

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.

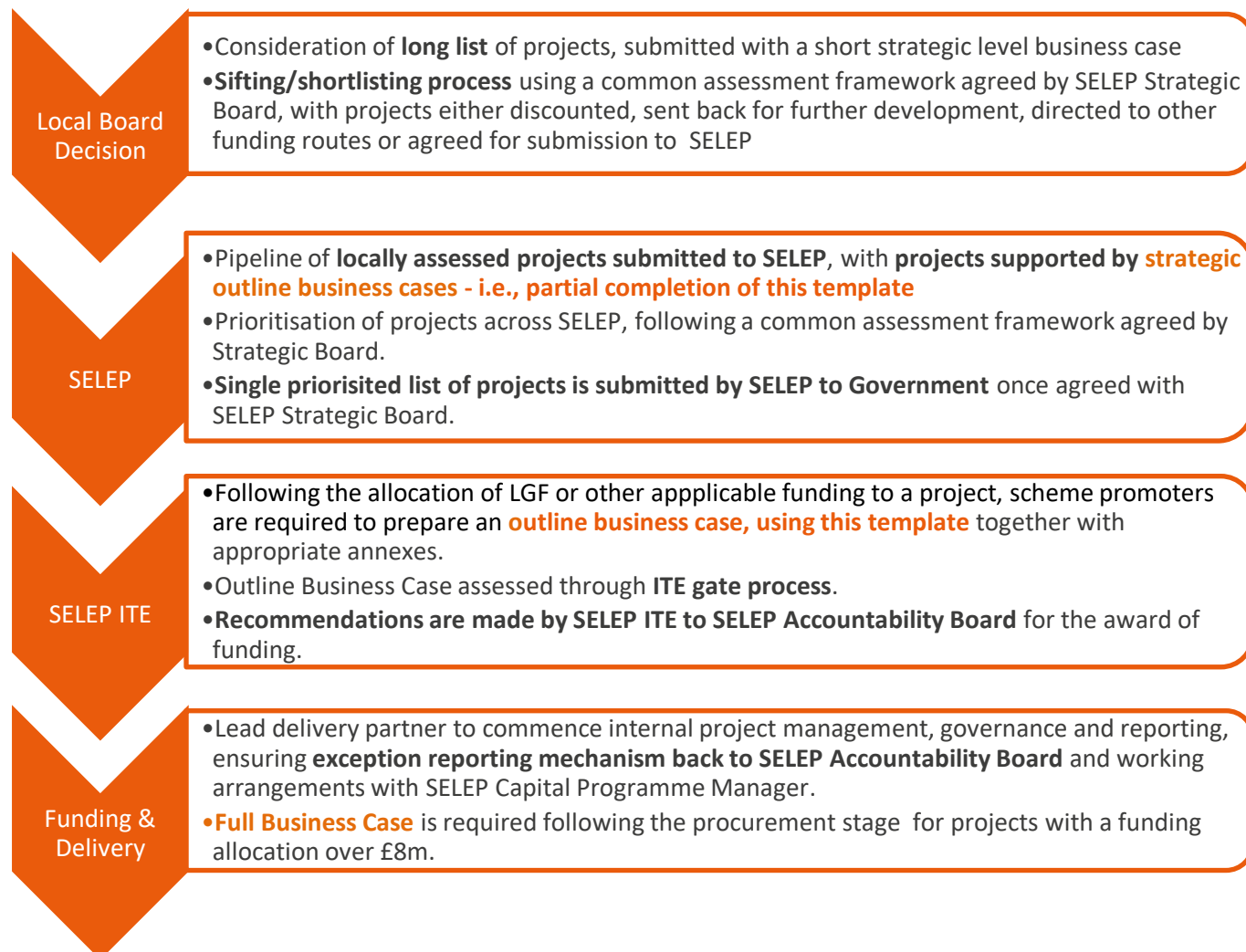
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable 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	Maritime and Sustainable Technology Hub
Version	2.0
Author	Anna Salmon
Document status	Submitted Version
Authorised by	Peter Sharp
Date authorised	9 October 2020

1. PROJECT OVERVIEW

1.1. Project name:

Maritime and Sustainable Technology Hub

1.2. Project type:

Site Development

1.3. Federated Board Area:

East Sussex

1.4. Lead County Council / Unitary Authority:

East Sussex County Council

1.5. Development location:

Railway Quay, Railway Approach, Newhaven BN9 0ER

1.6. Project Summary:

The aim of the project is to convert an existing, disused educational facility and Grade-II listed building in Newhaven into a multi-purpose site, comprising:

- 1,630 sq.m of F1 educational/training and business support space for the maritime sector;
- 1,595 sq.m of commercial office space (E land use class); and
- 1,500 sq.m of ancillary space.

The completed development will enable a Maritime and Sustainable Technology Hub, run by [REDACTED], to be established in Newhaven to support the maritime sector across Sussex. The Hub will actively seek to encourage those industries involved in the design, construction, maintenance and operation of environmental, engineering and maritime products and services (clean, green and marine technologies) to invest in Newhaven.

The remaining components of the building will be used to re-house public sector workers into a customer-facing shared business centre; and provide additional, modern offices for the town businesses and to new businesses looking to locate into Newhaven.

The total cost of converting the building is £1,778,091, of which £1,300,000 is being sought from the Getting Building Fund, with the remainder being provided by Lewes District Council.

GBF investment will also deliver:

- Land Value Uplift of £3,683,095
- Net Public Value of £5,738,043
- £2,054,948 in external benefits associated with workforce upskilling
- 133 new jobs (gross)
- 346 new trainees achieving qualifications each year
- Maritime businesses supported each year (number to be agreed)

Our calculations estimate that the programme delivers an Initial BCR to the public sector of 1.88 and an adjusted BCR of 2.93.

1.7. Delivery partners:

Partner	Nature of involvement (financial, operational etc.)
Lewes District Council	Lead applicant
[REDACTED]	Operational delivery
Education Providers	Operational delivery
End Commercial Users	Operational delivery

1.8. Promoting Body:

Lewes District Council

1.9. Senior Responsible Owner (SRO):

For Lewes District Council - Peter Sharp, Head of Regeneration, 01273 085044 / 07826 903742, peter.sharp@lewes-eastbourne.gov.uk

1.10. Total project value and funding sources:

Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
<i>Getting Building Fund</i>	£1,300,000	A reduced level of GBF grant would impact on the ability of providing a viable Maritime and Sustainable Technology Hub. Listed Buildings and Planning Consents may be required for alternations that impact the significance of the building. Where appropriate, consents will be applied for.
<i>Lewes District Council</i>	£478,091	This public sector funding is dependent on securing sufficient GBF to enable the delivery of a successful Maritime and Sustainable Technology Hub.
Total project value	£1,778,091	

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

£1.3 million of GBF.

1.12. Exemptions:

The scheme's business case is not subject to any exemptions as per the SELEP Assurance Framework 2017.

1.13. Key dates:

The headline project timetable is set out below:

- Agree development briefs - August 2020 to January 2021
- Review and secure any necessary Planning and / or Listed Buildings Consents – Sept 2020 to January 2021

- Tenant lease negotiations - August 2020 to January 2021
- Develop and agree detailed designs - January 2021 to April 2021
- Design and implement procurement of works - June 2021 to July 2021
- Construction works – July 2021 to March 2022
- Completion and opening – March 2022

1.14. Project development stage:

Project development stages completed to date			
Task	Description	Outputs achieved	Timescale
Project scoping	Design of Development brief	Agreed development brief	August 2020 to January 2021
Planning	Review and apply for necessary Planning / Listed Buildings consents	Approvals achieved	September 2020 to January 2021
Project development stages to be completed			
Task	Description	Timescale	
Tenant negotiations	To agree lease documentation	August 2020 to January 2021	
Design	Develop and agree detailed designs	January 2021 to April 2021	
Specifications	Develop and agree project specifications	March 2021 to June 2021	
Procurement	Design and implement procurement of works	June 2021 to July 2021	
Construction	Construction works	July 2021 to March 2022	
Handover	Opening and handover of new facility	March 2022	

1.15. Proposed completion of outputs:

The completed project will comprise:

- 1,630 sq.m of training/education space
- 1,595 sq.m of E use class office space
- 1,500 sq.m of Ancillary zones, including storage, lift shafts, stairwells etc.
- 346 new trainees achieving qualifications each year
- 133 new jobs (gross)
- Maritime businesses supported each year (number to be agreed)

2. STRATEGIC CASE

2.1. Scope / Scheme Description:

The aim of the project is to convert a disused former education site in Newhaven into a Maritime and Sustainable Technology Hub comprising specialist maritime training/learning facilities and E land use class office accommodation.

The completed project will comprise:

- 1,630 sq.m of training/education space (F1 land use class)
- 1,595 sq.m of office space (E land use class)

- 1,500 sq.m of Ancillary zones, including storage, lift shafts, stairwells etc.

Strategic Context

Lewes District Council, East Sussex County Council, SELEP and the Coast to Capital LEP have identified Newhaven as a key strategic area for economic regeneration. Its economy is built on manufacturing and maritime-related activity, including its cross-channel ferry operation; fishing; a marina; on-shore services to the Rampion off-shore windfarm; and related activity, such as aggregates and scrap metal.

The town's commercial stock is characterised by old industrial stock with over 70% of floorspace built before 1970. The lack of good quality and suitable office space and a weak skills base means that without investment, it will continue to be difficult to attract new firms and investment to Newhaven. As a result, the town has struggled to transition to higher value added activity as demand for lower level manufacturing has declined.

In 2014 the site for the building, which used to house marine and carpenters' workshops, was converted from an old industrial building into a University Technical College (UTC) for 14-18 year olds specialising in STEM subjects, which opened in 2015. However, it closed in 2019 due to low student numbers and financial pressures. It is a highly visible and strategic asset for Newhaven and its economic regeneration.

This project aims to adapt the site so that it becomes a Maritime and Sustainable Technology Hub supporting business skills development for the Maritime workforce throughout; a space for public sector services; and a commercial centre with rentable units. It is imperative that the building remains focused on educational uses, with the Department of Education having already rejected other uses for the building.

In 2017, Newhaven Enterprise Zone was established to drive quality, inclusive and sustainable growth in the town, with newly located businesses on specific sites benefiting from 100% business rate relief for a five year period.

Railway Quay is one of the eight sites that comprise the Newhaven Enterprise Zone. The EZ's Strategic Framework has three core priorities: Quality Growth; Inclusive Growth; and Sustainable Growth. Priority 2 (Inclusive Growth) is focused on delivering local skills and support for businesses which will create a diverse and prosperous economy, ensuring Newhaven's residents are shared benefactors of change. The strategy highlights a desire to collaborate with sub-regional clusters and centres of excellence, to promote Newhaven as a hub for maritime activities and to identify targeted interventions to support the growth of the maritime cluster in Newhaven. The Maritime and Sustainable Technology Hub directly contributes to the delivery of the EZ's ambitions, as well as creating 133 (gross) new jobs and significant refurbished floorspace that directly contributes to the EZ's targets over its 25-year lifespan.

The Covid-19 pandemic has created significant economic uncertainties at national, regional and local levels, with the prospect of higher levels of unemployment, particularly amongst the lower skilled and young people. There is a clear and unambiguous need for the UK, SELEP and the local area to invest in human capital **now** to ensure that people have the skills to find work and so that the maritime sector is resilient to any long-term adverse consequences of the pandemic and is well-positioned to capitalise on subsequent opportunities.

Issues and Benefits

1: Support the growth of the Maritime sector

Issues:

This project will support the growth of the Maritime sector in Sussex and the South East region by creating a physical hub and centre of excellence for businesses in the sector. Across Sussex there are 400 fishing vessels and 40 commercial angling vessels; Newhaven has Sussex's only regular cross channel ferry service; and it has activities that support the Rampion off shore windfarm.

A report by CEBR on the national economic contribution of the UK maritime sector, published in 2017, found that the Maritime Sector supported a total of £46.1 billion to the UK's GVA in 2017, a £8.3 billion increase since 2010. The report reveals that for every £1 in GVA directly contributed by Maritime, the sector supports another £2.71 in GVA across the UK economy. The report finds that there are 40,000 workers in the sector in the South East region. For every job the Maritime Sector provided in 2017, a total of 4.85 jobs were supported in the UK economy. The Maritime Sector is the beating heart of many of communities like Newhaven and the sector has a unique capacity to kick-start their renaissance.

The project will provide industry specialist training and business support in Marine Engineering & Manufacturing; Environmental Technology; Ports & Logistics; and Commercial Fishing, supporting businesses throughout the South East region.

Benefits:

- 1,630 sq.m of new education/training floorspace
- 346 trainees gaining qualifications each year
- Maritime businesses supported each year (number to be agreed)
- A clear identity for Newhaven as a centre of excellence for Maritime Training and business support

2: Strengthening the Newhaven economy

Newhaven's existing business stock is out of date and largely industrial. This makes it difficult to attract new businesses to the town, so it struggles to make an effective transition from a lower value added manufacturing economy to a higher value added, more diverse economy.

The Enterprise Zone status provides a major opportunity to attract new business through zero business rate incentives, but the town's commercial infrastructure needs to be improved to deliver this effectively.

Benefits:

- 1,595 sq.m of high quality new office space (E land use class) - including 200 sq.m canteen area, supporting the building's primary use for education / training provision
- New commercial accommodation to support up to 133 new jobs (gross)

3: Improving public sector efficiency

Issues:

Prior to Covid-19, public sector organisations in Lewes were already considering future office space needs and this has been accelerated due to the pandemic. New working arrangements are now in place encouraging home working where possible and bookable hot desking use in order to ensure Covid Secure environments; this has meant a reduction in the office floorspace that is required in the future.

The site provides a unique opportunity for the Lewes District Council and its partners to meet their office space needs. This will enable the public sector partners to consider future options for their existing sites, including asset realisation.

Benefits:

- 730 sq.m of E Use Class office space for public sector use (as part of the 1,595 sq.m of commercial space)
- 40 public sector work stations.

