

## 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.

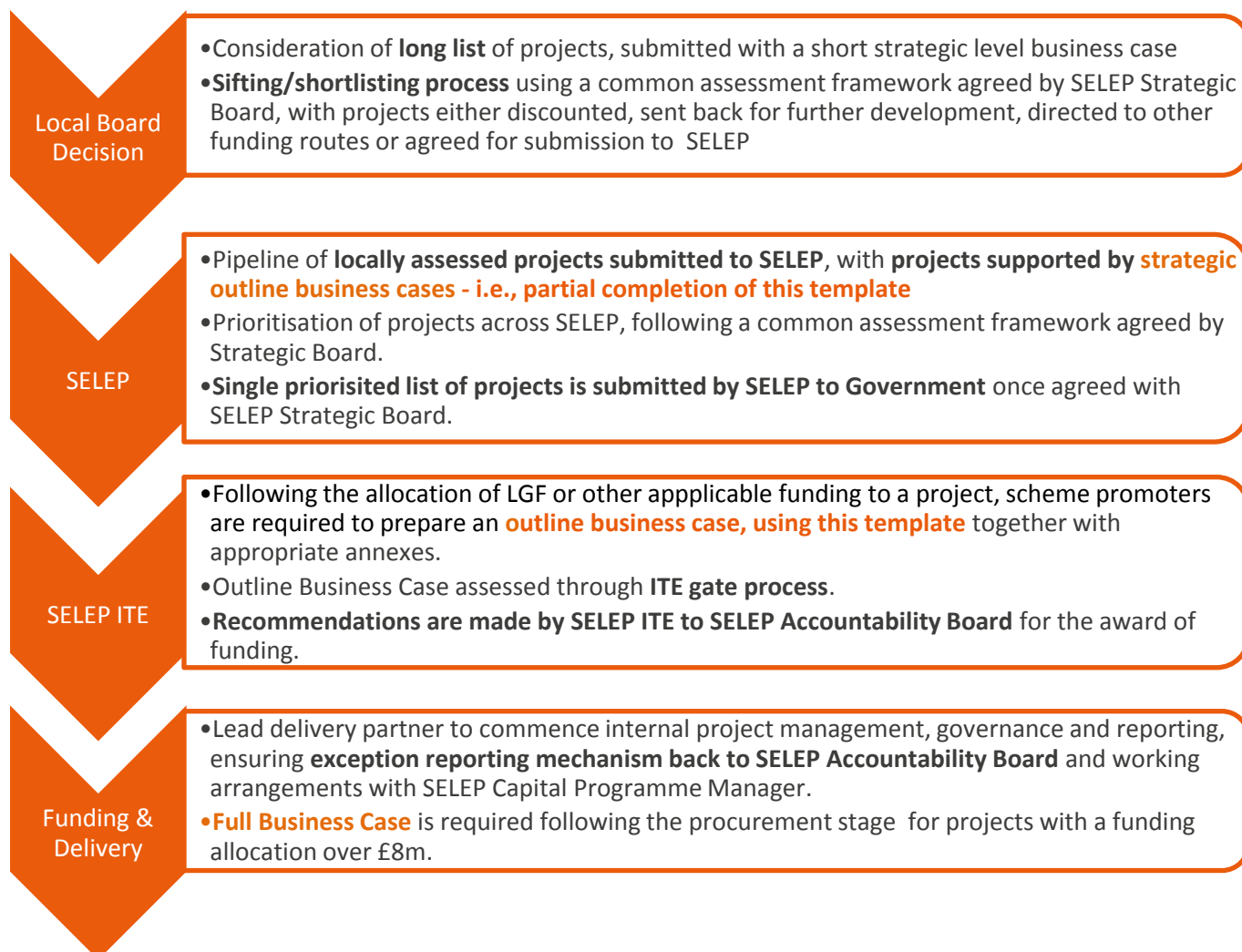
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable 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	Winter Garden GBF Application
Version	2.0
Author	Annie Wills
Document status	Submitted version
Authorised by	Peter Sharp
Date authorised	4 September 2020

## 1. PROJECT OVERVIEW

- 1.1. **Project name:**  
Restoring the Glory of the Winter Garden
- 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:**  
Winter Garden, Compton Street, Eastbourne, BN21 4BP.
- 1.6. **Project Summary:**

**The Project** - Getting Building Fund (GBF) investment will restore and complete the regeneration and refurbishment of the Winter Garden, a key facility in the £54m Devonshire Quarter redevelopment, to its former glory and ensure its longevity and visitor experience benefit future generations. GBF investment of £1.6m is needed to upgrade the stage grid and technical equipment that is vital to attract high level yield business, such as corporate events and live music with technical requirements.

Live music promoters are looking for venues that can fulfil their needs of both flying lighting/AV and set, with high limitation on maximum weight. Speed of access and easy use is important, ensuring they can fulfil a complicated 'get-in' quickly allowing for greater rehearsal time. The project's investment will also include the interior refurbishment of the venue's lettable business spaces - Floral Hall, Gold Room, Bistro Bar and Long Bar, to celebrate the heritage of the venue and to improve the quality of offer which will secure a competitive edge for the Winter Garden.

**The Rationale** - There is a current demand for live music, events and conference facilities in Eastbourne which remains unfulfilled. The refurbishment of the Winter Garden would significantly address this demand and provide a high quality venue that puts Eastbourne back on the map of locations for important corporate conferences and business events.

£1.6m of GBF investment would deliver:

- A benefit cost ratio of 2.04
- A net present value benefits of £11.59m
- and directly and indirectly generate 26 FTE jobs, including 10 direct jobs, 10 indirect jobs and 6 construction jobs<sup>1</sup>
- An additional 3,750 visitor nights and 3,750 additional day visitors contributing around £0.5m per year to the wider local economy.

The cost benefit ratio illustrates the £1.6m GBF ask represents **high value for money**.

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<sup>1</sup> It is possible that a further ten direct jobs will be safeguarded over the longer term, if the on-going subsidy from EBC cannot be sustained. As it stands, the Business Case assumes that the funding will be sustained and that these jobs will not be lost.

#### 1.7. Delivery partners:

Partner	Nature of involvement (financial, operational etc.)
Eastbourne Borough Council (Lead Applicant)	Land owner, financial, operational

There are no other delivery partners but there is strong collaboration with key stakeholders – see sections 3.2 and 6.4.

#### 1.8. Promoting Body:

Eastbourne Borough Council

#### 1.9. Senior Responsible Owner (SRO):

For EBC - Peter Sharp, Eastbourne Borough Council, Head of Regeneration, 01273 085044 / 07826 903742, [peter.sharp@lewes-eastbourne.gov.uk](mailto:peter.sharp@lewes-eastbourne.gov.uk)

It is noted ESCC will also provide a named Senior Responsible Owner.

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

Funding source	Amount (£)	Flexibility of funding scale or profile	Constraints, dependencies or risks and mitigation
Eastbourne Borough Council	£2.3m	The Council is already committed to this level of investment. The funds were approved by [Cabinet in March 2020]	None. Match funding is in place.
Getting Building Fund	£1.6m	There is flexibility to reduce the funding amount being sought, although outcomes and outputs would reduce accordingly	A reduced level of GBF grant would impact on the venues ability to meet the conference market demands and expectations.  Very likely the venue will still need long term financial subsidy from local authority to maintain and protect fabric of the building if commercial offer does not generate sufficient income due to low quality interior.
<b>Total project value</b>	£3.9m		

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

£1.6m from GBF.

Advice from, Mark Reynard, Senior Lawyer, Legal Services, Eastbourne Borough & Lewes District Councils:

The Applicant has sought internal legal advice and can confirm that this scheme does not involve the grant of state resources which distort or threaten to distort competition by favouring certain undertakings or the production of certain goods, in so far as it affects trade between Member States of the European Union. Funding for this scheme does not therefore constitute State Aid.

#### 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:

- Planning and listed building consent was granted in November 2015.
- Tier 1 construction contractor recruited – 19 October 2018
- New project request and design/cost due diligence check completed – 30 November 2018
- RIBA stages 3 and 4 completed – 19 April 2019
- Procurement of individual works packages – September 2020
- Construction start date – October 2020
- Phase 1 (Winter Garden open for banqueting, live performances, exhibitions in Floral Hall and Gold Room etc) completion by 1 May 2021
- Phase 2 completion (South Pavilion and façade complete) by March 2022

EBC owns the entire Devonshire Quarter site.

#### 1.14. Project development stage:

Project development stages completed to date			
Task	Description	Outputs achieved	Timescale
Inception	Business case driven masterplan developed for the entire Devonshire Quarter, including the Winter Garden	Masterplan and full business case approved by Cabinet 2015 and reaffirmed March 2018	2012
Option selection	Discussions with specialists, councillors, visitors and users. Includes commissioning of David Clarke Associates to carry out a review of the current Devonshire Quarter business, its potential for growth and financial returns to optimise financial performance and economic and cultural value for the town.	Preferred options agreed by Cabinet in 2015	2015
Feasibility	Preferred options reviewed and costed and tested.	Economic case for preferred options approved by Cabinet in 2015	2014/15
Design team appointed	Concept developed and project taken through the RIBA stages to anticipated eventual completion.	Detailed design	2014
Planning and listed building consent granted	For entire Devonshire Quarter.	Planning and listed building consent by Local Planning Authority	November 2015
Project development stages to be completed			
Task	Description	Timescale	
Procurement	Procurement of individual works packages EBC Contract Procedure Rules	September 2020	
Winter Garden	Restore the front of the building to its original façade, refurbish the toilets,	October	

Construction stage	<p>provide pedestrian access to the new Welcome Building conference centre, replace damaged floor covering carry out some essential electrical, mechanical and plumbing works, upgrading and the stage grid and technical equipment, and internal refurbishment of lettable spaces.</p> <p>Phase 1 (Winter Garden open for banqueting, live performances, exhibitions in Floral Hall and Gold Room etc) completion by 1 May 2021</p> <p>Phase 2 (South Pavilion and façade complete) completion by March 2022.</p>	2020 to March 2022
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### 1.15. Proposed completion of outputs:

The Winter Garden is a key facility in the £54m Devonshire Quarter redevelopment. Another key establishment on the site is the Welcome Building, a purpose built conference venue, which received £5m from a previous round of SELEP LGF investment. The identified outputs and benefits in the business case for the Welcome Building were for that establishment and not for the site as a whole.

Further GBF investment would restore the Winter Garden to its former glory and deliver a venue that meets the demands of high value live music, events and conference business, create Eastbourne's only middle size standing venue, and establish new markets e.g. live music.

The additional proposed benefits attributed to this scheme are:

The cost benefit ratio illustrates the £1.6m GBF ask represents **high value for money**.

The overall project will deliver:

- A benefit cost ratio of 2.04
- Net present value benefits of £11,585,254

The Reference Case would deliver:

- A benefit cost ratio of 0.86;
- net present value benefits of -£938,763

The GBF investment will contribute to additional £0.5m annual increase in visitor spend in the SELEP region and £1.17m additional spend in Eastbourne. The project will directly and indirectly generate 26 FTE jobs<sup>2</sup> in the region and help to address seasonality for the hospitality trade, thereby supporting 30 local businesses within the local visitor economy. Of the 26 FTE jobs:

- 10 permanent FTE jobs will be directly created at the Winter Garden and will be in post following completion of the development works in March 2021.

<sup>2</sup> It is possible that a further ten direct jobs will be safeguarded over the longer term, if the on-going subsidy from EBC cannot be sustained. As it stands, the Business Case assumes that the funding will be sustained and that these jobs will not be lost.

- 10 FTE additional jobs will be created within local hotels, restaurants, cafes, bars, shops and services as a result of this investment<sup>3</sup>.
- The equivalent of six FTE construction jobs will be created by the capital investment.



Along with the investment on the interior refurbishment of the Winter Garden lettable spaces, the venue would deliver an additional future annual income of £45,000; increase revenue from catering by £110,000 per year and attract revenue from Live Music of £280,000 per year by 2023/24.

The venue is forecast to host 50 events each year, when fully operational, attracting 50,000 patrons, 18,000 of which are forecast to be from outside the local area and 7,500 (15%) from beyond the South East region. It will make an annual contribution to the Eastbourne economy of £1.17m. The Covid-19 pandemic has created significant uncertainty around the demand for and viability of performance venues over the short to medium term. However, this does not change the strategic significance of the Winter Garden and Devonshire Quarter development over the longer term. We expect the outputs and impacts to be delayed by the pandemic, rather than negated by it and this is reflected in the Economic Case and the sensitivity tests within this Business Case.

On-going maintenance costs will fall by 75% from 2022/23, as many of these will be addressed by the refurbishment.

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<sup>3</sup> There is expected to be 23 additional jobs at sub-SELEP, local level, but some of these will be displaced from other parts of the region.



## 2. STRATEGIC CASE

### 2.1. Scope / Scheme Description:

#### **Scheme Summary**

This project will complete the refurbishment of the Winter Garden in Eastbourne by:

- Upgrading the stage grid and technical equipment; and
- Refurbishing the venue's lettable business spaces - Floral Hall, Gold Room, Bistro Bar and Long Bar.

The total cost of the refurbishment is £3.9m. Some £2.3m of the redevelopment costs have been committed by Eastbourne Borough Council and the remaining £1.6m shortfall is sought from the Getting Building Fund Programme, specifically to:

- Fit out the Floral Hall Bar;
- Replace the male and female toilets and associated services;
- Repair and recover the East and West apse roof;
- Refurbish the timber floor in the Floral Hall and redecorate and upgrade services in the Bistro;
- Redecorate and refloor the entrance foyer; and
- Replace the building's front façade and undertake repairs to the pavilion roof.

Eastbourne Borough Council's investment will fund the remainder of the refurbishment, including:

- Undertaking demolition works;
- Improving the structure, frame, upper floors and roof;
- Reconstructing the Stage Grid and installing technical equipment;
- Improving bar capacity; and
- Installing external windows and doors.

#### **Scheme Context**

Eastbourne is one of the UK's premier seaside visitor destinations, attracting 5.3 million visitors in 2018<sup>4</sup>. However, in common with other seaside destinations, the volume of holiday trips has declined over the years, as people have tended to favour city destinations. Although seaside resorts have under-utilised capacity and readily available tourism infrastructure, it is often not up to the quality and standard that modern-day visitors expect<sup>5</sup>.

Eastbourne Borough Council has ambitions to address this and to re-establish the town as the UK's most desirable seaside destination by investing in and transforming its leisure, cultural and conferencing facilities to meet the demands of the 21<sup>st</sup> century. This also seeks to capitalise on the market opportunity afforded by the Covid-19 pandemic, with an increase in demand for staycations expected.

As part of this, the Arndale Shopping Centre has been redeveloped into The Beacon and investment in the Devonshire Quarter aims to make it one of the UK's most distinctive cultural destinations, delivering

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<sup>4</sup> Economic Impact of Tourism; Eastbourne; Tourism South East; 2018.

<sup>5</sup> Draft Tourist Accommodation Retention SPD, Eastbourne Borough Council, 2015



- Improved conference facilities – to compete more effectively
- Improved arts venues – attracting more visitors
- New tennis facilities – for the prestigious Nature Valley International Tournament
- Distinct gateway and public realm

The Winter Garden was built in 1875; it is currently in a poor state of repair, resulting in high on-going costs to the Council; and it is failing to fulfil its potential as a key attraction of the town's visitor economy. The building temporarily closed in 2017 to prepare for the planned redevelopment works, after which it will be one of the most attractive venues in the south of England - modern, flexible facility that is especially suitable for live music events and banqueting, complementing the other theatres and conferencing facilities in the Devonshire Quarter.

As well as having significant historical and architectural value, its refurbishment is a key part of the Devonshire Quarter redevelopment programme, sitting alongside the redevelopment of the Congress Theatre; the Devonshire Park Theatre and the Welcome Building, a recently-refurbished conference facility.

### **Issues the Project Addresses**

The primary objectives of this project are to:

Objective 1: Deliver a financially and commercially sustainable venue

Objective 2: Grow the visitor economy

Objective 3: Support the delivery of the wider Devonshire Quarter scheme

### **Intended Benefits**

The intervention will deliver:

- Present value benefits of £11,585,254
- A modern flexible live music and banqueting venue that will attract 50,000 visitors per year, including 7,500 from outside the South East LEP area
- Additional annual tourism spend of £1.17m in the Eastbourne economy and a further 39 local direct and indirect jobs (£0.5m and 26 additional jobs across the SELEP region)

## **2.2. Logic Map**

Objectives	Inputs	Outputs	Outcomes	Impacts
Deliver a financially and commercially sustainable venue	£1,600,225 Matched Contributions Spend £2,296,550	<ul style="list-style-type: none"> <li>• Fitted out Floral Hall Bar</li> <li>• Repaired roofs</li> <li>• Redecorated foyer</li> <li>• Repaired pavilion and façade</li> <li>• Lift installation</li> <li>• Refurbished Gold Room</li> <li>• Upgraded Technical Equipment</li> </ul>	65 construction years of employment (equivalent to 6 sustainable jobs) Exceptional heritage site brought back into commercial use	Funding request is less than £2m, so this is not relevant.
Grow the visitor economy	£15.5m in staff and maintenance costs by 2049/50 – an average of £512,000 per year	Increase net visitor spend in the wider economy by £1.17 million per year, based on 30% of patrons coming from outside Eastbourne; and by £0.5m per year in the South East Region based on 15% of patrons coming from outside the South East region	Create 23 net new jobs in the in local tourism economy (10 across the SELEP region)	Funding request is less than £2m, so this is not relevant.
Support the delivery of the wider Devonshire Quarter scheme	As above	50,000 new visitors to the Winter Garden each year, including 7,500 from outside the SELEP region Secure 50 new events at the venue each year	Secure additional £20.5m of additional income through live events, lettings and catering by 2049/50 – average of £685,000 per year Create an additional 39 direct jobs	Funding request is less than £2m, so this is not relevant.

