complementing wider regeneration activities
- supporting community safety and cohesion.

2. STRATEGIC CASE

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

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

2.1. Scope / Scheme Description:

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

Southend on Sea BC is seeking £1.2M GBF funds to return long-term empty commercial properties back into use, for residential, alternative commercial or mixed-use purposes. The project will focus on secondary retail and other commercial premises which have been significantly impacted by changing consumer demand, the impact of the pandemic and which may have been impacted by larger regeneration schemes.

The project will mirror the Kent County Council (KCC) No Use Empty Commercial Project funded under GPF Round 2 which has been very successful. The NUE brand has been established in Kent for 15 years with a proven track record. By bringing empty commercial properties back into use, South Essex NUE will:

- support **economic growth** through new commercial activity: attracting new business rates, and creating and safeguarding jobs
- increase the number of **new homes** available as a result of mixed use development: generating new council tax receipts and attracting Government New Homes Bonus
- support **wider regeneration**, in particular assisting in improving the vitality and viability of existing commercial areas, improving the quality of the local environment, complementing wider regeneration activities and supporting community safety and cohesion.

South Essex NUE will achieve this by providing short-term secured loans (up to 3 years) to bring long-term empty commercial properties back into use. While the groundwork and project identification will be completed by local authorities in South Essex the project will also make use of the management and systems that are already in place for the existing NUE scheme in Kent County Council. A draft Service Level Agreement (SLA) has been established which will be refined (subject to formal approval for the project) to take into consideration any further comments or considerations which may arise. Under the terms of the SLA KCC will recover their costs from loan applicants by way of an administration fee. This model is consistent with the scheme which currently operates across Kent.

Once the initial tranche of loans has been repaid the GBF funds will be used to establish a revolving loan fund to support similar initiatives.

2.2. Logic Map

[Establish a Logic Map using information from Appendix E. This will provide a logical flow between inputs, outputs, outcomes and impacts for the scheme]

Objectives	Inputs	Outputs	Outcomes	Impacts
<p><u>Objective 1</u>: support economic growth through new commercial activity.</p> <p><u>Objective 2</u>: increase the number of new homes available as a result of mixed use development.</p> <p><u>Objective 3</u>: support wider regeneration, in particular assisting in improving the vitality and viability of existing commercial areas, improving the quality of the local environment, complementing wider regeneration activities and supporting community safety and cohesion.</p>	<p>Grant Spend £1.20m</p> <p>Matched Contributions Spend £0.10m</p> <p>Leveraged Funding £1.35m</p>	<p><i>For all schemes:</i></p> <ul style="list-style-type: none"> • Vacant commercial space converted to new commercial or residential space. • Improved street scene • Empty retail units brought back into use. • Increased footfall • New business rates • Council tax receipts 	<p>Jobs - 18 Homes – 28 Commercial floorspace – 706 sq.m.</p>	<p>For schemes of £2m of funding or less: -n/a</p> <p><i>Not needed as funding ask is £1.2m</i></p>

2.3. Location description:

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

South Essex NUE will be a programme of projects across the local authority areas of Basildon, Brentwood, Castle Point, Rochford, Southend and Thurrock. The specific projects are yet to be identified.



**London is shown for illustrative purposes only*

2.4. Policy context:

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

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

The No Use Empty scheme has a proven track record across Kent with local authorities working in partnership to provide direct, rapid and targeted intervention in the local property market, retuning empty properties back into use for residential and commercial use, particularly supporting communities in urban and coastal areas that have become ‘stuck’. The NUE Commercial project contributes to the delivery of partners’ objectives at SELEP, regional and local level. Specifically:

The South East LEP and the Strategic Economic Plan

Accelerating housing delivery is a key ambition in the South East Strategic Economic Plan, with a commitment to accelerate housing delivery by an additional 100,000 homes by 2021. NUE has brought back more than 6000 properties since 2005, creating 753 new homes from larger redundant properties including commercial with planning consent.

Spatially, the LEP has identified the Thames Estuary as a priority location for growth, and facilitates a Coastal Communities working group, recognising the challenges faced by coastal towns (especially linked to the housing market). NUE Commercial in Kent has focussed on the coast and Estuary. Extending the initiative to South Essex will bring a similar focus to the northern bank of the Thames Estuary. The SEP specifically refers to the need to “*build on No Use Empty to intervene in the housing market... particularly in coastal towns*” (p.160). More broadly, NUE will contribute to the strategy set out by SELEP’s Housing and Development Group and to SELEP’s overall aims of job creation and economic growth.

OSE and local authorities

No Use Empty supports the delivery of a number of OSE priorities:

- SELEP Local Industrial Strategy - The emerging LIS recognises that support is needed to help regenerate towns across the South East. The NUE initiative will bring underused and empty buildings back into productive use. New commercial space will support SELEP’s ambition of creating a thriving business environment.
- SELEP Coastal Prospectus - The prospectus highlights the need to create a programme that targets empty property for redevelopment. Bringing premises, both commercial and residential, back into use will be key to place making. The prospectus also highlights the need to create small and flexible workspace.
- South Essex Productivity Strategy – within SEPS there is a programme of work to create vibrant places. We recognise that the right space, for a range of uses (commercial, residential, retail, leisure) underpins our ability to reanimate our towns. Bringing underused and redundant premises back into productive use is an essential part of this.

Southend - No Use Empty contributes, directly and indirectly, to a number of the Southend 2050 priority outcomes. Directly it supports:

- Opportunity & Prosperity outcome 2 – We have a fast evolving, re-imagined and thriving town centre, with an inviting mix of shops, homes, culture and leisure opportunities.
- Safe and Well outcome 3 – we are well on our way to ensuring that everyone has a home that meets our needs.

Indirectly the initiative supports a number of the other ‘place’ outcomes by bringing empty property back into use and which in turn helps to create a sense of place and enhance feelings of safety. In addition the proposals support delivery of Southend-on-Sea Borough Council’s [**Housing, Homelessness and Rough Sleeping Strategy 2018 – 2028.**](#)

Thurrock - NUE contributes to delivery of Thurrock’s vision and priorities. Notably Priority 3 which focuses on the Prosperity of the borough – a borough which enables everyone to achieve their aspirations. In particular NUE will help support the ambition to create attractive opportunities for businesses and investors to enhance the local economy. The scheme also supports our regeneration frameworks for Grays and for Tilbury – two of our main town centres and there are potential links to the Future High Streets and Towns Fund Programmes being developed in these areas.

Rochford – NUE contributes towards priorities set out in Rochford District Council’s *Business Plan 2020-2023* both by working with neighbouring councils and Government to protect the District’s built and natural environment, supporting both the local and regional economy; and through working with businesses and communities to develop plans to achieve and invest in strong, sustainable town centres and high streets. The 2017 *Economic Growth Strategy* expands on this, with NUE having the potential to specifically to support new inward investment through working with land owners and developers to identify regeneration opportunities and unlock more difficult sites. It also aligns with Core Strategy policies to protect existing key employment sites, direct regeneration and investment in Rochford, Rayleigh and Hockley Town Centres, and to

encourage opportunities for rural diversification. Recent dialogue with stakeholders on the future of the district's town centres is also relevant, with additional means for regenerating the physical environment and repurposing properties having the potential to encourage new investment and uses into our town centres.