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
<i>Objective 1: Support the Growth of the Maritime Sector</i>	GBF Grant Spend £1.3m LDC Matched Contribution Spend £478,901	<ul style="list-style-type: none"> • 1,630 sq.m of F1 class education/training space • 346 trainees gaining qualifications each year • Maritime businesses supported (number to be agreed) 	<ul style="list-style-type: none"> • Redeveloped education/training site • Better qualified works in the maritime sector • Improved business efficiency in the maritime sector (including strengthened cluster) 	<ul style="list-style-type: none"> • Stronger Maritime sector across Sussex and the South East • Supports delivery of Newhaven Enterprise Zone
<i>Objective 2: Strengthen Newhaven's Economy</i>	As above	<ul style="list-style-type: none"> • 1,630 sq.m of F1 class education/training space • 346 trainees gaining qualifications each year • Maritime businesses supported (number to be agreed) • 1,595 sq.m of E class office space (including café) 	<ul style="list-style-type: none"> • 133 FTE jobs (gross) • New E class office commercial accommodation • Increase footfall in town centre • Higher skilled workforce • Establish Newhaven as a centre of excellence for Maritime 	<ul style="list-style-type: none"> • Stronger and more productive local economy • Enhanced reputation as a high quality business location • Supports delivery of Newhaven Enterprise Zone
<i>Objective 3: Improve Public Sector Efficiency</i>	As above	<ul style="list-style-type: none"> • 1,595 sq.m of E class office space (including café) • 40 desk spaces for public sector workers 	<ul style="list-style-type: none"> • New office location for public service providers • Rationalisation of other public sector assets • Improved inter agency co-working 	<ul style="list-style-type: none"> • More co-ordinated and responsive public services in the town • Better use of public sector assets

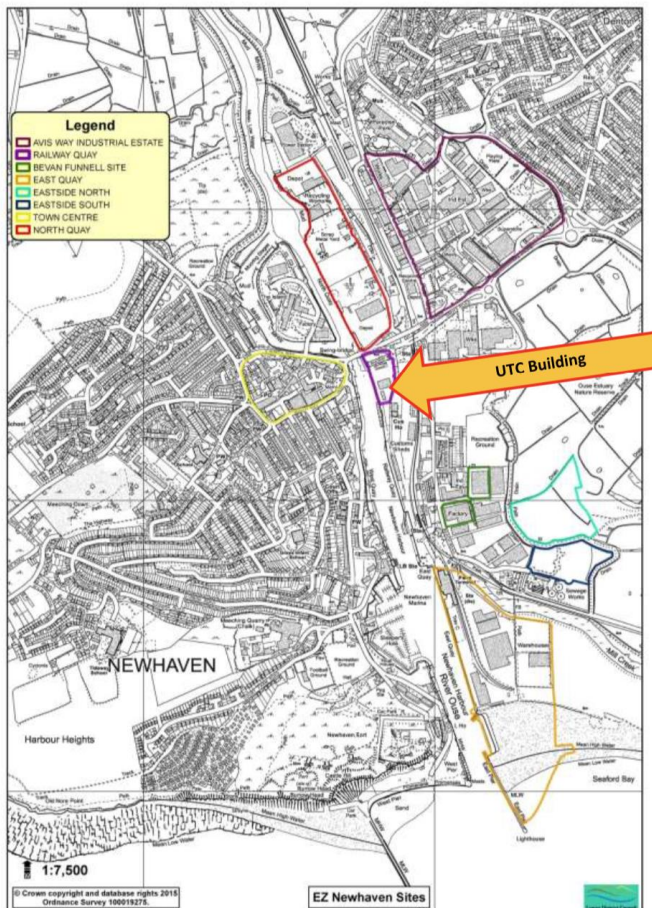
2.3. Location description:

The site is located on Railway Quay, Newhaven, East Sussex. It is next to Newhaven Town Railway Station on the eastern bank of the River Ouse. The entrance to the town's ferry port is adjacent. It is also close to the Public Transport Interchange on the A259, where buses between Eastbourne, Seaford, Lewes and Brighton stop regularly. The site lies within one of the eight Enterprise Zone sites and is a vital component of wider regeneration plans for Newhaven.

Regular direct trains run to Newhaven from Seaford (9 minutes), Lewes (13 minutes) and Brighton (30 minutes) and with changes at Lewes, the site can be accessed by train from Eastbourne and Haywards Heath within an hour.

The site is a Grade II listed building, which used to house marine and carpenters' workshops before it was converted into a University Technical College (UTC) in 2014. It is currently designed solely for educational uses and it needs to be adapted for a wider range of uses to ensure its fitness for purpose over the longer term, although the main element of the proposal is for education/skills use, which is in keeping with the building's lease requirements.

Location Map



2.4. Policy context:

National Planning Policy Context

The redevelopment of the UTC building supports the three main objectives of the National Planning Policy Framework (NPPF) by developing a dedicated vocational training facility at a waterside location to strengthen the local economy. The provision of a training facility will also contribute to social objectives by developing specific vocational skills to support high quality employment.

The site's location, directly next to Newhaven Railway Station makes it accessible by public transport (Section 9 NPPF: Promoting Sustainable Transport), whilst its riverside location makes it particularly appropriate for maritime training. It also supports the strategic policy to provide adequate community facilities in the form of vocational education (para 20).

It has the capacity to support the vitality of Newhaven town centre (Section 7: NPPF). It is located just an 8 minute walk from the town's main High Street and the provision of additional office space and vocational learning provision could be expected to improve footfall in the town centre, thereby aligning with the Council's recent submission to the Future High Streets Fund.

Regional Planning Policy Context

There are no regional planning policies of relevance.

Local Planning Policy Context

The Site is covered by the Lewes District Local Plan Part 1 Joint Core Strategy 2010-2030 and specifically Core Policy 4: Economic Development and Regeneration. With its waterside location, the proposed Maritime and Sustainable Technology Hub takes advantage of the area's natural assets to support economic development and upgrades a previously developed site for new uses.

The site currently has a F1 class designation (educational use). This means that there will need to be change of use approval to enable the E class office component of the site to be developed. However, such a change of use supports Core Policy 4, which recognises the need to move away from traditional manufacturing by "providing a range of suitable, small, flexibly managed units" and the "delivery of new office space to meet modern requirements". The project safeguards the site for employment/education use and contributes to the need for additional office space identified in the Economic and Employment Land Review (2017). The maritime focus aligns with the strategic objective to support Newhaven Port and the Rampion offshore windfarm and their capacity to generate new jobs in the town.

The development proposals also encourage sustainable work practices by enabling Lewes District Council and its partners to make better use of their existing assets and to adapt to new, more flexible ways of working.

SELEP Strategic Economic Plan (2014) and Local Industrial Strategy: Smarter, Faster Together (2017)

SELEP's strategic economic plan identifies Newhaven as a Clean Tech and Maritime Growth Area and suggests the town offers "substantial growth potential". It specifically identifies opportunities for a "Marine Enterprise and Training Centre" and supports "the development of the fishing and marine leisure sectors".

The project will support SELEP's aims to improve productivity by investing in business support and training in the region's Maritime sector, with the aim of creating a regional centre of excellence in Newhaven. It supports the Creating Ideas and Enterprise priority, building on the opportunities created by the Newhaven Enterprise Zone's focus on green, clean and maritime technologies, with the possibility of creating new knowledge transfer opportunities within the Maritime sector.

The Hub supports Priority 2: Developing Tomorrow's Workforce, by providing new skills and training opportunities for people within and looking to enter the region's maritime sector. Capital investment in the region's further and higher education capacity is a key SELEP priority.

In addition, bringing a key site back into focused economic use has a strong place shaping benefit (Priority 4), contributing to the regeneration of Newhaven and establishing it as a recognised centre of excellence for maritime training, research and business support, providing it with a clear and sustainable economic narrative.

This is a collaborative project (Priority 5), which brings learning providers, businesses and the public sector together, providing better economies of scale, more co-ordinated public sector services and opportunities to develop strong local supply chains within the maritime sector by co-locating specialist businesses with training, research and business support facilities.

SELEP Coastal Communities Prospectus

The coastal areas of SELEP have a GVA performance which is 10% below the average for the South East region. The development of the Coastal Communities Prospectus is a positive step in tackling coastal deprivation and 'levelling up' the SELEP area.

In particular, the maritime and marine engineering sectors are noted as offering significant economic growth opportunities to provide a real stimulus to the coastal and regional economy. The development of a Maritime and Sustainable Technology Hub will help to cement Newhaven's reputation as a key gateway, providing new skills development opportunities for local residents and helping to address issues of low skills and low earnings.

2.5. Need for intervention:

Issue 1: Supporting the Maritime Sector

Current Context

The UK Maritime Sector supported a total of £46.1 billion to the UK's GVA in 2017¹. The largest Maritime cluster is in London and the South East, which has over 4,000 businesses, employs 250,000 people and generates £5bn to the UK economy.

██████████ supports the growth of SMEs in the sector by building supply chains, coordinating and delivering training and connecting the sector with its coastal communities.

¹ CBRE - The economic contribution of the UK Marine industry - A report for Maritime UK September 2017

██████████ has been looking for an additional suitable site so that it can extend and improve the accessibility of the services that it provides to the Maritime sector in the south east of England, particularly focused on the strong Sussex maritime cluster.

Future Context

The redevelopment of the UTC building will provide a Maritime and Sustainable Technology Hub providing business advice and training support to Maritime businesses in Sussex and beyond. It will provide support packages to the commercial fishing sector, ports, the off shore windfarm and marine engineering and service businesses in the supply chain.

The riverside location, its deep water port and the breadth of maritime related activity in Newhaven mean that the town and the site are the right locations to deliver a complementary service to that offered at ██████████.

Issue 2: Strengthening the Newhaven Economy

Current Context

Newhaven is a strategic focus for regeneration. It has struggled to adapt to a higher value, service-oriented economy, partly because of a weak skills base, partly because of poor commercial accommodation and partly due to the lack of coordinated place-making, which makes it difficult to attract new businesses to the town.

There have been some major improvements in the town in recent years, particularly focused on maritime and clean tech. Newhaven Ferry Port is the only cross channel port in Sussex and is a gateway to continental markets in a post-Brexit economy; there is a thriving fishing and leisure boat fleet located at the Marina and the onshore service centre for the Rampion Offshore Windfarm is based in Newhaven. A University Technical College (UTC) was opened in 2015 in order to capitalise on this, but it closed in 2019 at the site where this development is proposed.

The Newhaven Enterprise Zone provides an opportunity to attract new business with its zero business rates, but there needs to be suitable accommodation for this to be effective. There are also opportunities to develop Newhaven into a centre of excellence for maritime training and business support. The EZ, together with Railway Quay and the UTC, offers a real opportunity to enhance the place-based offer of Newhaven, giving it a clear identity to attract business investment in the future.

Viewed in tandem with the Re-imagining Newhaven submission to the Future High Streets Fund, the UTC offers a key part of the town's regeneration plans and sustainable economic growth aspirations.

Future Context

Newhaven has the opportunity to become a recognised centre of excellence for maritime business support and training, providing services to maritime businesses in other coastal communities through a range of partnerships, including with the Sea Fishing School (one of only two in the UK) East Sussex College Group. ██████████
██████████

The provision of additional E use class commercial floorspace will address an undersupply of higher quality office accommodation in the town, which is a barrier to attracting new businesses and jobs, whilst an enhanced public sector presence will help to increase footfall in the town centre.

Issue 3: Improving public sector efficiency

Current Context

Prior to the Covid-19 pandemic, Lewes District Council and its partners have been investigating ways in which they can make better use of their existing assets, based on more flexible models of working, which require less office floorspace. The Covid-19 pandemic has hastened this process and public sector partners are seeking new, more efficient spaces as their base from which employees can work. This will enable asset disposal, where appropriate, making more effective economic use of existing buildings and providing more easily accessible safe spaces for the community to utilise in accessing public sector services.

Future Context

Providing E class office space at the site will enable the District's public sector organisations to rationalise their existing asset portfolios in response to new, more flexible ways of working; and enable agencies to co-locate, releasing assets for other uses to support wider economic and social objectives.

Rationale for Intervention

Equity and Redistribution

- This project supports key national, SELEP and local objectives in supporting the regeneration of Newhaven a coastal town that is identified as requiring particularly interventions to support its transition to a more productive economy. Establishing a specialist enterprise and training hub near the town centre will reposition the town as a regional centre of excellence for maritime business and contribute to its economic revitalisation, building on the work that is already underway through the Newhaven Enterprise Zone and the recent FHSF submission.

Market Failure – Externalities

- The main (although not sole) driver of this project is to provide the facilities to improve the productivity of the Maritime sector through business support and training. Although this will be delivered through [REDACTED], without intervention any direct return on investment in the reconfiguration of the site is not expected to accrue for several years, making the project unviable without intervention. The Externalities relate to the wider benefits to the economy that will be gained from the national, regional and local economies as a result of the upskilling that will follow. In addition, there are additional potential economic benefits relating to the regeneration of Newhaven that cannot be captured directly by either Lewes District Council or its partner, [REDACTED], as a result of the investment in the project.

2.6. Sources of funding:

The total cost of converting the building so that it is fit for purpose for its intended future uses is £1.778m. Of this, £1.3m is being requested from the Getting Building Fund. The remaining 'match funds' of £0.478m will be provided by Lewes District Council from its Capital Programme fund.

There are currently on-going negotiations with [REDACTED] to determine the most effective way of managing and delivering the Maritime and Sustainable Technology Hub, but these are subject to the cost of reconfiguration being borne by the public sector. The main components of these are set out in the financial and management case of the Business Case, but they involve an annual profit share arrangement.

No other available public funding streams that are suitable for this project have been identified.

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

Building Remains Unoccupied

The Grade II listed building has been vacant since the closure of the University Technical College in 2019 and no other alternatives have been identified to bring it back into use. It is equipped as an education/training facility and this forms part of the terms of its existing lease. It is unlikely, therefore that there will be other proposals to bring it back into economic use in the foreseeable future. The empty building, therefore, risks falling into a state of disrepair and will be subject to on-going maintenance costs to the Department of Education. Lewes District Council will not take the building unless it has a clear and viable economic use.

Lost Opportunity to Develop Newhaven as a Centre of Excellence for the Maritime Industry

[REDACTED] has identified Newhaven as its priority site for a [REDACTED], providing training and support to business in the sector across Sussex, complementing similar sites in [REDACTED]. The Enterprise Zone designation is partly a catalyst for this, providing favourable business rate terms as well as leading some of the critical place-making work that is helping to re-establish Newhaven as a thriving port town; but the riverside location and its range of maritime businesses (including the port, marina and commercial fishing fleet) are major assets.