### 2.3. Location description:

The Winter Garden is located close to Eastbourne seafront, half a mile from Eastbourne Railway Station, a short walk from the town's main shopping area and close to the South Downs National Park.

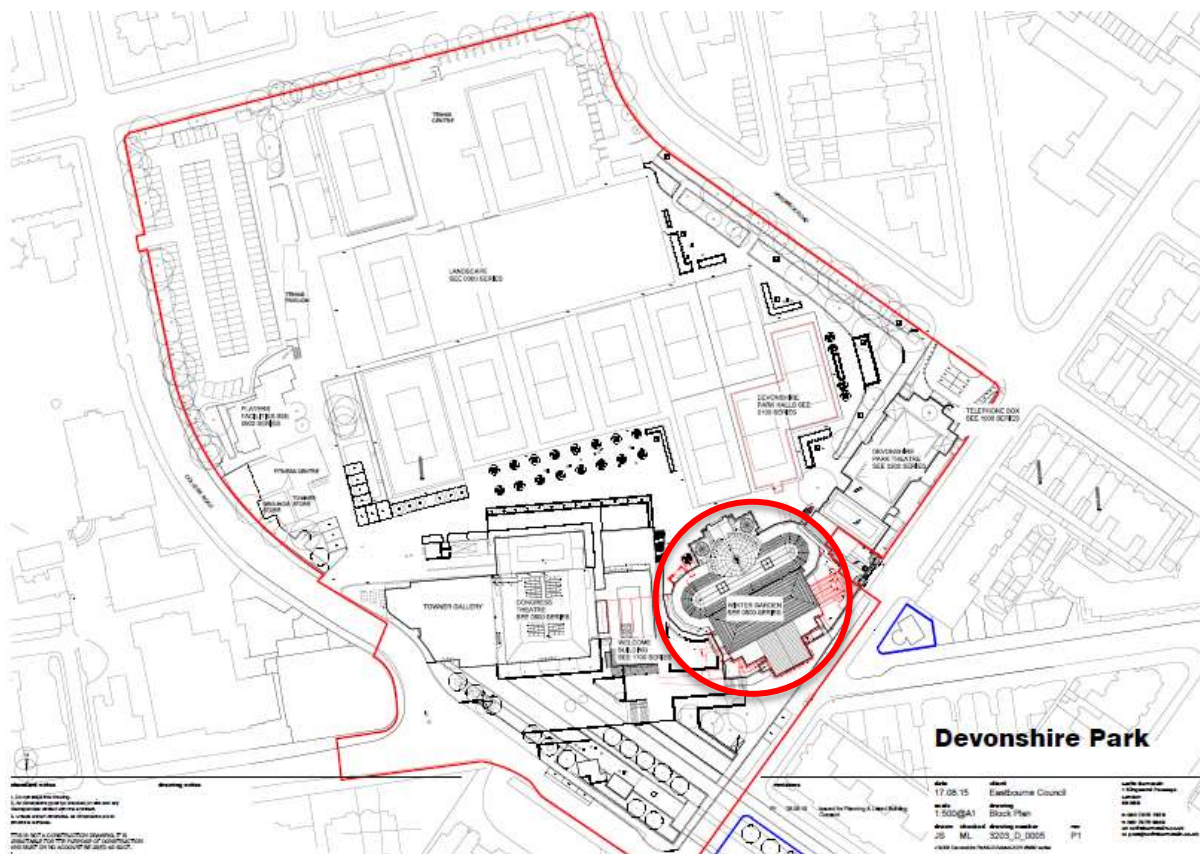
It lies in the heart of the Devonshire Quarter, close to the Congress Theatre, the Devonshire Park Theatre, the Welcome Conference Centre, the Towner Art Gallery, the International Lawn Tennis Centre and some of Eastbourne's most prestigious hotels.

The Winter Garden is a Grade II listed building, dating back to 1875 with long term defects. The restoration plans received English Heritage approval in 2015 and Listed Building Consent in November 2015.

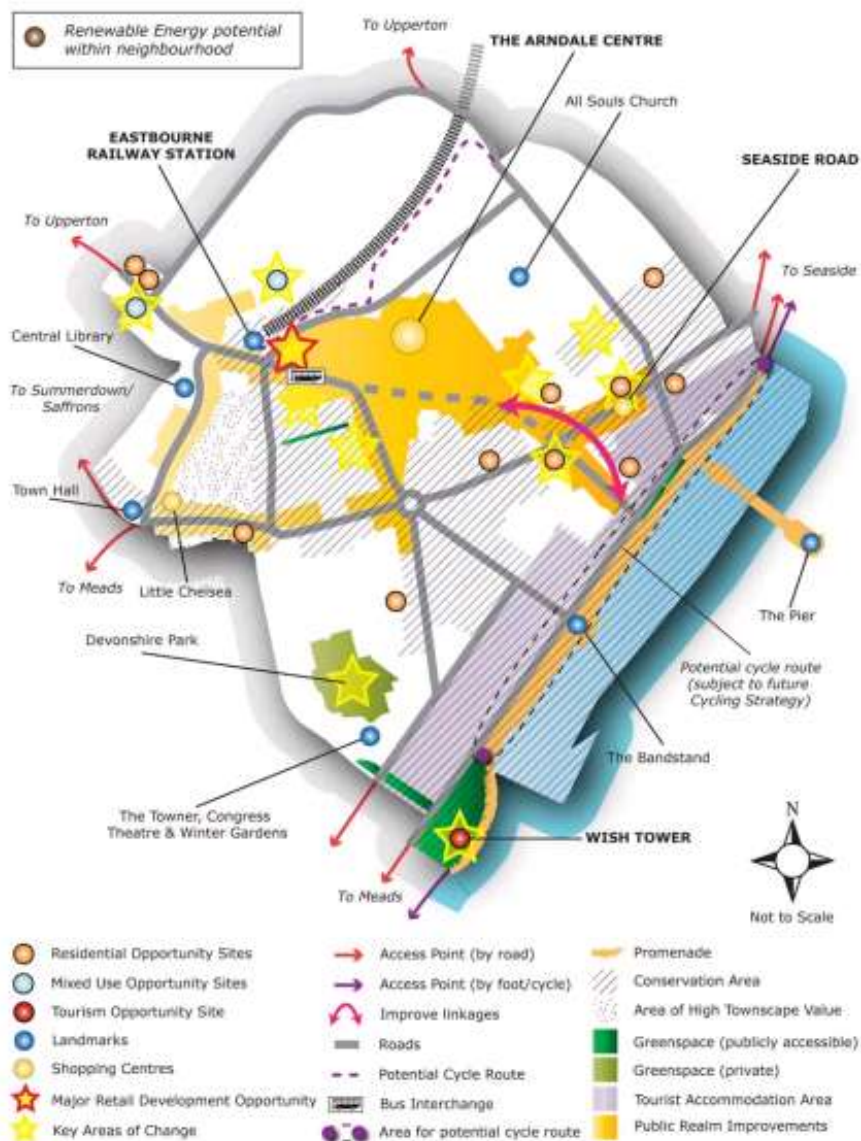
Access to the venue is generally good, given its location, but its physical condition is poor: Its stage grid is outdated and unattractive to promoters and performers and it has poor disability access, tired décor, a defective façade and roofing, and poor insulation. Since 2017 it has been temporarily closed for site preparation works.

In recent years, conferences which could have brought over 8,000 additional delegates to Eastbourne were lost because of the poor state of the venue despite its potential. Comments from lost bookings include comments about "...the general air of weariness" of the building in its current state.

**Map 1: Devonshire Quarter Map**



**Map 2: Key diagram of Eastbourne town centre**



#### 2.4. Policy context:

The project firmly aligns with national, regional, sub-regional and local plans to unlock and deliver economic growth:

#### National Planning Policies

##### The National Planning Policy Framework (February 2019)

In national planning policy terms, this project aligns most closely with the following sections of the National Planning Policy Framework:

- Section 7 - Ensuring the Vitality of Town Centres; and
- Section 8: - Conserving and Enhancing the Historic Environment



As a Grade II listed building, the Winter Garden is considered an “exceptional” asset that is “at risk through neglect, decay or other threats”<sup>6</sup>. This project will directly address this. It will also ensure that the Winter Garden is put to viable use in a way that is consistent with its conservation<sup>7</sup>.

The project will also ensure that the Winter Garden will contribute towards reviving Eastbourne into a nationally and internationally-recognisable leisure, culture and recreational centre, with a distinctive character, which serves local residents, businesses and visitors; whilst enhancing a heritage asset.

To this extent, Eastbourne Borough Council has been visionary in understanding that the vitality of the town rests on the diversity of uses at its heart, with cultural and sporting venues within the town centre, complementing its retail and conferencing offer. The Winter Garden redevelopment is part of the wider Devonshire Quarter masterplan and is highly accessible by sustainable transport, including on foot. The Winter Garden is one of a concentration of event spaces that will create opportunities for social interaction, support sustainable economic growth and will enrich community capacity.

Whilst not planning policies, the project also supports Arts Council Strategy Let’s Create (2020-2030) of investing in arts venues to ensure that they are fit for purpose, and it reflects the recommendations of the House of Lords’ Regenerating Seaside Towns & Communities Select Committee (2019) recommendation to restore cultural heritage assets through capital investment, which it considers to be of “paramount importance in supporting the wider economy in seaside towns”<sup>8</sup>.

## **Local Planning Policies**

### *Eastbourne Borough Council Local Plan*

The Eastbourne Core Strategy Local Plan was adopted in February 2013 and covers the period to 2027. A new Local Plan, covering the period 2018-2038 is currently being prepared. This section focuses on the project’s alignment with the adopted Local Plan. The adopted plan does not make specific reference to either the Winter Garden or the Devonshire Quarter development, although it recognises that there is “already a leisure cluster” in the town centre Arts Quarter, which has subsequently become the Devonshire Quarter and the focus for cultural development.

The refurbishment of the Winter Garden most closely aligns with:

- Policy B10, which sets out the Council’s approach to the protection of historic heritage, stating that “all significant heritage sites will be protected and enhanced” – a central aim of the refurbishment of the Winter Garden;
- Policy D3: which focuses on Tourism & Culture and includes targets to increase the amount of tourism and cultural facilities available in Eastbourne, which is a clear objective of this project.

Whilst not a planning policy, the project also aligns with the Eastbourne Borough Council’s Corporate Plan’s (2020-2024) objectives for Eastbourne being “outstanding in tourism & leisure”. This includes protecting and enhancing the heritage environment, of which the Winter Garden is an important part; and delivering increased conference and exhibition trade at Devonshire Quarter. The Council identifies tourism figures as a key success measure of the corporate plan – a key aim of this project is to contribute to an increase in visitor numbers to support sustainable growth of the local and sub-regional visitor economy.

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<sup>6</sup> p.55 National Planning Policy Framework (NPPF); MNCLG; February 2019

<sup>7</sup> *ibid*

<sup>8</sup> Report of Session 2017-19 of House of Lords’ Regenerating Seaside Towns and Communities Select Committee, on The Future of Seaside Towns

## **SELEP**

### *Growth Deal and Strategic Economic Plan (2014)*

SELEP's Strategic Economic Plan (2014) recognises the work that has already been undertaken to restore coastal towns, including investing in the cultural offer, but it states that "further intervention is required if the SELEP is to unlock key sites for development and to bring empty or under-performing assets back into economic use".

The Winter Garden is a good example of an under-performing cultural asset that, with the right investment, will contribute to the revitalisation of Eastbourne, in line with this objective, building on SE LEP's ambition to replace a "vicious circle" with a "virtuous circle of investment". The Strategic Economic Plan highlights the Turner Contemporary Gallery in Margate as an example of how cultural investment can deliver economic benefits, particularly in terms in strengthening the visitor economy. Alongside other investments in the Devonshire Quarter, the refurbishment of the Winter Garden will have a similar impact on Eastbourne.

### *Smarter, Faster, Together – Towards a Local Industrial Strategy*

Priority 4 of this statement focuses on Creating Places and includes supporting projects and programmes that support quality of life and quality of place, including investing in assets that "deliver long-term quality of place and distinctiveness". The Devonshire Quarter development as a whole and the Winter Garden refurbishment already has proven longevity and distinctiveness, but it requires further investment to enable Eastbourne to re-establish itself as one of the UK's most well recognised coastal visitor destinations, using its heritage assets effectively so that they are equipped to be sustainable and successful in the future.

### *The Coastal Communities Prospectus*

The 'Boosting Coastal Productivity' Economic Prospectus for the South East set out a clear vision to:

- Improve the economic performance of the coast in absolute and relative terms to grow our economy and narrow the gap with the wider SELEP region; and
- Ensure our residents and communities benefit from inclusive regeneration and through improved skills and workforce development.

The Coastal Communities Working Group aims to improve the physical, cultural and economic offer to attract the jobs the people need. Specifically all, Culture and Creativity has been identified as an area for improvement. The sector supports the area's economic performance, and the ability to attract new visitors and residents. The prospectus states that the Partnership is looking for 'growth in the sector supported by new technologies. Restoring the glory of the Winter Garden will play a critical role in improving Eastbourne's economic performance, supporting the town's vital visitor economy through attracting a wider range of year-round events, helping to reduce seasonality and creating employment opportunities for local residents through this inclusive regeneration project.

## 2.5. Need for intervention:

### Current and Future Contexts

Eastbourne is a nationally-recognised seaside resort and a cultural destination of regional importance. In 2018, the visitor economy was worth £358m and supported 10,406 jobs<sup>9</sup>. Of the 5.3 million annual visitors 84% are day visitors, spending an average of £33.76 per day, and 16% are staying visitors, spending an average of £87.46 per night.

Eastbourne Borough Council has an ambitious programme to develop the town into the UK's leading and most distinctive culture, leisure and recreation destination, increasing the value of tourism, extending the season and increasing the share of higher value staying visitors. The aim of this is to boost employment and economic value to the town (and, therefore, the region).

One of the key mechanisms for achieving this centres on the Devonshire Quarter, where the cluster of historic theatres, galleries and sports and conference/exhibition facilities provide an integrated and flexible offer close to the town's attractive seafront and hotels.

Part of this programme has already been completed: The Welcome Building, with its exhibition halls and auditorium space, is now one of the region's premier conference facilities; the 1960s Congress Theatre has been refurbished and – prior to Covid 19 - was hosting events again; improvements have been made to the International Tennis Centre; and public realm improvements have helped to deliver this ambition.

The missing piece of the jigsaw is the Winter Garden, a Grade II listed building of historical significance, which has become tired and failed to adapt to the demands of promoters and performers. The venue has been closed since 2017, in order to undertake preparation work for its refurbishment. A review undertaken in 2015<sup>10</sup> concluded that the Winter Garden *“must be conserved and brought up to standard to enable uses for theatre, music, dinners and events that meet the standards expected by modern audiences and customers, whilst celebrating and revealing its historic quality”*. According to the review, it struggles for intensive use in the face of issues of access and the pressing need for investment to restore it to the quality that is required, but that with investment, it could be used as a live music venue.

Eastbourne has missed out on conference bookings and potentially over 8,000 delegates because of its tired provision, with the poor quality of the Winter Garden, in particular, being cited. In addition, the town has failed to benefit from the growth in the live music industry, which is now worth £1.1bn to the UK economy and supports 30,529 jobs<sup>11</sup>, because of a lack of suitable venues.

Once the project is complete, the Winter Garden will form a key part of the Devonshire Quarter cultural offer, focusing particularly on attracting live music events and hosting banquets, connecting directly to the Congress Theatre and Welcome Building, contributing to a higher value visitor economy and providing local residents with an enhanced cultural offer. It will also bring back into active use an exceptional heritage site and help to rebalance events, banquets and music events back towards the UK's coastal towns.

<sup>9</sup> The Economic Impact of Tourism, Eastbourne, Tourism South East, 2018

<sup>10</sup> Eastbourne Borough Council Devonshire Park – Business Case for Investment Stage 2 Report – February 2015



## Covid-19 Impacts

The Covid-19 pandemic has created significant uncertainty around the demand for and viability of performance venues over the short to medium term. However, this does not change the strategic significance of the Winter Garden and Devonshire Quarter development over the longer term. We expect the outputs and impacts to be delayed by the pandemic, rather than negated by it and this is reflected in the Economic Case and the sensitivity tests that have been applied. Recent events at the town's Bandstand have shown demand for event tickets to be healthier than expected, whilst reticence about travelling internationally is expected to favour domestic locations like Eastbourne, at least over the short term.

## Market Failure

The Winter Garden has suffered from lack of investment for the past two decades, at a time when there has been heavy investment in high quality venues in larger urban areas, that have been favoured by performers, promoters and conference organisers.

Whilst the review undertaken in 2015 suggested that, once refurbished<sup>12</sup>, the Winter Garden (both the Floral Hall and the Gold Room) could be much more intensively used and be developed more actively as a live music venue, the market failure is largely related to **externalities**. That is, that the indirect benefits associated with increased tourism spending will disproportionately accrue to businesses and organisations, such as hotels, restaurants and local businesses, rather than to Eastbourne Borough Council, which owns the Winter Garden.