Castle Point - The Castle Point Corporate Plan 2018-2021 outlines four areas of priority, one of which is Housing and Regeneration. Within this priority, the Council is committed to the provision of homes in accordance with our local housing target, as set out in the national guidance and our emerging Local Plan. Furthermore, the Council is also committed to encouraging the regeneration of Hadleigh and Canvey Town centres which have suffered from underinvestment for many years. These centres are in urgent need of investment to reinvigorate them to meet the needs of the community and provide modern retail, residential and transport infrastructure. The No Use Empty Scheme provides an ideal opportunity to support with the delivery of these strategic objectives.

Basildon - NUE contributes towards the Corporate Plan goal of creating an attractive and welcoming place that people are proud to call home. It will also support the goal to become a place that encourages businesses to grow and residents to succeed. In particular NUE will support the goal to regenerate and rejuvenate the borough through physical and economic regeneration, creating attractive town centres and high quality spaces.

Brentwood – 'Brentwood 2025: Where everyone matters', the Council's five-year corporate strategy, sets out the goal of creating a healthy mix of residential, commercial and public realm in the borough's town and village centres. NUE helps support the Council's objectives of encouraging additional retail, leisure and residential growth to main thriving high streets in Brentwood, Shenfield and Ingatestone and increasing the delivery of housing to meet local needs with an appropriate mix of housing sizes, types and tenures.

2.5. Need for intervention:

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

Excessive and long-term empty offices and retail units are evidence of local market failure: high risks and uncertain returns discourage commercial investors, and the presence of dilapidated and empty properties impacts negatively on neighbouring occupiers and the wider environment. Typically, the greatest negative impact is in 'secondary' retail areas, where floorspace exceeds demand. Intervention is required to bring properties into alternative use and to break the negative cycle of declining demand, rising dilapidations and rising risks and costs. South Essex experiences these high vacancy rates and as an example, in Southend the BID reports a current vacancy rate of 12% across the Primary Shopping District. Indications are that there are further vacancies that have arisen as a result of the pandemic and a review of commercial agents websites would appear to support this with a number of hospitality/leisure and retail units added over the past month.

At national level, the case for intervention is supported by the Nationwide Foundation's report *Affordable Homes from Empty Commercial Spaces* (2016), commissioned by the national charity Empty Homes. This investigated the barriers to commercial re-use, and recommended that local authorities intervene to use vacant commercial space to meet housing need. The report specifically included a case study from Kent NUE (<http://www.emptyhomes.com/assets/affordable-homes-from-empty-commercial-spaces.pdf>).

Market failure

Across South Essex town centres and secondary retail areas suffer from high levels of vacancy rates. As indicated above the vacancy rate in Southend Town Centre was 12% prior to the pandemic with anecdotal evidence (agent website review) that this has increased. This picture is replicated across South Essex and is reflected in the strategic priority afforded to the issue by the individual local authorities (2.4 above) and ASELA (Association of South Essex Local Authorities). In many instances prominent town centre premises have stood empty for years impacting negatively on perceptions of safety, on neighbours and on the look and feel of the town centre. Often the appearance of these premises can undermine the efforts of both public and private sector partners to implement a joined up, comprehensive approach to regeneration programmes. To maximise the outcomes the NUE project will be progressed in tandem with other initiatives and link up with existing programmes of work.

As the local authorities themselves don't own the empty units this limits direct power to enforce change that would improve and address the issues caused by the empty unit. As lead applicant Southend Council has engaged the private sector through the BID, The Engine Room (a forum for strategic thinking around the boroughs retail centres) and through direct conversation with agents. The consensus is that the availability of loans through NUE would be significant in securing progress on a number of key sites. Clearly impressed by the track record of the Kent project they are keen to see it extended to South Essex. The introduction of the loan scheme is very much designed to encourage the private sector to take the initiative and lead improvements in the town and secondary retail centres across South Essex.

Evidence of success of such interventions elsewhere

There have been a number of loan schemes to redevelop and occupy vacant units offered by local authorities over the past few years. Despite their relatively recent introduction, there is a growing body of evidence that such interventions contribute to increased footfall and decreases in vacancy rates in town centres. As an example Trafford Council implemented a 0% loan of £20,000 to help businesses occupy vacant premises by contributing towards the financial cost of physical improvements and year one overheads⁹. Since 2013 over 30 loans have been taken out by applicable businesses and the majority applied for the maximum loan value.

Within SELEP our colleagues in Kent have over a decade of experience of bringing empty units back into use through the 'No Use Empty' scheme. The primary aim of the Kent NUE to improve the physical urban environment in Kent, by bringing empty properties back into use and raising awareness of the issues surrounding empty properties, highlighting the problems that they cause to local communities. While the primary focus of Kent NUE has been on empty residential properties in 2019 it added to the range of products with the introduction of NUE Commercial. The Council secured £1m through Growing Places Fund to provide short term secured loans to return long term empty commercial properties to use for alternative commercial or mixed-use purposes. NUE Commercial is tasked with bringing back into use a total of 8 commercial units and 28 residential units by March 2022. The focus is on town centres where secondary retail and other commercial areas have been significantly impacted by changing consumer demand and have often been neglected as a result of larger regeneration schemes. Conversations with colleagues in Kent point to the success of the scheme with NUE Commercial on track to deliver its contractual obligations with projects underway in Dover, Folkestone and Margate. It is also worth noting that demand for the loan products has increased through the COVID pandemic.

To ensure that we benefit from the experience of Kent a draft service level agreement has been agreed which will see them coach local economic development teams to help with the 'on the

ground' work in South Essex, assist with communication and marketing and manage the back office administration of loan applications.

2.6. Sources of funding:

[Promoters should provide supporting evidence to show that:

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

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

Currently there are no alternatives to GBF to support No Use Empty in South Essex. We did previously submit a bid for GPF (Growing Places Fund) but that bid was unsuccessful.

Private sector investment: There appears to be little in the way of significant private investment available to support the properties and locations that NUE will target. The project itself is a direct response to a failure of private investment and will support projects where traditional lenders may be averse to lending. Experience in Kent suggests that NUE has become the lender of last resort and has been successful in assisting a number of projects deemed to be high risk. As part of the individual loan application process, borrowers are required to demonstrate that they are unable to secure viable private investment. The process through which individual projects are assessed is set out in Appendix 3.

Other public sector investment: South Essex local authorities have identified £100k which will be contributed to the NUE loan pot and there are no additional funds which can be accessed from partners. Many of the authorities are struggling to meet budget shortfalls which have arisen as a consequence of responding to COVID and no further match funding can be provided at this stage.