[REDACTED]
[REDACTED] Whilst a Maritime and Sustainable Technology Hub could be developed elsewhere, [REDACTED] would not consider this to be within the SELEP area, [REDACTED]. Other locations that have been considered and rejected (including Shoreham) are outside the SELEP area and do not have the physical assets that Newhaven has to support such a facility.

The opportunity to provide a flagship and high profile centre to the mix of regeneration interventions that are planned for Newhaven would be lost along with a tangible opportunity to support Newhaven Enterprise Zone and Lewes District Council to deliver transformational and sustainable economic improvements to the town.

Lack of Suitable Commercial Office Space to Attract New Business to Newhaven

Through Newhaven Enterprise Zone, Newhaven has an opportunity to attract new businesses to the town through incentives and other initiatives. However, it needs the right commercial infrastructure in place to enable it to do this effectively. The commercial stock in the town is not fit for purpose – largely older, industrial stock, when the demand is greater from higher value added businesses for modern, well-equipped E Class office space. Other planned developments in the town include new schemes planned at Beach Road and the Marina, building on the success of the Eastside South Business Park, but these are unlikely to be sufficient. Furthermore, the co-location with the Maritime and Sustainable Technology Hub provides opportunities to attract sector specific businesses, helping to establish a clear mini-cluster with associated local supply chains.

Without the intervention, Newhaven is likely to continue to struggle to make the changes that it needs towards a higher value, more service-oriented economy that has a full role in supporting the development of the Greater Brighton City Region and the SELEP region.

Opportunity to Achieve Public Sector Efficiencies Delayed

The provision of office space for the public sector enables Lewes District Council and its partners to have a customer-facing presence in Newhaven – the local regeneration priority area – and to release existing assets for redevelopment, so that it responds effectively to changing work patterns, delivering financial savings and economic efficiencies over the longer term.

Other suitable sites to relocate public sector workers have not yet been identified. If and when they are, they are likely to require a greater level of investment and may not be within Newhaven, where the wider benefits to the District are likely to be greatest, because of its priority focus for regeneration.

2.8. Objectives of intervention:

Project Objectives

Objective 1: Support the Growth of the Maritime Sector

Objective 2: Strengthen Newhaven’s Economy

Objective 3: Improve Public Sector Efficiency

Problems or opportunities the project is seeking to address

Problem / Opportunity 1: Lack of training/business support facility for the Maritime Sector

Problem / Opportunity 2: Poor commercial floorspace in Newhaven

Problem / Opportunity 3: Reduced need for public sector office space

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

2.9. Constraints:

1: *Planning Permission and Listed Building Consents*

The site currently has a F1 planning use allocation (former Education use class). A change of use for part of the building will need to be secured in order to enable part of the building to be converted to E office use class. This is a Grade II listed building. Any change of use, therefore, and any works that have the potential to impact the significance of the listed building (internal and external) will require Listed Building and / or planning consents.

The Council's Specialist Advisor in Conservation has confirmed 'in principle support' for the change of use, subject to detailed applications. There are no plans to cover up any of the historic features internally and no external alterations are proposed. The Specialist Advisor is also supportive of bringing the building back into a long term use.

2: *Lease Variation*

The headlease for the land is with Newhaven Construction Ltd and the current lease for the site is with West Register Realisation Ltd and UTC@harbourside. The permitted use under the lease is for education and ancillary community fundraising and recreational use, not for office use. A variation in the terms of the lease may, therefore, need to be sought from the landlord. In addition, there is an overage clause which would apply if the property was disposed of before 2034 or planning permission implemented during this period.

Discussions have already commenced on Heads of Terms for the lease structure. LDC will continue to work closely with the DfE to progress these.

2.10. Scheme dependencies:

Any works that have the potential to impact on the significance of the listed building (internal and external) will require Listed Building and / or planning consents. In addition, an alteration in the lease may need to be agreed with the freeholder in order for part of the building to be converted to non-educational uses.

However, benefit realisation relates to how the building is used, rather than its physical conversion. To this extent, the dependencies are as follows:

- Finalisation of agreement with [REDACTED] to manage and operate the Maritime and Sustainable Technology Hub, including a profit share agreement with Lewes District Council
- Lewes District Council and its partners signing agreements to take up to 730 sq.m commercial spaces within the building
- Businesses within the Maritime sector taking up business support and training offered by [REDACTED] at the Maritime and Sustainable Technology Hub
- New businesses taking up commercial office space at the redeveloped building.

2.11. Expected benefits:

A: Redeveloped Building to include:

- 1,630 sq.m of F1 class training/education space
- 1,595 sq.m of E class office space
- 1,500 sq.m of Ancillary zones, including storage, lift shafts, stairwells etc.

- B: 133 gross jobs² (46 net new jobs)
- C: £3,683,095 (Present Value) in Land Value Uplift
- D: £2,054,948 (Present Value) in external benefits associated with workforce upskilling
- E: Additional Maritime Businesses supported each year from 2022/23 (number to be agreed)
- F: 346 trainees achieving qualifications each year

2.12. Key risks:

A full risk register is set out in the Management Case of this business case and at Appendix C.

The key risks are:

- a) Failure to secure Getting Building Fund support
- b) Failure to secure planning and listed building consent for change of use
- c) Failure to renegotiate lease terms to diversify site uses
- d) Failure to agree contractual with [REDACTED]
- e) Failure to attract businesses and / public sector organisations to occupy new commercial floorspace
- f) Refurbishment costs higher than forecast
- g) Change in key personnel leading to change in project brief or loss of key knowledge of the scheme
- h) Covid-19 results construction delays due to new lockdowns and / or a lack of demand from businesses and / public sector organisations to occupy new commercial floorspace
- i) Delivery timescales impacted by slower lease negotiations or securing planning and listed buildings leaving the building empty and subject to higher maintenance costs

3. ECONOMIC CASE

3.1. Options assessment:

Long list of options considered:

The UTC building has a designation for educational use as its primary purpose. This means that there are very few alternative options for the site other than for the preferred options.

The following options have been considered:

- **Do Nothing – taken forward.** Under this option, the building is left unoccupied, as it has been since 2019, and remains equipped and designated for educational purposes;
- **Develop a Maritime and Sustainable Technology Hub with supporting E Class office space. Taken forward.** Under this option, the building would be converted into a hub dedicated specifically for the Maritime sector. It would be combined with new E Use Class office space to house public sector workers and provide space for new businesses, particularly linked to the maritime sector.
- **Convert to an FE College – Rejected.** Under this option, the building is converted into a mainstream, generic FE college. The building has previously been used, unsuccessfully, as a University Technical College and the Department for Education has not been able to identify any suitable educational alternative for the site since the UTC closed in 2019.
- **Convert to Housing – Rejected.** Under this option, the building would be converted to residential uses. This has not been taken forward, on the grounds that the building has a specific designation for educational uses and it would not secure planning permission. In addition, there is an overage clause in the lease agreement that means that any substantial change in use from the building's educational uses is likely to make development unviable.
- **Convert to Other Commercial Uses – Rejected.** Under this option, the whole building would be converted to other commercial uses. This has not been taken forward because it would be unlikely to secure planning consent, given that its designation is primarily for educational uses. In addition, there is an overage clause in the lease agreement that means that any substantial change in use from the building's educational uses is likely to make development unviable. A generic office building will not provide Newhaven and Sussex with a dedicated facility to support the maritime cluster.

Options assessment:

The assessment of the options was based on:

- **Deliverability** – whether each option could be delivered within a short term time period
- **Developer Interest** – whether each option has been or is likely to be of interest to developers
- **Strategic fit** – the extent to which each option aligns with strategic objectives at local, regional and national level
- **Economic and social benefit** – the extent to which each option is likely to provide additional economic and social value to the town, based on the current profile of commercial, public sector and residential stock.

Short list of options:

Two options have been shortlisted, based on assessments against the above criteria:
The shortlisted options are:

- **Do Nothing – taken forward.** Under this option, the building is left unoccupied, as it has been since 2019, and remains equipped and designated for educational purposes;
- **Develop a Maritime and Sustainable Technology Hub with supporting E Class office space. Taken forward.** Under this option, the building would be converted into a hub dedicated specifically for the Maritime sector. It would be combined with new E Use Class office space to house public sector workers and provide space for new businesses, particularly linked to the maritime sector.

Rationale for Taking Forward Options

Only these two options have been taken forward because the building's current designation is for primarily for educational uses. This precludes a substantial change in its use, both on deliverability and cost of conversion grounds. Within this context, it would have been possible to retain the whole building for educational use, but the Department for Education has not been able to find a suitable alternative educational use for the site since the UTC ceased operating. This leaves the option of doing nothing or taking forward the option of converting part of the site into a Maritime & Sustainability Hub, with the remainder being used as commercial and public sector E1 office space.

██████████ will manage the Maritime and Sustainable Technology Hub.

This leaves a gap on the south coast, where the maritime sector is well-developed. Newhaven is the only deep water port between Dover and Portsmouth. As such, it is the only alternative location in the SELEP region that could reasonably be used for such a facility.

The UTC is the only unoccupied site in the town that has a specific Educational designation and which was recently adapted (2014) for educational uses. This makes the costs of conversion considerably less than they would otherwise be. The space requirement for the Maritime and Sustainable Technology Hub is less than the size of the building. This provides an opportunity to convert the remainder of the building into E Use Class space, which will enable current public sector buildings elsewhere to be rationalised. The converted building will also provide additional space for new businesses, particularly linked to the Maritime sector, creating the potential to develop a local strong cluster.

The Do Nothing option is the only realistic alternative for the site, given its designation and lease terms. It is a key strategic building, which if left unoccupied, impacts more widely on the town's economy and image.

It is conceivable that a change of use for the whole site could be secured over the medium to long-term, but there is no indication at this stage that this would be permitted over the short term. Furthermore a substantial change of use would require more significant adaptation costs and changes to the terms of lease, which could make alternative redevelopment unviable.

3.2. Preferred option:

The Preferred Option is to convert the UTC building into a multi-use facility, led by a specialist Maritime and Sustainable Technology Hub, supported by E Use Class uses to enable rationalisation of other public sector workspaces and to provide additional modern office space for other businesses in Newhaven or looking to relocate into Newhaven, providing an opportunity to create a physical concentration of Maritime related activity within a centrally located building.

Stakeholder Support

██████████
Lewes District Council has been working closely with its main partner, ██████████ to develop these proposals. ██████████ has produced a maritime economic plan for the Thames and Channel region, which sets out the priorities for developing and supporting the sector in the region. It has identified Newhaven – the only deep water port between Dover and Portsmouth – as the ideal location for developing a Maritime and Sustainable Technology Hub ██████████
██████████

East Sussex County Council

The County Council acts as a strategic partner in helping to deliver economic growth plans for the District and represents Lewes DC and its partners through Team East Sussex in negotiations and discussion with central Government and SELEP. The County Council also advises on learning provision within the County and its alignment with economic and business priorities.

East Sussex College Group

Lewes District Council has been in regular discussions with the East Sussex College Group and the Department for Education since the closure of the UTC, trying to identify suitable alternative educational uses for the building. The Maritime and Sustainable Technology Hub proposal will complement the educational offer provided by ESCG and the aim is to work collaboratively to enable ESCG to run learning programmes from the Hub where this is desirable and viable.

Newhaven Enterprise Zone

Newhaven Enterprise Zone (NEZ) is a key strategic partner, with Lewes District Council represented on its board. Discussions with (NEZ) are on-going as to how to make best use and to improve the town's physical infrastructure to support growth.

Alignment with Objectives

Objective 1: Support the Growth of the Maritime Sector

- Physical focus for training and development of Sussex's maritime sector;
- Specialist training and business support provision for the sector;
- Opportunity to develop physical clustering by attracting maritime businesses into the E use class office space;
- Opportunity to develop a centre of excellence for maritime research in Newhaven.

Objective 2: Strengthen Newhaven's Economy

- Brings back key strategic building in the town centre into economic use;
- Provides new E use class office space for local businesses;
- Provides space for customer facing public services in the town centre;
- Repositions Newhaven as a centre of excellence for the Maritime sector;
- Provides local businesses with specialist skills training and business support;
- Increases town centre footfall through additional public sector workers and trainees visiting the facility.

Objective 3: Improve Public Sector Efficiency

- Provides new customer-facing public sector workspaces in Newhaven – an area of high public sector support needs;
- Enables rationalisation of existing public sector workspaces to align with more flexible working patterns, potentially releasing existing sites for other economic uses;
- Enables public sector partners to share facilities and work in co-working spaces, improving inter-agency collaboration.

3.3. Assessment approach:

Quantitative

We have adopted a Land Value Uplift approach to assessing the impacts of the scheme, based on the information that is available. All costs and benefits have been applied over a ten year appraisal period (2020/21-2029/30) with an 3.5% annual discount rate applied and a discount year of 2020/21. Sunk costs and CPI inflation have been excluded from the appraisal.

We have used the following guidance to inform our approach

- HM Treasury Green Book, including supplementary guidance on Optimism Bias;
- MHCLG Appraisal Guide (2016);
- Homes and Communities Agency Additionality Guide (4th Edition) 2014;
- Homes and Communities Agency Job Density Guide (3rd Edition) 2015;

Existing Use Value

The Existing Use Value is based on a review of the UTC@harbourside accounts (2017), which show the value of the freehold was, at that time (£12,955,106). An annual real terms 5% increase in value has been applied to this to the end of the appraisal period (2029/30).

Conversion Costs

The building costs are based on BCIS Order of Costs for Office Zones, Educational Zones and Ancillary Zones. They have been applied in accordance with the proposed floorspace to be redeveloped for each use. The inflation allowance has been removed by applying an annual - 2.12% GDP deflator, in accordance with OBR estimates. The costs include an allowance for professional fees (10%) and for contingency/risk (12%), based on the status of current estimates. In addition, an Optimism Bias factor has been applied because there is a requirement for planning consent and amendments to the lease in order to convert part of the building to E Use Class and a need to gain Listed Building Consent. This has been set at 15%. The upper limit for a project of this type is 24%. Lewes District Council has already identified a partner [REDACTED] for the project; the existing building already has a planning designation and is equipped for educational use and the timescales for converting the building are short. However, there remain some uncertainties relating to costs, which are currently based on BCIS estimates (although a 12% contingency allowance has been included), but there are outstanding planning/leasehold issues that need to be resolved. On this basis, an Optimism Bias factor of 15% has been applied.