The Borough Council recognises its strategic role in stimulating demand and creating the environment for its businesses to thrive. Because of this, it is investing £2.3m towards the refurbishment. However, the current Covid-19 pandemic has severely impacted the capacity of Eastbourne Borough Council to absorb short term risks, even if direct benefits through additional bookings are expected to accrue over the longer-term.

The application for GBF funding to support this project is, therefore, based on sharing this short term risk, whilst recognising that a failure to invest now would mean that Eastbourne's potential to strengthen its visitor economy would be delayed, at least, and possibly lost, thereby risking future net employment gains in hotels, restaurants and other parts of the local tourism sector.

The project also has a redistribution impact, supporting government and SELEP aims to invest in coastal towns to reverse a longer term spiral of decline that has been allowed to persist in recent decades. The economic and commercial cases within this application suggest that 30% of the patrons will be from outside Eastbourne and 5% will be from outside the SELEP region and would, therefore, not displace business from within the region.

An independent business plan for the entire site undertaken by specialists David Clarke Associates [2015] highlights: *'Although the buildings and environment of Devonshire Park are suffering from dilapidation and the inappropriateness of various incremental structures and facilities added over the years, the business at its core has very significant potential'*.

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<sup>12</sup> DCA - Devonshire Park – Business Case for Investment 2015

## 2.6. Sources of funding:

The £54m Devonshire Quarter Masterplan originally identified an optimum option which included extensive works to the Winter Garden. However, budget constraints (created by worse than expected ground conditions, delays and building fabric) have resulted in significantly reduced redevelopment plans to restore the Winter Garden to its former glory.

£5m of the £54m investment in the Devonshire Quarter came from an earlier round of LGF which has been invested in the Welcome Building which opened in Spring 2019.

EBC is still committed to the redevelopment of the Winter Garden and will invest £2.3m to restore the front of the building to its original façade, refurbish the toilets, provide pedestrian access to the new Welcome Building conference centre, replace damaged floor covering and carry out some essential electrical, mechanical and plumbing works. However, as the Winter Garden is integral for the whole scheme to fulfil its economic potential, without additional investment it will not create the full expected benefits.

Match funding will be provided through asset disposal, external funding, public borrowing and income generated from the rest of the Devonshire Quarter. Cabinet approval is in place for the scheme (March 2020) and it is approved within the council's Medium Term Financial Strategy. Funding is therefore identified and secured for all elements other than those proposed for LGF investment.

Private sector funding sources have been considered. A funding review by specialist arts fundraising consultants in 2017 concluded that funding from the public sector was the only likely source although a sale of naming rights could be considered. Also, David Clarke Associates considered outsourcing of all or part of the site and concluded that there was not enough market interest or value for money given scale of EBC investment.

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

The Winter Garden is integral to attracting higher value conference trade and live entertainment performers. Without the additional GBF investment, the economic benefits of the entire Devonshire Quarter will be under threat from a decline in conference and exhibition events. This investment is therefore critical to maintain and enhance Eastbourne's status as a cultural, conference and visitor destination of regional importance.

The 'Do Nothing' option of simply dealing with the maintenance deficit of the site will not protect the Winter Garden from further risk and the likelihood of decline because the approach carries a high price of dilapidation, as well as losing out on vital income generation and visitor spending in the wider local economy and the opportunity to reduce seasonality. [REDACTED]

[REDACTED]

Along with current bookings and delegate numbers declining due to the internal space being outdated and insufficient, the viability of the destination is questionable and the Winter Garden could thereafter decline as a cultural attraction. This is likely to have a wider negative effect on the Devonshire Quarter and the local visitor economy.

Market conditions are likely to change in the future, with or without any intervention, but the relayed outcomes will remain the same.

## 2.8. Objectives of intervention:

### Project Objectives

Objective 1: Deliver a financially and commercially sustainable venue

Objective 2: Grow the visitor economy

Objective 3: Support the delivery of the wider Devonshire Quarter scheme

### Problems or opportunities the project is seeking to address

Problem/Opportunity 1 : Re-establish Eastbourne as a premier culture, recreation, leisure and business destination

Problem/Opportunity 2: Bring heritage assets back into economic use

Problem/Opportunity 3: Reduce need for public subsidy for the Winter Garden

	<b>1</b>	<b>2</b>	<b>3</b>
Objective 1: Deliver a financially and commercially sustainable venue	✓	✓✓✓	✓✓✓
Objective 2: Grow the visitor economy	✓✓✓	✓✓✓	✓✓✓
Objective 3: Support the delivery of the wider Devonshire Quarter scheme	✓✓✓	✓✓✓	✓

## 2.9. Constraints:

There are no constraints which affect the suitability of the Preferred Option.

- Devonshire Quarter is owned by EBC.
- Development plans for the overall site are well advanced.
- Planning Permission and Listed Building Consent for the entire scheme was granted in November 2015.
- Works on the Winter Garden is not dependent on, and will not be impacted by, any of the other works being carried out across the Devonshire Quarter.
- There is a comprehensive risk register and risk management plan which is monitored and updated on a regular basis.
- There is a comprehensive record of the development risks of the historic building.
- Match funding is in place and is assured.
- There is an experienced project team in place that have delivered the wider Devonshire Quarter scheme within a challenging timeframe previously.

## 2.10. Scheme dependencies:

There are no interdependent activities that will mean that the benefits, as described in the economic case will not be fully realised. All other elements of the Devonshire Quarter

development are in place and the Winter Garden is the final component of this. Additional benefits may accrue if the project, in conjunction with the other projects in the Devonshire Quarter, act as a catalyst for hoteliers to invest in upgrading their properties. This has not been included in any benefit realisation assessment, however.

Risks to the benefit realisation relate to potential shocks to market demand. The impact of the Covid-19 pandemic is not yet clear, but it has had a major adverse impact on the leisure and recreation sector in the short-term at least. Whilst we cannot be sure, we expect that the longer term impact will be less severe, although benefit realisation is likely to be delayed. This has been accounted for in the two downside Sensitivity Tests in the Economic Case, which assume delayed and reduced income benefits. We do not, however, expect the pandemic to have an adverse impact on the refurbishment programme itself.

#### 2.11. Expected benefits:

**Job creation** - 39 FTE direct and indirect local jobs, including 26 at SELEP level (10 permanent direct FTE jobs, 23 permanent FTE indirect jobs between 2021 and the equivalent of 6 FTE construction jobs will be created.

**Visitor Economy** – The venue is expected to attract 50,000 patrons per year, 30% of whom are expected to come from outside the local area and 15% from outside the South East LEP Region. The total additional spend is expected to be £1.17m per year with an additional spend locally and £0.5m at across the SELEP region.

**Restoration of Heritage Assets** – this project will ensure that an exceptional Grade II listed building is restored to its former glory as part of a programme to re-establish Eastbourne as a premier cultural, recreational and business destination

**Creating Spaces for Community Interaction** – as part of the Devonshire Quarter, this project will contribute to new public spaces and recreational facilities that will enable local residents and visitors to meet, gather and interact, with the aim of increasing social capacity and providing opportunities for people to reduce social isolation and improve mental and physical well-being.

**Place Branding** – the refurbishment of the Winter Garden is part of Eastbourne Borough Council's ambition for Eastbourne to be widely recognised through the UK and beyond as the UK's best seaside location for arts, culture, sport, business and recreation.

**Skills and Curriculum Support** - The project will contribute towards training and learning activities in accordance with guidance set out in the Eastbourne Local Employment and Training Supplementary Planning Document 2016. The Devonshire Quarter is subject to S106 labour market obligations to maximise the impact of the redevelopment on the local construction supply chain and labour market.

#### 2.12. Key risks:

The register has been embedded in the Council's Performance Management programme (Pentana) and is monitored and updated on a regular basis. The risks are reviewed regularly by the Core Team (an officer team which provides a swift resolution to issues and guidance for the external advisors). The register focuses on:

- a. Organisation and Governance
- b. Programme and Cost
- c. Design and Technical

- d. Finance and Business Planning
- e. Statutory and Legal
- f. Reputation and Political
- g. Impact of Covid-19

Risks to the building works have been mitigated by intrusive site investigations. Benefit realisation associated with increased revenue and a failure to secure new business is of greater risk than delays or non-completion of the capital works, particularly as a result of the Covid-19 pandemic. These are addressed in the Sensitivity Tests in the Economic Case, which assume benefit realisation delays and more modest impacts than in the Central Case.

### 3. ECONOMIC CASE

#### 3.1. Options assessment:

##### Long and short list of options considered and options assessment

The options to address the problems identified in the need for intervention are well advanced due to the site being part of the £54m Devonshire Quarter Masterplan which undertook a thorough economic assessment in 2012. Discussions were held with specialists, councillors, visitors and users, and David Clarke Associates were commissioned in 2015 to carry out a review of the current Devonshire Quarter business, its potential for growth and financial returns to optimise financial performance and economic and cultural value for the town.

Furthermore, investment is being sought for a clear gap in the original optimum option for the Winter Garden as a result of budget constraints created by worse than expected ground conditions and building fabric.

Three options were assessed using a SWOT analysis:

1. Do nothing – The Reference Case
2. The Preferred Option
3. The Alternative Option

The results of the SWOT analysis are in the tables below.

##### **Option 1: The “Do Nothing” option SWOT analysis**

£0 GBF investment but will remain heavily reliant on EBC subsidy

<b>SWOT ANALYSIS– “DO NOTHING” OPTION 1 (The Reference Case)</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>No additional costs to project</li> </ul>	<ul style="list-style-type: none"> <li>Conference offer not meeting market demands:</li> <li>Fails to achieve the national average day delegate rate.</li> <li>Lost bookings and additional visitor spending. The ability of the Devonshire Quarter to reach its commercial potential compromised.</li> <li>Revenue generating opportunities from the commercial elements continue to not reach their potential.</li> <li>Unsustainable long term financial subsidy from local authority to maintain and protect fabric and systems of the building.</li> <li>Internal historic attributes not fully restored.</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>Limited opportunities offered in the Do Nothing option</li> </ul>	<ul style="list-style-type: none"> <li>Likely to cease as viable conference destination and thereafter decline as a cultural attraction. Bookings and delegate numbers will decline and long term income will fall. Significant negative impact on wider Eastbourne visitor economy.</li> </ul>

	<ul style="list-style-type: none"> <li>• Damage to listed building.</li> <li>• Likely increase in maintenance costs.</li> <li>• Loss of business to better equipped competitor venues.</li> <li>• [REDACTED]</li> </ul>
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### **Option 2: The “Do the Optimum” option SWOT analysis**

£1.6m GBF investment

<b>SWOT ANALYSIS– “DO OPTIMUM” OPTION 2</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Improved experience for visitors, delegates and audiences.</li> <li>• Increased attractiveness for hirers, performers and touring companies.</li> <li>• Returns Eastbourne as a top destination for live music events and banqueting</li> <li>• No ongoing financial subsidy from local authority to maintain and protect fabric and systems of the building.</li> <li>• A competitive venue.</li> <li>• Celebrates and reveals internal historic quality.</li> <li>• Establishes Devonshire Quarter as a multi-functional, integrated business and leisure destination</li> </ul>	<ul style="list-style-type: none"> <li>• Upfront costs to the public purse to ensure that the venue remains sufficiently competitive to meet income generating targets.</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>• Establish critical new markets (such as live music) to generate additional economic value to the local economy.</li> <li>• Charge higher and more competitive delegate and booking rates.</li> <li>• Potential to provide the catalyst for hotels and restaurants to invest in their properties</li> <li>• Establishes Eastbourne as one of the UK’s primary coastal locations for business and leisure</li> <li>• Develops civic pride and provides better spaces for community interaction.</li> </ul>	<ul style="list-style-type: none"> <li>• Significant uncertainty of future funding opportunities that the site could be eligible for.</li> <li>• Uncertainty around the future of live events following the Covid-19 pandemic</li> </ul>

### **Option 3: The “Do something” (Stage Grid and Technical Equipment only) option SWOT analysis**

£590,000 GBF investment

<b>SWOT ANALYSIS– “DO THE STAGE GRID AND TECHNICAL EQUIPMENT” OPTION 3</b>	
<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>• Minimises investment required by the local authority and partners.</li> </ul>	<ul style="list-style-type: none"> <li>• Conference offer not meeting market demands.</li> <li>• Revenue generating opportunities not maximised.</li> </ul>



	<ul style="list-style-type: none"> <li>• Historic attributes not restored.</li> </ul>
Opportunities	Threats
<ul style="list-style-type: none"> <li>• Establish critical new markets (such as live music).</li> <li>• Patrons to spend more money at live music events.</li> </ul>	<ul style="list-style-type: none"> <li>• Venue remains uncompetitive and unattractive compared with venues in other cities</li> <li>• Requirement for financial subsidy from local authority still required to protect fabric of the building if commercial offer does not generate sufficient income.</li> <li>• Internal heritage of the site would continue to deteriorate.</li> <li>• Uncertainty of future funding opportunities that site could be eligible for</li> </ul>

### 3.2. Preferred option:

#### Project Description

The preferred option is to refurbish the Winter Garden Theatre by:

- Fitting out the Floral Hall Bar
- Replacing the male and female toilets and associated services
- Repairing and recover the East and West apse roof
- Refurbishing the timber floor in the Floral Hall and redecorate and upgrade services in the Bistro
- Redecorating and refloor the entrance foyer
- Replacing the theatre's front façade and undertaken repairs of the pavilion roof
- Equipping and installing equipment in the kitchen
- Installing a four level lift
- Refurbishing the Gold Room and South Pavilion
- Upgrading stage and technical equipment so that it is equipped for live music.

#### Alignment with Objectives

The objectives of the project are to:

- Restore the Grade II listed inter Garden Theatre so that a key heritage site is brought back into commercial use
- Provide Eastbourne with a flexible, middle-sized standing venue that can attract live music events and banqueting and provide a complementary offer to the Congress Theatre and the Welcome Building in the Devonshire Quarter
- Complete the transformation of the Devonshire Quarter so that it is one of the UK's best destinations for leisure, culture, recreation and conferencing
- Increase visitor spending in the wider Eastbourne economy, providing additional local employment
- Improve the financial sustainability of one of Eastbourne's prized assets.

#### Stakeholder Support

Key stakeholders meet with the Council quarterly through the Devonshire Quarter Partnership Group where they are briefed on progress and options are tested with them. Key members of this Group are:

- East Sussex County Council
- Historic England
- Chamber of Commerce
- Conference Bureau (represents hotels and other bodies in the local conference trade)
- Eastbourne Society
- Theatres Trust
- Towner Gallery.

In addition to the Partnership Group, the project team meet regularly with:

- Historic England to ensure all heritage planning issues are addressed correctly and quickly
- A number of key hoteliers and local companies specialising in different aspects of the conference industry to drive forward a co-ordinated approach to developing the conference business.
- The LTA to optimise the benefit from the pre Wimbledon International Tournaments and the other national and regional tennis tournaments.
- Visit England – to develop the international conference offer.

### 3.3. Assessment approach:

We have applied a Land Value Uplift approach to assess the Initial Benefit Cost Ratio, in line with the MHCLG Appraisal Guide. The Adjusted BCR includes the expected external benefits generated from the additional spending in the wider SELEP economy generated as a direct result of the refurbishment in the Winter Garden Theatre.

#### **The Reference Case**

The Reference Case is the 'Do Nothing' Option against, which the impacts of the Preferred and Alternative Options have been assessed.

The Gross Development Value (GDV) is based on a valuation that was undertaken on behalf of Eastbourne Borough Council by Wilks Head & Eve <https://www.wilks-head.co.uk/>. An annual 5% uplift in the Existing Use Value (EVU) of the theatre to the end of the 30-year appraisal period, based on the MHCLG Appraisal Guide (page 62). On-going maintenance costs to the public sector, based on current costs incurred by Eastbourne Borough Council, have used, with an estimated annual 5% real terms increase applied to the end of the 30 year reference period. An annual discount rate of 3.5% has been used to establish a Present Value at 2020/21. There are assumed to be no other investment costs and no external benefits in terms of additional visitor spend in the SELEP economy and no Optimism Bias factor has been applied to the reference case.

#### **The Preferred Option**

The impacts of the Preferred Option have been assessed over the same period (2020/21-2049/50).

The Existing Use Value (EUV) is the Gross Development Value (GDV) in the Reference Case. The GDV of the refurbished Winter Garden is based on a valuation that was undertaken by Wilks Head & Eve. <https://www.wilks-head.co.uk/> on behalf of Eastbourne Borough in 2015/16, before the theatre ceased to be operational. We have applied an annual 5% increase in value in line with MHCLG guidance (page 62). At the year of opening (2022/23) we have assumed an additional 10% increase for one year (2022/23) and then re-applied the 5% annual uplift over the remainder of the appraisal period. Whilst a formal future valuation has not been undertaken, we believe that it is conservative to estimate that the value will be only 10% higher than it would have been before it was closed to performance. We have applied an additionality factor to the project, benefits on the basis that the Winter Garden will provide a distinctive offer, focusing on live music and banqueting that is not currently offered in the surrounding area. No other environmental, crime, air quality, transport or health benefits/disbenefits have been included to estimate the Initial BCR.

Maintenance costs to the public sector over the appraisal period based are on 25% of those set out in the Reference Case. These are based on cost saving estimates provided by Eastbourne Borough Council's Estates Team.

The development costs have been provided to Eastbourne Borough Council by potential contractors. Building costs include a contingency allowance and OH&P. No additional professional fees have been included, as these are costs that have already been incurred. An Optimism Bias factor of 5% has been applied to the nominal works costs. This is low, but is based on the short timescale to deliver the works (by March 2022); the considerable pre-refurbishment work that has already been undertaken; and because a 5% Contingency allowance

has already been included in the Building Costs. A Sensitivity Test, with 10% OB has been applied to show the impact of additional, unexpected costs.