We have not been able to identify any other sources of public funding which could potentially support this project. The South Essex NUE was unsuccessful in an approach for GPF funding and we do not believe there is any duplication with other programmes or projects supported by SELEP in this area. We have sought to maximise return on this investment by agreeing an SLA with KCC to administer the scheme rather than create and resource our own support function.

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

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

Should GBF funding not be forthcoming the NUE project will not proceed in South Essex. This will mean that support for projects which have a commercial nature will be restricted. Small developers with difficulties in accessing funds for the smaller projects and communities on the fringes of bigger schemes and in 'secondary' commercial areas will fail to benefit.

Without NUE the presence of excessive and long-term empty offices and retail unit will continue to create a negative perception and will discourage potential commercial investors. In turn presence of dilapidated and empty properties will continue to impact negatively on neighbouring occupiers and the wider environment. It is evident that available floorspace currently exceeds

demand and the primary aim of NUE is to bring these properties back into use either as alternative commercial or mixed use premises. The private sector has not responded to this opportunity and experience from Kent suggests that NUE can make a difference and encourage a response. Without NUE that opportunity will not be realised.

Often the appearance of empty premises undermines the efforts of both public and private sector partners to implement a joined up, comprehensive approach to regeneration programmes. NUE is felt to be a key tool in complementing other initiatives and programmes of work. If we 'do nothing' this opportunity will be lost.

Doing nothing will also mean a potential loss of business rates, and an inability to create new council tax receipts and New Homes Bonus payments arising from conversion to residential. Leaving an empty property derelict will have a negative impact leading to anti-social behaviour impacting on local services and further work for local empty property officers in terms of additional enforcement and legal proceedings.

2.8. Objectives of intervention:

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

Project Objectives (add as required)

Objective 1: support economic growth through new commercial activity.

Objective 2: increase the number of new homes available as a result of mixed use development.

Objective 3: support wider regeneration, in particular assisting in improving the vitality and viability of existing commercial areas, improving the quality of the local environment, complementing wider regeneration activities and supporting community safety and cohesion.

Problems or opportunities the project is seeking to address (add as required)

Problem / Opportunity 1: Excessive and long-term empty offices and retail units.

Problem / Opportunity 2: High risks and uncertain returns discourage commercial investors

Problem / Opportunity 3: The presence of dilapidated and empty properties impacts negatively on neighbouring occupiers and the wider environment.

Problem / Opportunity 4: Floorspace exceeds demand.

Problem / Opportunity 5: Intervention can help to bring properties into alternative use.

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

	Problems / opportunities identified in Need for Intervention section				
	Problem / Opportunity 1	Problem / Opportunity 2	Problem / Opportunity 3	Problem / Opportunity 4	Problem / Opportunity 5
Objective 1	✓✓✓	✓✓	✓✓✓	✓✓	✓✓
Objective 2	✓✓	✓	✓✓	✓✓	✓✓✓
Objective 3	✓✓✓	✓✓	✓✓	✓	✓✓

2.9. Constraints:

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

The potential benefits realisation of the South Essex NUE project will be constrained from reaching its full potential should be full amount of GBF funding not be awarded.

The empty properties are yet to be identified. However all projects will be subject to confirmation with local authority as to whether planning is required or not and planning must be in place (if applicable) before any loans are awarded. Checks are also made in relation to any conservation requirements. Projects must adhere to the decent homes standard and have correct certifications in place to comply with any building regulation requirements. No projects will be progressed unless there is support from the respective district authority. All projects will be subject to routine monitoring visits (frequency is based on size of project and loan).

Additional checks will be carried out by the NUE team as part of the overall assessment process for proof of ownership, identity of owners, bankruptcy and insolvency checks. This information will be evidenced and summarised by the KCC Programme Manager for the approval of the appropriate local authority. An example project approval sheet is contained in Appendix 6.

Works will need to comply with all relevant COVID guidance including social distancing both for workers and pedestrians.

2.10. Scheme dependencies:

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

Aside from ensuring that projects progressed as part of the South Essex NUE project align with wider regeneration programmes or other related programmes of work being delivered or scheduled to be delivered in the future there are no immediate dependencies for the project. The main emphasis needs to be ensuring that all of the projects are delivered in a collaborative manner that enables the maximum amount of benefits to be delivered.

2.11. Expected benefits:

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

The Kent NUE Commercial was funded under GPF round 2. We have agreed a close working relationship with KCC in the roll out of South Essex NUE. We have drawn heavily on the Kent experience in identifying the expected benefits.

	Outcomes	2021/22	2022/23	2023/24	Total
Direct outcomes (gross	Jobs created		9	9	18

terms)	Homes built (back into use)		14	14	28
	Commercial unit back into use		4	4	8
	Commercial floorspace delivered		353	353	706
Indirect Outputs (gross terms)	People Housed		28	28	56
	Jobs created estimate 2 per commercial unit		8	8	16

Further benefits will be achieved as the GBF funding is recycled in future rounds

2.12. Key risks:

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

A Risk Register can be found at Appendix 1 which identifies the overall risks and GBF specific risks, likelihood, impacts and mitigations. This is based on the 10 year experience of the Kent NUE recycled loan fund.

Commentary is provided for the most significant project risks, which considers the implementation risks associated with the project including the risks to the repayment of individual projects and how these will be mitigated.

3. ECONOMIC CASE

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

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

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

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

3.1. Options assessment:

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

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

Long list of options considered:

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

Options assessment:

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

Short list of options:

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

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

SBC in tandem with the South Essex EDMs and other stakeholders from both the public and private sector conducted a review of potential options to address the issues set out in the Need for Intervention section of this FBC. The review considered a number of options to address these issues, and scored these options against critical success factors (CSFs). The outcome of the options appraisal is set out in the table below.

Problem to address	Long list of options	Strategic fit and meets business	Potential Value for Money	Supplier capacity and capability	Potential affordability	Potential achievability
High levels of retail/commercial unit vacancies	Direct ownership interventions	X				X
	CPO property to offer for discounted rents or alternative uses	X				
	Business rates discount scheme	X				X
	Take up of vacant units by private sector	X	X		X	
	Direct usage of vacant sites on the High Street for community purposes	X		X		
	0% loan fund to take up vacant units and redevelop upper floors	X	X	X	X	X
	Re-purpose units as mixed use (inclu. residential)	X	X	X	X	X

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

- In some instances, the Councils do not have the ownership or rights to implement these options, such as 'direct ownership interventions'. The Councils own very few of the empty units and in a number of instances have already engaged with private sector businesses to try and generate this economic activity organically.
- For others, the cost of implementation is prohibitively expensive, or would require significant change to the local taxation/planning process (E.g. CPO or business rate discount scheme).

The two interventions which met each of the CSFs were combined and chosen as the 'preferred option'. In assessing options we were aware that there was a successful programme operating in Kent (No Use Empty) which could form the basis of the preferred option. The KKC scheme has a proven track record over ten years and as such represented a 'low risk' option with a high certainty of success. The NUE Commercial operated by Kent specifically sought to provide Empty Property Loans to bring commercial properties back into use either as alternative commercial or mixed use premises.