Gross Development Value

In the absence of a professional assessment of the Gross Development Value (GDV) of the building post-development, we have made a broad assumption that its value will increase by 50% in our central case. It currently has no economic use and its designation means that it has little market value. This uplift, therefore, seems reasonable, but may need to be reviewed if and when a more detailed valuation of the building is carried out.

An additionality factor has been applied to the Gross Development Value. This has been set at a relatively high level (80%). There is unlikely to be deadweight associated with the development because it cannot be used primarily for other uses and because there is no other site within the region that could realistically be used for the Maritime and Sustainable Technology Hub. However, there is likely to be some level of displacement. The current [REDACTED] provides training and business support throughout the region, although this is a long distance from Newhaven and the Sussex coast. Some displacement is also likely to come from other parts of Sussex that are outside the SELEP region because Newhaven is located on the edge of the region. However, there is no similar deepwater facility between Dover and Portsmouth, so this is also likely to be modest. The proximity of Newhaven to Brighton & Hove and other coastal locations outside the SELEP region means that some of the benefits are likely to accrue to the Coast to Capital region (leakage), although it will benefit the national economy.

In addition, a key objective of the supporting uses is to enable the rationalisation of public sector workspaces, so it seems reasonable to assume a level of displacement for this element of the building. Newhaven lacks good quality E Use Class accommodation, so the provision of additional space is likely to result in only modest levels of displacement of other commercial activity, although this could be higher from outside the region (Brighton & Hove) where costs are higher.

Overall, we have assumed that the low levels of displacement from within the region will be largely offset by the higher levels of leakage of the benefits to outside the region and that no substitution factors apply. We have, therefore, applied an 80% additionality factor to the gross benefits for the project, based on 20% displacement.

Externalities

The main external benefits relate to the learning activity that is generated as a result of the redevelopment. This will include additional economic benefits associated with training and upskilling (based on unit values (2010/11) from the New Economy database, updated). The number and level of annual learners has been estimated in consultation with key stakeholder partners.

We have assumed that there will be 346 learners achieving qualifications each year for the reference period. Half of these will achieve a Level 2 qualification and half will achieve a Level 3 qualification. In 2010/11, the public value of an additional Level 2 qualification was £443 and public value of an additional Level 3 qualification was £921 (New Economy Database). These have been updated based on GDP growth (HM Treasury – June 2020) until the end of the appraisal period with the value of each additional qualification reflecting the year it is expected to be attained. The benefits have been applied from 2022/23, when the Maritime & Sustainable Technology Hub will become operational. No multipliers have been applied to these benefits.

Qualitative

The approach and the assumptions that have been made to estimate the value for money are based on both desk research and discussions with partners. These include:

- Regular and on-going discussions with strategic partners, including East Sussex College Group, East Sussex County Council, [REDACTED] and Newhaven Enterprise Zone;
- Review of published data reports relating the profile of the local, regional and national maritime industry and its contribution to the economy;
 - The Marine Economy of the United Kingdom: Marine Policy 116; 2020
 - The Economic Contribution of UK Marine Industry; CEBR; 2017
 - Newhaven Marine Cluster Review; Susie Miller; 2016
 - [REDACTED]

- Lewes District Local Plan – Part 1 2010-2030 (2016).

3.4. Economic appraisal assumptions:

As this is a project with a public sector value of below £2m, there is no requirement to complete this section. Details of the assumptions that have been used are shown in Appendix A and in Section 3.3, above.

3.5. Costs:

The total costs to the public sector of the capital investment are shown below:

Source	Cost
Getting Building Fund	£1,300,000
Lewes District Council	£478,091
Total Costs	£1,778,091
GDP Deflator	-£29,440
Optimism Bias (15%)	£262,298
Total Costs (nominal)	£2,010,948
Total Costs (Present Value)	£1,958,088

No land holding costs have been applied as the freehold in the land is not owned by the public sector. All costs are capital costs are based on BCIS order of costs. They include professional fees at 10% of Basic Build costs; and a contingency allowance of 12% of Basic Build costs. Inflation has been removed from the calculations by applying a -2.12% annual GDP deflator and Optimism Bias factor of 15% has been applied to all capital costs.

3.6. Benefits:

PV of Existing Use Value	£17,070,625
PV of Public Sector Costs	£1,958,088
PV of Gross Development Value	£22,711,809
PV of Land Value Uplift	£3,683,095
Initial BCR	1.88

The Land Value Uplift has been calculated by subtracting the PV of the Gross Development Value (GDV) from the Existing Use Value (EUV) and the PV of the Public Sector costs. This produces Present Value Public Benefit of £3,683,095. The Initial BCR of 1.88 has been calculated by dividing the Land Value Uplift by the Public Sector Costs. No other benefits have been monetised to calculate the value for money of the project.

'Adjusted' Benefits

External benefits that have been monetised are the additional qualifications of learners that as a result of the Maritime and Sustainable Technology Hub. The assumptions underpinning these calculations are shown in Section 3.3. They have a Present Value of £2,054,948.

The table below shows the value for money once these have been included.

PV of Existing Use Value	£17,070,625
PV of Public Sector Costs	£1,958,088
PV of Gross Development Value	£22,711,809
PV of Land Value Uplift	£3,683,095
PV of External Benefits	£2,054,948
PV of Public Benefits	£5,738,043
Adjusted BCR	2.93

The Present Value of Public Benefits is £5,738,043 and the adjusted BCR is 2.93.

Sensitivity Tests

Sensitivity Test 1: Gross Development Value is 25% Below Estimates

If the GDV is 25% below what is expected, the PV of Public Benefits would be £1,790,444, with an Initial BCR of 0.91. Once External Benefits are included, the PV of Public Benefits would be £3,845,392 and the BCR would be 1.96.

Sensitivity Test 2: Capital Costs Increase by 25%

If Capital Costs increase by 25% the PV of Public Benefits would be £3,193,573, with an Initial BCR of 1.30. Once External Benefits are included, the PV of Public Benefits would be £5,248,521 and the BCR would be 2.14.

Sensitivity Test 3: External Benefits 25% Below Estimates

If External Benefits are 25% below estimates, the PV of Public Benefits and Initial BCR remain unchanged. Once External Benefits are included, the PV of Public Benefits would be £5,224,306 and the BCR would be 2.67.

3.7. Local impact:

The development is expected to have significant local benefits that have not been monetised, including:

- Support for local business clustering and developing Newhaven into a centre of excellence for Maritime training and business support;
- Bringing a strategic building in the town centre back into economic use;
- Increasing footfall in the town centre;
- Improving public sector efficiency by enabling the rationalisation of workspaces and developing inter-agency shared spaces.

Based on standard job density ratios, the site could provide space for 133 gross jobs in the office/commercial spaces. Around 40 of these are expected to be public sector workers with the remainder being new high quality space for new or growing businesses in the town. If we assume that 50% of the non-public sector workers are additional, it could provide an additional 46 new jobs to the town.

According to ONS GVA per Job Filled – NUTS 3, GVA per job in East Sussex was £43,420 in 2018. New workers could, therefore, provide an additional £2.0m to the town’s economy each year, based on these assumptions.

3.8. Economic appraisal results:

Value for Money Rationale

There is no requirement to complete the AST as this project has a value to the public sector of below £2 million.

The UTC@harbourside building is a key strategic site in Newhaven, next to the railway station and within a short walking distance of Newhaven high street. Regenerating and revitalising Newhaven are key priorities at national, regional and local levels, as demonstrated through the shortlisting for Future High Streets Fund and the Newhaven Enterprise Zone status, for example.

The building is unoccupied and, therefore, not in economic use. It has limited uses because it has an educational designation and the terms of the lease mean that any substantial change of use would require overage payments which mean that alternative uses are unlikely to be viable.

The building has recently been used – unsuccessfully – as a University Technical College, which closed due to lack of students in 2019. The Department for Education has failed to identify alternative educational uses for the site.

Although the building had a freehold value of just under £13m in 2017, its market value is likely to be significantly less, although no other valuation has been undertaken. This restricts its uses and its market attractiveness and means that alternative options are unlikely to come forward in the foreseeable future.

The option to develop the site into a Maritime and Sustainable Technology Hub, whilst converting parts of the building into E Use Class office space provides the following benefits over a ten year appraisal period:

- PV of Land Value Uplift: £3,683,095
- PV of External public benefits: £2,094,548

There are other significant non-monetised benefits, which include:

- Space for 133 gross jobs, including space for 40 public sector jobs which will enable more effective use of public sector assets;
- Additional economic activity – up to £2.0m per year – in Newhaven as a result of additional employment, contributing to the regeneration of one of the region’s priority investment areas;
- Developing a clear focus and identity around the Maritime sector for Newhaven;
- Providing an opportunity to develop a clear cluster of maritime businesses in Newhaven building on existing businesses and its natural assets.

The assessed initial BCR in the Central Case is 1.88 and the Adjusted BCR is 2.93.

4. COMMERCIAL CASE

4.1. Procurement options:

All spend in relation to this project will be carried out in line with the Council's Contract Procedure Rules for the procurement of works, services and supplies. A copy of the Contract Procedure Rules can be found [here](#).

4.2. Preferred procurement and contracting strategy:

In line with the Council's Contract Procedure Rules which states that all procurement or the disposal of assets carried out by the Council must:

- Achieve best value.
- Be consistent with the highest standards of integrity.
- Ensure fairness in allocating public contracts or disposal of assets.
- Comply with all legal requirements.
- Support the Organisation's corporate and departmental aims and policies.
- Comply with the Organisation's Procurement Strategy where there is a current one in place.

Summary of Thresholds and Procedures Required

Estimated Value of the Contract (excluding VAT) Service and Supplies	Estimated Value of the Contract (excluding VAT) Works	Minimum Requirement	Advertisement
Contracts Below £25,000 See Para. 8 for details	Contracts Below £25,000 See Para. 8 for details	Obligation to consider best value but no obligation to go out for a particular number of quotes. However consideration should always be given to whether three quotes should be sought. Officer discretion. Reason for direct award should be agreed with Accountable Officer and recorded by Designated Officer.	No requirement to advertise. If advertised then NO requirement to also advertise in Contracts Finder.
Contracts exceeding £25,000 and not exceeding £100,000	£25,000 and not exceeding £1,000,000	Seek minimum three written quotes.	No requirement to advertise. If advertised then MUST also advertise in Contracts Finder if under PCR 2015.

See Para. 9 for details	See Para. 9 for details	Must use construction line to select those to be invited to quote for Works contracts unless waiver given.	
Contracts exceeding £100,000 but under Applicable Threshold Value (EU) See Para. 10 for details	Contracts exceeding £1,000,000 but under Applicable Threshold Value (EU) See Para. 10 for details	Seek minimum four written tenders. PCR 2015 No pre-selection stage for services/supplies contracts (so number of contractors invited to tender cannot be limited in this way) but suitability questions can be asked. Use of construction line optional for PQQ process for works contracts.	Requirement to advertise in all cases. Advertise in Contracts Finder in all cases if under PCR 2015. If use construction line then no requirement to advertise.
Above Applicable Threshold Value (EU) See Para. 11 for details	Above Applicable Threshold Value (EU) See Para. 11 for details	EU regulated process to be followed unless an exception or waiver applies. Consult Legal Services or Procurement Team.	Requirement to advertise in all cases. Advertise in Contracts Finder if under PCR 2015.
Where appropriate, any contractor properly nominated under section 20 of the Landlord and Tenant Act 1985 must also be invited to tender.			

The Council intends to use an existing framework agreement for call-off. The framework was established via the Minister for the Cabinet Office for project management and full design team services for the benefit of public sector bodies. LDC already has a form of agreement in place incorporating the NEC3 Professional Services Contract April 2013. This will enable call-off without the need to go through any additional procurement routes.

4.3. Procurement experience:

The scheme's project manager and lead officer responsible for managing the lease and project delivery with key delivery partners is Mark Langridge-Kemp, Head of Property, Delivery and Compliance.

Mark has worked in the field of property across the education and commercial sectors for over 25 years and currently manages the commercial and corporate property portfolios for both Lewes DC and Eastbourne Borough Council. Previous project experience includes the building of two inner city primary schools with a combined capital budget of £16 million.

The procurement framework intended for use is already in place. Aside from the lead PM, the Council's in-house team led by our Senior Building Surveyor will be managing the works. The

surveyor is MRICS registered and has experience of managing and procuring multi-million schemes. The likely contractor to be appointed under the framework has vast experience in dealing with listed buildings and has the entire project specialities required for the modifications and fit out of the building.

4.4. Competition issues:

Lewes DC does not foresee any significant competition issues within the supply chain that would have an adverse effect on the successful delivery of the project. Any issues that may arise will be added to the scheme's overall risk register with appropriate mitigation actions delivered.

4.5. Human resources issues:

Lewes DC does not foresee any significant future Human Resource issues.

The Council has appointed a highly experienced project team to deliver the project in line with the agreed scheme's agreed objectives.

Regular reviews with key staff will take place in line with the Council's formal HR processes and procedures. The review will help identify any future human resource issues which can then be appropriately addressed.

4.6. Risks and mitigation:

The project holds a master Risk Register which identifies key risks to the project on a high level basis but also specific construction risks identified by the Project Team. The risks identified are allocated to individual parties within the risk register for management. Upon appointment of the construction contractor, they will become responsible for managing the Health and Safety arrangements on site, interacting with neighbours and the local community, sub-contractors and quality of workmanship. The construction programme also becomes the responsibility of the contractor in terms of a set time period for the works, although the Client will retain some responsibility for this in respect of the design information and costs should they be incorrect or requirements be changed. The risks associated with change have been minimised through enabling packages of works for the site services and robust surveys.

The opportunities for overrun are being minimised by thorough pre-construction surveys, substantial enabling works (asbestos surveys, utility, diversions etc.) and development of a thorough construction phasing plan. The procurement process as identified above places considerable emphasis on the contractor developing a sound construction programme and appointing key sub-contractors early. The scheme budget includes a substantial client contingency and any additional cost claims by the contractor will be robustly challenged by the council's retained quantity surveyor.

A full risk register is set out in the Management Case of this business case and at Appendix C.