External benefits in the form of additional spending by visitors in the SELEP economy as a direct result of the project, are based on the data from the Economic Value of Tourism in Eastbourne undertaken by Tourism South East on behalf of Eastbourne Borough Council in 2018. The assumptions associated with this are shown in Section 1.4, below. We have applied a Sensitivity Test to these estimates, particularly as the impact of the Covid-19 pandemic is not clear over the medium term. This assumes that visitor spend is 75% of what is expected in the Central Case.

A 3.5% discount rate has been applied to all costs and benefits associated with the project. We have not included other benefits, which we believe are more difficult to monetise. The Winter Garden is the final part of a major sports, leisure, recreation and business development at the Devonshire Quarter, in the heart of Eastbourne. It provides significant recreational opportunities for local people, providing opportunities to increase mental and physical well-being and improve strengthen social capital within the town. In addition, the combination of facilities provides further opportunities for Eastbourne to actively and confidently promote itself as a centre for business, with the expectation that this will lead to further inward investment over the medium term.

### **Alternative Option**

Under the Alternative Option, the Existing Use Value and the on-going maintenance costs are assumed to remain the same as in the Reference Case. The cost of works is based on estimates provided by contractors to EBC. These include a contingency and OH&P allowance. No professional fees have been included, for the same reason as set out in the Preferred Option. An OB factor has been applied to the cost of works, based on the level of uncertainty that remains around project delivery.

The GDV of the theatre after improvements is assumed to be the midway point between the EUV and the GDV in the Preferred Option. No formal valuation has been undertaken, but it is reasonable to assume that there would be some uplift in value, without the full benefits being realised. As with the Preferred Option and the Do Nothing Option a 5% annual increase has been applied to the value over the appraisal period along with an annual 3.5% discount rate to establish the present value of the benefits. As with the Preferred Option, we have applied an additionality factor. We expect there to be some external benefits from the Alternative Option in the form of additional visitor spending. However, we expect these to be more modest than under the Preferred Option. We have assumed the number of additional visitors to be half that will result from the Preferred Option.

### **Sensitivity Tests**

Sensitivity Tests have been applied to the Preferred Option impacts only. These have focused on downside estimates, reflecting the potential impact of Covid-19 on visitor numbers and additional revenue. We do not expect direct project costs to increase substantially, as these are expected to occur by March 2022; the scheme has already been subject to extensive background studies; and has already secured planning approval. The Sensitivities that have been applied are:

Sensitivity 1: Increase Optimism Bias to 15%

Sensitivity 2: External benefits reduced by 25%

Sensitivity 3: Additionality reduced to 40%.

We have also set out what the change in value that would need to occur in order for the BCR to fall below 2.0 and 1.5 respectively. This provides an indication of the downside risks in delivering the expected outputs, as set out in the risk register.

### **Employment Impacts**

We have assessed the employment impacts of the scheme, for the construction phase, the increase in direct employment and the employment impacts of additional annual visitor expenditure in the wider economy. The construction impacts are based on the Employment Coefficients in the Cost per Job (2015) Homes and Communities Agency briefing and the visitor

economy jobs are based on the turnover required to support one local construction job, as set out in the Economic Impact of Tourism – Eastbourne study (2018) – TSE Research.

### 3.4. Economic appraisal assumptions:

#### **Assumptions:**

Note that the GBF ask is for less than £2m and many components of the approach are set out in Section 1.3, above.

#### **All Scenarios:**

- Net Present Value has been estimated based on the period 2020/21 to 2049/50 and a Discount Rate of 3.5% has been applied to all costs and benefits.
- A 5% Optimism Bias has been applied to all works. This is low due to the immediacy, lack of complexity and deliverability of the project.
- A real terms annual 5% inflation allowance has been applied the Existing Use Value, Gross Development Value and maintenance costs.
- Current costs and benefits have been provided by consultants who have provided a detailed breakdown of costs associated with refurbishment and maintenance and other costs.

#### **Reference Case (Do Nothing)**

##### *Costs*

- GDV is based on a valuation undertaken by Wilks, Head & Eve on behalf of Eastbourne Borough Council in March 2020.
- The EUV is assumed to increase by 5% in real terms annually until the end of the appraisal period.
- Maintenance costs are assumed to increase by 5% per year in real terms until the end of the appraisal period.
- There are assumed to be no additional works costs to refurbish the theatre.

##### *Benefits:*

- There is assumed to be no Land Value Uplift over and above the annual 5% real terms increase.
- There is assumed to be no increase in visitor numbers or visitor spend in the wider economy.

#### **Preferred Option**

##### *Costs:*

- The GDV is the EUV in the Do Nothing Option.
- The cost of works have been set out in detail by cost consultants to Eastbourne Borough Council. They include a contingency of 5% of build costs and OH&P at 10% of build costs.
- All works costs are shown to have been incurred by the end of 2021/22 and have been estimated based on the proposed schedule of works.
- A 5% Optimism Bias factor has been applied to all works costs.

- Maintenance costs are shown for the whole appraisal period at 25% of the maintenance costs in the Do Nothing option. The refurbishment is expected to result in a significant reduction in on-going maintenance costs to the public sector (Eastbourne Borough Council).
- No allowance for Professional Fees has been included as these have already been incurred during the preliminary stage of the project.

#### *Benefits:*

- The Gross Development Value is based on the valuation that was undertaken by Wilks, Head & Eve in 2016 – before the theatre closed as a venue. A 5% annual uplift in value has been applied since that date and in 2022/23 (the year after completion of the works), this has been increased by 15% from the previous year, followed by a return to an annual 5% real terms increase until the end of the appraisal period.
- We have applied a 60% additionality factor. The deadweight is assumed to be zero, as the project will not proceed without public sector funding. However, we expect there to be a medium level of displacement from the region, although this will be minimised because Eastbourne Borough Council will work with other venues to ensure that the offer complements, rather than competes with what is already available. We would expect there to be some displacement from venues in Brighton & Hove, including the town retaining local residents who currently visit the city for live music events. We also expect the venue to contribute to the offer that the town has for existing visitors, encouraging them to extend their stays.
- No other benefits have been used to inform the Initial BCR.
- The external benefits are based on additional visitor spend. We have assumed that the venue will host 25 events with 25,000 visitors. This will increase to 30 (30,000 visitors) in the second year, 40 (40,000 visitors) in the 3<sup>rd</sup> year and 50 (50,000 visitors) from the 4<sup>th</sup> year. We have assumed that around 15% of visitors to be from outside the SELEP region. This will include some displacement from neighbouring Brighton & Hove. We also expect there to be additional visitors from London and we have assumed that a small number of people who would be visiting Eastbourne anyway will extend their stay by an additional day. Eastbourne Borough Council will work with other venues in the SELEP (notably in Bexhill-on-Sea) to ensure that the events at the Winter Garden complement those in neighbouring areas. According to the Economic Impact of Tourism – Eastbourne (2018), undertaken by TSE Research there was one visitor night for every 1.68 day visitors to Eastbourne. However, this counts all visitors. Those travelling from outside the region are more likely to stay overnight than those who are travelling more locally. We have, therefore, assumed that half (50%) the additional visitors stay for one night and half (50%) are day visitors. This means that, when it reaches full operation, the venue will directly add 3,750 visitor nights and an additional 3,750 day visitors from outside the region. Overnight visitors include performers, technicians and other visiting staff associated with the events. The additional tourism spending is based on £87.46 per night for staying visitors and £33.17 per day for day visitors (Economic Impact of Tourism – TSE Research 2018). Between 2017 and 2018, the value of the visitor economy in Eastbourne increased by 8%, through a combination of more visitors and greater spend. Based on this, we have assumed that spend per night and spend per day will increase in real terms by an average of 4% per year over the appraisal period.

### **Do Something Option**

#### *Costs:*



- The EUV is the GDV in the Do Nothing case. An annual 5% real terms uplift in value has been applied to the end of the reference period.
- Maintenance and other costs are assumed to be the same as the Do Nothing option because the main halls will still not have been refurbished and will require on-going maintenance.
- A 5% optimism bias allowance has been applied to the works element of this option. This is low, because the project lacks complexity and can be delivered quickly once funding has been secured.

*Benefits:*

- The GDV is assumed to be half the uplift in value that would result from the Preferred Option. No formal valuation has been undertaken for this Option. A 5% annual real terms increase in value has been applied to the end of the appraisal period.
- We have applied an additionality rate of 60%.
- No other benefits have been included in the Initial BCR.
- External benefits are associated with additional visitor spend in the wider economy. These are assumed to be half of the benefits associated with the Preferred Option.

### 3.5. Costs:

Costs are shown for the Reference Case in Present Value Terms. All costs for the Preferred Option and the Alternative Option are shown compared with the Reference Case.

#### Reference Case

Maintenance Costs (nominal)	£9,215,068
Maintenance Costs (Present Value)	£5,166,189

The Public Sector costs are associated with the on-going maintenance of the site over the appraisal period. No land holding costs have been applied, as it is a non-residential scheme. The nominal cost to the Public Sector is £9,215,068 and the Present Value cost is £5,166,189.

#### Preferred Option

Maintenance Costs (nominal)	£2,517,018
Works Costs - GBF Funded (nominal)	£1,600,225
Works Costs - Match Funded (nominal)	£2,296,550
Optimism Bias of Works . 5%	£194,839
<b>TOTAL PROJECT COSTS</b>	<b>£6,608,632</b>
<b>PV of TOTAL COSTS</b>	<b>£5,548,414</b>

The Public Sector costs are associated with the on-going maintenance of the site over the appraisal period. No land holding costs have been applied, as it is a non-residential scheme. There are no private sector costs. The nominal cost to the Public Sector is £6,608,632 and the Present Value cost is £5,548,414. Further details of the cost of works are shown in Section 5.3.

### Alternative Option

Maintenance Costs (nominal)	£5,166,189
Works Costs - GBF Funded (nominal)	£592,250
Works Costs - Match Funded (nominal)	£817,000
Optimism Bias of Works . 5%	£70,463
<b>TOTAL PROJECT COSTS</b>	<b>£6,645,902</b>
<b>PV of TOTAL COSTS</b>	<b>£4,627,255</b>

The Public Sector costs are associated with the on-going maintenance of the site over the appraisal period. No land holding costs have been applied, as it is a non-residential scheme. There are no private sector costs. The nominal cost to the Public Sector is £6,645,902 and the Present Value cost is £4,627,255. Further details of the cost of works are shown in Section 5.3.

## 3.6. Benefits:

### Reference Case

<b>Initial Benefits</b>	
	£2,249,195
Land Value Uplift (Nominal)	
Land Value Uplift (Present Value)	-£983,763
<b>External Benefits</b>	
Nominal	£0
Present Value	£0
<b>Adjusted Benefits</b>	
Nominal	£2,249,195
Present Value	-£983,763
<b>Initial BCR</b>	<b>0.86</b>
<b>Adjusted BCR</b>	<b>0.86</b>

The benefits are shown as the difference in the value of the land at the end of the appraisal period (GDV) and the EUV. The GDV assumes 5% annual real terms increase in value and the EUV assumes no real terms increase in land value. The benefits are those associated with retaining the site. No land holding costs have been included.

## Preferred Option

### Additionality

Deadweight has been assessed as zero. This is because the scheme will not go ahead without public sector intervention. Displacement has been assessed at 60%. This suggests a high level of additionality (60%). There is likely to be some displacement from other venues within the south east region and the upgrading of the catering and live music venues are likely to result in some level of displacement from other entertainment and hospitality venues in within the local area.

<b>Initial Benefits</b>	
Land Value Uplift (Nominal)	£4,007,386
Land Value Uplift (Present Value)	-£1,633,777
<b>External Benefits</b>	
External Benefits (Nominal)	£24,010,752
External Benefits (Present Value)	£13,219,031
<b>Adjusted Benefits</b>	
Total Benefits (Nominal)	£28,018,777
<b>Total Benefits (Present Value)</b>	<b>£11,585,254</b>
<b>Initial BCR</b>	<b>0.85</b>
<b>Adjusted BCR</b>	<b>2.04</b>

The Preferred Option includes Land Value Uplift as a result of the intervention and External Benefits associated with additional visitor spend in the wider economy.

## Alternative Option

### Additionality

Deadweight has been assessed as zero. This is because the scheme will not go ahead without public sector intervention. Displacement has been assessed at 60%. This suggests a high level of additionality (60%). There is likely to be some displacement from other venues within the south east region and the upgrading of the catering and live music venues are likely to result in some level of displacement from other entertainment and hospitality venues in within the local area.

<b>Initial Benefits</b>	
-------------------------	--

Land Value Uplift (Nominal)	-£3,993,881
Land Value Uplift (Present Value)	-£3,627,702
<b>External Benefits</b>	
External Benefits (Nominal)	£12,005,376
External Benefits (Present Value)	£6,609,516
<b>Adjusted Benefits</b>	
Total Benefits (Nominal)	£8,378,173
<b>Total Benefits (Present Value)</b>	<b>£2,982,313</b>
<b>Initial BCR</b>	<b>0.64</b>
<b>Adjusted BCR</b>	<b>1.29</b>

The Preferred Option includes Land Value Uplift as a result of the intervention and External Benefits associated with additional visitor spend in the wider economy.

### Sensitivity Tests – Preferred Option

#### Sensitivity 1: Increase Optimism Bias on Works to 15%

<b>Initial Benefits</b>	
Land Value Uplift (Present Value)	-£2,019,235
<b>External Benefits (Present Value)</b>	£13,219,031
<b>Adjusted Benefits</b>	
<b>Total Benefits (Present Value)</b>	<b>£11,199,796</b>
<b>Initial BCR</b>	<b>0.82</b>
<b>Adjusted BCR</b>	<b>1.97</b>

If OB on the works was increased to 15% this would reduce the Initial BCR to 0.82 and the Adjusted BCR to 1.97.

#### Sensitivity 2: External Benefits Reduced by 25%

<b>Initial Benefits</b>	
Land Value Uplift (Present Value)	-£1,633,777

<b>External Benefits</b>	
External Benefits (Present Value)	£10,834,655
<b>Adjusted Benefits</b>	
<b>Total Benefits (Present Value)</b>	<b>£9,200,877</b>
<b>Initial BCR</b>	<b>0.85</b>
<b>Adjusted BCR</b>	<b>1.83</b>

If the external benefits were 25% below expected the initial BCR would remain unchanged and the Adjusted BCR would be 1.83.

### ***Sensitivity 3: Additionality Reduced to 40%***

<b>Initial Benefits</b>	
Land Value Uplift (Present Value)	-£4,800,006
<b>Adjusted Benefits</b>	
External Benefits (Present Value)	£13,219,031
<b>Adjusted Benefits</b>	
<b>Total Benefits (Present Value)</b>	<b>£8,419,825</b>
<b>Initial BCR</b>	<b>0.57</b>
<b>Adjusted BCR</b>	<b>1.76</b>

If Additionality associated with the Land Value Uplift was reduced to 40% the initial BCR would be 0.57 and the Adjusted BCR would be 1.76.

### **Switching Values**

For the BCR to fall below 2.0, the present value of the benefits would need to fall by £452,789 or the present value of the costs increase by the same amount.

For the BCR to fall below 1.5, the value of the benefits would need to fall by £5,113,443 or the value of the costs would need to increase by the same amount

### 3.7. Local impact:

GBF investment will restore the Winter Garden, a historic Grade II listed Victorian pavilion, to its former glory as a cultural destination of regional importance that supports and enhances Eastbourne's year round visitor economy, and establishes critical new higher value markets e.g. live music.

The investment will generate 26 new jobs at the Winter Garden, including ten direct jobs, the equivalent of six sustainable construction jobs (based on HCA Cost per Job coefficients); and the additional annual visitor economy expenditure will support a further 10 jobs, based on turnover per job in the Eastbourne Tourism sector. [REDACTED]

Whilst the displacement has been assessed at 60% at regional level, the combination of developments at the Devonshire Quarter is expected to deliver greater cumulative impacts locally than at regional level. This will result in a higher number of jobs and a greater economic impact within Eastbourne itself, but some of this economic activity will be displaced from elsewhere. In addition, the completion of the Devonshire Quarter is expected to enable the Borough Council and its partners to attract new business investment, whilst the new public spaces will provide local residents with further meeting and recreational space to improve physical and mental well-being and to build social capital.

The project will also secure a sustainable future for the Winter Garden, reducing subsidy, realising future income generation and ensuring the continued maintenance of this important listed building.