3.2. Preferred option:

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

The preferred option is the provision of short-term secured loans (up to 3 years) to bring long-term empty commercial properties back into use for residential, alternative commercial or mixed-use purposes. The project will focus on secondary retail and other commercial premises which have been significantly impacted by changing consumer demand and more recently the impact of the pandemic. The preferred option is a duplication of the No Use Empty project operated by Kent County Council and funded by the Growing Places Fund. This project has enjoyed notable successes and has a host of excellent case studies. The project has been widely cited as an example of good practice and evaluation has ensured that 'lessons learnt' have been captured and used to develop and improve the product. We will work closely with KCC on the SENU

initiative to tap into their expertise and we intend to mirror the application process, terms and conditions of loans and the checking and approvals process. This arrangement will be formalised through a Service level Agreement and a draft of this has already been negotiated. It is worth noting that the South Essex local authorities will do the local groundwork to identify a pipeline of projects.

The No Use Empty and No Use Empty Commercial Project have previously applied for funding under GPF. As a consequence they have been assessed by the ITE and awarded funding by the Accountability Board. The KCC scheme also has a series of positive testimonials from developers who have utilised the loan facility <https://www.no-use-empty.org.uk/>

It is the success and track record of the Kent programme that has largely driven the decision to select this as the preferred option.

In South Essex a number of conversations have taken place with local estate agents and they feel that the product would be welcomed by developers. In particular they highlighted the potential for NUE to fill a gap in financing where banks would not lend developers or owners the full amount. Clearly the offer of the NUE product can be significant in moving stalled projects forward.

As well as speaking to agents SBC officers have spoken to a number of developers and businesses with an interest in units that are currently empty. Again they have welcomed the initiative and have asked to be kept informed. It is perhaps worth noting that some of this interest has been from London based businesses that have lost custom as a result of the lockdown. They are now looking to relocate to ‘the suburbs’ and tap into the market that is no longer travelling to London.

Project Objectives

Objective 1: support economic growth through new commercial activity.

Objective 2: increase the number of new homes available as a result of mixed use development.

Objective 3: support wider regeneration, in particular assisting in improving the vitality and viability of existing commercial areas, improving the quality of the local environment, complementing wider regeneration activities and supporting community safety and cohesion.

Problems looking to address

Problem 1: Excessive and long-term empty offices and retail units.

Problem 2: High risks and uncertain returns discourage commercial investors

Problem 3: The presence of dilapidated and empty properties impacts negatively on neighbouring occupiers and the wider environment.

Problem 4: Floorspace exceeds demand.

Problem 5: Intervention can help to bring properties into alternative use.

	Problems / opportunities identified in Need for Intervention section				
	Problem 1	Problem 2	Problem 3	Problem 4	Problem 5
Objective 1	✓✓✓	✓✓	✓✓✓	✓✓	✓✓
Objective 2	✓✓	✓	✓✓	✓✓	✓✓✓
Objective 3	✓✓✓	✓✓	✓✓	✓	✓✓

3.3. Assessment approach:

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

A qualitative approach to assessment is an appropriate way to appraise a loan scheme which is having an impact over a short period of times.

Displacement - A conservative number of commercial units (8) have been identified as likely to become occupied in this scenario – these businesses will most likely already be seeking to move to commercial premises but are unable to find suitable accommodation. The NUE project will encourage the move. There is however a small chance that this activity will be displaced from a nearby town centre and therefore not deliver net additional benefits to the SELEP economy. The 2014 HCA Additionality Guide advises 25% as a low level of displacement.

Rising historic vacancy rates with many units remaining empty for a long period (more than six months) demonstrate the lack of market demand for vacant units on the High Street. Therefore, it is unlikely that the economic activity arising from the preferred option 'would have happened anyway'.

Optimism bias – SENUE will offer short term secured loans to bring empty properties back into use. It is anticipated that most projects will be standard building projects. The amount of the loan will be fixed and it will be for the applicant to manage the overall cost of the project within their funding package. As part of the assessment of the application the funding package and estimates will be reviewed to make an assessment around deliverability. Any projects that are considered not be deliverable will not receive a loan.

Do Nothing: town centre and wider regeneration programmes only

In this scenario, in line with national trends and historic vacancy rates, without intervention footfall is expected to continue to fall year on year. As a consequence vacancy rates can be expected to rise across town centres and secondary retail areas. As a result it is anticipated that there could be a steady loss of employment and certainly no increase in employment. An increase in empty properties may well be accelerated as a consequence of the pandemic. There will be some mitigation of this impact as a result of the wider programme of works which local authorities are pursuing (strategic case).

However, without the SENUE project the number of vacant units and particularly long term empty units will continue to rise and jobs may be lost in this scenario.

Do Something: Wider programme of works + South Essex NUE

In this scenario, South Essex NUE alongside the wider programme of works seeks to address a number of the challenges that town centres and secondary retail areas face. These are the challenges which contribute to the falling footfall numbers and the rising vacancy rates. As a result of the wider programmes of work the quality of the environment improves in retail/commercial areas. This in itself may help to ensure that vacancy rates no longer rise year on year and that the jobs lost in the Do Nothing scenario are safeguarded.

In this scenario the SENU project will encourage private sector investment and it is likely that a number of the currently vacant units will be occupied by businesses keen to locate in town centre and secondary retail areas. This will either be for alternative commercial or mixed use purposes. This will lead to commercial units and floorspace being brought back into use, new housing units created and jobs created. In addition this is anticipated to lead to marginal additional benefits in terms of employment and GVA in addition to the safeguarded jobs from the Do Nothing scenario.

3.4. Economic appraisal assumptions:

[Provide details of the key appraisal assumptions by filling in the table in Appendix A, expand if necessary. Key appraisal assumptions as set out in Appendix providing justification for the figures used and any local evidence, where appropriate (different from the standard assumptions or the ones with the greatest influence on the estimation of benefits). Explain the rationale behind displacement and deadweight assumptions.

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

- New homes back into use: 28 new homes are assumed, based on Kent NUE's previous experience of 30 previous projects which had a mixed residential and commercial element. We assume that all of these homes are additional, given that:
 - The homes are not replacing previous residential stock
 - The projects would not proceed in the foreseeable future in the absence of the NUE intervention (i.e. while it is possible that the properties may be converted at some point in the future, individual project appraisal will have demonstrated that this is not currently possible)
- Commercial floorspace: 706 sq m, based on previous experience of Kent NUE. Overall, the project will deliver a net decrease in total available floorspace, given that some will be converted to residential. However, as loans will only be made available in situations where units are long-term empty, it is reasonable to assume that the previously existing floorspace is unviable, and that the re-used commercial floorspace is a net addition to the viable stock. The businesses that have been taken space in projects supported by NUE to date have included architects, picture framers, convenience stores and artists: a diverse range of occupiers, including several 'higher value' employers
- Jobs safeguarded or created: Based on the National Housing Strategy which assumes that two net jobs are created for each house completed.
(https://www.london.gov.uk/moderngov/documents/s38594/Measuring%20Jobs_Appendix%2003.pdf)
- Based on a total of 36 units (8 commercial and 28 homes) being assisted with £1.2M GBF funds this is calculated at £33.3,k per unit for GBF intervention.