The key risks are:

- a) Failure to secure Getting Building Fund support
- b) Failure to secure planning and listed building consent for change of use
- c) Failure to renegotiate lease terms to diversify site uses
- d) Failure to agree contractual with [REDACTED]

- e) Failure to attract businesses and / public sector organisations to occupy new commercial floorspace
- f) Refurbishment costs higher than forecast
- g) Change in key personnel leading to change in project brief or loss of key knowledge of the scheme
- h) Covid-19 results construction delays due to new lockdowns and / or a lack of demand from businesses and / public sector organisations to occupy new commercial floorspace
- i) Delivery timescales impacted by slower lease negotiations or securing planning and listed buildings leaving the building empty and subject to higher maintenance costs

There are some uncertainties in relation to Covid-19, but these are difficult to assess and will depend on the progress of the pandemic. Delays in construction are possible if new lockdown measures prohibit on-site activity or adversely impact on the provision of construction materials.

Over the longer-term, the impact on the demand for training and business support from the Maritime Sector seems likely to be minimal as the public sector, in particular, is expected to prioritise training and reskilling to mitigate the negative employment impacts of the pandemic. Operations at the site are not due to start until 2022/23 and whilst there is expected to be a further shift towards more on-line provision, the demand for college based support is expected to remain strong because of the need to utilise the deep water facilities at Newhaven, which cannot be replicated on-line.

4.7. Maximising social value:

The project has the potential to deliver a range of services that will maximise social value in Newhaven, in particular:

Construction / Refurbishment Phase

All Lewes DC tender procurement processes for services and supplies over a value of £100,000 need to include an evaluation question on social value requesting an outline all the community benefits; social, economic and environmental, that their organisation proposes to offer when providing a contract. This evaluation question usually forms around 5% of the Quality score for each tender process.

The construction element of the project will be subject to S106 labour market obligations to maximise the impact of the redevelopment on the local construction supply chain and labour market. Accordingly, during the construction phase, the project manager will be working to ensure the local construction supply chain is engaged, and to increase the participation of residents including young people (aged 16 to 24) in work, education and training by providing industry work experience, apprenticeships, training and access to information, advice and guidance.

Operational Phase

- The design and delivery of specialised maritime skills training to enable people, many of which may come from local disadvantaged groups, to access qualifications and employment opportunities;

- Supporting and growing local business in the maritime sector, many of which will be SMEs; and
- Providing a public services hub in the heart of Newhaven (a local, regional and national priority for regeneration) for local residents and businesses requiring advice, guidance or support.

5. FINANCIAL CASE

5.1. Total project value and funding sources:

	Total	2020/21	2021/22
Lewes District Council	£478,091	£89,393	£388,699
Getting Building Fund	£1,300,000	£300,000	£1,000,000
TOTAL COSTS (*)	£1,778,091	£389,393	£1,388,699

(*) figures rounded as actuals are a total of £1,778,091.19 comprising £389,292.54 plus £1,388,698.65)

Lewes District Council has approved the funding from its capital programme on 21st August 2020 (Leaders Report) subject to securing the Getting Building Fund contribution

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

£1,300,000 Getting Building Fund.

5.3. Costs by type:

The table below provides a detailed breakdown of the project costs. It is divided into the capital costs (£1,778,091) and operational costs (maintenance between 2022/23 to 2029/30 - £3,329,915). The operational costs will be covered by projected revenue from office rentals and training income.

The capital costs of the project are based on BCIS Order of Cost for office, education and ancillary zones. They include a 12% contingency allowance on the basic build costs and a 10% allowance for professional fees. The contingency allowance reflects the level of uncertainty of build costs, which are currently based on BCIS estimates.

No formal quantified risk assessment has been undertaken. However risk is covered by the 12% contingency allowance and a 5% annual inflation allowance has been applied. No overhead costs have been included. In addition a Sensitivity Test has been applied, based on a 25% increase in forecast build costs. Optimism Bias has been excluded from the financial case.

No additional costs have been allocated to Monitoring and Evaluation. This will be undertaken internally by Lewes District Council and be absorbed into the Council's revenue and staffing budgets.

Maritime and Sustainable Technology Hub	2020/21	2021/22	2022/23- 2030/31	TOTAL
Basic Build Costs	£73,937	£295,747	£0	£369,684
Preliminaries	£15,000	£0	£0	£15,000
Externals	£0	£25,000	£0	£25,000
Professional Fees (10%)	£7,394	£29,575	£0	£36,968
SUB TOTAL	£96,330	£350,322	£0	£446,652
Risk/Contingency (12%)	£8,872	£35,490	£0	£44,362
Inflation Allowance	£0	£19,291	£0	£19,291
TOTAL	£105,203	£405,102	£0	£510,305
Offices	2020/21	2021/22	2022/23- 2030/31	TOTAL
Basic Build Costs	£120,582	£482,328	£0	£602,910

Preliminaries	£25,000	£0	£0	£25,000
Externals	£10,000	£40,000	£0	£50,000
Professional Fees (10%)	£12,058	£48,233	£0	£60,291
SUB TOTAL	£167,640	£570,561	£0	£738,201
Risk/Contingency (12%)	£14,470	£57,879	£0	£72,349
Inflation Allowance	£0	£31,422	£0	£31,422
TOTAL	£182,110	£659,862	£0	£841,972
Ancillary Zones	2020/21	2021/22	2022/23- 2030/31	TOTAL
Basic Build Costs	£63,180	£252,720	£0	£315,900
Preliminaries	£25,000	£0	£0	£25,000
Externals	£0	£0	£0	£0
Professional Fees (10%)	£6,318	£25,272	£0	£31,590
SUB TOTAL	£94,498	£277,992	£0	£372,490
Risk/Contingency (12%)	£7,582	£30,326	£0	£37,908
Inflation Allowance	£0	£15,416	£0	£15,416
TOTAL:	£102,080	£323,734	£0	£425,814
ALL CAPITAL COSTS	2020/21	2021/22	2022/23- 2030/31	TOTAL
Basic Build Costs	£257,699	£1,030,795	£0	£1,288,494
Preliminaries	£65,000	£0	£0	£65,000
Externals	£10,000	£65,000	£0	£75,000
Professional Fees (10%)	£25,770	£103,080	£0	£128,849
SUB TOTAL	£358,469	£1,198,875	£0	£1,557,343
Risk/Contingency (12%)	£30,924	£123,695	£0	£154,619
Inflation Allowance	£0	£66,129	£0	£66,129
TOTAL CAPITAL COSTS	£389,393	£1,388,699	£0	£1,778,091

5.4. Quantitative risk assessment (QRA):

A full qualified risk assessment has not been undertaken due to time pressures. The risks associated with capital elements of the project are assessed as minor, due to the preliminary work that has already been undertaken. A contingency allowance of 12% of build costs has been built into the costs.

Sensitivity Test: Capital Costs increase by 25% - Under this scenario, the total capital cost of the project increases to £2,186,801.

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

Capital

The funding requirement is determined by external costs of products and services to achieve the outputs of the scheme, which are Based on BCIS Order of Costs. Lewes District Council is in negotiations with [REDACTED], who will manage the Maritime and Sustainable Technology Hub, regarding a profit share agreement on rented office space.

	Total	2020/21	2021/22
Capital			
Lewes District Council	£478,091	£89,393	£388,699
Getting Building Fund	£1,300,000	£300,000	£1,000,000

TOTAL COSTS (*)	£1,778,091	£389,393	£1,388,699

(* figures rounded as actuals are a total of £1,778,091.19 comprising £389,292.54 plus £1388,698.65)

Operational

	TOTAL	2020/21	2021/22	2022/23 +
Capital Costs	£1,778,091	£389,393	£1,388,699	£0
Operational Costs	£3,329,915	£0	£0	£3,329,915
Total Costs	£5,108,006	£389,393	£1,388,699	£3,329,915
GBF Grant	£1,300,000	£300,000	£1,000,000	£0
Lewes District Council Grant	£478,092	£89,393	£388,699	£0
Operational Income	£5,467,533	£0	£0	£5,467,533
Total Income	£7,245,625	£389,393	£1,388,699	£5,467,533
Funding Request	£1,300,000	£300,000	£1,000,000	£0

The operational costs are forecast to be £3,329,915 between 2020/21 (Year 1) and 2029/30. Total operational income is forecast to be £5,467,533 over the same period. Income is based on initial projects from [REDACTED] and assumes 40% occupancy in the first year of opening; 60% occupancy in the second year and 100% thereafter.

This produces an profit of £2,137,619 over the period to 2029/30 with a breakeven year in 2024/25, assuming that GBF and Lewes District Council fund the capital works to convert the building. However, this does not include staffing costs.

Sensitivity Test 1 – Capital Costs Increase by 25%

If the capital costs increase by 25% they would rise to £2,186,801 and, including operational costs, the lifetime cost of the project (excluding staff costs) would increase to £5,516,716. Based on the projected income, this would still make the project viable, assuming that occupancy remains as forecast, based on the costs that have been provided.

Sensitivity Test 2 – Reduced Occupancy

[REDACTED] have provided estimates of income based on a reduced level of occupancy: 35% in Year 1; 50% in Year 2 and 75% thereafter. This level of reduced occupancy would reduce rental income to £5,950,003 by 2029/30. This would still make the project viable by 2029/30 with GBF and Lewes District Council grant funding.

5.6. Funding commitment:

A copy of Lewes DC S151 officer letter is provided below and in the appendices.



Lewes District Council



Working in partnership with **Eastbourne Homes**

Mr Christian Brodie
SELEP Chair
South East LEP Secretariat
c/o Essex County Council
County Hall
Market Road
Chelmsford
CM1 1QH

11th August 2020

Dear Christian,

Former UTC building, Newhaven – Getting Building Fund

Letter from Chief Financial Officer

I am confident that the Council's capital and revenue risks for this project have been minimised by:

- The appointment of a very experienced professional team and strong internal governance
- A Business Plan developed by advisors with wide experience in this sector which has been subject to robust internal and external scrutiny
- A scheme design which is driven by the Business Plan priorities and will thus optimise the revenue returns needed to fund the scheme
- An approach to procurement and subsequent project management which will protect the council's position
- The Council's own £500,000 match funding contribution which is assured
- As the lead applicant we will cover any cost overruns relating to expenditure and programme delivery

Yours sincerely

Homira Javadi
Chief Finance Officer
Eastbourne Borough and Lewes District Councils

5.7. Risk and constraints:

A full risk register is set out in the Management Case of this business case and at Appendix C.

The key risks are:

- a) Failure to secure Getting Building Fund support
- b) Failure to secure planning and listed building consent for change of use

- c) Failure to renegotiate lease terms to diversify site uses
- d) Failure to agree contractual with [REDACTED]
- e) Failure to attract businesses and / public sector organisations to occupy new commercial floorspace
- f) Refurbishment costs higher than forecast
- g) Change in key personnel leading to change in project brief or loss of key knowledge of the scheme
- h) Covid-19 results construction delays due to new lockdowns and / or a lack of demand from businesses and / public sector organisations to occupy new commercial floorspace
- i) Delivery timescales impacted by slower lease negotiations or securing planning and listed buildings leaving the building empty and subject to higher maintenance costs

A full qualified risk assessment has not been undertaken due to time pressures. The risks associated with capital elements of the project are assessed as minor, due to the preliminary work that has already been undertaken and the speed against which the project will be delivered and fully operational.

A contingency allowance of 12% to build costs has been built into the costs.

6. MANAGEMENT CASE

6.1. Governance:

The project sponsor is Ian Fitzpatrick, Deputy Chief Executive and Director of Regeneration & Planning and the Senior Responsible Officer is Peter Sharp, Head of Regeneration.

The Lewes DC project manager and lead officer responsible for managing the lease with delivery partners is Mark Langridge-Kemp, Head of Property, Delivery and Compliance.

The project manager will provide project updates to the Lewes DC Corporate Management Team and Lewes DC Scrutiny Committee.

The Strategic Property Board meets bi-monthly and considers the strategic progress of projects across the portfolio with regular reporting updates from officers. The lead PM sits on the Board and will report back on the former UTC project. The Board's members also consist of the Lead Member for Finance, Leader of the Council, Director of Regeneration and Planning and Chief Finance Officer, ensuring the necessary governance from within the Council.

6.2. Approvals and escalation procedures:

The project will adhere to the following approvals and escalation procedures.

- The project manager and lead director will report progress to the Lewes DC Corporate Management Team which provides authority to the responsible Director and the project team to take decisions on the scheme's progress, timetable and financial issues.
- The project manager and lead director will provide updates to the Lewes DC Scrutiny Committee on the schemes' progress, identifying any issues that need addressing alongside mitigating actions.

This line of reporting will give assurance of due diligence and transparency for public funded projects as the regular reports will be presented for noting/**approval** (as relevant) by Corporate Management Team.

6.3. Contract management:

The Council will enter in formal contracts with the approved contractors and leases with delivery partners which will include strict monitoring arrangements, performance measures and targets and regular quality checks on works completed.

All contracts and leases will be overseen by the project manager who will in turn report the delivery of the outputs in line with the governance and escalation process set out in section 6.1 and 6.2.

KPI's, Monitoring and Oversight

All projects are managed via the Council's standard project management procedures and reported on a monthly and quarterly basis to the Council's Corporate Management Team and Members Scrutiny Committee. This is recorded utilising Pentana Risk - enterprise risk management software that fully integrates risk management processes, from identifying and assessing risk business-wide, to assigning and monitoring mitigation plans, all the way through to reporting and defining long-term strategy for enhanced performance.

6.4. Key stakeholders:

In developing the Maritime and Sustainable Technology Hub, Lewes DC has already undertaken stakeholder engagement with:

- Maria Caulfield MP
- East Sussex County Council
- East Sussex College Group
- [REDACTED]
- Newhaven Enterprise Zone

As part of the planning and listed building applications processes consultation with key stakeholders and the community will take place. This would include engagement with:

- Statutory planning consultees (including the emergency services, Historic England and consultative groups)
- Neighbouring properties and adjoining landowners
- South Downs National Park Authority

6.5. Equality Impact:

An EqIA has not yet been undertaken for the project. The building was previously designed and converted for educational uses, and following strict accessibility standards. It is not intended to amend this accessibility. In addition, as part of the final business plan for the Maritime and Sustainable Technology Hub, a full EqIA will be requested and provided at the appropriate time.