### 3.8. Economic appraisal results:

	DCLG Appraisal Sections	Preferred Option Relative to Reference Case	Do Something Option relative Reference Case	Reference Case
<b>A</b>	Present Value Benefits	£9,498,687	£6,584,103	£5,584,050
<b>B</b>	Present Value Costs	£11,132,465	£10,211,306	£6,522,814
<b>C</b>	Present Value of other quantified impacts	£13,219,031	£6,609,516	£0
<b>D</b>	Net Present Public Value [A-B] or [A-B+C]	£11,585,254	£2,982,313	(£938,763)

<b>E</b>	'Initial' Benefit-Cost Ratio [A/B]	0.85	0.64	0.86
<b>F</b>	'Adjusted' Benefit Cost Ration [(A+C)/B]	2.04	1.29	0.86
<b>G</b>	Significant Non-monetised Impacts	Eastbourne is one of the South East region's premier tourism destinations, but its facilities and attractions need to be upgraded in order to retain this status, in the face of competition from other destinations. Redeveloping the Winter Gardens is a major part of this. This is expected to result in significant increases in reputation benefits for the South East region's coastal economy and to deliver and safeguard significant numbers of local jobs. The Do Something option will deliver some of these benefits, but the Preferred Option will enable these to be optimised over the long term.		Failure to invest in the redevelopment of Winter Gardens will result in job losses and will diminish Eastbourne's opportunities to reinvigorate itself as one of the UK's leading visitor destinations. It is likely to result in reputational damage, which, whilst not easily monetised, would probably contribute to lower levels of higher value tourism activity in the future.
<b>H</b>	Value for Money (VfM) Category	Preferred Option: High Value for Money Do Something Option: Acceptable Value for Money		Do Nothing Option: Low Value for Money
<b>I</b>	Switching Values & Rationale for VfM Category	Not applied		Not applied
<b>J</b>	DCLG Financial Cost (£m)	£1.6m of GBF up to 2022	£0.590m of GBF up to 2022	Nil
<b>K</b>	Risks	Anticipated economic, visitor economy and cultural benefits may not be realised, however, regular monitoring and reporting to mitigate this risk.	Very likely the venue will still need long term financial subsidy from local authority to maintain and protect fabric of the building if commercial offer does not generate sufficient income due to low quality interior.	<p>The ability of the Devonshire Quarter to reach its commercial potential compromised.</p> <p>Revenue generating opportunities from the commercial elements continue to not reach their potential.</p> <p>Unsustainable long term financial subsidy from local authority to maintain and protect fabric and systems of the building.</p>
<b>L</b>	Other Issues	All issues identified within the application	All issues identified within the application	All issues identified within the application



## 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](#).

We are currently in the process of developing scope of works/bills of quantities with the cost consultant in advance of either a quotation or tendering exercise to be completed by mid-August.

### 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  See Para. 9 for details	£25,000 and not exceeding £1,000,000  See Para. 9 for details	Seek minimum three written quotes.  Must use construction line to select those to be invited to quote for Works contracts unless waiver given.	No requirement to advertise.  IF advertised then MUST also advertise in Contracts Finder if under PCR 2015.
Contracts exceeding	Contracts exceeding	Seek minimum four written tenders.	Requirement to

£100,000 but under Applicable Threshold Value (EU)	£1,000,000 but under Applicable Threshold Value (EU)	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.	advertise in all cases.  Advertise in Contracts Finder in all cases if under PCR 2015.
See Para. 10 for details	See Para. 10 for details	Use of construction line optional for PQQ process for works contracts.	If use construction line then no requirement to advertise.
Above Applicable Threshold Value (EU)	Above Applicable Threshold Value (EU)	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.
See Para. 11 for details	See Para. 11 for details		
Where appropriate, any contractor properly nominated under section 20 of the Landlord and Tenant Act 1985 must also be invited to tender.			

#### 4.3. Procurement experience:

The council appointed a number of external advisors with wide experience of arts/leisure/heritage construction schemes who have helped with the proposed approach to procurement and contracting. It should be noted that the approach has been underway and successful since 2016.

The scheme's project manager (Paul Quanstrom) procurement experience includes a £10 million scheme funding social exclusion projects and new capital new contemporary art gallery; and major construction projects including:

- Congress Theatre façade - £2 million
- Wish Tower Restaurant - £2million
- Devonshire Park Redevelopment - £54 million

#### 4.4. Competition issues:

EBC 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:

EBC 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.

#### 4.7. Maximising social value:

There are no specific negative effects that are likely from the proposed development.

The completed development will create a number of opportunities for local SME's principally in the hospitality supply chain. The venue itself will need to buy in more consumable products for visitors and delegates which offers potential for local Eastbourne-based firms to win new contracts.

All EBC 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.

EBC is exploring how it can maximise social value opportunities further through procurement activities.

Also, the Devonshire Quarter is 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 Winter Garden 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.

## 5. FINANCIAL CASE

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

Source	2020/21	2021/22	Total
Getting Building Fund	£599,725	£1,000,500	£1,600,225
<i>Other sources of funding (please list below)</i>			
Eastbourne Borough Council	£2,049,300	£247,250	£2,296,550
<b>Total</b>	<b>£2,649,025</b>	<b>£1,247,750</b>	<b>£3,896,775</b>

There are no conditions associated with the release of EBC funding.

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

£1,600,225 Getting Building Fund

### 5.3. Costs by type:

Expenditure Forecasts			
	TOTAL	2020/21	2021/2022
Floral Hall bar; new bar and associated fit out and services.	£17,500	£17,500	£0
Floral Hall level male and female toilets replacement and refurbishment and associated services.	£130,000	£130,000	£0
East and West apse roof and floor repairs/recovering.	£45,000	£45,000	£0
Floral Hall/Bistro Bar; refurbished timber floor in Floral Hall and new carpet in Bistro, redecoration and services upgrade.	£243,000	£243,000	£0
Entrance foyer and crush hall; new floor covering, redecoration and services upgrade.	£86,000	£86,000	£0
Front façade; total replacement, south pavilion roof repairs and associated services upgrade.	£870,000	£0	£870,000
<b>Sub Total</b>	<b>£1,391,500</b>	<b>£521,500</b>	<b>£870,000</b>

OH&P	£139,150	£52,150	£87,000
Contingency	£69,575	£26,075	£43,500
Professional Fees	£0	£0	£0
<b>TOTAL GBF FUNDED WORKS</b>	<b>£1,600,225</b>	<b>£599,725</b>	<b>£1,000,500</b>
<b>Match Funded</b>			
Kitchen; enabling works and supply/installation of equipment for circa 1,000 covers.	£565,000	£565,000	£0
Lift; 4 level lift shaft, lobbies and lift installation.	£215,000	£215,000	£0
Gold room; complete refurbishment including removal of lighting grid and rerouting power/heating/lighting, restore original parquet flooring, new bar/cellar, technical upgrade and associated services.	£655,000	£655,000	£0
South Pavilion; complete refurbishment of conference space, toilets, ancillary spaces and associated services.	£215,000	£0	£215,000
Gold room level toilets; complete refurbishment and associated services.	£87,000	£87,000	£0
Stage/technical upgrade; to equip for live music including new grid, PA, lighting bars redecoration and associated services.	£260,000	£260,000	£0
<b>Sub Total</b>	<b>£1,997,000</b>	<b>£1,782,000</b>	<b>£215,000</b>
OH&P	£199,700	£178,200	£21,500
Contingency	£99,850	£89,100	£10,750
Professional Fees	£0	£0	£0
<b>TOTAL MATCH FUNDED WORKS</b>	<b>£2,296,550</b>	<b>£2,049,300</b>	<b>£247,250</b>
<b>TOTAL PROJECT COSTS</b>		<b>2020/21</b>	<b>2021/22</b>
<b>GBF Funded</b>	<b>£1,600,225</b>	<b>£599,725</b>	<b>£1,000,500</b>
<b>Match Funded</b>	<b>£2,296,550</b>	<b>£2,049,300</b>	<b>£247,250</b>
<b>TOTAL PROJECT COSTS</b>	<b>£3,896,775</b>	<b>£2,649,025</b>	<b>£1,247,750</b>

The table shows the capital costs of the development. It excludes Optimism Bias. No inflation allowance has been included in the forecasts, as the project is expected to be delivered by the end of 2021/22, so inflation will be minimal.

Revenue costs relate to staffing and maintenance and income from lettings, live music and catering, set out in the Economic Case for the period 2020/21-2049/50. They have not been included in the financial case..

Monitoring and Evaluation costs will be covered by EBC in addition to the £2.3 million match funding investment.

#### 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 5% for build costs has been built into the costs.

In addition, the project costs are being reviewed by Huntley Cartwright, the appointed quantity surveyors for the overall Devonshire Quarter development. The costs will also be tested during the procurement process to ensure the Council is receiving value for money on all contracts.

The Council is also currently engaging with contractors to obtain ball park figures for the redecoration / carpentry and M&E costs. The Council does have certainty on the kitchen costs as we have already received detailed quotes.

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

The total funding requirement is determined by external costs of products and services to achieve the outputs of the scheme, which have been provided by cost consultants.

EBC own the capital asset and have the match funding secured. There are no conditions associated with the release of the funding.

#### 5.6. Funding commitment:



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

4<sup>th</sup> August 2020

Dear Christian,

Restoring the Glory of the Winter Garden – 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 £2.3m 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:

There is a comprehensive risk register and risk management plan in place for the Devonshire Quarter. The register has been embedded in the Council's Performance Management programme (Pentana) and is monitored and updated on a regular basis. A key focus of the register includes finance and business planning.

The Business Plan which has guided the design priorities for the scheme was developed by David Clarke Associates (DCA) [2015] a firm of business planning consultants which specialise in driving income improvements and funding bids for heritage and arts venues. They have examined in detail the risks and opportunities for the scheme and used catering and conference specialist advisors to evaluate the marketplace and potential earnings. They have adopted a prudent approach to all assumptions. The Business Plan developed by DCA has been critically reviewed by both internal staff (both operational and financial) and specialist advisors from Capita who have agreed it is sound.

## 6. MANAGEMENT CASE

### 6.1. Governance:

The project sponsor is Philip Evans, Director of Tourism & Enterprise and the Senior Responsible Officer is Peter Sharp, Head of Regeneration.

The Winter Garden capital GBF project will be overseen by:

- Annie Wills, Head of Tourism & Enterprise – Client
- Paul Quanstrom – Project Manager
- Phil Whiley – Project Manager

The key roles within the governance structure are:

- Council Cabinet – formal agreement of scheme objectives and budget.
- Project Board – a quarterly member Board chaired by the Council Leader which provides authority to the responsible Director and the project team to take decisions on design, timetable and financial issues.
- Steering Group – a monthly officer board which is chaired by the lead Director and holds to account the project team.
- Core Team – a weekly officer team which provides a swift resolution to issues and guidance for the external advisors.

The Cabinet has authorised the lead Director to take all necessary decisions to make planning applications, institute procurement processes and appoint contractors within the agreed design and budget envelope.

### 6.2. Approvals and escalation procedures:

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

- The project manager will report progress to the Core Team – a weekly officer team which provides a swift resolution to issues and guidance for the external advisors.
- The project manager will also report actions from the Core team meetings to the Steering Group – a monthly officer board which is chaired by the lead Director and holds to account the project team.
- The project manager and lead director will report progress to the Project Board – a quarterly member Board chaired by the Council Leader which provides authority to the responsible Director and the project team to take decisions on design, timetable and financial issues
- The Leader of the Council and lead director will report progress to the Council Cabinet – formal agreement of scheme objectives and budget.

This line of reporting will give assurance of due diligence and transparency for public funded projects as the weekly and monthly reports will be presented for **approval** by the steering group / core team.

### 6.3. Contract management:

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

All contracts 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:

A comprehensive live document for stakeholder management and communications is in place – Appendix H. A key mechanism to outreach to the community and partners and to ensure transparency is the scheme's dedicated own website [www.devonshirequarter.co.uk](http://www.devonshirequarter.co.uk), which includes a webcam of the construction works, plus regular updates.

Key stakeholders will meet with the Council quarterly through the re-established Devonshire Quarter Partnership Group where they will be briefed on progress and options will be tested with them. Key members of this Group are:

- East Sussex County Council
- Historic England
- Chamber of Commerce
- Conference Bureau (represents hotels and other bodies in the local conference trade)
- Eastbourne Society
- Theatres Trust
- Towner Gallery
- Lawn Tennis Association
- Eastbourne Hospitality Association.

In addition to the Partnership Group, the project team meet regularly with:

- Historic England to ensure all heritage planning issues are addressed correctly and quickly
- A number of key hoteliers and local companies specialising in different aspects of the conference industry to drive forward a co-ordinated approach to developing the conference business.
- Visit England- to drive international conference business
- The LTA to optimise the benefits of the pre Wimbledon International Tournaments and the other national and regional tournaments.

Furthermore, the Eastbourne Coastal Community Team (CCT) supports the preferred option for the Winter Garden.

Diagram 1: Influence/Interest grid

High	<b>Keep Satisfied</b> <ul style="list-style-type: none"> <li>East Sussex County Council</li> <li>Historic England</li> <li>Chamber of Commerce</li> <li>Conference Bureau (represents hotels and other bodies in the local conference trade)</li> <li>Eastbourne Society</li> <li>Theatres Trust</li> <li>Lawn Tennis Association</li> </ul>	<b>Manage Closely</b> <ul style="list-style-type: none"> <li>Key hoteliers and local companies</li> <li>Eastbourne Hospitality Association</li> </ul>
Low	<b>Monitor</b> <ul style="list-style-type: none"> <li>Eastbourne CCT</li> </ul>	<b>Keep Informed</b> <ul style="list-style-type: none"> <li>Team East Sussex</li> </ul>

#### 6.5. Equality Impact:

See Appendix I for the EqIA on the design element of the Winter Garden redevelopment which was undertaken in 2015 on of the project.

All Clear Access Consultants in 2015 prepared an Access Statement which identified issues with the existing access and associated solutions including finer detail concerning floor finishes, doors, stairs, lifts, entrances/exits, parking etc. for people with ambulant and visual disabilities.

Consultation with the Disability Involvement Group (DIG) and Eastbourne Access Group was undertaken in 2015 have been useful in establishing, in particular, the precise nature of drop-off points which have been taken into account and were addressed in the post planning phase. Also, the original shared surface idea has been removed.

It is also an ambition of the DIG to deliver a Changing Places facility as part of the project. To answer immediate need a facility has been built on the seafront and at the completion of the Devonshire Quarter scheme it is anticipated that another facility will be built within the complex.

EBC will continue to work with the DIG and Eastbourne Access group, the Highways department, Planning Officers and the Design Team and throughout the remainder of the design and construction and will regularly engage with DIG on the emerging technical design and construction.

A further analysis will be undertaken of the operational delivery of the facility.

Aside from the clear economic and social benefits, the information gathered to date suggests that the project will deliver positive benefits in terms of disability access. The improved access to the facility will encourage and enable more disabled people to enjoy it.

## 6.6. Risk management strategy:

A comprehensive risk management strategy is in place for the Devonshire Quarter redevelopment, including the Winter Garden, which has been closely monitored by the Project Board, Steering Group and Core Team since inception in 2012. A copy of the overarching Devonshire Park risk register and project execution plan is included as separate documents / appendices to this Business Case.

The register focuses on:

- a. Organisation and Governance
- b. Programme and Cost
- c. Design and Technical
- d. Finance and Business Planning
- e. Statutory and Legal
- f. Reputation and Political
- g. Impact of Covid-19

Appendix C outlines the risks in delivering the project. These are generic to projects of this type and as explained are well managed.

The specific risk management strategy for the Winter Gardens element of the project is set around the following key risks:

- Scope definition for estimation and clarity of deliverables
- Scope clarity on Contracted works
- Scope Creep due to unforeseen dilapidation or building issues
- Reducing deliverable tasks for operational usage
- Holding budgets and maximising project deliverables for client
- Future proofing operational and life cycle impact
- Holding Programme so booking of events can commence within 2020 for Events to commence late 2021

Devonshire Quarter on-going projects are being broken down into individual Tasks and clearly show or be shown how they inter-link with the corresponding tasks. For example lift installation on firestopping on each level and moving of the lift lobby to accommodate the ground floor door access.

Each package of works will clearly list the extend of works and demise of junctions 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.

The Building is in a state of poor dilapidation and, therefore, invasive investigations have and will continue to be critical to obtain risk reduction and mitigation. Once works commence constant daily monitoring by the project team, led by Paul Quanstrom (Project Manager) and Phil Whiley (Engineer) to works capacity will immediately control and negate any delay in decision that could impact of programme and if required other specialist consultant such as Structural or Fire Engineer can be contacted and advise gained daily.

Costing will be drafted in the scope of works documents and will be key to reducing each risk item and control and stop scope creep in essence the contingency funds are items on the project

task list therefore key and highest risk is not producing all items on the required list for buildings operational use

#### 6.7. Work programme:

Appendix D outlines the high-level work programme for the Winter Garden. Note that the construction programme to be proposed by the Contractor will detail the key milestones prior to construction.

The programme is deliverable within the GBF timescales. GBF funded construction will commence in October 2020 and be completed by March 2022

As part of a wider scheme which has been in progress since 2012, a team of professionals are in place to inform and deliver the work programme. Key development milestones have already been met e.g. planning application and pre-construction surveys. The team and site is ready to react to further investment.

#### 6.8. Previous project experience:

The Council's experience includes:

- £4.6m new commercial office building at Sovereign Harbour.
- Working in partnership with Legal & General, a new £85m retail and leisure development in Eastbourne Town Centre
- £8.85m public realm improvements in Eastbourne Town Centre (with East Sussex County Council)
- £150 million North Street Quarter development in Lewes (lead partner, currently being delivered)
- Delivery of iconic £2m Wish Tower Restaurant in Eastbourne

### Project Team

Paul Quanstrom – Project Manager

- Background in Environmental Health, Corporate Health and Safety, Catering industry
- Regeneration Scheme Manager for Eastbourne Borough Council 2002-2005
- £10 million scheme funding social exclusion projects and new capital new contemporary art gallery
- Programme Manager for Eastbourne Borough Council working on major construction projects including:
  - Congress Theatre façade - £2 million
  - Wish Tower Restaurant - £2million
  - Devonshire Park Redevelopment - £54 million

Phil Whiley – Project Manager

- Held multiple advisory roles for both the New Zealand local and central Government panel that advised the Earthquake Minister. Another client was the Anglican Church with over 30 damaged churches and several Cathedrals including the quickly built



Transitional Cathedral. Phil's team worked very closely with the parishes and the Bishop (Mathews). Circa \$300m plus.