3.5. Costs:

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

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

The total 'project cost' is yet to be identified as this will be a programme of individual empty properties being brought back into use: each individual loan will contribute to an overall package of costs. However, the table shows the anticipated total project costs (including private sector leverage). This is consistent with experience within the Kent NUE programme to date. The costs refer to the total project costs applicable to the 'Do Something' scenario, estimated to total £2.665m (in 2020/21 prices). A total of £0.115m match funding from the local authority partners has been secured. This assessment is based on the costs being divided over three fiscal years with all project delivery completed before 31 March 2022. Only the evaluation will be completed in the third year:

	20/21 £000	21/22 £000	22/23 £000	Total
Costs GBF	400	800		1,200
Local authority contribution	28	72	15	115
Private sector funds (to be confirmed)	540	810		1,350
% of total costs	36%	63%	1%	100%
Total	968	1,682	15	2,665

As the empty premises are not in public sector ownership it is assumed that holding costs will not be incurred. As such holding costs have not been considered in the appraisal.

No costs (sunk costs) have been incurred on the project to date so no treatment is required.

Cost breakdown:

The individual empty properties have yet to be identified. However to demonstrate a typical drawdown, the following is based on a previous loan awarded by Kent NUE:

Total Project Costs £ 241k (Loan Approved £150k condition: staged payments £50k)

Project expenditure	Q1 Year 1 £000	Q2 Year 1 £000	Q3 Year 1 £000	Q4 Year 1 £000	Q1 Year 2 £000	Q2 Year 2 £000	Q3 Year 2 £000	Q4 Year 2 £000	Total £000
Owners funds	35	35	21						91
Loan funds			50	50	50				150
Total costs	35	35	71	50	50				241

3.6. Benefits:

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

Outcomes	2021/22	2022/23	2023/24	Total
Jobs created		9	9	18
Homes built (back into use)		14	14	28
Commercial floorspace delivered		353	353	706

3.7. Local impact:

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

Skills and training - In terms of skills and training places, for Kent NUE this has been difficult to quantify as the project does not procure any of the trades. However, by the very nature of the initiative, those who are contracted by the property owners are working with local trades/businesses and are likely to provide opportunities such as apprenticeships.

The NUE website has an example of a previous project which is known to have employed apprentices for the refurbishment of building in Deal, Kent.

<https://www.no-use-empty.org.uk/latest-property-restored/>

We will look to use the project as an opportunity to publicise and gain support for the SECTA Construction Skills training programme currently running in South Essex. This project is co-ordinated by the scheme promoter.

Environmental impacts – Under SENUE all projects will have to comply with the Decent Homes Standard. SENUE will also encourage projects of a 'green' nature to come forward as has been the case in Kent. Examples of such projects in Kent include bio-mass boilers, solar panels and ground source heat pumps. More information on these projects can be found in the Kent NUE newsletter:

<https://www.no-use-empty.org.uk/newsletter-edition-no-8-10-years/>

Social impacts - SENUE will have a positive impact on the community, improving the neighbourhood and the environment, which will increase both resident and business confidence and generate economic growth.

3.8. Economic appraisal results:

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

Value for money rationale

	DCLG Appraisal Sections	Option 2 (Do Something)
A	Present Value Benefits [based on Green Book principles and	£2.665m

	DCLG Appraisal Sections	Option 2 (Do Something)
	Green Book Supplementary and Departmental Guidance (£m)]	
B	Present Value Costs (£m)	£1.315m
C	Present Value of other quantified impacts (£m)	
D	Net Present Public Value (£m) [A-B] or [A-B+C]	
E	'Initial' Benefit-Cost Ratio [A/B]	2.03:1
F	'Adjusted' Benefit Cost Ratio [(A+C)/B]	
G	Significant Non-monetised Impacts	<ul style="list-style-type: none"> • 18 Jobs created • 28 homes back into use • 8 Commercial units back into use • 706 sqm commercial floorspace • 56 people housed
H	Value for Money (VfM) Category	High Value for Money
I	Switching Values & Rationale for VfM Category	
J	DCLG Financial Cost (£m)	N/A
K	Risks	<ul style="list-style-type: none"> • Risks are set out in appendix C
L	Other Issues	

The estimated value for money of this project is High with a BCR of 2 indicating there is £2 worth of benefits per £1 of net public expenditure. The benefits of this policy are commercial units back into use, housing back into use and jobs created. Additional benefits will be generated through future rounds of funding. The public sector costs of the project are the GBF grant of £1.2m and local authority match of £115,000..

Acknowledging a preference to express benefits where possible in terms of changes in land value, Kent NUE have recorded a 2.5* increase in property values based on projects supported.

In addition to this there are other potential benefits associated with the project in terms of being able to generate New Homes Bonus (£156.8k), additional Council Tax receipts (£39k) and collection of Business Rates.

4. COMMERCIAL CASE

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

4.1. Procurement options:

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

Empty property loans will be provided to applicants and they will conduct their own procurement. Based on experience with Kent NUE the supplier market for all aspects of likely projects is well established and as such should be relatively straightforward.

Applicants will be expected to provide at least two itemised estimates and cost of any associated fees e.g. structural engineer's fees, or project management fees.

4.2. Preferred procurement and contracting strategy:

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

The project will not be directly procuring services, as all GBF payments will be in the form of a loan to the owner of the empty property. However all applications will be required to submit two quotes for the works to be undertaken or one quote, supported by an independent RICS valuation.

Based on the experience of the established Kent NUE programmes, local tradespeople and SMEs will be engaged in bringing the empty properties back into use.

4.3. Procurement experience:

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

SBC is very experienced in different types of procurement and has a considerable amount of knowledge and experience in its Procurement Team. The back office administration of the loans application and approvals process will be administered (under SLA) by Kent CC who have extensive and successful experience of administering the procurement aspects of Kent NUE.

The other Councils in South Essex have experienced procurement resource should it be needed for any purpose.

4.4. Competition issues:

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

All loan applicants will be required to submit two quotes for the works to be undertaken or one quote, supported by an independent RICS valuation.

4.5. Human resources issues:

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

As indicated elsewhere SBC's Council's Capital Programme Manager will act as project manager for the SENE project. To provide additional capacity and mitigate against any adverse impact SBC has appointed a Capital Programme Support Officer who is now in post. Additional resource will be available through the OSE secretariat and the South Essex Economic Development Managers Group. This strong delivery partnership and the capacity it provides recognises the need to meet the challenging timescales for spending GBF allocations. Elsewhere a strong delivery partnership has been established to ensure that resources from the Council,

The situation will continue to be monitored through the project governance arrangements.

4.6. Risks and mitigation:

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

The nature of this bid is that developers will conduct the majority of procurement. They will be asked to submit two quotes for the works to be undertaken or one quote, supported by an independent RICS valuation.