6.6. Risk management strategy:

The key risks are:

- a) Failure to secure Getting Building Fund support
- b) Failure to secure planning and listed building consent for change of use
- c) Failure to renegotiate lease terms to diversify site uses
- d) Failure to agree contractual with [REDACTED]
- e) Failure to attract businesses and / public sector organisations to occupy new commercial floorspace
- f) Refurbishment costs higher than forecast
- g) Change in key personnel leading to change in project brief or loss of key knowledge of the scheme
- h) Covid-19 results construction delays due to new lockdowns and / or a lack of demand from businesses and / public sector organisations to occupy new commercial floorspace
- i) Delivery timescales impacted by slower lease negotiations or securing planning and listed buildings leaving the building empty and subject to higher maintenance costs

Once works commence, daily monitoring by the project team, led by the Project Manager will control and negate any delays

Each package of works will clearly list the extent of works and links to other packages and/or contractors works. Clear and concise explanation of each task is critical to the success of the project and appropriate control of each mini budget or package.

Costing will be drafted in the scope of works documentation which will be key to reducing each risk item and controlling cost overruns.

6.7. Work programme:

Appendix D outlines the high-level work programme for the project.

The programme is deliverable within the GBF timescales. GBF funded construction will commence in July 2021 and be completed by March 2022.

The project manager will manage the successful delivery of the Maritime and Sustainable Technology Hub utilising the Council's standard project management procedures. These will include:

- Monthly meetings with key delivery partners during the construction and refurbishment phase to review the programme and ensure the project is within budget;
- On completion, quarterly meetings with key delivery partners to ensure the desired outcomes are achieved and identify any other potential workstreams to maximise the benefits of the Maritime and Sustainable Technology Hub for local businesses, residents and the economy.

The project manager will report on a monthly and quarterly basis to the Council's Corporate Management Team and Members Scrutiny Committee. The project will also be reported on a bi-monthly basis to the Council's Strategic Property Board.

6.8. Previous project experience:

Lewes District Council has a team of highly experienced economic development, property and regeneration professionals that will take responsibility for delivering the Maritime and Sustainable Technology Hub. Led by the Council's Deputy Chief Executive / Director of Regeneration and Planning, Ian Fitzpatrick, the team has recently delivered projects across both Lewes and Eastbourne Council areas including:

- **£54 million rejuvenation of the Devonshire Quarter** in Eastbourne, to provide a modern conference centre, entertainment venues and creative space.
- **£2.5 million Newhaven Growth Quarter scheme** on Denton Island, which successfully delivered new business incubator units alongside community and educational facilities.
- **£3 million Saxon House shared services facility** in Newhaven town centre, delivered in partnership with Sussex Police and East Sussex Fire & Rescue.

Mark Langridge-Kemp, Head of Property, Delivery and Compliance and the LDC Project Manager, has worked in the field of property across the education and commercial sectors for over 25 years and currently manages the commercial and corporate property portfolios for both Lewes DC and Eastbourne Borough Council. Previous project experience includes the building of two inner city primary schools with a combined capital budget of £16 million.

Peter Sharp, Head of Regeneration, has around 20 years' experience and leads on economic development and regeneration for the Council. The primary regeneration focus for LDC is Newhaven. Peter wrote the bid to establish an Enterprise Zone in Newhaven and leads the team in delivering new commercial floorspace and employment creation with external partners.

This illustrates that Lewes DC has the relevant experience and knowledge to progress and deliver the Maritime and Sustainable Technology Hub within the required timescales. The team has extensive capital projects experience, including the successful delivery of the above strategic regeneration initiatives.

6.9. Monitoring and evaluation:

The methodology for the evaluation allows for a *formative, progressive* and *summative* evaluation of the project to be undertaken. It takes an *inclusive* and *transparent* approach to the evaluation and is one which is *realistic* and *achievable* within the resources available. It will include consultation with users, trainees, visitors, staff, stakeholders and partners and local businesses as well as those delivering the capital build.

Inputs

GBF investment would contribute towards the UTC refurbishment works.

Outputs

GBF investment would deliver a new Maritime and Sustainable Technology Hub and other E Use Class floorspace.

Outcomes

The Key Performance Indicators (KPI's) of the investment and how they will be monitored are:

Key Performance Indicators	Monitoring
Direct jobs	Jobs advertised
Indirect jobs	Consultation with businesses and those in the supply chain to understand the impacts the investment has had on their businesses
Businesses supported	Number of businesses using the Maritime and Sustainable Technology Hub's facilities
Number of trainees	Number of trainees
New commercial floorspace	Sq.m of new E use class office space
New public sector hub	Sq.m of new public sector facilities
Updated and specialised training facilities	Sq.m of new training rooms
Labour market S106 obligations	Monthly monitoring forms during construction and 3 months post completion as outlined in the Eastbourne Local Employment and Training Supplementary Planning Document 2016

Data will be collected through a variety of methods: focus groups; face to face consultation with visitors, enquirers and clients; telephone interviews; on line questionnaires; and database management.

Impacts

Evaluation will be longitudinal, covering the whole period of the project and the two years post completion. This will ensure that a full picture of both the capital delivery and the outputs are realised from the scheme.

It will particularly focus on answering the following key questions of:

- How the Maritime and Sustainability Technology Hub will measure and track progress towards achieving the project outcomes and the impact of the scheme.

- The indicators the Maritime and Sustainability Technology Hub will use to assess the extent to which the projected project outcomes are being achieved.
- How the Maritime and Sustainability Technology Hub will collect the data and information required to measure the changes that result from the scheme.
- When [REDACTED] will collect the information.
- How the [REDACTED] will use this information to improve how they run their building and the services and activities they offer.
- When the evaluation evidence will be available to the LEP.

6.91 Logic Map

Objectives	Inputs	Outputs	Outcomes	Impacts
<i>Objective 1: Support the Growth of the Maritime Sector</i>	GBF Grant Spend £1.3m LDC Matched Contribution Spend £478,901	<ul style="list-style-type: none"> • 1,630 sq.m of F1 class education/training space • 346 trainees gaining qualifications each year • Maritime businesses supported (number to be agreed) 	<ul style="list-style-type: none"> • Redeveloped education/training site • Better qualified works in the maritime sector • Improved business efficiency in the maritime sector (including strengthened cluster) 	<ul style="list-style-type: none"> • Stronger Maritime sector across Sussex and the South East
<i>Objective 2: Strengthen Newhaven's Economy</i>	As above	<ul style="list-style-type: none"> • 1,630 sq.m of F1 class education/training space • 346 trainees gaining qualifications each year • Maritime businesses supported (number to be agreed) • 1,595 sq.m of E class office space (including café) 	<ul style="list-style-type: none"> • 133 FTE jobs (gross) • New E class office commercial accommodation • Increase footfall in town centre • Higher skilled workforce • Establish Newhaven as a centre of excellence for Maritime 	<ul style="list-style-type: none"> • Stronger and more productive local economy • Enhanced reputation as a high quality business location
<i>Objective 3: Improve Public Sector Efficiency</i>	As above	<ul style="list-style-type: none"> • 1,595 sq.m of E class office space (including café) • 40 desk spaces for public sector workers 	<ul style="list-style-type: none"> • New office location for public service providers • Rationalisation of other public sector assets • Improved inter agency co-working 	<ul style="list-style-type: none"> • More co-ordinated and responsive public services in the town • Better use of public sector assets

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>Print full name</i>	Ian Fitzpatrick
<i>Designation</i>	Deputy Chief Executive and Director of Regeneration & Planning

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	Contingency Allowance – 12% of Build Costs
Real Growth	5%
Discounting	3.5%; Price Base: 2020/21
Sensitivity Tests	25% reduction in GDV 25% increase in Build Costs 25% reduction in training outcomes
Additionality	80%
Administrative costs of regulation	None
Appraisal period	Ten Years 2020/21-2029/30
Distributional weights	Not applied
Employment	133 gross (46 net)
External impacts of development	£2,054,948 (PV)– learning achievements
GDP	HM Treasury: GDP Deflators at Market Prices (June 2020)
House price index	Not applied
Indirect taxation correction factor	Not applied
Inflation	Build Costs – 5%
Land value uplift	£3,683,095 (PV)
Learning rates	346 achieving qualifications annually
Optimism bias	15%
Planning applications	Planning and Listed Building Consent required
Present value year	2020/21
Private sector cost of capital	N/A
Rebound effects	Not applied
Regulatory transition costs	Not applied

9. APPENDIX B - FUNDING COMMITMENT



Mr Christian Brodie
SELEP Chair
South East LEP Secretariat
c/o Essex County Council
County Hall
Market Road
Chelmsford
CM1 1QH

11th August 2020

Dear Christian,

Former UTC building, Newhaven – Getting Building Fund

Letter from Chief Financial Officer

I am confident that the Council's capital and revenue risks for this project have been minimised by:

- The appointment of a very experienced professional team and strong internal governance
- A Business Plan developed by advisors with wide experience in this sector which has been subject to robust internal and external scrutiny
- A scheme design which is driven by the Business Plan priorities and will thus optimise the revenue returns needed to fund the scheme
- An approach to procurement and subsequent project management which will protect the council's position
- The Council's own £500,000 match funding contribution which is assured
- As the lead applicant we will cover any cost overruns relating to expenditure and programme delivery

Yours sincerely



Homira Javadi
Chief Finance Officer
Eastbourne Borough and Lewes District Councils

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 Low: 1-3 Moderate: 4-7 Significant: 8-14 High 15-25
Failure to secure Getting Building Fund support	Delay or cease to deliver the Maritime and Sustainable Technology Hub	Lewes DC	Peter Sharp, Head of Regeneration	2	4	6	Submission of a robust and evidenced based GBF Business Case and supporting material. Any gaps identified at Gateway 1 review can be address for the Gateway 2 submission.	Moderate
Failure to secure planning and listed building consent for change of use	Lead to delays and additional costs for re-design of the scheme	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	Ensure a high level of early engagement with officers in the Listed Buildings teams on the scheme's design.	Moderate
Failure to renegotiate lease terms to diversify site uses	Delay or cease to deliver the Maritime Sustainable Technology	Lewes DC	Mark Langridge-Kemp Head of Property,	2	2	4	Early negotiations and contract meetings between Lewes DC and the key delivery	Moderate

			Delivery and Compliance				organisations have already taken place	
Failure to agree contractual arrangements with [REDACTED]	Delay or cease to deliver the Maritime and Sustainable Technology Hub	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	Early negotiations and contract meetings between Lewes DC and [REDACTED] have already taken place	Moderate
Refurbishment costs higher than forecast	Delay in opening the Maritime and Sustainable Technology Hub and / or reduced levels of fit our specification	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	The forecast costs have been based on detailed surveys of the building to establish accurate costs for refurbishment	Low
Change in key personnel leading to change in project brief or loss of key knowledge of the scheme	Lead to delays and additional costs for re-design of the scheme	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	1	2	Ensure a high level sign off of the overall project strategy and retain as many of the key client staff members as possible in order to prevent brief change	Low
Covid-19 results construction delays due to new lockdowns and / or a lack of demand from	If the demand is lower than expected leaving commercial	Lewes DC	Mark Langridge-Kemp Head of Property,	3	2	6	Work with One Public Estate partners and Locate East Sussex to promote the new commercial space	Low

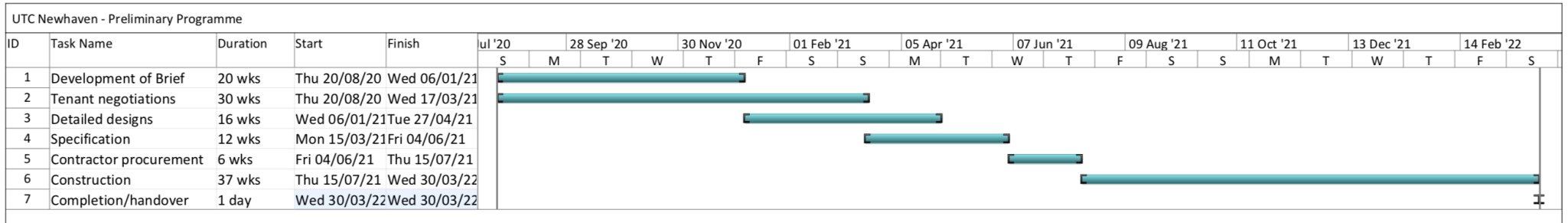
businesses and / public sector organisations to occupy new commercial floorspace	space potentially empty		Delivery and Compliance				opportunities across the District, County, Greater Brighton Area and SELEP Region	
Delivery timescales impacted by slower lease negotiations or securing planning and listed buildings leaving the building empty and subject to higher maintenance costs	Lead to delays and / or cease to deliver the Maritime Sustainable Technology	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	1	2	Early negotiations and contract meetings between Lewes DC and [REDACTED] have already taken place Ensure a high level of early engagement with officers in the Listed Buildings and Planning teams on the scheme's design.	Low

* 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.