- Within the UK Phil has held senior roles for Brighton and Hove City Council in their Joint Venture with Mears (2010) - Head of Major Projects and planned maintenance, Walsall Housing Group (2015) – Director of Professional Services in the midlands before undertaking a role for the past 2.5 years as Senior Consultant & Engineer to Contract for Eastbourne Borough Council on the Devonshire Park redevelopment.
- Phil has experience of social housing frameworks and Joint Ventures in the most difficult of areas as well as working in the private sector to Director level. Phil has been responsible for budgets in excess of £200m and has reviewed and produced business plans to help shape and ensure growth and income.
- International experience of Programme & negotiations on insurance claims in excess of \$225m JCT contracts to £200m. Phil has also owned a construction company and has practical knowledge of how to both deliver a project and build them .

## 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, visitors, staff, stakeholders and partners and local businesses as well as those delivering the capital build.

### Inputs

GBF investment would fund the upgrade of the stage grid and technical equipment at the Winter Garden and the interior refurbishment of the lettable spaces - Floral Hall, Gold Room, Bistro Bar and Long Bar.

### Outputs

GBF investment would deliver a venue that meets the demands of high value live music, events and conference business, create Eastbourne's only middle size standing venue, and establish new markets e.g. live music.

### 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 local businesses and those in the Devonshire Quarter supply chain to understand the impacts the investment has had on their businesses
Number of visitors to the Winter Garden and increased visitors to the rest of the facilities	Conference organisers will keep a log of attendance
Frequency levels of repeat visitors and clients	Conference organisers will keep a log
Enquiries to bookings conversion rate	Conference organisers will keep a log
Number and quality of bookings	Conference organisers will keep a log
Income generation from commercial activity	Required as part of local authority financial monitoring
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
Winter Garden ongoing maintenance costs	Will be evidenced within the EBC Estates Team monthly budget reports.

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 Devonshire Quarter and the Winter Garden will measure and track progress towards achieving the project outcomes and the impact of the scheme.
- The indicators Devonshire Quarter and the Winter Garden will use to assess the extent to which the projected project outcomes are being achieved.
- How Devonshire Quarter and the Winter Garden will collect the data and information required to measure the changes that result from the scheme.
- When Devonshire Quarter and the Winter Garden will collect the information.
- How Devonshire Quarter and the Winter Garden 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.

In addition, the following qualitative measures of success will be monitored:

- Visitor, staff and client satisfaction.
- Business enquiries conversion ratios.
- Number of negative comments made.
- Perception of the area surrounding Devonshire Quarter.
- Satisfaction and engagement levels overall.
- Evidence of fun, enjoyment and creativity at Devonshire Quarter and the Winter Garden.
- Capacity development within Devonshire Quarter and the Winter Garden staff and management.
- Additional spend in local shops, restaurants and hotels.

## Other schemes

The benefits and impacts of the Devonshire Quarter redevelopment as a whole may potentially contribute as those of the Winter Garden but the schemes outputs have been calculated separately to avoid double counting.

## 6.91 Logic Map

Objectives	Inputs	Outputs	Outcomes	Impacts
Deliver a financially and commercially sustainable venue	Grant Spend £1,600,225 Matched Contributions Spend £2,296,550	<ul style="list-style-type: none"> <li>• Fitted out Floral Hall Bar</li> <li>• Repaired roofs</li> <li>• Redecorated foyer</li> <li>• Repaired pavilion and façade</li> <li>• Lift installation</li> <li>• Refurbished Gold Room</li> <li>• Upgraded Technical Equipment</li> </ul>	65 construction years of employment (equivalent to 6 sustainable jobs) Exceptional heritage site brought back into commercial use	Funding request is less than £2m, so this is not relevant.
Grow the visitor economy	£15.5m in staff and maintenance costs by 2049/50 – an average of £512,000 per year	50,000 new visitors to the Winter Garden Theatre each year, including 7,500 from outside the SELEP region Secure 50 new events at the venue each year	Secure additional £20.5m of additional income through live events, lettings and catering by 2049/50 – average of £685,000 per year Create an additional 39 direct jobs	Funding request is less than £2m, so this is not relevant.
Support the delivery of the wider Devonshire Quarter scheme	As above	Increase net visitor spend in the wider local economy by £1.17 million per year, based on 30% of patrons coming from outside Eastbourne; and by £0.5m per year in the South East Region based on 15% of patrons coming from outside the South East region	Create 23 net new jobs in the in local tourism economy (10 additional jobs in the region).	Funding request is less than £2m, so this is not relevant.

## 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.*

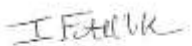
I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer Davies Gleave, and other public sector bodies who may be involved in considering the business case.

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	5% contingency on build costs
Real Growth	30% increase on lettings income and catering from Reference case Annual 5% increase on Live Music from 2025/26
Discounting	3.5% over a 30 year appraisal period
Sensitivity Tests	1) 75% of benefits and delayed impacts 2) 50% of benefits and delayed impacts
Additionality	50%
Administrative costs of regulation	N/A
Appraisal period	30 years – 2019/20-2049/50
Distributional weights	Not applied
Employment	6 additional construction jobs 10 additional direct jobs 23 additional tourism jobs
External impacts of development	Increase in visitor spend in the SELEP region = £10.2m (nominal) and £5.8m (Present Value) over the appraisal period
GDP	Not applied
House price index	Not applied
Indirect taxation correction factor	Not applied
Inflation	1% in real terms for staffing and maintenance costs for the economic case
Land value uplift	Not Applied
Learning rates	Not Applied
Optimism bias	5% of capital costs
Planning applications	Planning consent achieved
Present value year	2020/21
Private sector cost of capital	Not applied
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

4th August 2020

Dear Christian,

Restoring the Glory of the Winter Garden – 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 £2.3m 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 align the Project Brief with Business Case	Delivery of a project that will not perform as required financially	Paul Quanstrom, Project Manager	Philip Evans, Director of Tourism & Enterprise	1	2	2	Ensure that business plan and project brief are aligned by holding regular review /update meetings between the business planners and client team	Low
Discovery of unforeseeable and unknowns during the works e.g. asbestos, etc.	Delays to the programme and extra costs to the project	Paul Quanstrom, Project Manager	Philip Evans, Director of Tourism & Enterprise	2	1	2	Comprehensive surveys carried out; retain appropriate budget and programme contingency allowance	Low
Programme overrun as a result of delayed works	Impact on future operations such as conferencing leading to loss of income	Paul Quanstrom, Project Manager	Philip Evans, Director of Tourism & Enterprise	2	1	2	Allow "soft" bookings only in the immediate period following practical completion.	Low
New 'quality' offer not achieved.	Will not meet market demands and increase enquiries to bookings ratio	Paul Quanstrom, Project Manager	Philip Evans, Director of Tourism & Enterprise	1	2	2	Ensure the project adheres to the project brief for technical specification and decorations.	Low
Increasing	Impact on the ability	Paul	Philip Evans,	1		4	Constant monitoring of project	Moderate

scope and inflation	/ affordability to deliver the scheme that has been proposed	Quanstrom, Project Manager	Director of Tourism & Enterprise				proposals and flagging early if proposals are creeping above the available budget	
Future market assumptions / capital costs / revenue streams and longevity are not as predicted	Means the scheme is not affordable in the long term	Paul Quanstrom, Project Manager	Philip Evans, Director of Tourism & Enterprise	2	5	10	Ensure continual review of the business plan and market conditions and altering if required to suit the market requirements	High
Economic and business impact of Covid-19	Reduced programme of conference and music event, reduced bar sales	Annie Wills, Head of Tourism & Enterprise	Philip Evans, Director of Tourism & Enterprise	3	3	9	Ensure planning in place for safe opening of Winter Garden in line with current national government advice. Recovery plan includes marketing aimed at repeat business, marketing to raise profile, securing contracts for multiple years for larger conferences, PPE and social distancing measures enforced.	Significant
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	Paul Quanstrom, Project Manager	Philip Evans, Director of Tourism & Enterprise	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

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

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

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



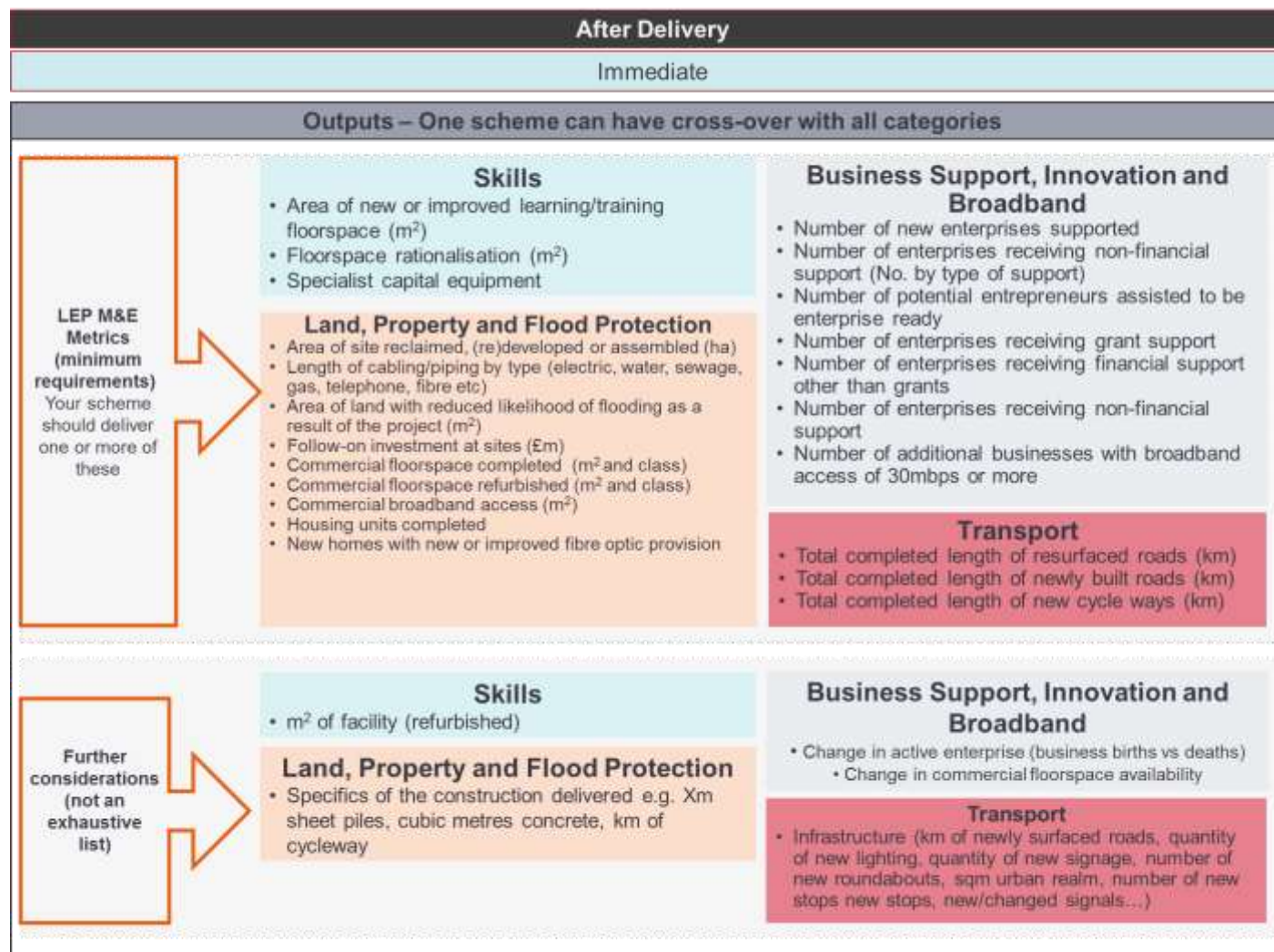
## 11. APPENDIX D – GANTT CHART

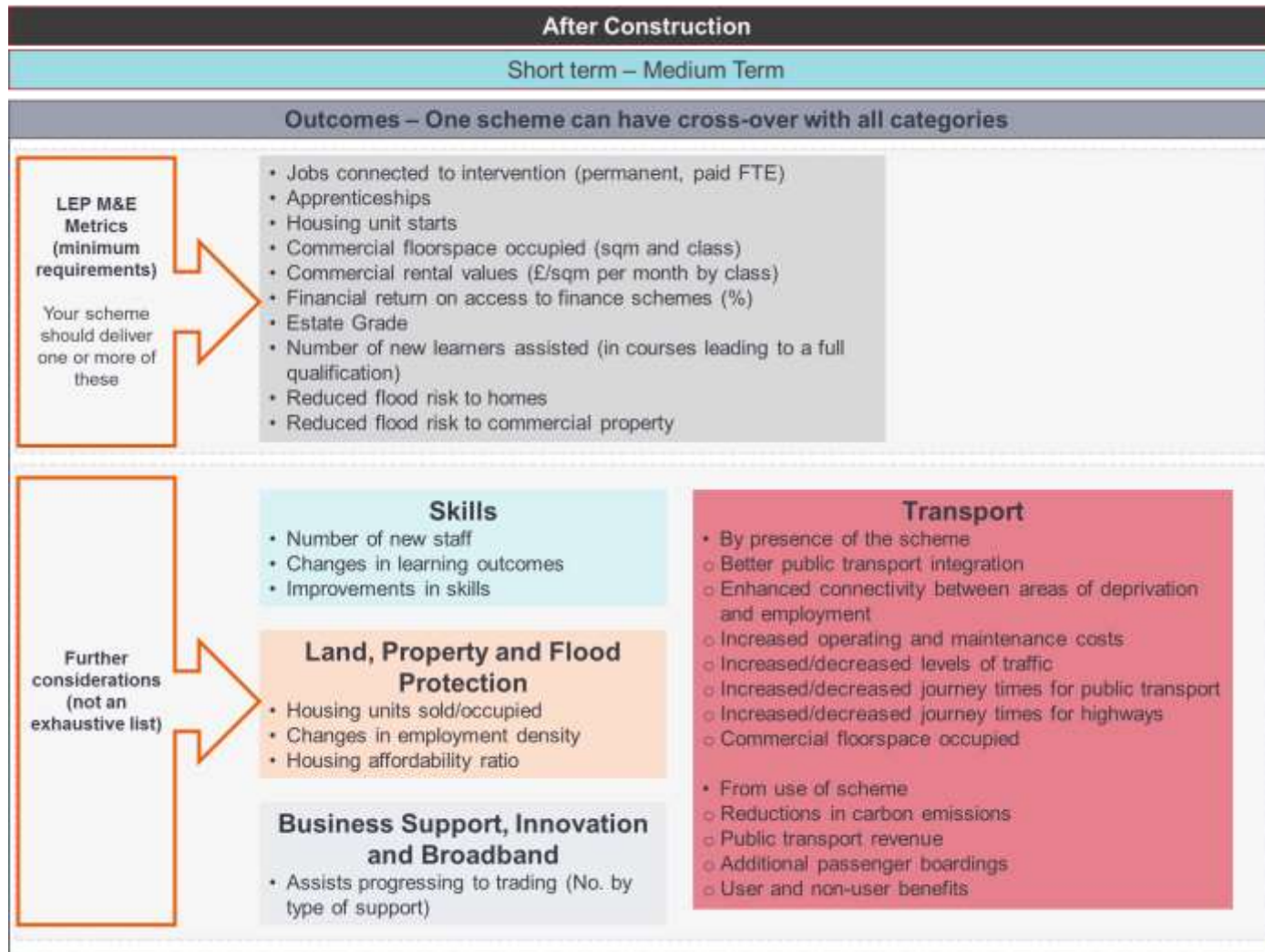
Tasks	Start date	Finish date				2018				2019				2020		2021	2022
			2012	2015	2017	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Sept	Oct	May	March
Business case driven masterplan for Devonshire Quarter		2012															
Options selection		2012															
Feasibility		2015															
Planning and listed building consent granted		2015															
<b>Key Milestones / Deliverables</b>																	
Contractor procurement for Winter Garden	Sep-18	Oct-18															
New project request and design/cost due diligence check	Oct-18	Nov-18															
Procurement of	August	September															