SE LEP will contract with SBC and through a loan agreement we will contract with developers/applicants. Each project under South Essex NUE will be subjected to the same procedures and systems which have been operated by the Kent NUE team for several years. No projects are approved if their application fails the risk assessment process. The work the Kent NUE team undertakes is to ensure that projects are fully funded and are viable. .

Kent NUE has a proven track record and has operated a recycling loan fund for more than 10 years. It has successfully recovered £17m of loans. South Essex NUE has negotiated an SLA with KCC so that this expertise can be brought our scheme ensuring a robust application and assessment process. South Essex NUE will offer secured loans with GBF funds which will be repayable on an agreed date written into the Loan Facility Agreement between Kent County Council and the property owner. Loans awarded in 2020/21 will repaid 31st March 2024 and loans awarded in 2021/22 will be repaid by 31st March 2025.

A reminder letter will be issued 3 months before the loan is due to ensure that the borrower has sufficient time to have the funds in place to repay on the agreed due date as per the Legally binding contract. The Legal charge document does give Kent County Council the right to take control and sell the property if there is no repayment. Apparently action of this nature has not been taken under the Kent NUE initiative. Experience also suggests that when properties have been refurbished and brought back into use; it is at this stage that the owners look to re-finance to raise additional capital. This would trigger an early repayment of the loan.

In terms of bad debt, based on the existing Kent NUE initiative the default rate has been below 1%. 'Buying in' KCC expertise to administer the South Essex NUE should ensure similar robustness.

4.7. Maximising social value:

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

In the guidance issued to applicants around SENU we will promote consideration of social value (economic, social and environmental benefits) within the procurement process. In particular the use of local supply chains and labour present significant opportunities as does consideration of a projects green credentials.

5. FINANCIAL CASE

The Financial Case determines whether the scheme will result in a fundable and affordable Deal. It presents the funding sources and capital requirement by year, together with a Quantitative Risk Assessment (QRA), project and funding risks and constraints. All costs in the Financial Case should be in nominal values¹.

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

5.1. Total project value and funding sources:

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

Cost type	Expenditure profile			
	20/21	21/22	22/23	Total
Funds required from GBF	£0.40m	£0.80m		£1.20m
Local authority funds to service loans	£0.026m	£0.069m		£0.095m
Private sector funds (to be confirmed)	£0.54m	£0.81m		£1.35m
Quantified Risk Assessment (QRA)	£0.002m	£0.003m		£0.005m
Monitoring and Evaluation*			£0.015m	
Total cost	£1.06m	£1.59m	£0.015m*	£2.665m
Inflation (%)	N/A**	N/A	N/A	

**Costs associated with monitoring and evaluation represent revenue spend and must therefore be funded locally.*

***The project will comprise a number of individual applications for funding to address empty properties. Prices will therefore be current and inflation considered as part of project costs.*

Other than GBF all funding is confirmed. Once all NUE loans are repaid the GBF funds will be used to fund a further round of SENU projects. This will operate as a revolving loan fund.

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

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

£1.2m is requested from the Get Building Fund (GBF).

5.3. Costs by type:

Detail the cost estimates for the project by year as per the table below (expand as appropriate) and specify how the inclusion of the Quantitative Risk Assessment (QRA) and other overheads

¹ Nominal values are expressed in terms of current prices or figures, without making allowance for changes over time and the effects of inflation.

aggregate to the total funding requirement. Where conversion has been made between nominal and real cost estimates (and vice versa) please provide details of any inflation assumptions applied. The Financial Case should not include Optimism Bias. Please confirm that optimism bias has not been applied in the Financial Case. Also, include details of the agreed budget set aside for Monitoring and Evaluation, and ensure this aligns with the relevant section in the Management Case. Please note, not all sections of the table may require completion.]

Optimism bias has not been applied in the financial case.

Cost type	Expenditure Forecast				
	18/19 £000	19/20 £000	20/21 £000	21/22 £000	22/23 £000
GBF Capital [For example by stage, key cost elements for construction, and other cost elements such as contingency, overheads and uplifts]			400	800	
Local authority capital			26	69	
Private sector capital			540	810	
QRA			2	3	
Monitoring and Evaluation					15
Total funding requirement			968	1,682	15
Inflation (%)*					

*The project will comprise a number of individual applications for funding to address empty properties. Prices will therefore be current and inflation considered as part of project costs.

Delivery of the project will essentially be split into two elements. The on the ground identification of projects across South Essex is to be undertaken by existing staff from the respective Local Authorities. This might be economic development, commercial and property or housing staff. There are n additional costs to be incurred. Likewise any communications or marketing collateral will be commissioned from existing teams in one or more of the Councils. Initially this work will be led by Southend on Sea BC. The back office administration of the loan application including all external checks and legal work will be conducted by the existing No Use Empty Team at Kent County Council. These costs will be recovered from the applicant in the form of an administration fee. This is in line with the model currently operated by KCC.

Under the terms of a draft Service Level agreement negotiated between SBC and KCC the administration fee will be chargeable on each application and will recoup the full costs of processing the application. In the unlikely event that South Essex NUE does not receive any applications then no fees will be payable. On this basis the South Essex local authorities will not be liable for any expenditure incurred by KCC and there is no requirement for a revenue budget..

5.4. Quantitative risk assessment (QRA):

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

See Appendix G for the QRA. £5,000 has been included within the costs for the project to reflect the results of the QRA.

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

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

Funding source	Expenditure Forecast					
	17/18 £000	18/19 £000	19/20 £000	20/21 £000	21/22 £000	22/23 £000
Capital source 1 - GBF				400	800	
Capital source 2 – LA match				28	72	
Capital source 3 – private sector				540	810	
Non-capital source 1 – LA Revenue						15
Total funding requirement				968	1,682	15

The funding profile assumes a funding decision on 20 November 2020 and a roll-out of the project from January 2021. Costs are then spread over the remainder of 2020/21 and 2021/22 ensuring completion before the GBF deadline of 31 March 2022. The only costs to be incurred in 2022/23 are the project evaluation costs to be funded separately by the South Essex Local authorities. Following the funding decision on 20 November the ED teams in each local authority will begin the groundwork to identify an early tranche of loan applicants. In particular there will be early dialogue with agents to both publicise the NUE project and identify potential applicants. The aim is that there should be at least one project in place for each local authority area by the time the project is launched. This early ground work will help us to achieve the £400k of spend in Q4 of 20/21.

The remainder of the spend is profiled for 21/22 and communications and marketing activity will ensure that there is a strong pipeline of projects. Through OSE and ASELA we have good links to the Developers Forum and other prospective developers.

LA capital is available as required and private sector contributions will be generated as applications are approved and loans made.

Project evaluation will take place 12 months from project completion.

As the properties are not owned by the public sector there are no non capital liabilities generated by the scheme and costs of administering the loan fund will be recovered from applicants by way of an administration fee (see 5.3 above).

5.6. Funding commitment:

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

See Appendix B

5.7. Risk and constraints:

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

Please refer to Appendix C and Appendix G.