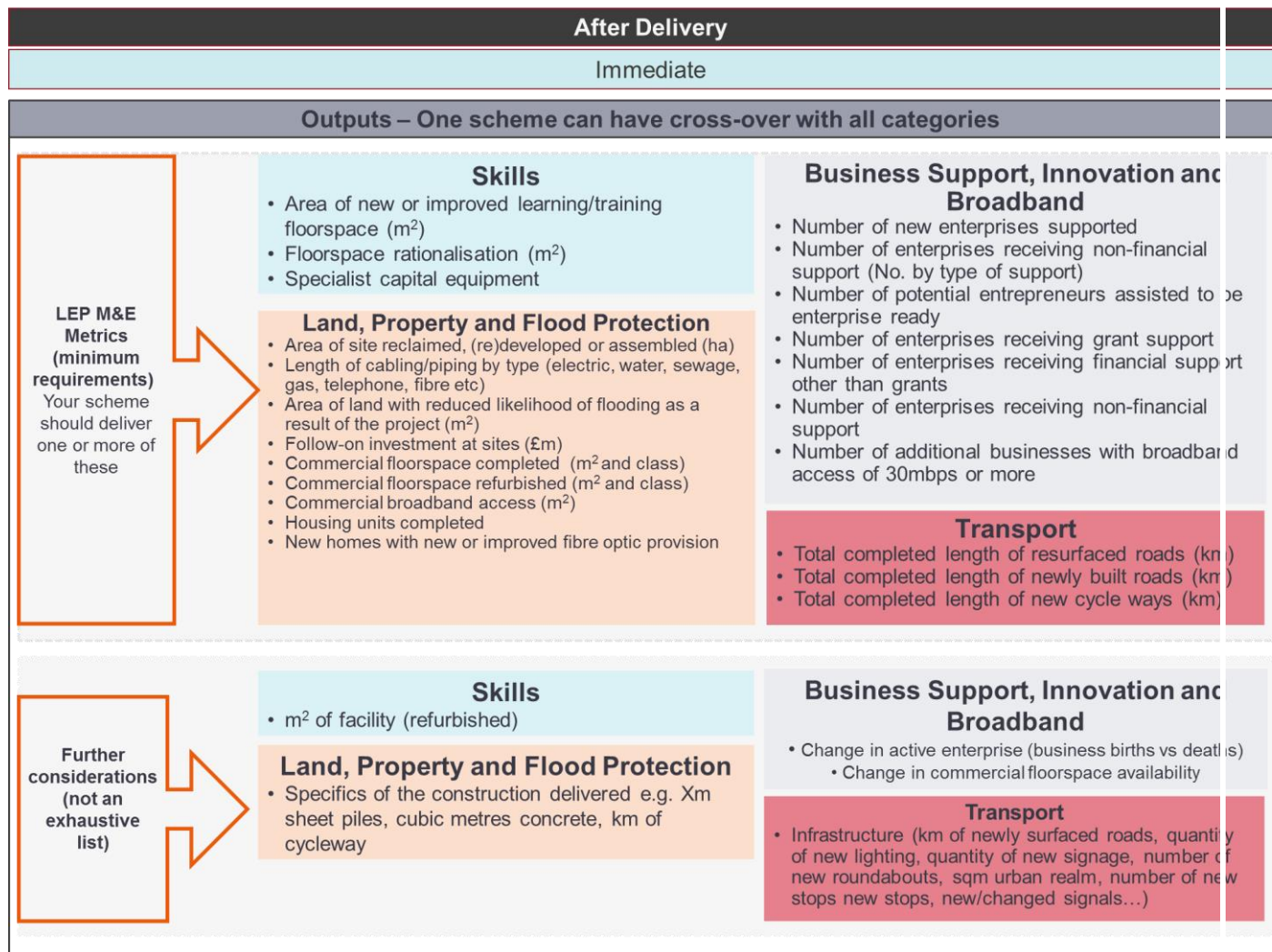
** Impact scale: Very Low (1) likely that impact could be resolved within 2 days; Low (2) potential for a few days' delay; Medium (3) potential for significant delay; High (4) potential for many weeks' delay; Very High (5) potential for many months' delay

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

11. APPENDIX D – GANTT CHART



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





After Construction

Short term – Medium Term

Outcomes – One scheme can have cross-over with all categories

LEP M&E Metrics (minimum requirements)

Your scheme should deliver one or more of these

- Jobs connected to intervention (permanent, paid FTE)
- Apprenticeships
- Housing unit starts
- Commercial floorspace occupied (sqm and class)
- Commercial rental values (£/sqm per month by class)
- Financial return on access to finance schemes (%)
- Estate Grade
- Number of new learners assisted (in courses leading to a full qualification)
- Reduced flood risk to homes
- Reduced flood risk to commercial property

Further considerations (not an exhaustive list)

Skills

- Number of new staff
- Changes in learning outcomes
- Improvements in skills

Land, Property and Flood Protection

- Housing units sold/occupied
- Changes in employment density
- Housing affordability ratio

Business Support, Innovation and Broadband

- Assists progressing to trading (No. by type of support)

Transport

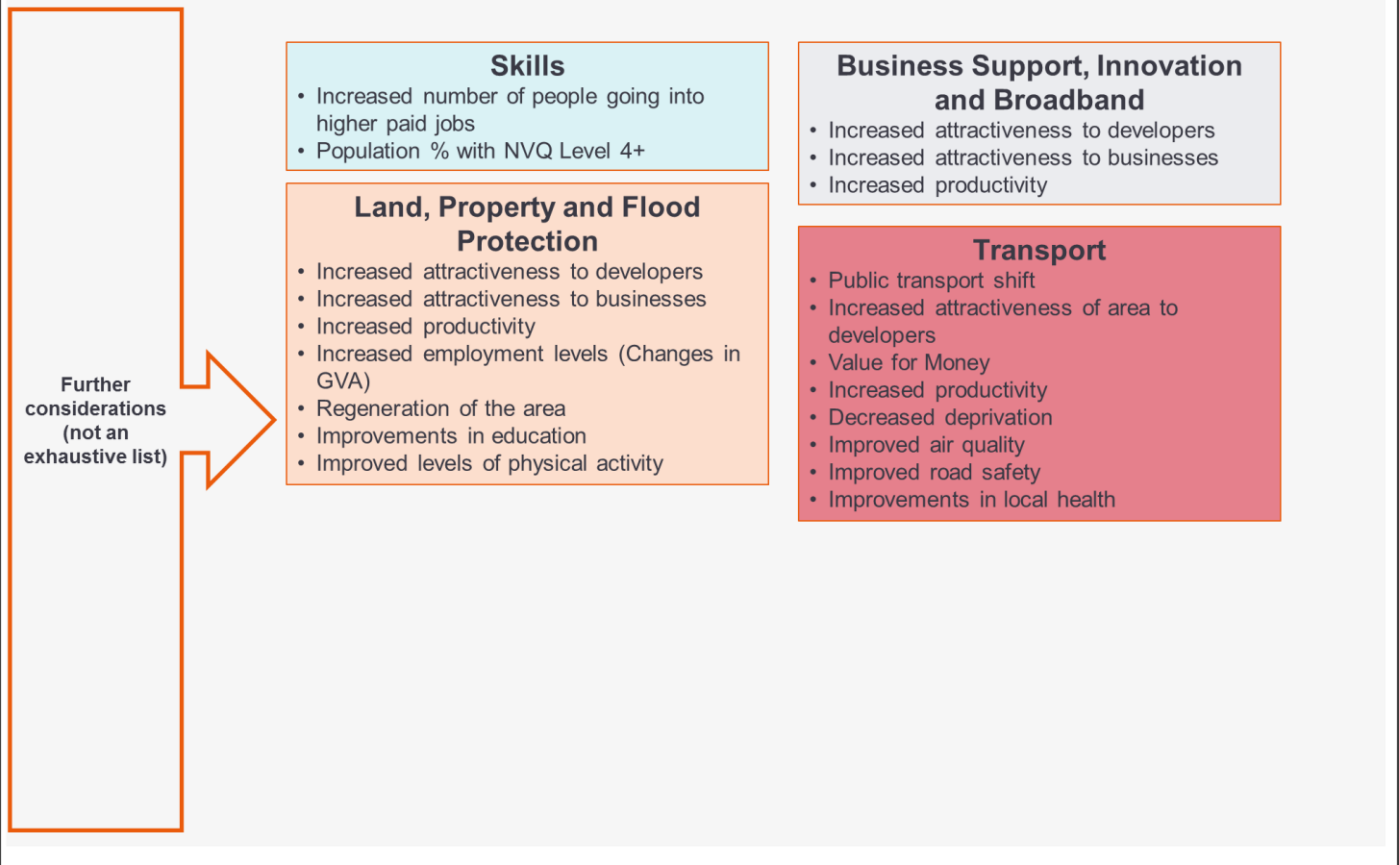
- By presence of the scheme
 - Better public transport integration
 - Enhanced connectivity between areas of deprivation and employment
 - Increased operating and maintenance costs
 - Increased/decreased levels of traffic
 - Increased/decreased journey times for public transport
 - Increased/decreased journey times for highways
 - Commercial floorspace occupied
- From use of scheme
 - Reductions in carbon emissions
 - Public transport revenue
 - Additional passenger boardings
 - User and non-user benefits



After Construction

Longer Term

Impacts – One scheme can have cross-over with all categories



MONITORING AND EVALUATION PLAN

PURPOSE

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

A NOTE ON COSTS

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

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

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

AN OVERVIEW TO THE MONITORING AND EVALUATION PROCESS The following provides information on the process for Monitoring and Evaluation and how the reports fit into this process.



PROPORTIONATE APPROACH TO COMPLETING THE REPORT

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

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

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

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

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

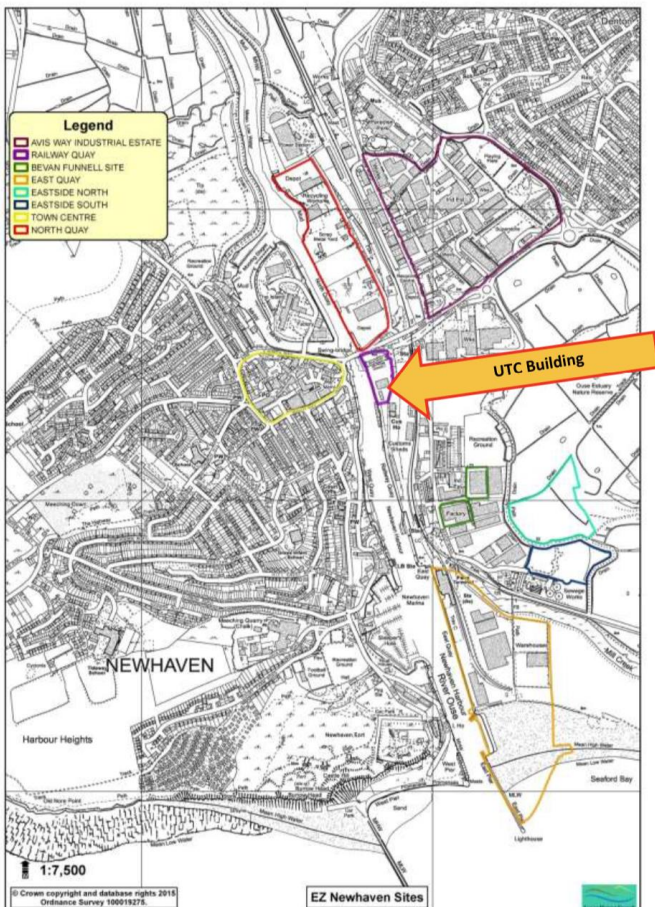
MARITIME AND SUSTAINABLE TECHNOLOGY HUB

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

The objectives of the scheme are:

- Objective 1 Support the Growth of the Maritime Sector
- Objective 2 Strengthen Newhaven's Economy
- Objective 3 Improve Public Sector Efficiency

The geography of the scheme is shown in the map below



INPUTS

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

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

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2020/21				2021/22				2022/23			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£389,393	£222,174	£222,174	£222,174	£222,174	£0	£0	£0	£0
IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£125,000	£125,000	£125,000	£125,000	£0	£0	£0	£0
IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£70,326	£70,326	£70,326	£70,326
ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2023/24				2024/25				2025/26			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0

IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£108,654	£108,654	£108,654	£108,654	£186,523	£186,523	£186,523	£186,523	£192,118	£192,118	£192,118	£192,118

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2026/27				2027/28				2028/29			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£197,882	£197,882	£197,882	£197,882	£203,818	£203,818	£203,818	£203,818	£209,933	£209,933	£209,933	£209,933
ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2029/30											
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£216,231	£216,231	£216,231	£216,231	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

INPUT 4: PROJECT DELIVERY AND MILESTONS

- Please complete the table of planned Key Milestones

Milestone	Description	Timescale
Tenant negotiations	To agree lease documentation	August 2020 to January 2021
Design	Develop and agree detailed designs	January 2021 to April 2021
Specifications	Develop and agree project specifications	March 2021 to June 2021
Procurement	Design and implement procurement of works	June 2021 to July 2021
Construction	Construction works	July 2021 to March 2022
Start of Operational Phase	Opening and handover of new facility	March 2022

INPUT 5: RISK MITIGATION

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

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
Failure to secure Getting Building Fund support	Delay or cease to deliver the Maritime and Sustainable Technology Hub	Lewes DC	Peter Sharp, Head of Regeneration	2	4	6	Submission of a robust and evidenced based GBF Business Case and supporting material. Any gaps identified at Gateway 1 review can be address for the Gateway 2 submission.

Failure to secure planning and listed building consent for change of use	Lead to delays and additional costs for re-design of the scheme	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	Ensure a high level of early engagement with officers in the Listed Buildings teams on the scheme's design.
Failure to renegotiate lease terms to diversify site uses	Delay or cease to deliver the Maritime Sustainable Technology	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	2	4	Early negotiations and contract meetings between Lewes DC and the key delivery organisations have already taken place
Failure to agree contractual arrangements with [REDACTED]	Delay or cease to deliver the Maritime and Sustainable Technology Hub	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	Early negotiations and contract meetings between Lewes DC and [REDACTED] have already taken place
Refurbishment costs higher than forecast	Delay in opening the Maritime and Sustainable Technology Hub and / or reduced levels of fit our specification	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	The forecast costs have been based on detailed surveys of the building to establish accurate costs for refurbishment
Change in key personnel leading to change in project brief or loss of key knowledge of the scheme	Lead to delays and additional costs for re-design of the scheme	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	1	2	Ensure a high level sign off of the overall project strategy and retain as many of the key client staff members as possible in order to prevent brief change
Covid-19 results construction delays	If the demand is lower than	Lewes DC	Mark Langridge-Kemp	3	2	6	Work with One Public Estate partners and

due to new lockdowns and / or a lack of demand from businesses and / public sector organisations to occupy new commercial floorspace	expected leaving commercial space potentially empty		Head of Property, Delivery and Compliance				Locate East Sussex to promote the new commercial space opportunities across the District, County, Greater Brighton Area and SELEP Region
Delivery timescales impacted by slower lease negotiations or securing planning and listed buildings leaving the building empty and subject to higher maintenance costs	Lead to delays and / or cease to deliver the Maritime Sustainable Technology	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	1	2	Early negotiations and contract meetings between Lewes DC and [REDACTED] have already taken place Ensure a high level of early engagement with officers in the Listed Buildings and Planning teams on the scheme's design.