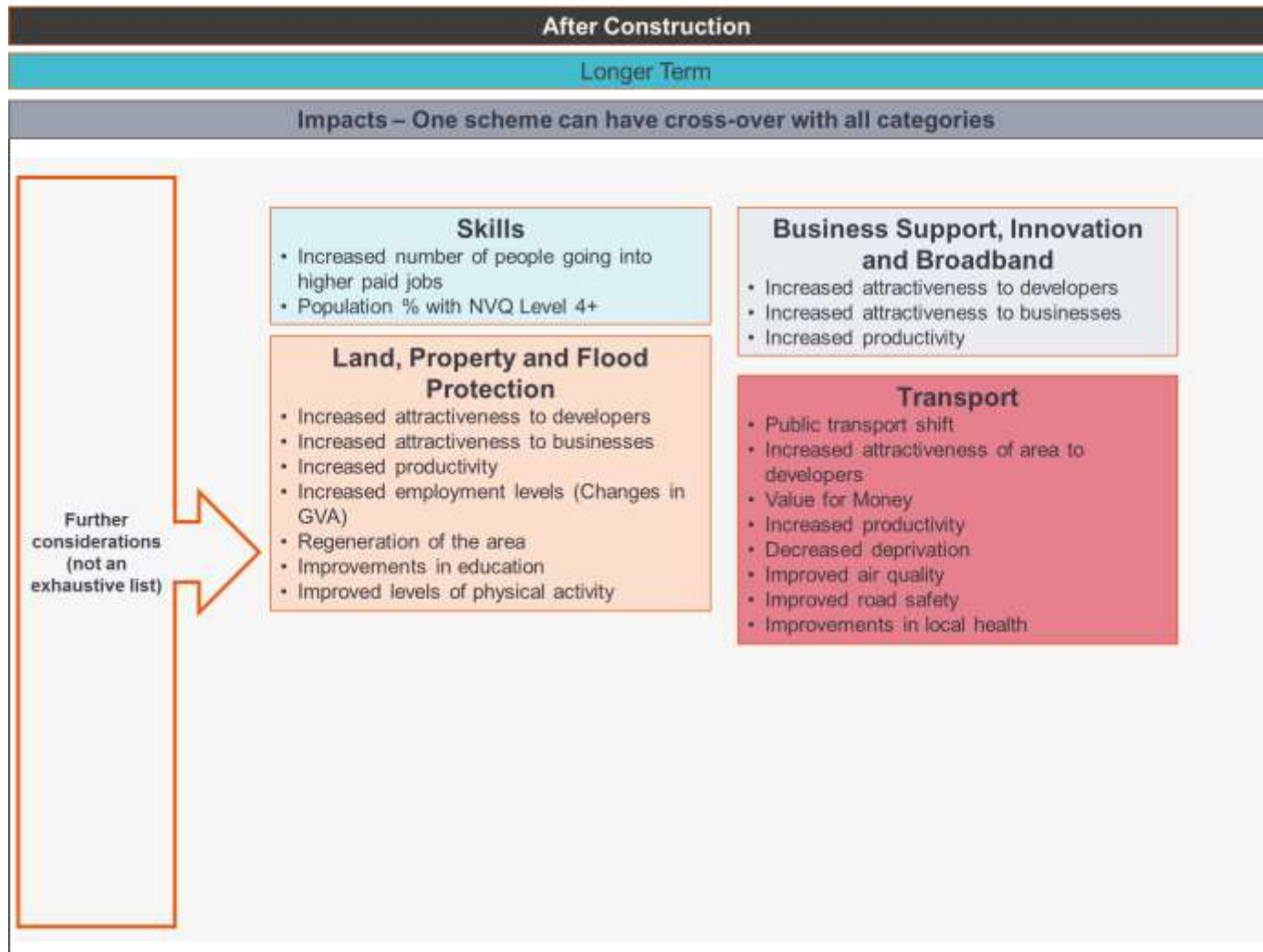
works packages	2020	2020															
Winter Garden Construction Phase 1	Oct-20	May-21															
Winter Garden Construction Phase 1	Oct-20	Mar-21															

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

See Logic map at section 6 and 6.91 for the Logic Map







### 13. APPENDIX F – MONITORING AND EVALUATION PLAN AND BASELINE REPORT TEMPLATES

Category	Key Performance Indicators	Description
<b>High-level outcomes</b>	Jobs connected to intervention (permanent, paid FTE)	Monitoring and documenting of the number of jobs advertised.
	Commercial floorspace planned - please state sqm and class	N/A
	Commercial floorspace constructed to date - please state sqm and class	N/A
	Housing unit starts (forecast over lifetime)	N/A
	Housing unit starts (to date)	N/A
	Housing units completed (forecast over lifetime)	N/A
	Housing units completed (to date)	N/A
<b>Transport (outputs)</b>	Total planned length of resurfaced roads (km)	N/A
	Total completed length of resurfaced roads (km)	N/A
	Total planned length of newly built roads (km)	N/A
	Total completed length of newly built roads (km)	N/A
	Total planned length of new cycle ways (km)	N/A
	Total completed length of new cycle ways (km)	N/A
	Type of service improvement	N/A
<b>Land, Property and Flood Protection (outputs)</b>	Anticipated area of site reclaimed, (re)developed or assembled (ha)	N/A
	Actual area of site reclaimed, (re)developed or assembled (ha)	N/A
	Length of cabling/piping planned (km) - Please state if electricity, water, sewage, gas, telephone or fibre optic	N/A
	Length of cabling/piping completed (km) - Please state if electricity, water, sewage, gas, telephone or fibre optic	N/A
	Anticipated area of land experiencing a reduction in flooding likelihood (ha)	N/A
	Actual area of land experiencing a reduction in flooding likelihood (ha)	N/A



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

# 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.

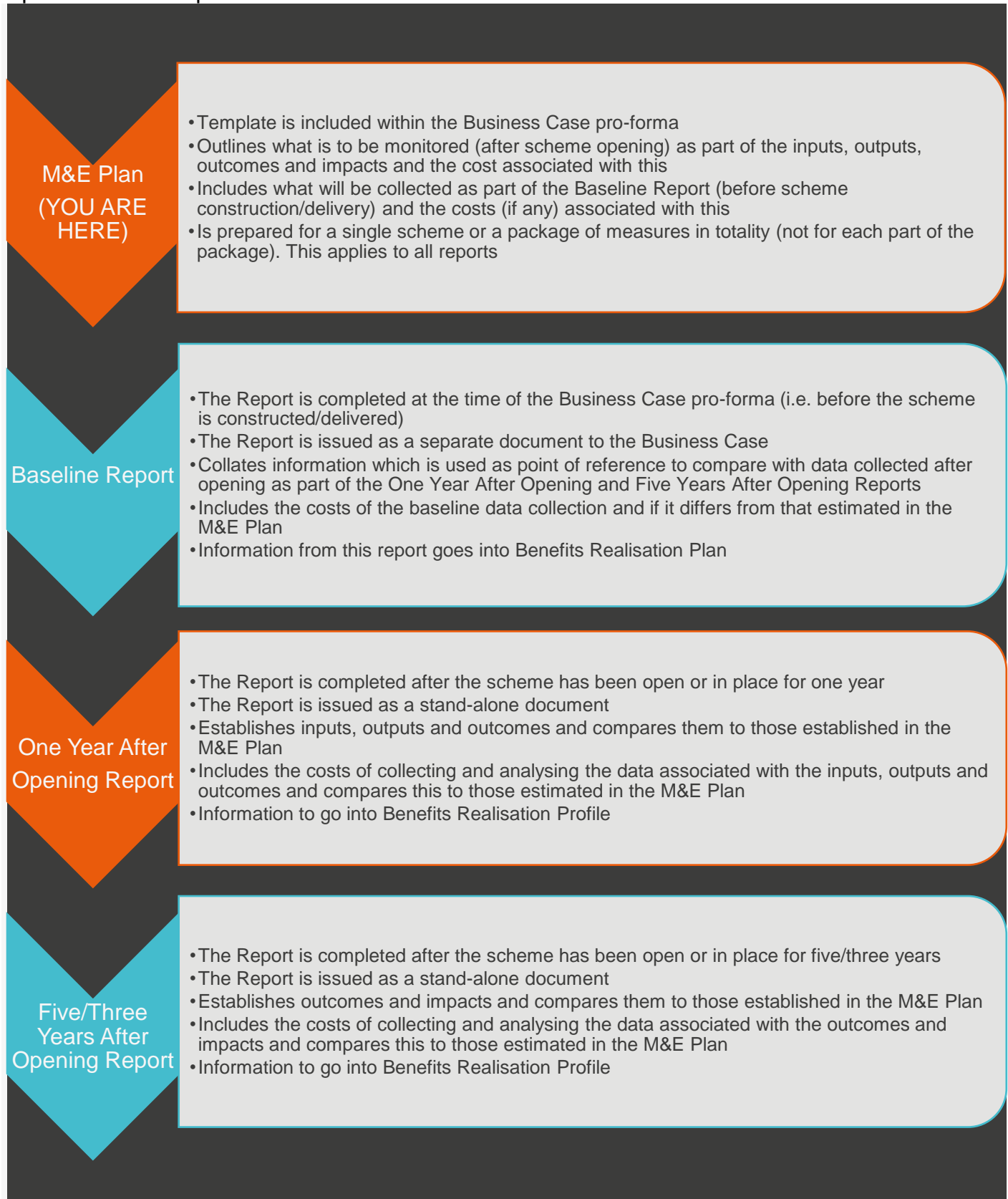
## A NOTE ON COSTS

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.

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	<p>All those prescribed by the LEP and applicable to the scheme/package (see Appendix A supplied separately)</p> <p>Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case</p>	<p>Those relevant to the scheme/package from within the list in Appendix A (supplied separately)</p> <p>Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case</p>
More than £8m	As described within the report templates	As described within the report templates	<p>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)</p> <p>Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case</p>	<p>Those relevant to the scheme/package from within the list in Appendix A (supplied separately)</p> <p>Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case</p>

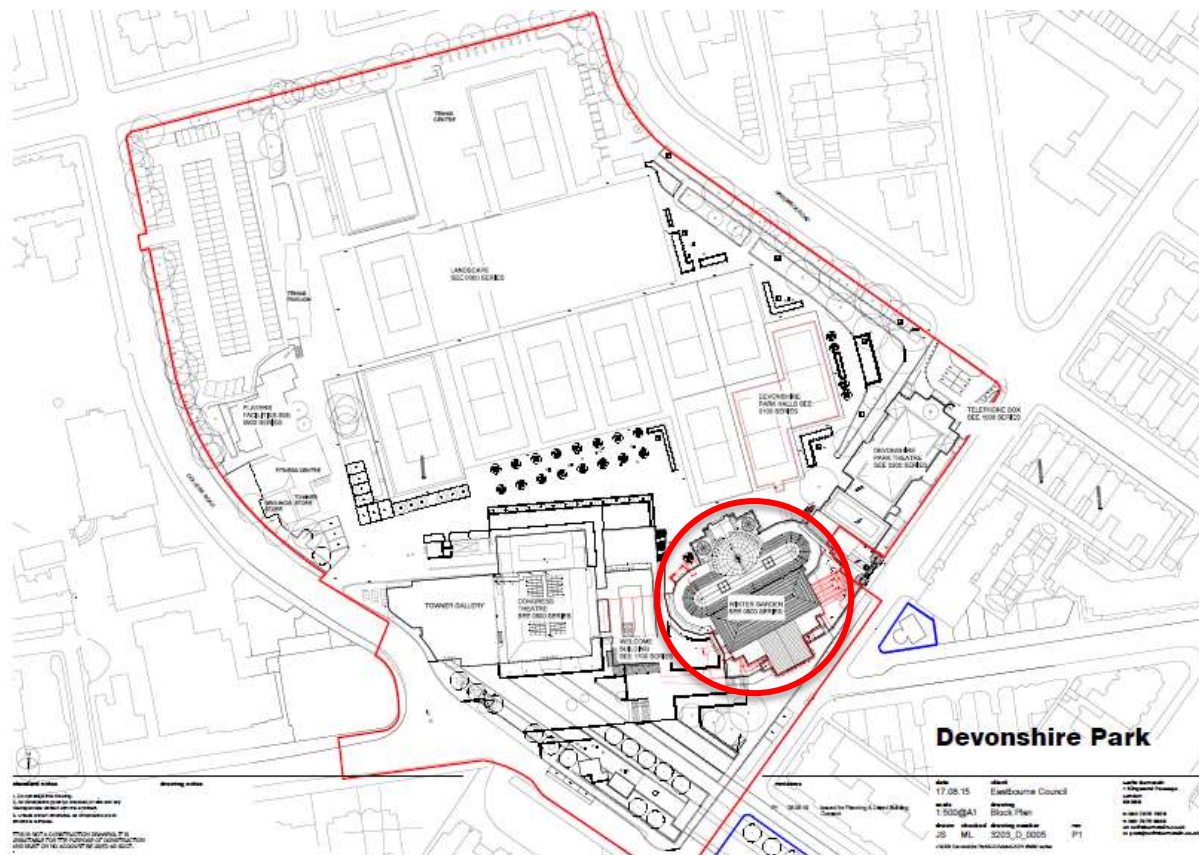
## WINTER GARDEN

This Monitoring and Evaluation Plan provides the details of the inputs, outputs, outcomes and impacts of the [insert scheme name here], 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: Delivering a financially and commercially sustainable venue
- Objective 2: Growth of the visitor economy and sustain existing
- Objective 3: Support the delivery of the wider Devonshire Quarter scheme

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	[FY1/FY2]				[FY1/FY2]				[FY1/FY2]			
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	£1,600,225	Planned / Forecast	Financial records	Quarterly	Planned/ Forecasted Spend Profile	£0	£0	£298,863	£298,863	£253,750	£253,750	£253,750	£253,750				
IN2	£2.3m	Planned / Forecast	Financial records	Quarterly	Planned/ Forecasted Spend Profile	£0	£0	£1,024,650	£1,024,650	£123,625	£123,625	£0	£0				
IN3	£0	Planned / Forecast		Quarterly	Planned/ Forecasted Spend Profile	£0	£0	£0	£0	£0	£0	£0	£0				

## INPUT 4: PROJECT DELIVERY AND MILESTONS

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Start of project (start spending LGF or match funding)	1 October 2020
Public Consultation	Already undertaken since 2015
Detailed Design	Already undertaken as part of Devonshire Quarter masterplan
Full Planning Permission Granted	2015
Site Mobilisation Works Commence	2017
Project Completion / Site Opening	2022

## INPUT 5: RISK MITIGATION

- Please see Risk Register in the Business Case.



## OUTPUTS

- As set out in the Business Case and to be completed

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

*COMPLETE AND REPEAT FOR ALL OUTPUTS*

ID	Output Description	
OP1		<b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b>
		<b>Value:</b>
		<b>Source of Value:</b>
		<b>Future Monitoring Approach:</b>
		<b>Frequency of tracking:</b>
		<b>Costs Allocated to Monitoring:</b>
		<b>Details: Proposed Method of Collecting Baseline Information</b>
		<b>Approach for Collection:</b>
		<b>Costs Allocated:</b>

...OP2, OP3, OP4 etc

## OUTCOMES

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

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

*COMPLETE AND REPEAT FOR ALL OUTCOMES*

ID	Output Description	
OC1		<b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b>
		Value:
		Source of Value:
		Future Monitoring Approach:
		Frequency of tracking:
		Costs Allocated to Monitoring:
		<b>Details: Proposed Method of Collecting Baseline Information</b>
		Approach for Collection:
		Costs Allocated:

...OC2, OC3, OC4 etc

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

*COMPLETE AND REPEAT FOR ALL IMPACTS*

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

...IM2, IM3, IM4 etc







## **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.

The evaluation and monitoring process forms part of the overall established process for the Devonshire Quarter Scheme. It involves

- Quarterly programme meetings to report on progress against targets, milestones and outputs for each scheme;
- Reviews of operational matters, including management and delivery arrangements; and
- Financial monitoring and reporting.

The project manager reports for the Winter Garden project reports directly the project board.





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.

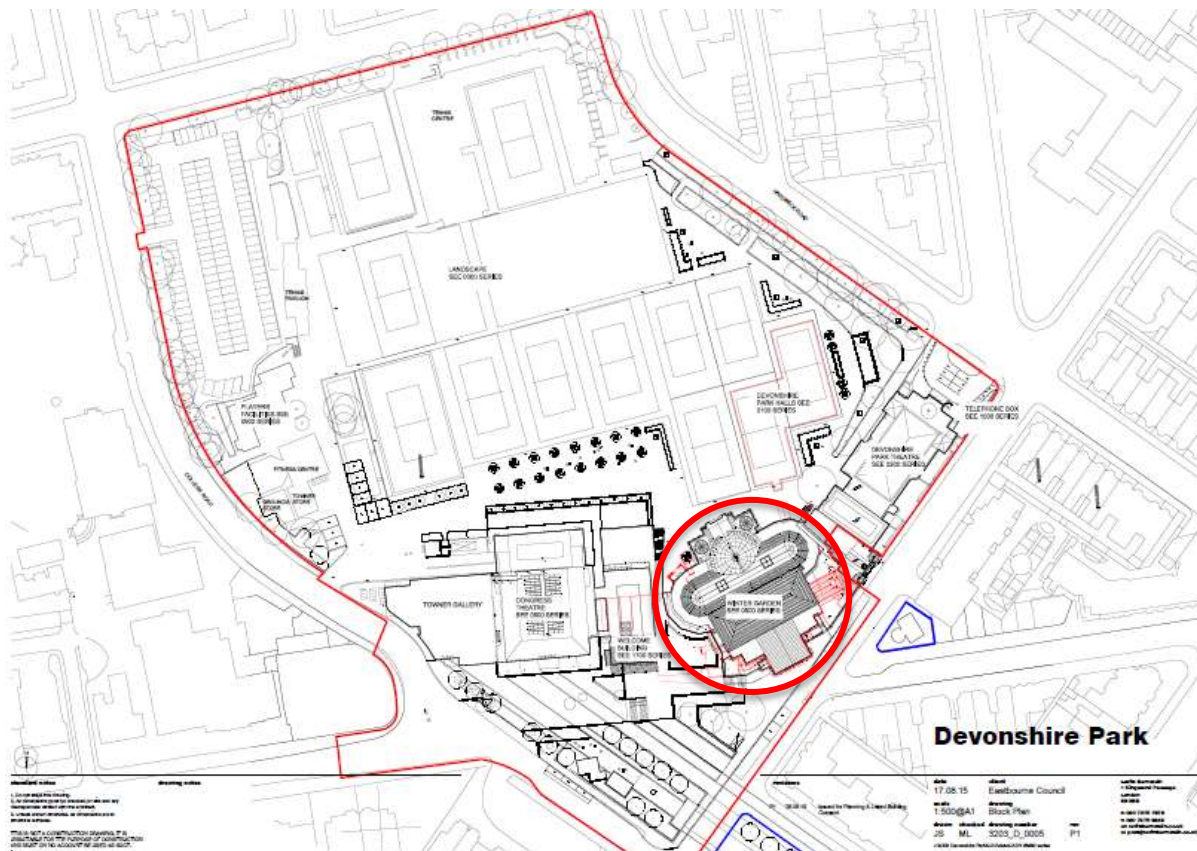
<b>Value of Scheme/Package</b>	<b>Inputs</b>	<b>Outputs</b>	<b>Outcomes</b>	<b>Impacts</b>
Under £2m	As described within the report templates	As described within the report templates	Number of jobs and houses delivered	n/a
£2m- £8m	As described within the report templates	As described within the report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

This Baseline Report provides the details of the inputs, outputs, outcomes and impacts of the Winter Garden Scheme from the period 2019 to 2020, before the scheme is constructed/delivered.

The objectives of the scheme are:

- Objective 1: Deliver a financially and commercially sustainable venue
- Objective 2: Grow the visitor economy
- Objective 3: Support the delivery of the wider Devonshire Quarter scheme

The geography of the scheme is shown in the map below



#### 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.*



## Stakeholder Engagement & Communication Plan

**STRONGER together**



### 1. Objectives of the Stakeholder Engagement & Communication Plan

- To achieve a shared understanding of what we are doing.
- To explain why we are taking this action.
- To maximise the opportunity for feedback and input into the Winter Garden project.
- To work with stakeholders to listen to their views.
- To develop partnerships with key stakeholders to facilitate and inform the delivery of the Winter Garden project.
- To ensure all stakeholders know what is happening, when it will happen and how it will affect them/the town.
- Address the needs of individual stakeholders in both 'what' and 'how'?
- Use existing channels of communication and tried and tested methods that work.
- Communicate even when we don't know the answers.

### 2. Key messages

#### 2.1 Aims & Objectives of the project/programme

- To restore and complete the regeneration and refurbishment of the Winter Garden, a key facility in the £54m Devonshire Quarter redevelopment, to its former glory and ensure its longevity and visitor experience benefit future generations.
- Upgrade the stage grid and technical equipment that is vital to attract high level yield business for corporate events and live music.
- Interior refurbishment of the venue's lettable business spaces.
- Create and safeguard jobs.
- Generate £300k of business and contribute an additional £1m of economic value each year
- Increase visitor numbers to Eastbourne
- Reducing EBC subsidy and generating income.
- The project will contribute towards the ambitions of an array of strategies and plans at national, regional and local level:
  - Reducing seasonality
  - Enhance and strengthen Eastbourne's cultural offer
  - Strengthening and contributing to the visitor economy
  - Energising coastal areas
  - Improving the quality of public space

## 2.2 The key messages

- Timescales – construction stage October 2020 to March 2022 .
- Website for the Devonshire Quarter scheme: <https://devonshirequarter.co.uk/> - including a webcam of the construction works and regular updates.
- Publish images, maps and plans with all public communications.

## 2.2 Project timeline

- Planning and listed building consent was granted in November 2015.
- Tier 1 construction contractor recruited – 19 October 2018
- New project request and design/cost due diligence check completed – 30 November 2018
- RIBA stages 3 and 4 completed – 19 April 2019
- Procurement of individual works packages – September 2020
- Construction start date – October 2020
- Phase 1 (Winter Garden open for banqueting, live performances, exhibitions in Floral Hall and Gold Room etc) completion by 1 May 2021
- Phase 2 completion (South Pavilion and façade complete) by March 2022
- 

*What stakeholders can influence and what they can't*

## 3.1 Stakeholders can influence

Key stakeholders have been involved in the identification of the project aims and benefits through the governance structure and in stakeholder management and communications plan activities, and will continue to be engaged during and post-project.

### **3.2 Stakeholders can't influence**

The timeline is not something which can be influenced by stakeholders.

### **3.3 The key stakeholders**

Key stakeholders meet with the Council quarterly through the Devonshire Quarter Partnership Group where they are briefed on progress and options are tested with them. Key members of this Group are:

- East Sussex County Council
- Historic England
- Chamber of Commerce
- Conference Bureau (represents hotels and other bodies in the local conference trade)
- Eastbourne Society
- Theatres Trust
- Towner Gallery.

In addition to the Partnership Group, the project team meet regularly with:

- Historic England to ensure all heritage planning issues are addressed correctly and quickly
- A number of key hoteliers and local companies specialising in different aspects of the conference industry to drive forward a co-ordinated approach to developing the conference business.
- The LTA to optimise the benefit from the pre Wimbledon International Tournaments and the other national and regional tennis tournaments
- Visit England – to develop the international conference offer.



Stakeholder	Classification	Issues/ expectations	Key message	Why does this need to happen?	Comms & Engagement Tactics	Owner	Budget
Devonshire Quarter Partnership Group	Actively	Need to be confident that the project is being managed well and the Group have the opportunity to influence and inform decisions.	How things are going and keep them informed regarding progress with project milestones and the timeline.	To keep the Group engaged and supportive.	<ul style="list-style-type: none"> <li>Quarterly meetings</li> <li>Project updates</li> <li>Presentations</li> <li>Email updates</li> </ul>	Project manager	None
Historic England	Keep satisfied	Need to be confident that the project is aligning to Historic England policy and recommendations.	Project information, consultation periods and milestones	To ensure the project complies.	<ul style="list-style-type: none"> <li>Meetings</li> <li>Email</li> <li>Phone calls</li> </ul>	Project manager	None
Disability Involvement Group and Eastbourne Action Group	Consultation and regular communication		Engage regularly from technical design stage, to construction and operational delivery	To ensure the project meets everyone's needs.	<ul style="list-style-type: none"> <li>Meetings</li> <li>Consultations</li> <li>Emails</li> <li>Newsletter</li> <li>Social media</li> </ul>	Project manager	None
Residents	General consultation	When will the Winter Garden	What is happening, when is it	Public support, positive word of	<ul style="list-style-type: none"> <li>Website</li> <li>Live webcam of</li> </ul>		Separate

Stakeholder	Classification	Issues/ expectations	Key message	Why does this need to happen?	Comms & Engagement Tactics	Owner	Budget
	and regular communication	be closed	happening and why?	mouth, feeling of excitement about the changes, proud of their town.	construction works <ul style="list-style-type: none"> <li>• Newsletter sign up</li> <li>• Press releases</li> <li>• Social media</li> <li>• Consultation exercises</li> <li>• Public display boards</li> </ul>		budget



## Equality and Fairness Analysis; Interim Analysis of Winter Garden Redevelopment Design Stage for Planning Application

<b>Officer responsible for equality and fairness analysis</b>	Gavin Davis	
<b>Officer responsible for policy development</b>	Phil Evans	
<b>Policy* area (or function)</b>	Tourism and Enterprise	
<b>Service area responsible for implementing the policy</b>	Devonshire Park Redevelopment	
<b>Originator (if not the Council)</b>		
<b>Is the policy proposed (new) or existing?</b>	Proposed	Existing
<b>Is it an EBC policy or a partnership initiative?</b>	EBC only	Partnership
<b>Key people involved in the policy development and its implementation</b>	Graham Cook, Phil Evans, Rob Cottrill, Cllr Tutt, Cllr Bannister, Cllr Freebody, Architects leading the Design Team which includes Clear Access Consultants.	
<b>Decision making bodies the policy will be referred to</b>	Planning Committee and Cabinet.	
<b>Snr/Head of Service</b>	Phil Evans	
<b>Date of Equality and Fairness Steering group</b>		

<b>Title of policy</b>	Devonshire Park Redevelopment – Winter Garden
<b>What is the purpose of the policy and why is it needed?</b>	
<p>This project will provide a fit-for-purpose, 21<sup>st</sup> Century facility which will deliver a wholesale economic improvement of the Devonshire Park site with particular emphasis on creating a step change in the conference and catering offer to attract higher value sectors.</p> <p><b>Note: The intention of this EFA is to consider the effects of the design; a further analysis will be undertaken to consider the operational and service delivery of the facility when the governance is established.</b></p> <p>The vision is for the Devonshire Park complex to become the critical element of the future economic vibrancy of the town. The project will stimulate improved economic activity in the Devonshire Park complex by creating a destination that will be one of the UK's most distinctive and talked-about cultural places. It will celebrate and care for its unique heritage. Through its relationships with diverse performing and visual arts audiences and its partnerships with artists and fellow-producers it will enrich lives. Through its mission to entertain through everything from theatre to tennis, it will welcome hundreds of thousands of people every year. This cultural vitality and visibility will make Devonshire Park a natural place for people to gather and to meet – whether for a major conference or for exceptional hospitality – bringing new people to Eastbourne, to culture and to support the sustainability of the Park for future generations.'</p> <p>The ambition for this project is to address the decreasing visitor numbers and increase visitor spend by creating a new improved Cultural and Tennis destination.</p> <ul style="list-style-type: none"> <li>• Replacement of the front façade</li> <li>• Lift access to all floors from the main entrance of the venue</li> <li>• Create a medium scale conference breakout space (capacity 200)</li> <li>• Refurbishment of the Floral Hall toilets</li> <li>• New carpet and decoration</li> </ul> <p><u>Key themes</u></p> <ul style="list-style-type: none"> <li>• Securing the future financial sustainability of the conference and catering market.</li> <li>• Provide much improved, catering and conference facilities to enhance the experience for visitors, delegates, hirers, performers and audiences and stimulate economic activity.</li> <li>• Improve accessibility as well as its sustainability both financially and environmentally and improve conditions for staff and increase operational efficiency.</li> </ul>	



- Heritage is an important economic and social focus of the project and therefore it is crucial that the listed buildings are brought up to a high standard and sensitively improved to sustain their significant heritage and use for many years to come.
- To improve and sustain the standard of the tennis delivery to ensure we retain the tennis tournaments and attract other important tournaments to the park.

### **In what context will it operate and who is it intended to benefit?**

The project will be delivered by the Council and will be outward facing with Borough-wide appeal and beyond.

It will benefit community groups, all local residents, visitors and conference delegates, residents in neighbouring Boroughs and Districts and the town's business community

It will also contribute to the overall economic benefit of the town in conjunction with the Arndale Centre extension, Wish Tower Restaurant and seafront strategy.

It will deliver considerable accessibility improvements allowing all to enter through the main front doors and again vertical access to Floral Hall, Gold Room and the new South Pavilion (previous Admin Office Suite)

#All Clear Access Consultants have prepared an Access Statement which identifies issues with the existing access and associated solutions including finer detail concerning floor finishes, doors, stairs, lifts, entrances/exits, parking etc for people with ambulant and visual disabilities.

The views of the Disability Involvement Group have been sought during the detailed planning consultation stage.

The project will have direct linkage and positive impact with key partners including:

- The Lawn Tennis Association by improving tennis facilities and providing improved accessibility and connectivity during the annual tournament.
- The Towner by attracting high quality conferences.
- Local accommodation providers and the night-time economy by attracting a greater number of visitors and a higher per-visitor spend.

### **What are the expected outcomes of the policy?**

The primary outcome will be economic by enhancing the conference and catering provision, improving and future proofing the theatre offer and improving accessibility throughout the site.

Improved access and connectivity will provide an improved customer experience, stimulate further business and enhance the town's reputation.

### **Which protected groups**

Age

M

E

L

<b>will it affect the most?</b>  <i>Considering who the policy is intending to benefit and what the expected outcomes are, assess each characteristic and indicate whether the policy has ‘M’ more, ‘L’ less, or ‘E’ equal relevance. Highlight the finding.</i>	Disability	M	E	L
	Gender reassignment	M	E	L
	Marriage and civil partnership	M	E	L
	Maternity and pregnancy	M	E	L
	Race	M	E	L
	Religion or beliefs	M	E	L
	Sex	M	E	L
	Sexual orientation	M	E	L
<b>Which parts of the PSED<sup>13</sup> is it most relevant to?</b>	1. Eliminate discrimination, harassment and victimisation		M	L
	2. Advance equality of opportunity		M	L
	3. Foster good relations		M	L

<p><b>Please explain your reasons for the above assessments</b></p> <p>(i.e. relevance in regard to protected groups and PSED)</p>
<p>This analysis is focussing on the design element of the project. With this in mind the protected group of 'disability' has more relevance in terms of ensuring accessibility to the building and easy movement within it with improved internal facilities for disabled people. It is accepted that improving access for disabled people improves access for everyone.</p> <p>Other groups may be more affected by the operational delivery which will be separately analysed at a later date when the governance model has been established and plans of the interior of the building are more detailed for consultation purposes.</p>
<p><b>Equality Information</b></p> <p>List all the sources of information you have gathered and will use to evaluate the effectiveness, or potential effectiveness, of the policy. Include the evidence gathered from engagement.</p>
<p>The Council has consulted widely on the project as follows:</p>

<sup>13</sup> Public Sector Equality Duty – for further information refer to the guide on same  
 South East LEP Capital Project Business Case  
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- Master planning stage (2012); internal and public presentations.
- Pre-planning public and staff consultations (July and August 2015); at '999 weekend on Western Lawns, Airbourne, Congress Suite, Arndale Centre.
- Devonshire Park Partnership Group; 2-3 monthly meetings of stakeholders and partners.
- Planning consultation phase (August to Nov 2015)
- Disability Involvement Group (DIG) (July and October 2015) and Eastbourne Access Group Chair (Nov 2015).

The Council will continue to consult with the DIG and Eastbourne Access Group post planning stage following the planning phase and the DP Partnership group meetings will meet regularly for the duration of the design and construction phases.

**What is this information telling you? Are there are any gaps in this information and if so, what are these?**

Consultation with the DIG and Eastbourne Access Group have been useful in establishing, in particular, the precise nature of drop-off points which have been taken into account and will be addressed in the post planning phase. Also, the original shared surface idea has been removed.

It is also an ambition of the DIG to deliver a Changing Places facility as part of the project however, further investigation suggests that Devonshire Park would not be the best location for such a facility. It is understood that such a facility will be provided in the town centre

**What steps did you take, or are you intending to take, to fill these gaps?**

The Council will continue to work with the DIG and Eastbourne Access group to clarify and establish the precise design of the drop off points in association with the Highways department, Planning Officers and the Design Team and throughout the remainder of the design and construction will regularly engage with DIG on the emerging technical design and construction.

The Council will also work closely with DIG to investigate the delivery of a Changing Places facility. As stated above, a further analysis will be undertaken of the operational delivery of the facility.

**What does all the information gathered tell you about the policy?**

Aside from the clear economic and social benefits, the information gathered to date suggests that the project will deliver positive benefits in terms of disability access. It is hoped that the improved access to the facility will encourage and enable more disabled people to enjoy it.

The project is proceeding on track and in accordance with the programme with construction due to start in Spring 2019 and completed in 2020. This is a long overdue project which will deliver a once in a generation opportunity to substantially improve the economy of the town.

**Based on your evidence and engagement is there a need to balance conflicting views and how will you do this?**

Throughout the various consultation exercises the Council has listened and taken on board the positive and helpful contributions and incorporated them into the design. It is therefore not considered that there are any conflicting views regarding the project.

**Is there a need to counter resentment or address inaccurate perceptions, if so what will you do?**

As this analysis focusses on the design, the group most likely to be affected are disabled people however this is not considered 'favourable treatment' as the impact on other groups will be addressed when a further analysis is conducted which considers how the facility will be delivered operationally.

**Findings of your analysis**

Having gathered in all the evidence and considered the potential or actual effect of the policy on equality, you should now be in a position to make an informed judgement about what should be done with the policy. There are four main steps to take:

1. No major change – the policy is robust and evidence shows no potential for discrimination and all opportunities to advice equality and foster good relations between groups has been taken;
2. Adjust the policy - some steps need to be taken to remove barriers in the policy or to better advance equality;
3. Continue the policy – you will adopt the policy despite any adverse effects or missed opportunities because you are satisfied that it does not unlawfully discriminate – you will need to document what the justification is for continuing the policy, and how you reached this decision;
4. Stop and remove the policy – there are adverse effects that are not justified and cannot be reduced.

***Irrespective of the step you recommend you are required to provide documentation in support of your decision and the reasons why you made it together with all supporting equality information used.***

Please type 'recommended course of action' against the desired step below.

<b>No major change</b>	
<b>Adjust the policy</b>	Recommended course of action
<b>Continue the policy</b>	

<b>Stop and remove the policy</b>	
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<b>Proposed action plan in regard to policy implementation</b>	
<b>Quality checking: What was the outcome of the Corporate Equality and Fairness Planning Group?</b>	[Leave blank – for completion by CEaFPG administrator]
<b>How will you implement any recommendations the group made?</b>	Any recommendations will be taken to the Devonshire Park Project Board for review and implementation.
<b>How will the policy be monitored once implemented, and who will do this?</b>	The project will continue to be monitored by the Core Team, Project Board and Steering Group as standard agenda items.
<b>Who will analyse the monitoring at its review stages?</b>	Senior Head of Tourism and Enterprise.
<b>What could trigger an early revision?</b>	A radical change of design could trigger an early revision however this is not anticipated as the project has been carefully considered and widely consulted on with staff, the business community and the public.
<b>How will you involve key service users/other parties in the review process?</b>	The Council will continue to consult with DIG and the Partnership Group.
<b>How will you publish the results of any reviews?</b>	The DP Newsletter and Council website.

**For completion by the Equality and Fairness Steering Group:**

<b>Results of group discussion and recommended course of action:</b>	Leave this section Blank – it will be completed by EaFSG administrator
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