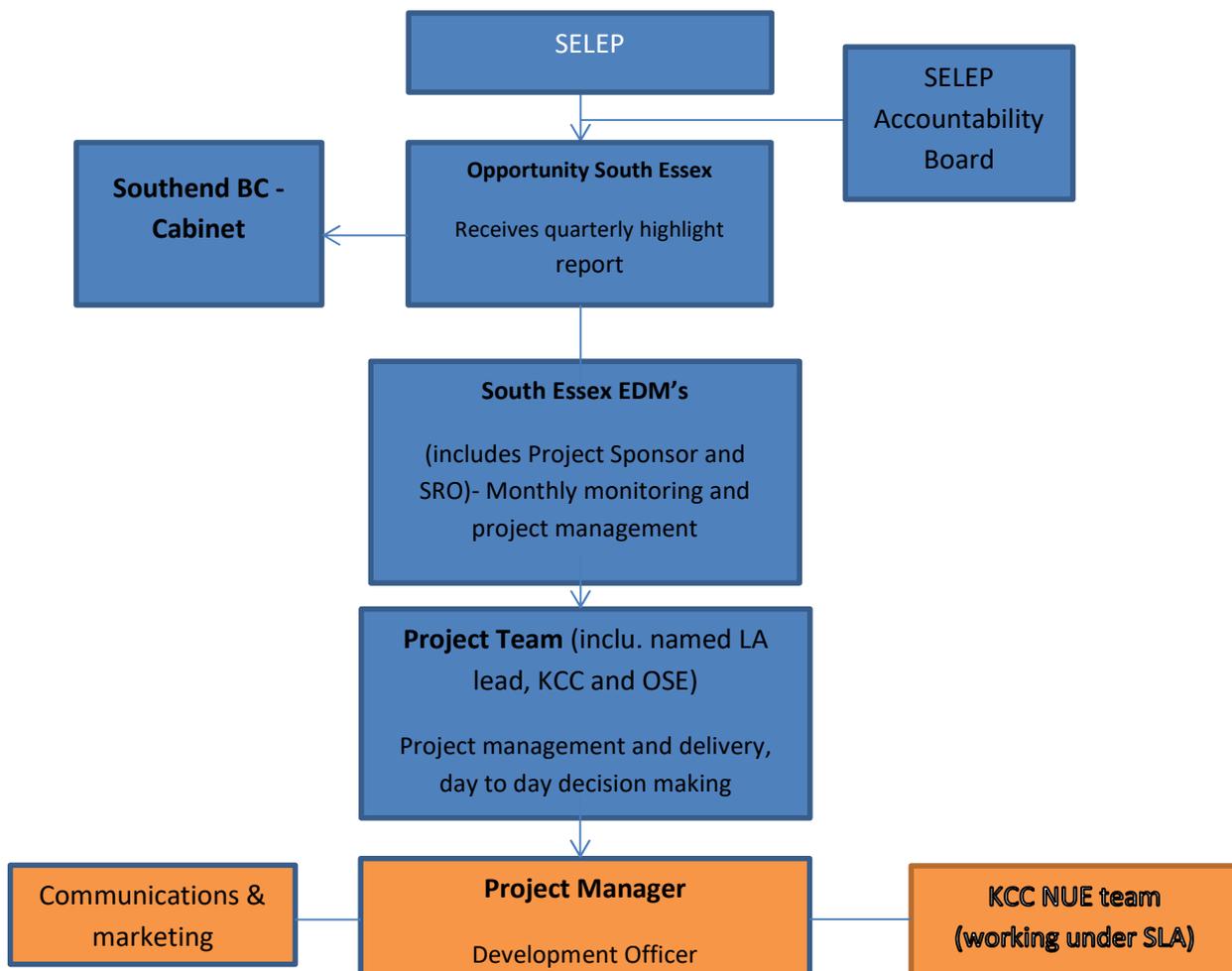
6. MANAGEMENT CASE

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

6.1. Governance:

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

The Project Sponsor will be Andrew Lewis, Deputy Chief Executive, SBC. Andy is the project sponsor for a number of other LGF projects including Southend Airport Business Park and the transport schemes on the A127. The Senior Responsible Officer will be Emma Cooney, Director of Regeneration and Business Development, SBC. The governance structure will be as follows:



6.2. Approvals and escalation procedures:

[Specify the reporting and approval process; max. 0.5 pages.]

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

The Place Capital Programme Manager at SBC (Tim Rignall) will act as Project Manager responsible for co-ordinating day to day delivery, stakeholder management and communication. He will report to the Project Team which will meet monthly and comprise membership from the other 5 local authorities, Kent County Council and the OSE secretariat. This has day-to-day responsibility for all aspects of project delivery.

This Team will report on a quarterly basis to the South Essex Economic Development Managers Group. The membership of the EDM group is comprised of Economic Development Leads from each of the Council's and the OSE Programme Director. The purpose of this Group is to make key decisions, take strategic oversight and monitor spend and performance. Members of the Group will report to OSE Partnership Board and SBC Cabinet as Accountable Body. Any issues in relation to scheme delivery are first raised and discussed at the Project Team level, before being escalated if required to the EDM Group. There is the ability for key/pressing issues to be raised directly outside of the quarterly reports through direct liaison between the Project Manager and the Senior Responsible Officer and/or Project Sponsor. Issues that still cannot be resolved at this level or requests for approval that require it can be taken to the OSE Partnership Board Cabinet.

The Project Team will ensure that all SELEP reporting requirements are met.

6.3. Contract management:

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

All projects which have been awarded a loan with GBF funding will be subject to the same systems and procedures established for the Kent NUE initiative which will include site visits, monitoring of expenditure and review of project timescales. Appendix 3 shows a flowchart of processes from project identification to repayment of secured loan. The SBC Capital Programme Manager working with the KCC Programme Manager will maintain a register of individual projects supported with GBF funds to include the monitoring of agreed outputs and will complete a quarterly monitoring report to provide reassurance to SELEP and local authority partners who have supported projects approved. The Capital Programme Manager will refer to the overarching contractual agreement to ensure compliance with the terms governing the GBF fund.

The Capital Programme Manager will receive quarterly returns from districts regarding empty properties back into use. This information will then be collated into a quarterly report with commentary for review by OSE Economic Development Managers which will then form part of a wider monitoring report presented to the OSE Board.

KCC Programme Manager will report data back to the local authority partners via a quarterly monitoring report.

6.4. Key stakeholders:

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

In developing the project proposal there has already been significant engagement with OSE, the South Essex local authorities and Kent County Council.

Over the life of the SENUE project multiple promotion, information and engagement events that will need to be arranged and harnessed and cascaded to stakeholders. The co-ordination, management and organisation of these events will be the responsibility of the Project Team with oversight from South Essex EDM's. KCC will assist in ensuring any marketing information issued by South Essex authorities/OSE is fair, clear and not misleading. The project will utilise the collective communications and marketing resources from across the local authorities.