OUTPUTS

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

- The approach used to obtain baseline information for each output
 - Costs associated with this

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



COMPLETE AND REPEAT FOR ALL OUTPUTS

ID	Output Description	
OP1	Training/education space	Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring
		Value: 1,630 sq.m Source of Value: Section 6.91 of the Full Business Case Future Monitoring Approach: Contractor's report Frequency of tracking: Interim and completion of the conversion phase Costs Allocated to Monitoring: Nil: incorporated into contractors contract agreements
		Details: Proposed Method of Collecting Baseline Information
		Approach for Collection: Contractor's progress reports Costs Allocated: As above

ID	Output Description	
OP2	E use class office space	Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring
		Value: 1,595 sq.m Source of Value: Section 6.91 of the Full Business Case Future Monitoring Approach: Contractor's report Frequency of tracking: Interim and completion of the conversion phase Costs Allocated to Monitoring: Nil: incorporated into contractors contract agreements
		Details: Proposed Method of Collecting Baseline Information
		Approach for Collection: Contractor's progress reports Costs Allocated: As above

ID	Output Description	
OP3	Ancillary zones, including storage, lift shafts, stairwells etc.	Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring
		Value: 1,500 sq.m Source of Value: Section 6.91 of the Full Business Case Future Monitoring Approach: Contractor's report Frequency of tracking: Interim and completion of the conversion phase Costs Allocated to Monitoring: Nil: incorporated into contractors contract agreements



		<p>Details: Proposed Method of Collecting Baseline Information</p> <p>Approach for Collection: Contractor’s progress reports Costs Allocated: As above</p>
--	--	--

ID	Output Description	
OP4	New trainees achieving qualifications each year	<p>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</p> <p>Value: 346 annually Source of Value: Section 6.91 of the Full Business Case Future Monitoring Approach: Post conversion. Monitoring student enrolment data from [REDACTED] Frequency of tracking: Annual Costs Allocated to Monitoring: Incorporated as part of contract management agreement with [REDACTED]</p> <p>Details: Proposed Method of Collecting Baseline Information</p> <p>Approach for Collection: Student enrolment records Costs Allocated: As above</p>

ID	Output Description	
OP5	Maritime businesses supported	<p>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</p> <p>Value: To be agreed Source of Value: Section 6.91 of the Full Business Case Future Monitoring Approach: Contract specifications and service level agreements Frequency of tracking: Annual Costs Allocated to Monitoring: Nil: incorporated into contract management agreement with organisations taking up commercial space</p> <p>Details: Proposed Method of Collecting Baseline Information</p> <p>Approach for Collection: Record of unique businesses provided with business support Costs Allocated: As above</p>



OUTCOMES

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



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

COMPLETE AND REPEAT FOR ALL OUTCOMES

Only employment outcomes are required for this scheme.

ID	Output Description	
OC1	Gross jobs	Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring
		Value: 133
		Source of Value: Section 6.91 of the Full Business Case
		Future Monitoring Approach: Head count of FTEs employed at the site
		Frequency of tracking: Annual
		Costs Allocated to Monitoring: Nil: incorporated into contract management agreement with organisations taking up commercial space
		Details: Proposed Method of Collecting Baseline Information
		Approach for Collection: Head count of FTEs from leasing organisations
		Costs Allocated: As above

		Details: Proposed Method of Collecting Baseline Information
		<p>Approach for Collection: Footfall counters</p> <p>Costs Allocated: to be agreed and costs to be part of a wider approach to monitoring impacts of interventions within Newhaven town centre</p>

IMPACTS

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

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

COMPLETE AND REPEAT FOR ALL IMPACTS

There is no requirement to complete the impacts section of this project



ID	Output Description	
IM1		Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring
		Value:
		Source of Value:
		Future Monitoring Approach:
		Frequency of tracking:
		Costs Allocated to Monitoring:
		Details: Proposed Method of Collecting Baseline Information
		Approach for Collection:
		Costs Allocated:

...IM2, IM3, IM4 etc

BASELINE REPORT

PURPOSE

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

AN OVERVIEW TO THE MONITORING AND EVALUATION PROCESS

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



PROPORTIONATE APPROACH TO COMPLETING THE REPORT

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

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

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

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

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



MARITIME AND SUSTAINABLE TECHNOLOGY HUB

This Baseline Report provides the details of the inputs, outputs, outcomes and impacts of the Maritime and Sustainable Technology Hub from the period 2020/21 to 2029/30, before the scheme is constructed/delivered.

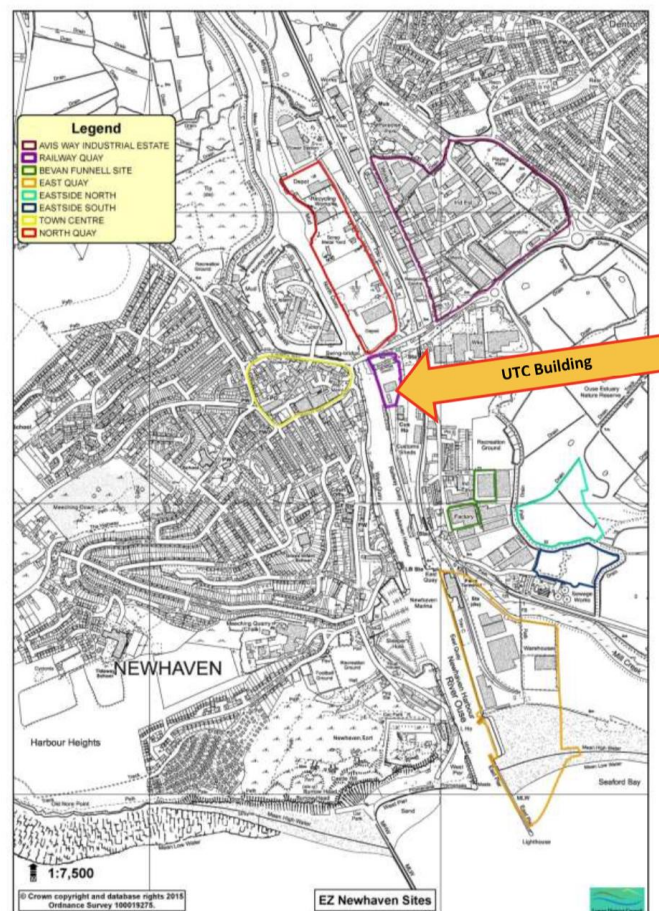
The objectives of the scheme are:

Objective 1 Support the Growth of the Maritime Sector

Objective 2 Strengthen Newhaven's Economy

Objective 3 Improve Public Sector Efficiency

The geography of the scheme is shown in the map below



INPUTS

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

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

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2020/21				2021/22				2022/23			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£389,393	£222,174	£222,174	£222,174	£222,174	£0	£0	£0	£0
IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£125,000	£125,000	£125,000	£125,000	£0	£0	£0	£0
IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£70,326	£70,326	£70,326	£70,326
ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2023/24				2024/25				2025/26			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4



IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£108,654	£108,654	£108,654	£108,654	£186,523	£186,523	£186,523	£186,523	£192,118	£192,118	£192,118	£192,118

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2026/27				2027/28				2028/29			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0
IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£197,882	£197,882	£197,882	£197,882	£203,818	£203,818	£203,818	£203,818	£209,933	£209,933	£209,933	£209,933
ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	2029/30											
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
IN2	Matched Contributions Spend	£0	Financial reports	Quarterly	Planned/ Forecast Spend Profile	£0	£0	£0	£0	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

N/A



IN3	Leveraged Funding	Nil	N/A	N/A	Planned/ Forecast Spend Profile	£216,231	£216,231	£216,231	£216,231	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
-----	-------------------	-----	-----	-----	---------------------------------------	----------	----------	----------	----------	-----	-----	-----	-----	-----	-----	-----	-----	-----

INPUT 4: PROJECT DELIVERY AND MILESTONS

- Please complete the table of planned Key Milestones

Milestone	Description	Timescale
Tenant negotiations	To agree lease documentation	August 2020 to January 2021
Design	Develop and agree detailed designs	January 2021 to April 2021
Specifications	Develop and agree project specifications	March 2021 to June 2021
Procurement	Design and implement procurement of works	June 2021 to July 2021
Construction	Construction works	July 2021 to March 2022
Start of Operational Phase	Opening and handover of new facility	March 2022

INPUT 5: RISK MITIGATION

- Please note any risk mitigation used and if any risks materialised up to the opening of the scheme [Please refer back to Risk Register in the Business Case].

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
Failure to secure Getting Building Fund support	Delay or cease to deliver the Maritime and Sustainable Technology Hub	Lewes DC	Peter Sharp, Head of Regeneration	2	4	6	Submission of a robust and evidenced based GBF Business Case and supporting material. Any gaps identified at Gateway 1 review can be address for the Gateway 2 submission.
Failure to secure planning and listed building consent for change of use	Lead to delays and additional costs for re-design of the scheme	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	Ensure a high level of early engagement with officers in the Listed Buildings teams on the scheme's design.
Failure to renegotiate lease terms to diversify site uses	Delay or cease to deliver the Maritime Sustainable Technology	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	2	4	Early negotiations and contract meetings between Lewes DC and the key delivery organisations have already taken place

Failure to agree contractual arrangements with [REDACTED]	Delay or cease to deliver the Maritime and Sustainable Technology Hub	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	Early negotiations and contract meetings between Lewes DC and [REDACTED] have already taken place
Refurbishment costs higher than forecast	Delay in opening the Maritime and Sustainable Technology Hub and / or reduced levels of fit our specification	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	3	6	The forecast costs have been based on detailed surveys of the building to establish accurate costs for refurbishment
Change in key personnel leading to change in project brief or loss of key knowledge of the scheme	Lead to delays and additional costs for re-design of the scheme	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	2	1	2	Ensure a high level sign off of the overall project strategy and retain as many of the key client staff members as possible in order to prevent brief change
Covid-19 results construction delays due to new lockdowns and / or a lack of demand from businesses and / public sector organisations to occupy new commercial floorspace	If the demand is lower than expected leaving commercial space potentially empty	Lewes DC	Mark Langridge-Kemp Head of Property, Delivery and Compliance	3	2	6	Work with One Public Estate partners and Locate East Sussex to promote the new commercial space opportunities across the District, County, Greater Brighton Area and SELEP Region
Delivery timescales impacted by slower	Lead to delays and / or cease	Lewes DC	Mark Langridge-Kemp	2	1	2	Early negotiations and contract meetings



lease negotiations or securing planning and listed buildings leaving the building empty and subject to higher maintenance costs	to deliver the Maritime Sustainable Technology		Head of Property, Delivery and Compliance				between Lewes DC and [REDACTED] have already taken place Ensure a high level of early engagement with officers in the Listed Buildings and Planning teams on the scheme's design.
---	--	--	---	--	--	--	--



OUTPUTS

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

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1	Training/education space	Baseline	0 sq.m	Site inspection	Once: Pre-construction	Business Case: Table 6.91	Sept 2020
		Planned/Anticipated	1,630 sq.m	Site inspection	Once: Conversion completion	Business Case: Table 6.91	March 2022

Details: Method of Collecting Baseline Information

The site will be inspected prior to the conversion to ensure that it is not being used for education and training purposes. After the conversion has been completed, it will be reinspected to ensure that 1,630sq.m of the site has been converted to education/training use, specifically for the maritime sectors.

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP2	E use class office space	Baseline	0 sq.m	Site inspection	Once - Pre-construction	Business Case: Table 6.91	Sept 2020
		Planned/Anticipated	1,595 sq.m	Site inspection	Once - Conversion completion	Business Case: Table 6.91	March 2022



Details: Method of Collecting Baseline Information

The site will be inspected prior to the conversion to ensure that it is not being used for E Use Class purposes. After the conversion has been completed, it will be reinspected to ensure that 1,595sq.m of the site has been converted to E Use Class.

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP3	Ancillary Floorspace	Baseline	0 sq.m	Site inspection	Once -	Business Case: Table 6.91	Sept 2020
		Planned/ Anticipated	1,500 sq.m	Site inspection	Once - Conversion completion	Business Case: Table 6.91	March 2022

Details: Method of Collecting Baseline Information

The site will be inspected prior to the conversion to ensure that it is not being used as ancillary space. After the conversion has been completed, it will be reinspected to ensure that 1,595sq.m of the site has been converted to E Use Class.

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP4	New trainees achieving qualifications each year	Baseline	0	Desk Research	Once	Business Case: Table 6.91	Sept 2020
		Planned/ Anticipated	346 per year	Desk Research	Annual	Business Case: Table 6.91	From March 2023- March 2030

Details: Method of Collecting Baseline Information

There are currently no trainees at the site. [REDACTED] will be required to provide details of the number of trainees achieving qualifications each year as part of the contract management agreement, against the baseline of zero.

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP5	Maritime businesses supported	Baseline	0	Contract/service level agreements	Once	Business Case Table 6.91	Sept 2020
		Planned/ Anticipated	To be agreed	Contract/service level agreements	Annual	Business Case Table 6.91	March 2023- March 2030
Details: Method of Collecting Baseline Information							
There are currently no maritime businesses supported from the site. [REDACTED] will be required to provide data on the number of businesses supported from the site based on contract records and the number of additional businesses supported in the SELEP region and in Sussex.							

OUTCOMES

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

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1	Gross Jobs	Baseline	0	Site Visit	Once	Business Case Table 6.91	Sept 2020
		Planned/ Anticipated	133	Timesheets & Economic Analysis	Quarterly	Business Case Table 6.91	March 2023- March 2030
Details: Method of Collecting Baseline Information							
There are currently no maritime businesses supported from the site. [REDACTED] will be required to provide data on the number of businesses supported from the site based on contract records and the number of additional businesses supported in the SELEP region and in Sussex.							

IMPACTS

- Impacts are often not measurable but can be anecdotal or inferred. However, if they can be measured then an approach and budget should be allocated for this.



- They are a longer-term effect of the scheme being in place and often occur as a result of the outcomes.
- They would not be monitored or tracked beyond the Five Years

After Opening Report.

EXAMPLE							
ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
IM1	Improved road safety	Baseline	14 slight 7 serious 2 killed	STATS 19 (Road Accident Statistics)	n/a	STATS 19	2020
		Planned/ Anticipated	General downwards trend in accidents	STATS 19 (Road Accident Statistics)	Annually	Full Business Case, p42	By 2026
Details: Method of Collecting Baseline Information							
Map STATS19 data and analyse results for key roads and junctions affected by reductions in traffic as a result of the scheme. This required 1 day of GIS time. STATS19 data was free to use.							

COMPLETE AND REPEAT FOR ALL IMPACTS

THERE IS NO REQUIREMENT TO COMPLETE THIS SECTION.

	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
IM1		Baseline					
		Planned/ Anticipated					
Details: Method of Collecting Baseline Information							

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



		Planned/ Anticipated					
Details: Method of Collecting Baseline Information							

...IM3, IM4 etc



14. APPENDIX G - CATEGORIES OF EXEMPT INFORMATION

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

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

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

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