Stakeholders will include MP's; Portfolio Holders; Councillors; Business Partnerships; developers forums; and estate agents. A particular focus will be placed on building a relationship with agents to identify properties that are attracting interest and where the offer of a NUE loan might act as the catalyst to secure progress. The process of identifying agents and enlisting support has already started.

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

6.5. Equality Impact:

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

As yet an EqIA has not been undertaken for the project. The work is planned to be completed during November 2020 prior to launch of the project in January 2021. This will ensure that any findings are fully incorporated as part of detailed design and subsequent implementation. The analysis will be completed using SBC's approved guidance and templates.

6.6. Risk management strategy:

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

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

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

- Using risk management to contribute to the delivery of improved outcomes.

Southend Borough Council will achieve these aims by implementing and maintaining a Risk Management Framework, comprising this risk policy statement, the strategy and toolkit. These documents will be reviewed at each Project Team meeting as a standard agenda item. They will be reviewed against good practice guidance to ensure that they are fit for purpose and continue to drive forward a robust approach to risk management. SBC's Internal Audit Team (who set the Council's approach to risk management) will provide challenge to ensure the robustness, relevance and timeliness of the strategy.

6.7. Work programme:

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

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

The early stages of the project such as stakeholder engagement and marketing will obviously be important in securing wider progress. In this respect we have the advantage of both being able to draw on the experience of Kent County Council and having access to the collective resources of six local authorities within OSE. The project is also being championed by the local Chief Executives and Council Leaders through ASELA (Association of South Essex Local Authorities). Much of the scheme design work has already been undertaken drawing on the Kent experience.

SBC (as accountable body) also has the benefit of significant programme and project management expertise and also has access to significant risk and financial management resource. This expertise and resource has extensive experience of externally funded projects including LGF.

6.8. Previous project experience:

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

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

Council of the Year 2012. The majority of Council-led projects have been delivered on time and to budget and the Council has a strong delivery track record.

6.9. Monitoring and evaluation:

[Complete the Logic Map over the page. This provides a read across between the objectives, inputs, outputs, outcome and impacts of the scheme and is based on the Logic Map established in the Strategic Case. A guide to what is required for each of these is included in Appendix E. Note that the number of outcomes and impacts is proportionate to the size of funding requested.]

Complete the Monitoring and Evaluation Report template and Baseline Report template in Appendix F.]

6.91 Logic Map

Objectives	Inputs	Outputs	Outcomes	Impacts
<p><u>Objective 1</u>: support economic growth through new commercial activity.</p> <p><u>Objective 2</u>: increase the number of new homes available as a result of mixed use development.</p> <p><u>Objective 3</u>: support wider regeneration, in particular assisting in improving the vitality and viability of existing commercial areas, improving the quality of the local environment, complementing wider regeneration activities and supporting community safety and cohesion.</p>	<p>Grant Spend £1.20m</p> <p>Matched Contributions Spend £0.10m</p> <p>Leveraged Funding £1.35m</p>	<p><i>For all schemes:</i></p> <ul style="list-style-type: none"> • Vacant commercial space converted to new commercial or residential space. • Improved street scene • Empty retail units brought back into use. • Increased footfall • New business rates • Council tax receipts 	<p>Jobs - 18 Homes – 28 Commercial floorspace – 706 sq.m.</p>	<p>For schemes of £2m of funding or less: -n/a</p> <p><i>Not needed as funding ask is £1.2m</i></p>

7. DECLARATIONS

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

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

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

I understand that a copy of the main Business Case document will be made available on the South East Local Enterprise Partnership website one month in advance of the funding decision by SELEP Accountability Board. The Business Case supporting appendices will not be uploaded onto the website. Redactions to the main Business Case document will only be acceptable where they fall within a category for exemption, as stated in Appendix 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>Tim Rignall</i>
<i>Print full name</i>	<i>TIMOTHY RIGNALL</i>
<i>Designation</i>	<i>Capital Programme Manager</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	
Real Growth	
Discounting	
Sensitivity Tests	
Additionality	
Administrative costs of regulation	
Appraisal period	
Distributional weights	
Employment	
External impacts of development	
GDP	
House price index	
Indirect taxation correction factor	
Inflation	
Land value uplift	
Learning rates	
Optimism bias	
Planning applications	
Present value year	
Private sector cost of capital	
Rebound effects	
Regulatory transition costs	

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)

S151 Officer

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
Failure to recover capital investment	Whenever monies are loaned, there will be an element of risk both financial in that the loan is not repaid and does not achieve sufficient value to clear the loan amount.	SBC	TR	Medium (3)	Medium (3)	9	All loans are subject to a risk assessment and separately monitored. Loans are secured as a 1st or 2nd Charge. Any scheme which scores more than 50 marks will not be considered appropriate for a loan.	1*3 = 3
NUE does not identify a sufficient number of properties/sites are not identified which could be brought to the project.	Failure to draw down GBF Funds. Failure to meet agreed targets.	SBC	TR	Medium (3)	Very Low (1)	3	NUE operates across South Essex. Local intelligence from local authorities regarding potential empty properties which may meet the criteria. Networks will also monitor auctions and agent activity for potential projects.	3*1 = 1
Inaccurate property	Local authorities exposed to excessive	SBC	TR	Low (2)	Medium (3)	6	The NUE scheme will require an Independent	1*2 = 2

valuations	risk						<p>Royal Institute of Chartered Surveyors (RICS) valuation to be undertaken to provide the existing value of properties and the future value of the property.</p> <p>This together with the maximum LTV ratios and taking into account any first charges (mortgages) on the property being developed are also contributing factors during the financial risk assessment process</p>	
Changes to staff or reduced capacity at Kent NUE so unable to fulfil SLA	South Essex applications are not assessed.	SBC	TR	Low (2)	Very Low (1)	2	<p>Across the South Essex local authorities there are a sufficient number of Project Managers/Officers with skill sets to cover if required until a replacement was found. Kent NUE has developed desk procedures for the initiative which can be</p>	2*1 = 2

							easily followed for tasks.	

* 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	2020				2021												2022			
			S	O	N	D	J	F	M	A	M	J	J	A	S	O	N	D	J	F	M	
ITE Gate 1 Assessment	11/09/20	25/09/20	█																			
Update business case and submit	25/09/20	09/10/20	█	█																		
SELEP to inform of funding decision.	11/20	11/20			█																	
Identify potential sites for SENU	12/20	02/21				█	█	█														
Launch of SENU	01/21	01/21					█															
Marketing & communications	01/21	12/21					█	█	█	█	█	█	█	█	█	█	█	█	█	█		
Groundwork and site identification	01/21	01/22					█	█	█	█	█	█	█	█	█	█	█	█	█	█	█	
Assessment of applications	02/21	02/22						█	█	█	█	█	█	█	█	█	█	█	█	█	█	█
Close of SENU		03/22																				█

Note; Repayment of loans will continue to 25/26. Once initial tranche of loans repaid SENU2 to be launched.

12. APPENDIX E – MONITORING AND EVALUATIONS PLAN

Attached as separate appendix.



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP