

## 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. <u>https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent</u>

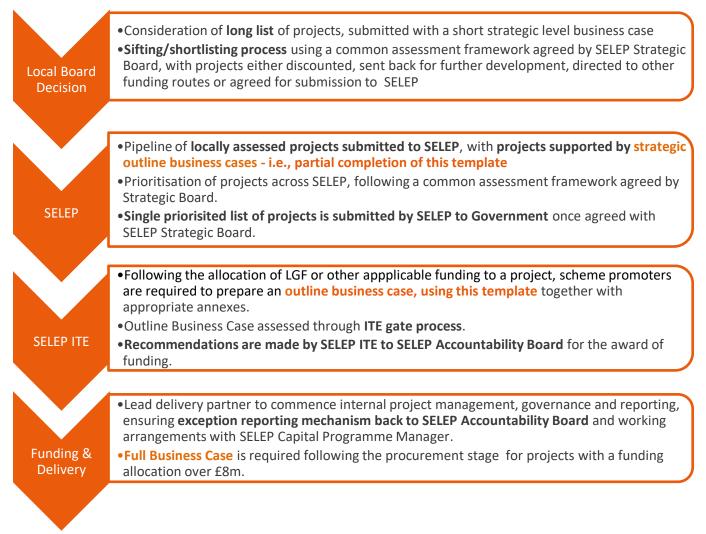
As described below, there are likely to be two phases of completion of this template. The first, an 'outline business case' stage, should see the promoter include as much information as would be appropriate for submission though SELEP to Government calls for projects where the amount awarded to the project 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.

Note – this does not illustrate background work undertaken locally, such as evidence base development, baselining and local management of the project pool and reflects the working reality of submitting funding bids to Government. In the form that follows:



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- 1. PROJECT OVERVIEW
- 1.1. Project name: The Amelia Scott
- 1.2. Project type: Site development, culture, education, skills
- 1.3. Federated Board Area: Kent and Medway
- *1.4.* Lead County Council / Unitary Authority: Kent County Council
- 1.5. Development location: The Amelia Scott, Mount Pleasant Road Royal Tunbridge Wells, Kent, TN1 1RS

## 1.6. Project Summary:

### Introduction

The Amelia Scott (the Project) is a new and exciting Culture and Learning Hub bringing together books, objects, photographs, and visual art in two important Grade II listed buildings that will be restored, integrated and extended. It supports the ambition within Kent's Growth and Infrastructure Framework to secure and build on Tunbridge Wells' role as a cultural centre for West Kent and East Sussex. Tunbridge Wells Borough Council are leading on the project which Kent County Council are partnering with them on.

#### **Overview**

The Project will see two dilapidated grade two buildings restored and extended to provide enhanced library and museum experience and education space. The new fit for purpose education spaces will house services from multiple sites and which when combined, will help to grow the education potential and offer in the area. The museum and library space will aim to create exceptional visitor experience that will host exhibitions and event showcasing local culture and heritage. The Project is due to open to visitors in April 2022.

Once complete and services have transferred, this project in turn frees up other buildings to allow for their re-development as part of a larger regeneration project for the town, that is anticipated to enable further opportunities for residential and or commercial space to be brought forward to the market.

The end-product will see a facility which is BREEAM Very Good serving a multitude of learners on the site including formally accredited qualifications.

In addition, the facility is likely to play a key role in the economic recovery of the town post pandemic with work undertaken by Gleeds identifying that the facility is likely to attract up to 480,000 visits each year for individuals seeking to further their learning experiences. Royal Tunbridge Wells is a key employment centre and heavily reliant on its status as a visitor destination. Retail and F&B



outlets have been hugely impacted by the lockdown and our unemployment rate has increased by 400 per cent (with young people accounting for the largest increase).

The project is a partnership between Tunbridge Wells Borough Council and Kent County Council but has also benefited from significant funding from the National Lottery Heritage Fund and Arts Council England.

## The case for funding

The Covid-19 Pandemic has had a significant impact on the project including:

- social distancing requirements on site impacting on the works programme;
- requirement for double shift and night working in order to deal with social distancing issues and in order to meet programme;
- increased welfare facilities and cleaning regimes;
- increased parking due to lone travel;
- staff sickness and isolation levels running high for both the contractor and sub-contractors
- Numerous waves of Covid have had to be dealt with;
- disruption to fundraising with funders diverting monies, preferencing known projects, and giving less. Business and individual giving campaigns have been hit at what should have been the peak period of our campaign.

Costs at the outset of the project were anticipated to be £16.5M (Oct 2019). Following these and other issues (including Brexit and Grenfell) identified cost increases have to date reached c£20.6M. TWBC have mostly secured funding for this shortfall however there remains c£1.4M to be found in order to now complete the project with TWBC ultimately accountable for any overspend. The Project, if not built to agreed specifications and delivered within agreed timelines, could be in breach of agreement(s) with funding partners - *National Lottery Heritage Fund* (*NLHF*) and Arts Council England (ACE) which would require the grant funding to be returned.

SELEP funding will now be critical to ensure that the building is complete and the fit-out of the building (the most important impactful component of the build) not compromised and the legal requirements as part of the Grant funding are met.

# 1.7. Delivery partners:

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

Partner	Nature of involvement (financial, operational etc.)
Kent County Council	Financial, operational
Tunbridge Wells Borough Council (Lead Applicant)	Financial, operational, responsible for scheme delivery
National Lottery Heritage Fund	Financial – grant funding
Arts Council England	Financial – grant funding

## 1.8. Promoting Body:

Tunbridge Wells Borough Council and Kent County Council



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

Paul Taylor – Director of Change and Communities, Tunbridge Wells Borough Council

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

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

Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
Local Authority Funding	12,810,602	Secured
National Lottery Heritage Fund	4,969,900	Secured
Arts Council England	886,250	Secured
Fundraising	541,638	Secured
SELEP	1,400,000	Unsecured
Total project value	20,608,390	

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

£1,400,000 from Getting Building Fund

#### State aid

The education provider is a wholly owned local government provider we therefore do not regard this project as constituting State Aid.

#### 1.12. Exemptions:

[Specify if this scheme business case is subject to any exemptions (and provide details of these exemptions) as per the SELEP Assurance Framework 2020, Section V3.3]

Some of the information is commercially sensitive as it reflects actual tender prices from contractors.

#### 1.13. Key dates:

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

Pre-construction elements:	complete
Basebuild works:	Start date: 13 <sup>th</sup> January 2020
	End date: October 2021 (anticipated)
On-site exhibition fit-out:	Start date: Prior to January 2022
	End date: Prior to March 2022
Opening:	April 2022

Securing the £1.4M from SELEP funding will ensure that the fit-out works can be fully completed and these costs have already been tendered with quotes received and preferred contractor has been identified.

#### 1.14. Project development stage:



Project development stages completed to date			
Task	Description	Outputs achieved	Timescale
RIBA stage 0- strategic definition		Gleeds report	Complete
RIBA stage 1 – Preparation and Brief		RIBA stage 1 brief	Complete
RIBA stage 2 – Concept design		RIBA stage 2 report	Complete
RIBA stage 3 – Developed Design		RIBA stage 3 report	Complete
RIBA stage 4 – Technical design		RIBA stage 4 report and tender pack	Complete
	t stages to be complet		Thursday
Task	Description		Timescale
RIBA stage 5 – Construction	Construction is under way with Wilmott Dixon Interiors		Due to finish in October 2021 and waiting confirmation
RIBA stage 6 – Handover and Close Out	which the fit-out company can be Octob		Due to finish in October 2021 and waiting confirmation
On-site Exhibition Fit-out	Procurement completed with contractor By or before March ready subject to securing the funding 2022		
Opening			April 2022

## 1.15. Proposed completion of outputs:

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

Completely refurbished and part new build library, museum, adult education complete by April 2022.

Library and Museum – Total of 2137 sq.m of usable space that is open to public out of which 1,121 sq.m is newly created space by April 2022.

Adult Education – Total of 758 sq.m of learner space, out of which 113 sq m of learner space is newly created space as part of redevelopment by April 2022.

Local job creation and local businesses benefit from the increased use of the redeveloped facility from April 2022 onwards.

Well-being benefits from exposure to arts and culture and library from April 2022 onwards.

Longer term sustainability of Tunbridge Wells cultural infrastructure from April 2022 onwards.

Growth in creative industries supply chain from April 2022 onwards.

Opportunities for business growth from April 2022 onwards.

Wider access to cultural and creative education from April 2022 onwards.



## 2. STRATEGIC CASE

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

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

## 2.1. Scope / Scheme Description:

The Project will bring together innovative, integrated services and transformed historic buildings to revolutionise our Museum, Art Gallery, Library and community education facility, creating a new model for accessible heritage and cultural services.

Bringing our listed buildings up to date, and integrating them to give superb access for all, will enable diverse, exciting activities – learning, training, volunteering, community engagement and audience development – for many thousands of participants each year; and wider exploration of our rich resources reflecting the stories of the people of Tunbridge Wells, the town, the Borough and High Weald. The project will address pressing risks to this heritage and bring Tunbridge Wells' story to life and will seek to attract up to 480,000 visits each year and 18,000 learners coming to the site will receive over 4,233 formally accredited qualifications per annum.

## Background and context

The Museum & Library building was built in the 1930s but because of wartime financial constraints was not finished to its original specification. It still had its 1930s heating system controlled from the nearby Assembly Hall Theatre. Pipework throughout the building was corroding and the collections were at significant risk from water damage and poor environmental conditions in the basement. There have been major incidents of water leaks into the Museum stores in the last 10 years and more recently, incidents of sewage leaks, damaging the local studies collections - some items irreparably. There were perennial problems with roofs, with frequent patching of leaks that threaten displays and mark floors and ceilings. This was especially acute over the Art Gallery, a constant threat to collections and touring exhibitions on display.

Whilst conceived nearly a decade before the Covid-19 Pandemic, The Amelia Scott will play a vital and significant role in promoting the recovery from the crisis. As a 'destination town', Royal Tunbridge Wells' relies heavily on the visitor economy and The Amelia Scott will play a pivotal role in attracting visitors to the town and supporting local shops, restaurants and other venues. It will also support local employers, attract and retain staff and respond to the challenges being faced by the high street ('doing what Amazon cannot do'). It will also support our strong and vibrant creative economy (Nesta lists creative industries in Tunbridge Wells as contributing £313.41 million to the local economy and as ranking 20th in the UK).

#### Scheme benefits

The scheme will yield substantial economic, educational, environmental, creative and cultural benefits. The educational benefits of the Amelia Scott are very significant. It will offer adult education courses with 3,000 enrolments per annum, out of which about 250 will be for accredited courses. The completed building will provide 4137sqm of new or improved learning/training floor space. This will include 1121sq. m of additional floor space for museum and library uses.



There will also be environmental benefits to the scheme. The project has sustainability at its core turning inefficient listed buildings into a BREEAM Very Good building.

There are a number of potential benefits to the local and wider economy the Project as identified in economic impact assessment study:

- Generation of direct and indirect economic activity in the local economy of just over £6.54 million per annum in its full operation, representing an increase of £3.35 million from the current impact of the existing services (the Library and Museum & Art Gallery), which is estimated at £3.19 million;
- Job generated and safeguarded as a result of redevelopment
- The number of construction jobs created by the scheme is 204.6
- For each £1 that the Borough and County provide in ongoing subsidy for services in The Amelia Scott (from its completion), The Amelia Scott could generate an estimated £5.58 in economic activity in the Tunbridge Wells and High Weald economy. Please note however that this does not include the cost of the capital works as these are funded from grant and a combination of sources

There will be substantial benefits from The Amelia Scott in terms of enjoyment, learning, promoting the cultural life of the town and the development of skills and confidence of residents. The wider economic role of the Cultural and Learning Hub could provide a number of significant catalytic and strategic added value impacts in terms of profile and reputation, educational and community development impacts, as well as supporting partners in delivering their own priorities. These potential benefits could include:

- A reputation for Tunbridge Wells as a hub for creative businesses in the South East region, providing a high quality working environment which could attract creative and other new business to the town;
- The facilitation of new creative business start-ups which could encourage investment in Tunbridge Wells and the High Weald;
- Increasing the profile of Tunbridge Wells as a visitor destination;
- The Museum & Art Gallery will have the opportunity to become established as a key visitor attraction for the region;
- A promotion of the quality of life for the town, with a more vibrant arts and cultural offer and an improved and more accessible learning provision
- Attracting graduates and talent to Tunbridge Wells;
- Promoting well-being; and increasing opportunities for participating in volunteering and learning and outreach programmes

## 2.2. Logic Map

#### See overleaf

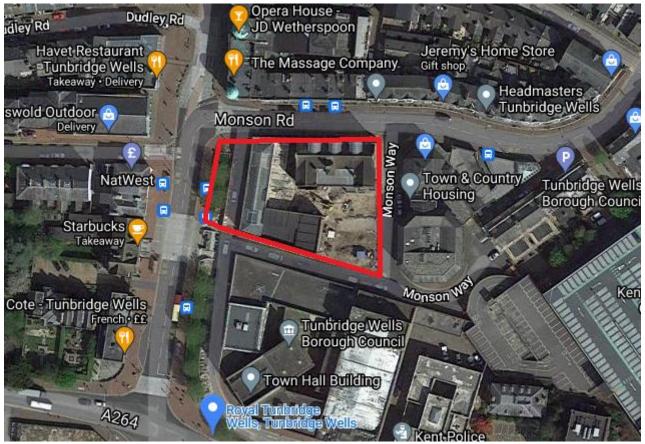


Inputs	Outputs	Outcomes	Impacts
For all schemes:	For all schemes:	Influenced by details in	This is not required for a grant
Take from section 1.10 / Financial Case	Influenced by detail in section 3.2.	sections 2.1, 3.4, 3.5, 3.10 For schemes of £2m of	request of less than £2 million. However, we anticipate that impacts will include:
Grant Spend	Completely refurbished and part	funding or less:	Local job creation and local
£5,856,150 Matched Contributions Spend	new build library, museum, adult education.	18 additional jobs created for the library and museum space	business benefit from the increased use of the redeveloped facility
£12,810,602	Library and Museum – Total of 2137 sq.m usable space that is	204.6 construction jobs	Well-being benefits from exposure
Leveraged Funding £541,638	open to public out of which 1,121 sq. m is newly created space.	created 50 NVQ Level 2 and 5 NVQ	to arts and culture and library Longer term sustainability of
	Adult Education – Total of 758	Level 3 additional leaners per annum who will achieve	Tunbridge Wells cultural
	sq.m of learner space, out of which 113 sq m of learner space is newly created space as part	their aim post enrolment in the Adult Education Centre.	Growth in creative industries supply chain
	of redevelopment.	3,227 additional library users per annum.	Opportunities for business growth
			Wider access to cultural and creative education



## 2.3. Location description:

The Museum, Library and Adult Education Centre occupy adjacent purpose-built Grade II listed buildings in the centre of Tunbridge Wells. The buildings themselves are valued examples of the work of notable civic architects that have survived in their original uses: the Adult Education Centre (1902) was designed by Henry Thomas Hare and the Library & Museum forms part of the 1930s Civic Centre by Percy Thomas and Ernest Prestwich. The scheme proposes internal structural alterations, demolitions, renovations and repairs to the two existing buildings, and the construction of two new elements of build (an infill structure between the current AEC and the Museum and Library, as well as a rear extension).



Amelia Scott Site – google maps

## 2.4. Policy context:

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

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

#### National policy context

The Amelia Scott is fully consistent with the focus within the National Planning Policy Framework on 'ensuring the vitality of town centres', and which notes the need to support their vitality and



viability by ensuring a diverse range of uses to keep pace with changing economic demand<sup>1</sup>. Aside from this, the Culture White Paper (2016) notes the role that cultural infrastructure can have in boosting local economic growth and supporting stronger communities, while the Industrial Strategy White Paper (2017) highlights the role that individual towns and local authorities can play in responding to the local impacts of economic change, within the context of LEP and national strategies.

## Regional and sub-regional policy context

The South East LEP's Smarter, Faster, Together, Towards A Local Industrial Strategy December 2018 recognises that much of the growth will be in existing settlements in the South East and that this provides an opportunity to offer an increased range of employment and educational and cultural infrastructure. In particular the Strategy sets out in Priority 4, Creating Places seeks as a priority to support quality of life and quality of place. It is emphasised (page 48) that it seeks to support – and maximise – investment in those assets that deliver long term quality of place and distinctiveness highlighting that this includes the role of cultural infrastructure. While Priority 2 Developing tomorrow's workforce identifies (page 36) the support for capital investment in further and higher education capacity that our growing population and business base needs to succeed.

In response to the Pandemic the SELEP Economic Recovery and Renewal Strategy, March 2021 in Strategic Priority 3 Communities for the Future sets out (page 20) to work with partners across the SELEP area to share the learning and innovation that will promote ground-breaking design in new communities. This includes the support for future design of work and cultural space as a means of reinvigorating town centres and high streets alongside the creation of shared workspaces and cluster environments to enable business collaboration, innovation, and strengthened supply chains. It should also be noted that the South East Creative Economy Network, a working group established and supported by the LEP, published a prospectus for the growth of the creative economy highlighting the links between cultural infrastructure and the growth of the wider creative sector.

Beyond published plans, SELEP has a strong track record in supporting investment in cultural and skills-based infrastructure as part of integrated town centre economic growth strategies: recent examples include investment in the Mercury Theatre in Colchester and the Devonshire Park scheme in Eastbourne. Amelia Scott is therefore consistent with SELEP's historic approach and would ensure that SELEP has also supported cultural and skills-led regeneration in the heart of the SELEP region.

## Local policy context

The local policy context for the development of the Amelia Scott is clearly established. Specifically:

• Tunbridge Wells Borough Council's *Five-Year Plan* agreed in 2014 set out the Council's mission to be an "enabler of change", encouraging economic growth and investment in the Borough and ensuring that the infrastructure is in place to support it. The Plan identified the Council would develop a cultural and learning hub which will attract visitors to Tunbridge Wells from Kent, Surrey and East Sussex.



- The successor Five Year Plan, agreed in 2017, confirmed these commitments, in the context of a commitment to develop Royal Tunbridge Wells as "the cultural capital of the Kent and Sussex Weald", and in the eight priority projects to further encourage tourism and investment in the economy, work has started on providing a new Cultural and Learning Hub (Amelia Scott) in Royal Tunbridge Wells
- The Council's approach to the development of the cultural economy is further set out in the *Cultural Strategy*, which sets out an ambition to ensure that Tunbridge Wells is "nationally recognised for its vibrant cultural provision", a priority being the redevelopment of Tunbridge Wells Museum & Art Gallery ...... to enable more people to have an opportunity to participate in culture with a further action to ensure that Tunbridge Wells Museum & Art Gallery ...... have participatory programmes that are inspirational and inclusive

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- The Council's approach to the development of the cultural economy is further set out in the *Cultural Strategy*, which sets out an ambition to ensure that Tunbridge Wells is "nationally recognised for its vibrant cultural provision", a priority being the redevelopment of Tunbridge Wells Museum & Art Gallery ..... to enable more people to have an opportunity to participate in culture with a further action to ensure that Tunbridge Wells Museum & Art Gallery ...... have participatory programmes that are inspirational and inclusive.

#### Kent County Council- Interim Strategic Plan

Economic challenge – we will streamline services and bring them together to drive efficiencies and maintain services.

Partnership challenge – we will continue to work with our partners and seek new models for delivering our services.

Environmental Challenge – the new facility will meet BREEAM Very Good and have a number of environmental technologies to lower its carbon footprint.

#### Counter-recessionary policy

This specific proposal to Getting Building Fund is also cast in the context of the Government's counter-recessionary policy. In particular, GBF is intended to bring forward development in the short term, whereby doing so it will create economic activity and unlock investment that would not



have otherwise taken place. The Amelia Scott scheme is underway, but maybe stalled prior to completion.

## 2.5. Need for intervention:

The need for intervention to bring forward the Amelia Scott is set out above. It has been accepted by Tunbridge Wells Borough Council, National Lottery Heritage Fund, Arts Council England and KCC in their respective decisions to invest, and it has also already been accepted by SELEP in its previous decision to put it on the waiting list.

The specific need for Getting Building Fund intervention at this point is to cover the issues that have arisen as a result of Covid-19 and other market related uncertainty and will ensure that the project is now delivered.

The need for intervention through Getting Building Fund hinges on why TWBC as the project promoter cannot bear this risk. The reasons are as follows:

- In response to the impact of Covid 19, and the additional cost burdens brought about by the pandemic and ongoing market uncertainty, TWBC conducted a review of its capital programme. This review sought to stop projects that are considered 'non-critical'.
- While the Amelia Scott development is viewed as 'non-critical', it is also classed as a high priority scheme given that it was already under construction and given that longer term educational benefits it will bring to the town through tourism. As such, it has been allowed to continue.
- The additional hit on capital costs is however problematic, as TWBC is not in a position to give any further increases in capital contributions to cover this shortfall. Capital projects for most other schemes are on hold however part of the Amelia Scott will deliver statutory services including Gateway services, library service, birth and death registration and some ancillary services.

This will therefore mean a delay in the absence of additional funding. But this delay is likely to mean that the National Lottery Heritage Funds and the Arts Council England funding terms and conditions will be breached, resulting in TWBC having to hand these back and putting even more pressure on the project.

There is therefore an evidenced need for a modest grant intervention at this point to cover the shortfall and unlock the scheme and its partner funding.

## 2.6. Sources of funding:

[Promoters should provide supporting evidence to show that:

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

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



Total project value	20,608,390
SELEP	1,400,000
Fundraising	541,638
Arts Council England	£886,250
National Lottery Heritage Fund	£4,969, 900
Local Authority Funding	£12,810,602

#### Alternative sources of funding

The case for public sector funding in general terms is that public sector funds will support the education sector, statutory services and the tourism economy and reflects a public good.

At this stage, the alternatives to Getting Building Fund are as follows:

**Option 1**: TWBC covers the shortfall – This option was considered in TWBC's review of the capital programme, and despite considerable extra funds already having been put in, will need to consider the option of doing less and or slowing delivery. The pandemic has vastly diminished TWBC's income from car parking, leisure centres etc. while costs have dramatically risen leaving the council with both a capital and revenue problem. It is therefore not possible in current financial circumstances for this option to proceed.

**Option 2**: KCC increases its investment – KCC is investing in the project in order to ensure delivery of the services in the building and it is under the same pressures as TWBC and has also already contributed further funds. Following further discussions KCC has confirmed it can no longer continue to support the scheme and the Collaboration Agreement with TWBC clearly specifies that any shortfall in the project is to be picked up by TWBC.

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

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

Without GBF intervention, there will be a delay in developing the site. As the costs of the Amelia Scott would not be fully met, partner contributions would become at risk. Most notably the NLHF and ACE capital grants totalling £5,856,150 become at risk due to potential breaches of their terms and conditions. This would lead to an economically worse outcome compared with the present situation, in that:

- The construction of the building would be complete but the fit out would only be partially complete meaning moth balling part of the building.
- Those elements left homeless would need to find other accommodation and or cease to trade and or do less.
- Potentially puts TWBC in breach of its Collaboration Agreement with KCC.



The considerable 'sunk' investment in the scheme from the construction element would not be entirely lost, as it would be possible to develop an alternative approach to the building in due course. The opportunity of developing a West Kent cultural hub to rival Turner Contemporary and the Beaney in the East of the County would be lost.

## 2.8. Objectives of intervention:

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

Project Objectives (add as required)

Objective 1: Creating learning opportunities leading to sustainable employment

Objective 2: Growing the tourism sector in West Kent and creating a fit for purpose facility for a major cultural facility in Kent

Objective 3: Developing the distinctiveness of Tunbridge Well's economy

Objective 4: Making better and more productive use of a semi derelict site

Problems or opportunities the project is seeking to address:

Opportunity 1: Opportunity to enhance skills in the local area

Opportunity 2: Investment from NLHF and ACE into a significant learning and cultural facility in Royal Tunbridge Wells

Opportunity 3: Site in public ownership that can be brought forward for productive development

Problem 1: Lack of culturally significant facility in West Kent to grow the visitor economy



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

	Problems / opportunities identified in Need for Intervention section			
	Obj 1: Creating learning opportunities leading to sustainable employment	Obj 2: Growing the tourism sector in West Kent and creating a fit for purpose facility for a major cultural facility in Kent	Obj 3: Developing the distinctiveness of Tunbridge Well's economy	Obj 4: Making better and more productive use of a semi derelict site
Opp 1: Opportunity to enhance skills in the local area	$\checkmark \checkmark \checkmark$	$\checkmark\checkmark$	$\checkmark \checkmark \checkmark$	$\checkmark\checkmark$
Opp 2: Investment from NLHF and ACE into a significant learning and cultural facility in Royal Tunbridge Wells	$\checkmark \checkmark \checkmark$	$\checkmark\checkmark$	$\checkmark\checkmark$	$\checkmark$
Opp 3: Site in public ownership that can be brought forward for productive development	~~	V	V	~ ~ /

## 2.9. Constraints:

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

There are no major constraints associated with the project. Planning permission is in place and the site is all in the ownership of TWBC and work is underway.

There are no issues associated with powers or consents.

It should be noted that the terms for the Deed of Dedication required by Arts Council England will fetter the Amelia Scott building for 20 years as will the requirements of the NLHF grant funding.

## 2.10. Scheme dependencies:



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

TWBC has entered into three major legally binding documents requiring it to deliver on a number of outcomes and outputs.

- 1. NLHF legal agreement based on delivering the "approved purposes"
- 2. Arts Council England Deed of Dedication based on delivering a number of artistic pieces as part of the Furniture Fit out.
- 3. Collaboration Agreement with KCC based on delivering the project to time and in accordance with the development agreement and lease plans

## 2.11. Expected benefits:

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

The development of the Amelia Scott is anticipated to deliver a number of benefits relating to education and skills development, employment and the growth of the cultural and tourism economy.

In addition, there are likely to be indirect benefits in the form of enhanced perceptions of Royal Tunbridge Wells as a tourism destination and to the delivery of TWBC overall growth strategy. Benefits are set out in greater detail in the Economic Case.

#### 2.12. Key risks:

A comprehensive risk register has been drawn up and is attached as Appendix C. The key risks extracted from this are:

- Risk that impacts of the Coronavirus outbreak may continue to increase costs leading to a capital shortfall and that the furniture fit out element has to be scaled back and or be suspended and or the wider programme of works continues to be delayed.
- The risk of wider economic downturn may result in less demand opportunities to let space/run events/run learning activities. This may have a sequential impact on other income generating activities which will be needed to support the educational activities in the building
- The budget for the construction (delivery) phase of the project has been exceeded as a result of the pandemic, market conditions and the unknowns/ working with two grade 2 listed buildings.
- Delay to opening the facility if funding cannot be secured in time.



# 3. ECONOMIC CASE

## 3.1. Options assessment:

The following section describes the options considered as part of site selection, design and development phase and shows when the project's capital cost exceeded the initial cost estimates.

## Site Selection – The Long list

The options assessment for the Culture and Learning Hub (the Hub) was undertaken in 2013. At the initial feasibility stage, the consultants established the concept which sought to deliver the main services including adult education, library, museum and art gallery with a number of additional services and organisations also included within the Hub. While the needs analysis carried out concluded that while the existing facilities and locations were broadly good, going forward there was the need for modernisation and updating to maintain a high quality and effective centre. As well as the broader synergies for the partners, there was a clear need to provide better, more flexible space and additional services that would complement and enhance the offer including, for example, a cafe. Twelve sites in the Town centre were assessed based on their size and their ability to support the centralised "Hub" concept, proximity to key facilities (e.g. Assembly Hall Theatre (AHT) and Trinity Arts Centre), transport links, footfall and ownership/availability.

The twelve sites that were considered are listed below:

- 1. Registry Office, Grove Hill Road;
- 2. Great Hall Car Park;
- 3. Gateway;
- 4. Town Hall;
- 5. Vacant Units within Victoria Place;
- 6. Camden Centre;
- 7. Mount Pleasant Avenue;
- 8. Old Cinema Site;
- 9. Police Station;
- 10. Pantiles;
- 11. Theatre; and
- 12. The existing site.

The following is the qualitative scoring matrix which was used as part of the options assessment which has informed the shortlisted options:



Site\Criteria	Size Pass / Fail	Proximity to AHT & Trinity Arts Centre	Transport + Parking	Footfall / Frontage	Ownership / Availability	Marks P / F	Score (out of 40)	Rank
Registry Office	F	0	3	0	10	Fail	13	12
Great Hall Car Park	Ρ	5	10	7	0	Pass	22	9
Gateway	F	3	10	10	10	Fail	33	4
Town Hall	Ρ	10	10	10	7	Pass	37	2=
Royal Victoria Place	F	3	10	10	0	Fail	23	8
Camden Centre	F	3	10	5	0	Fail	18	10
Mount Pleasant Ave	Ρ	7	10	3	10	Pass	30	5=
Cinema Site	Ρ	10	10	10	0	Pass	30	5=
Police Station	F	10	10	7	0	Fail	27	7
Pantiles	F	0	10	10	0	Fail	17	11
Theatre	F	10	10	7	10	Fail	37	2=
Existing Site	Ρ	10	10	10	10	Pass	40	1

# Site Selection – The Shortlist

The scoring matrix described above resulted in the following shortlist of sites which was further analysed:

- The Great Hall Car Park
- Town Hall
- Pantiles
- Cinema Site
- The existing site

The existing site score was the highest with Town Hall being the next best option, however the Town Hall option was not feasible due to its current use. The feasibility work concluded that in site terms, the existing site is by far the most appropriate as well as the preferable site in accommodating the new Cultural and Learning Hub. The '*do nothing*' option on the existing site was not an option as it would not deliver against the Hub vision (See Do – Nothing option below). As a result, a



refurbishment / extension option on the existing site was the preferred option as it met the core criteria.

# **Design Options Appraisal and Shortlisting**

Within the design process, the following options were considered for the Hub:

**Option 1:** This design proposal was a less invasive connection to the two basements. It also provided an open space in the form of a courtyard style as well as enabling the site to include a new extension to the south eastern side. Opportunities for this proposal included better connectivity whilst also respecting the two existing buildings with the new proposal acting as the second wing. This tied in neatly to the narrative and the development of the site.

**Option 2:** This design considered an alternative connection to the basements whilst primarily extending only on the ground floor. This proposal intensified the footprint of the site but retained existing dominant heights of the two existing buildings.

**Option 3:** This design proposed minimising intervention on the ground floor and creating a second floor on the existing museum and library building. This proposal also provided the space required but would have required intensive structural design.

Option 4 - Do nothing: The original museum and library building was built in the 1930s but because of wartime financial constraints, was not finished to its original specification. It has its 1930s heating system controlled from the nearby Assembly Hall Theatre. Pipework throughout the building was corroding and the collections were at significant risk from water damage and poor environmental conditions in the basement. There had been three major incidents of water leaks into the Museum stores in the last 10 years and two further incidents of sewage leaks which have damaged the local studies collections - some items irreparably. There are perennial problems with the roofs, with frequent patching of leaks that threaten displays and mark floors and ceilings. This was especially acute over the Art Gallery, a constant threat to collections and touring exhibitions on display. The collection store had no environmental controls and collections were stored in cramped conditions in basement rooms. Although the collections were well packaged and have regular conservation checks, they suffered from great seasonal ranges of humidity and temperature and from dirt and dust, inappropriate fittings and surfaces. The collections on display required even more attention as the humidity ranges are greater above ground level. In summer conditions, inside can become very hot and humid, placing at risk our collections and making very unpleasant conditions for visitors. Hence the building in its original condition could not deliver the project aims and objectives.

As a result, the design option - Option 1 that best aligned with the budget and requirements set out by development partners (including Arts Council and National Lottery Fund) was chosen as the preferred design in 2013.

## Increased capital cost and options considered.

Costs at the outset of the project were anticipated to be £16.5M (Oct 2019). Following impacts on the construction industry such as Brexit and Grenfell, the overall cost increased to £20.6M. TWBC have



mostly secured funding for this £4.1M shortfall however there remains c.£1.4M to be secured in order to now complete the project with TWBC ultimately accountable for any overspend.

The £1.4M will be used for the fit out of the redeveloped facility which will allow timely completion of the project by April 2022.

The following are options that were considered for reduced funding of c.£19.2M.

Options	Implications	Conclusion
Do Nothing Option – Manage with existing funding	Delivering the project with the remaining funds will result in re-using previous furniture and or mothballing parts of the building until these can be properly fitted out. This will put TWBC in breach of legal agreements with Arts Council England and Nation Lottery Fund which require the project to be completed to agreed design specification and within agreed timeframe. See Appendix H and I for Terms and Conditions of the grant Funding)	This option puts the entire delivery of the project at risk. The grant funding amount of £4.96 million from National Lottery Fund and £0.88 million from Arts Council will have to be repaid if in breach of the legal agreement.
Delay fit out	Delays in programme will put TWBC in breach of legal agreements with Arts Council England and Nation Lottery Fund which require the project to be completed to agreed design and within agreed timeframe. See Appendix H and I for Terms and Conditions of the grant Funding)	This option puts the entire delivery of the project at risk. The grant funding amount of £4.96 million from National Lottery Fund and £0.88 million from Arts Council will have to be repaid if in breach of the legal agreement.
Seek Additional funding – Preferred Option	Additional funding of £1.4 million will ensure that the project objectives are met and allow for timely completion of the project.	This is the preferred option. The SELEP funding will be critical to close the gap and ensure the timely completion of the whole Project as specified.

## 3.2. Preferred option:

Seeking alternative funding is the preferred option and the only option on the basis that it will:

- Not put at risk the NLHF grant funding (£4.96M);
- Not put at risk the ACE grant funding (£0.88M);
- Delivers the target learner numbers;
- Deliver the attraction as per agreed design specifications;



- Avoids considerable sunk costs from the project not being complete and not delivering the objectives; and
- Delivers on partner aspirations.

## 3.3. Assessment approach:

The Amelia (referred to as the Project) is an integrated centre housing a range of arts, heritage, culture, and library and learning facilities. The following tables provides breakdown of various services within the redeveloped facility.

	Area (sq. m)
Library	
Library	548
Registration	41
Museum and Art Gallery	
Museum and Art Gallery	1,532
Culture Centre Staff Facilities	16
Education	
Adult Education	583
Activity Spaces	175
Gateway	
Gateway Services	77
Café	
Café	103
Support facilities	
Other support facilities	1,062
Total	4,137

The facilities provided within the building prior to redevelopment included:

	Area (sq. m)
Library and Museum	
Library and museum space	1,016
Adult Education	
Adult Education	6.46
Total	3,577

The redevelopment creates 1,121<sup>2</sup> sq. m of new space for the museum and library 113 sq. m of new space for the adult education facility. The redevelopment also safeguards activities which would otherwise be lost due to the dilapidated condition of the original facility (Reference Case).

The Project is a redeveloped facility that will be an important cultural and heritage landmark in the town that will:

• Attract 440,000 visitors per annum.



- Offer library facilities for 10,000 active borrowers.
- Employ an additional 18<sup>3</sup> full time equivalent staff for the museum and library space.
- Offer adult education with 3,000 enrolments per annum, out of which about 250 will be for accredited courses.
- Provide gateway services to access essential council services.
- Provide a Tourist Information Centre (TIC).
- Provide a cafe

It must be noted that the numbers for library and adult education centre users above are based on 2015/ 2016 numbers when the facility was functioning at capacity pre-pandemic. The new redeveloped facility provides a higher quality space with a building design that allows for enhanced social and cultural experience. This should result in higher usage levels as the restrictions around COVID and use of public space return back to normal. For the purposes of the economic case, the additionality assumptions for the number of library and adult education users are based on the assumption that the Project will be able to attract (as a minimum) the users that were lost over time due to the condition of the facilities and the capacity that was lost due to the ongoing redevelopment.

## **Quantitative impacts**

The Project has the following three main components which will inform the quantitative assessment approach:

- **The Museum and Library Space:** the enhanced space and visitor experience within the redeveloped facility will result in increased footfall from visitors and library users. The wellbeing value associated with the additional library users as a result of the Project forms part of the quantitative analysis.
- Adult Education Centre: The adult education centre provides learning spaces that will attract increased numbers of learners. The economic value of the additional annual earnings gain per employee as a result of achieving the NVQ Level 2 and NVQ Level 3 qualifications informs the quantitative analysis.
- **Employment:** The additional jobs created as a result of the redevelopment and the resulting Gross Value Added effects within the economy.

#### **Qualitative impacts**

The Project is a centre that promotes arts, culture and learning. It is a destination that is anticipated to attract more than 400,000 visitors per annum<sup>4</sup> which will have long term impacts on the local and wider economy.

The qualitative impacts include the following:

• **Visitor economy:** The Project will host temporary events and exhibitions related to arts, culture and heritage. The increased footfall will result in direct, indirect and induced spending within the local economy.

<sup>&</sup>lt;sup>3</sup> Gross additional employment generated in Full Time Equivalent

<sup>&</sup>lt;sup>4</sup> 2014, Gleeds, Economic Impact Assessment for New shared cultural and learning hub for Tunbridge Wells South East LEP Capital Project Business Case Page 23 of 65



- Arts and Culture: Learning Services from the Arts & Heritage team will be available to adults and secondary and primary school pupils on an outreach basis. This will result in wellbeing impacts of culture for the wider population. (See 1.6 Benefits for further details)
- Health and Education Impacts: Attending cultural events is proven to have both health on audience and education impacts on children attending. (See 1.6 Benefits for further details)

## 3.4. Economic appraisal assumptions:

The table below presents the key appraisal assumptions, rationale and the sources.

Appraisal Assumptions	Details	Source			
Discounting	3.5%	The Green Book 2020 guidance			
Appraisal period	10 year period from first year of re-opening currently proposed Summer 2021 as per programme	The Green Book 2020 guidance			
Deadweight	The number of library users, learners and employees before closure of the facilities for renovation (pre-pandemic).	Employment :Tunbridge Wells Borough Council Business Plan 2020 Library: Kent County Council, Libraries, Registration and Archives, 2015- 2020. Learner numbers: Kent Adult Education – Kent training and Apprenticeships, 2017- 2020			
Leakage	7% leakage 93% of people working in Tunbridge Wells live within SELEP area	Office of National Statistics: WU01EW - Location of usual residence and place of work (MSOA level) ,2011 census data extracted in September 2021			
Displacement	Learners: Low Displacement: 25% as activities before redevelopment is currently operational at alternate locations and expected to move back in once the Project is complete. Library: High displacement 75% as borrowers may have switched to other libraries within the region and	Homes and Communities Agency Additionality guide. Ready reckoner (2014).			
Employment Density	continue to use the same.An average density of 64 squaremetres per FTE employee. This isbased on employee numbers for theredeveloped facility as per BusinessPlan.	Employment: Tunbridge Wells Borough Council Business Plan.			



Optimism bias	4% Non-standard building OB applied due to demolition and refurbishment. Lower level due to project currently being under construction and in RIBA stage 5.	Supplementary Green Book guidance- Optimism Bias, 2013
Present value year	2020/2021	

## 3.5. Costs:

The overall capital cost of the Project is £20.6 million. The following table provides the breakdown of funding secured and the requested SELEP funding support of £1.4 million that will be required for the fit out and completion of project for an anticipated opening in April 2022. The Fit Out Contractor Procurement Tender Report (See Appendix J) provides details of the various quotes received for the fit out, the preferred contractor and the contingency assumptions.

Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
Local Authority Funding (Operational role)	12,810,602	Secured
National Lottery Heritage Fund	4,969,900	Secured
Arts Council England	886,250	Secured
Fundraising	541,638	Secured
SELEP	1,400,000	Unsecured
Total project value	20,608,390	

## 3.6. Benefits:

## **Initial Benefits:**

The following are the benefits that have been used within the Initial Benefits calculation for the project:

# 1. Additional Learners within Adult Education Centre:

The learning centre in 2017/ 18 had 3,000 enrolments with 234 enrolled in accredited courses. This has reduced in 2019/20 to 1,284 enrolments and 27 enrolled in accredited courses. The 2017/ 18 learner numbers achieving their qualifications at NVQ Level 2 and Level 3 were 75 and 15 respectively but this dropped to 5 and 15 in 2019/ 20.

The Project will provide a high quality learning experience which will be able to attract learners and offer facilities that will allow for additional courses. As a conservative assumption, it is assumed that the redevelopment will be able to attract 2017/18 learner numbers. Hence the Project is assumed to result in 70 additional NVQ Level 2 learners and five NVQ Level 3 learners who will achieve formal qualifications.



The unit cost data base<sup>5</sup> estimates the economic value of additional earnings that result from obtaining a qualification. The annual benefit has been calculated by dividing the economic value for an average working lifetime (40 years) by 40. The economic value per learner used for the benefit calculation is £641 and £1,334 in 2020/21 prices for NVQ Level 1 and 2 qualifications respectively. This results in a gross economic impact (at present values) of £2.59 m. Additionality assumptions of deadweight, leakage and displacement is then applied to the gross economic impact which results in a net impact (at present values) of £1.2 million.

# 2. Gross Value Added – Additional Employment

The redevelopment will result in 1,121 sq m of additional redeveloped library and museum space. Based on a low employment density of 64 sq m per employee (FTE) of the previous facility, an additional 18 jobs will be created as a result of the redevelopment. It must be noted that the redeveloped facility is envisioned to host a large number of public events and exhibitions and also includes café space and outdoor areas which will contribute towards the job creation. Based on average Gross Value Added for Tunbridge Wells of £26,029 per job over 10-year appraisal period results in £2.66 m (present value) in benefits.

# Adjusted Benefits:

# 1. Wellbeing Value - Library users

The library visitors and borrower data indicate that in 2015/16 the library had 291,041 visitors and 10,109 borrowers which fell to 185,287 visitors and 6,211borrowers by 2020. The redeveloped project will include enhanced library and museum space which will provide a high-quality library experience. As a conservative assumption for the benefits analysis, it is assumed that the library will at minimum be able to average borrower levels that occurred within the 2015-2018 period. This implies an additional 3,227 borrowers will use the library once it opens. When a high and conservative rate of displacement of 75% is applied to the user numbers (as per ready reckoner<sup>6</sup>), this results in 807 additional users for the library.

The assessment adopted the HMT Green Book recommended approach to wellbeing valuation, following the research for DCMS (Fujiwara 2014a)<sup>7</sup>. The research found that library engagement is associated with higher levels of wellbeing and provides an estimate of £1,359 per person per year for individuals participating using library services.

This results in £10.5 million in present value (PV) benefits over 10 years.

# 3.7. Local impact:

In addition to the benefits described above, the Project has the potential to create the following local economic impacts listed below. It must be noted that the impacts listed below has not been

<sup>7</sup> Department for Culture, Media and Sport, 2014, Daniel Fujiwara, Laura Kudrna ,Paul Dolan, Quantifying and Valuing the Wellbeing Impacts of Culture and Sport South Fact LEP Capital Project Ruciness Case

<sup>&</sup>lt;sup>5</sup> The Greater Manchester Combined Authority Research Team, Unit cost database , updated April 2019

<sup>&</sup>lt;sup>6</sup> Homes and Communities Agency Additional guide. Ready Reckoner (2014)



quantified and included within the BCR. The monetised value head person has been included to indicate the potential impact the Project can have on the local and wider economy:

1. Local Job creation and local businesses benefits: The redeveloped facility is anticipated to host a large number of events and exhibitions related to local arts, culture and heritage. This will result in some additional local job creation and apprenticeships as well as benefits to the local business community through positive supply chain effects. The resulting positive benefits are currently not included within the BCR calculations.

# 2. Education Benefits of Arts Participation -Lifetime Earnings Premium

The library will be hosting various events for children. Research for DCMS (Fujiwara, 2014b) suggests that children participating in arts are 14.1% more likely to report an intention to go on to further education. Further education is associated with additional lifetime earnings, and the estimated increase in lifetime earnings as a result of participation in arts is £56,400. The resulting positive benefits are currently not included within the BCR calculations.

## 3. Health Impact - NHS Costs Savings from Arts Participation

Attending cultural events as an audience member (such as cinemas, theatres and exhibitions) drives further societal benefits by improving an individual's health. The methodology to calculate this benefit follows the also follows research for DCMS by Fujiwara (2014b). This suggests that individuals who attend cultural events report improved health outcomes. The improved health effects produce social benefits and are associated with an estimated NHS cost saving of £37.42 per person per year. The resulting positive benefits are currently not included within the BCR calculations.

## 3.8. Economic appraisal results:

The following table provides details of the appraisal results. The benefit to cost ratio model can be found in Appendix K. Options analysis

	DCLG Appraisal Sections	Preferred Option	Option 2 relative to status quo (Do Minimum)
A	Present Value Benefits [based on Green Book principles and Green Book Supplementary and Departmental Guidance (£m)]	£3.86 m	Not Applicable
В	Present Value Costs (£m)	£1.40 m	Not Applicable
С	Present Value of other quantified impacts (£m)	£10.57 m	Not Applicable
D	Net Present Public Value (£m) [A-B+C]	£13.03 m	Not Applicable
Е	'Initial' Benefit-Cost Ratio [A/B] including Optimism Bias	2.66	Not Applicable



	DCLG Appraisal Sections	Preferred Option	Option 2 relative to status quo (Do Minimum)		
F	'Adjusted' Benefit Cost Ration [(A+C)/B] including Optimism Bias	9.92	Not Applicable		
G	Significant Non-monetised Impacts	<ul> <li>Wellbeing impacts and other local impacts include:</li> <li>2. Local Job creation and local businesses benefits</li> <li>3. Education Benefits of Arts Participation -Lifetime Earnings Premium</li> <li>4. Health Impact - NHS Costs Savings from Arts Participation</li> <li>See section 1.7 above for details</li> </ul>			
н	Value for Money (VfM) Category	The Project is a cultural facility with potential to create positive wellbeing impacts which will continue to deliver benefits beyond the assumed 10-year appraisal period. The initial BCR of <b>2.66</b> denotes <b>High Value for</b> <b>Money</b> . The adjusted BCR of over 10 presents High Value for Money and indicates the local and wider benefits that are associated with the Project. In addition to the above, the analysis presented within the local economic impact section 1.7 above indicates significant non – monetised benefits.			
I	Switching Values & Rationale for VfM Category	The BCR presented above includes an Optimism Bias of 4%. This is due to RIBA stage 5 of the project and fit-out cost quote from the contractor. As part of sensitivity testing the BCR is tested with higher Optimism Bias of 20%. This results in an initial BCR of 2.3 which denotes High Value for Money and adjusted BCR of 8.5 which represents High Value for Money.			
J	DCLG Financial Cost (£m)				
к	Risks	The project is under construction and tendered quotes for the fit-out has been received. The necessary contingency provision has been included within the cost to completion. TWBC will be the risk owner for any cost overruns.			
L	Other Issues				



## 4. COMMERCIAL CASE

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

## *4.1.* Procurement options:

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

Procurement for this project is complete.

Procurement was undertaken by Kent County Council in line with the Council's overall approach to procurement<sup>8</sup>. The value of works in this case is over the OJEU threshold, so an OJEU competitive process had to be followed.

#### 4.2. Preferred procurement and contracting strategy:

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

The approach taken was to use the Southern Construction Framework which was agreed by both councils in 2018/19.

Given the age of the buildings and the requirement for the client to stay in control a traditional contract was used.

An PQQ was launched in August 2018, with three prospective contractors responding to the PQQ.

Invitations to tender were received on 14 December 2018 and three prospective contractors submitted bids.

Following a tender evaluation process, the tender from Wilmott Dixon Interiors was assessed to be the Most Economically Advantageous Tender and was awarded.

#### 4.3. Procurement experience:

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

Both Kent County Council and Tunbridge Wells Borough Council who jointly oversaw this procurement used their own in-house capital project procurement team and procurement department who are all specialists and have extensive knowledge of capital projects with significant experience of procuring building projects across the borough and county.

## 4.4. Competition issues:

<sup>&</sup>lt;sup>8</sup> https://www.kent.gov.uk/\_\_data/assets/pdf\_file/0017/5534/Spending-the-Councils-Money.pdf South East LEP Capital Project Business Case Page 29 of 65



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

There was a positive response to the ITT, with three bids received, all of which scored highly.

There was no evidence of any competition issues, and we have been satisfied with the competitiveness of the process.

## 4.5. Human resources issues:

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

The risk register highlights potential loss of critical staff as a risk to the project. This is monitored, and mitigation measures have been put in place. These include ensuring that those considered critical to the project have had their contracts amended to include for an extended notice period to ensure no loss of critical knowledge.

## *4.6.* Risks and mitigation:

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

The risk of the project is completely with Tunbridge Wells Borough Council who following signing of all relevant legal agreements, will be solely responsible for delivering the project and holding the financial risk on the project.

The main risks identified in the project Risk Register that will have a bearing on the commercial viability of the project now relate to overspends on the construction impacting on the furniture fit out. The main outstanding revenue risk relates to the new normal post pandemic economic environment due to continued uncertainty regarding what this will eventually look like.

#### 4.7. Maximising social value:

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

During the tender process, prospective contractors were asked to set out their proposals for delivering social value (for example through measures to recruit locally). This was considered during the evaluation of tender proposals.



## 5. FINANCIAL CASE

The Financial Case determines whether the scheme will result in a fundable and affordable Deal. It presents the funding sources and capital requirement by year, together with a Quantitative Risk Assessment (QRA), project and funding risks and constraints. All costs in the Financial Case should be in nominal values<sup>9</sup>.

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

## 5.1. Total project value and funding sources:

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

#### Capital

The total capital cost of the project is £20.6 million. Funding is broken down by funding source as well as by year as follows:

	Pre 20/21	20/21	21/22	22/23	23/24	24/25	Total	
Local Authority Funding	2,076,617	7,358,383	3,064,462	311,140	0	0	12,810,602	
National Lottery Heritage Fund	191,802	2,294,251	1,986,857	0	0	496,990	£4,969, 900	
Arts Council England	0	0	886,250	0	0	0	886,250	
Fundraising	0	0	541,638	0	0	0	541,638	
SELEP	0	0	1,400,000	0	0	0	1,400,000	
Total project value	2,268,419	9,652,634	7,879,207	311,140	0	496,990	20,608,390	

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

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

The project requests Getting Building Fund grant of £1.4M. The basis for the funding requirement is set out in the Strategic Case: it covers the shortfall in expected capital funding, which has

<sup>&</sup>lt;sup>9</sup> Nominal values are expressed in terms of current prices or figures, without making allowance for changes over time and the effects of inflation.



impacted the project predominantly as a result of the Covid crisis, market fluctuations associated with it and the grade two listed building challenges.

In the Council's view, this funding would be sufficient to provide confidence to proceed with the rest of the scheme and deliver on the objectives.

## 5.3. Costs by type:

Detail the cost estimates for the project by year as per the table below (expand as appropriate) and specify how the inclusion of the Quantitative Risk Assessment (QRA) and other overheads aggregate to the total funding requirement. Where conversion has been made between nominal and real cost estimates (and vice versa) please provide details of any inflation assumptions applied. The Financial Case should not include Optimism Bias. Please confirm that optimism bias has not been applied in the Financial Case. Also, include details of the agreed budget set aside for Monitoring and Evaluation, and ensure this aligns with the relevant section in the Management Case. Please note, not all sections of the table may require completion.]

	Expenditure Forecast					
Cost type	Pre 20/21 £000	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000
Capital [For example by stage, key cost elements for construction, and other cost elements such as contingency, overheads and uplifts]	2,114	9,485	7,810	281	0	0
Non-capital [For example revenue liabilities for scheme development and operation]	147	77	216	0	0	0
Activity	7	21	50	136	125	124
Monitoring and Evaluation	0	3	5	5	0	2
Total funding requirement	2,268	9,586	8,081	422	125	126
Inflation (%)						

Inflation – no inflation has been allowed for given that these are actual and tendered costs Cashflow shortfalls will be managed by TWBC in 22/23 and 23/24 Capital outlays in 22/23 are retention on contracts

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

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

#### Unit costs

Capital costs are based on the outcomes of a competitive procurement process, which is now complete.

## **Quantitative Risk Assessment**

At this stage, costs are as fixed as they can be within the traditional contract based on a bill of quantities. We have not therefore carried out a Quantitative Risk Assessment on the project.



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

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

	Expenditure Forecast						
Funding source	Pre 20/21 £000	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000	
TWBC	1,677	7,258	2,326	0	0	0	
KCC	400	33	940	176	0	0	
ACE	0	0	886	0	0	0	
NLHF	192	2,294	1,987	246	125	126	
Fundraising	0	0	542	0	0	0	
SELEP	0	0	1,400	0	0	0	
Total funding requirement	2,268	9,586	8,081	423	125	126	

As per funding agreements the final NLHF payment is due in March 204/25. Cashflow issues in 22/23 and 23/24 will be managed by TWBC.

## 5.6. Funding commitment:

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

A funding commitment statement is attached in Annex from TWBC and a funding statement from KCC is to follow.

This project has been fully discussed with both the Section 151 officer at Kent County Council and Tunbridge Wells Borough Council (and the scheme has been formally approved through both KCC's and TWBC's governance processes).

## 5.7. Risk and constraints:

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

The main risks identified in the Risk Register that will have a bearing on the Financial Case have been mitigated: as set out above, the procurement process is now complete. The greatest financial risk overall is the risk of insufficient capital to finish off the project, which the GBF grant is intended to mitigate.

The key funding risk relates to the project being in breach of the Arts Council England grant and National Heritage Lottery Fund grant, and their funding is contingent on the wider funding package coming forward.



## 6. MANAGEMENT CASE

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

#### 6.1. Governance:

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

In order to manage the programme efficiently and effectively, the following governance structure has been adopted:

#### Key roles

Project Sponsor: Paul Taylor, Director of Change and Communities, Tunbridge Wells Borough Council

Senior Responsible Officer: Nicky Carter, Head of Human Resources, Customer Services and Culture, Tunbridge Wells Borough Council

#### Project Group

The Project Group is the internal reporting group and is chaired by the Project Manager. Membership includes officers from TWBC and KCC Culture & Creative Economy Service, KCC and TWBC Corporate Landlord, TWBC and KCC Finance. The group meets monthly and or when required.

#### Project Board

The Project Board is responsible for approval of recommendations made by the Project Board and is chaired by the CEO of TWBC. Membership includes Cllrs, Directors and officers from TWBC and KCC. The board meets monthly.

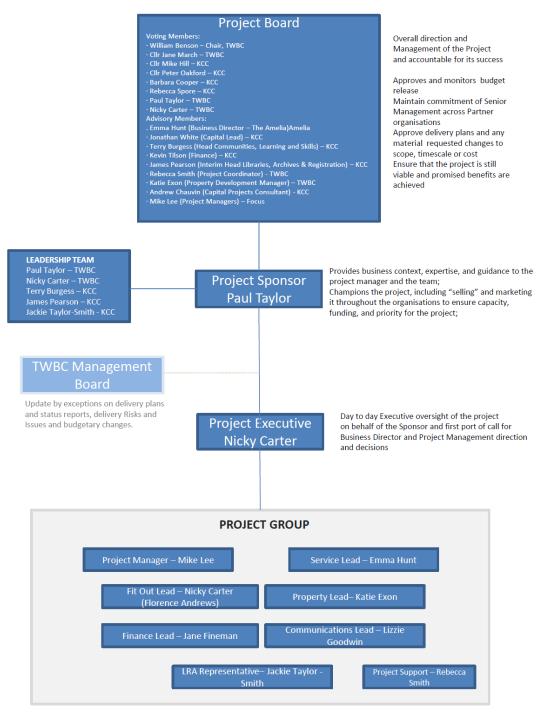
#### Governance structure

The diagram below illustrates the Project Board and Project Group structure:



#### Project Governance Structure

# The Amelia Scott Project Structure



Focus consulting have also been brought in to be the project managers on the project.

#### 6.2. Approvals and escalation procedures:

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



The project is directly overseen by the Project Board which is made up of senior representatives from both TWBC and KCC with the authority to make decisions on the project.

Both TWBC and KCC internal governance procedures are still required as part of this process and sit outside of the board decisions.

TWBC to date has confirmed via decision that the project can be incorporated within the council's capital programme and this can be seen on the following link <a href="https://democracy.tunbridgewells.gov.uk/ieDecisionDetails.aspx?ID=1578">https://democracy.tunbridgewells.gov.uk/ieDecisionDetails.aspx?ID=1578</a>

TWBC has signed off the contract for WDI and is in contract with the contractor with works due to end in October 2021.

Project monitoring takes place via TWBC Management Board and the Amelia Scott Member Oversight Panel (ASMOP) which is made up of senior directors who regularly review all major capital projects on a monthly basis and ASMOP includes cross party ClIrs.

### 6.3. Contract management:

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

Contract management is overseen by the Technical Project Manager.

#### 6.4. Key stakeholders:

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

#### Key stakeholders

In addition to the Council and its contractors, key stakeholders include:

- National Lottery Heritage Fund (as a co-funder)
- Arts Council England (as a co-funder and a strategically important organisation supporting the museum NPO)
- Kent County Council (as a co-funder, and local authority responsible for statutory services within the facility)
- Local businesses, especially within the tourism, education and retail trades sectors, which will benefit from access to the new facility

#### **Consultation**

Public consultation was undertaken as part of the planning process, with all matters addressed. In addition to this consultation, the Museum and Library service has undertaken consultation as part of the successful ACE and NLHF bid.

#### 6.5. Equality Impact:



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

An Equalities Impact Assessment was completed and can be supplied if necessary. The project is a refurbishment and new build and there are no issues in relation to any of the protected characteristics.

It concludes that 'it is not envisaged that the Amelia Scott will provide any negative impacts following project delivery' and the project 'will provide a positive impact on the local community.'

#### 6.6. Risk management strategy:

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

A comprehensive risk register has been drawn up and is attached. The risk register is updated monthly by the Project Manager and is reported regularly to the Project Board and Project Group.

#### 6.7. Work programme:

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

#### Key Milestones

- 1. Construction complete October 2021
- 2. Furniture fit out latest start date January 2022
- 3. Furniture fit out completion April 2022
- 4. Facility open May 2022

#### Resource issues

The risk register highlights potential loss of critical staff as a risk to the project. This is monitored, and mitigation measures have been put in place. These include ensuring that those considered critical to the project have had their contracts amended to include for an extended notice period to ensure no loss of critical knowledge.

#### 6.8. Previous project experience:

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

The current project manager has over 15 years of experience in delivering capital projects and currently manages projects with a GDV totalling c£65M. He has previously delivered and assisted in the delivery of other projects in the £10-20M range and sat on the board of Turner Contemporary when it was under construction. With the exception of projects which had Grade 1



star and Grade 2 star buildings within the developments, all remaining projects have kept to budget and to time.

The Technical Project Manager & Development Manager have over 30 years of experience in the industry and have led on several high-profile projects including currently delivering the Roger De-Haan development in Folkestone with the re-generation of the harbour.

The remaining project group is made up of senior qualified TWBC and KCC officers with significant experience in either construction and or the arts.

#### 6.9. Monitoring and evaluation:

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

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



### 6.91 Logic Map

Objectives	Inputs	Outputs	Outcomes	Impacts
<ul> <li>Take Scheme objectives from section 2.7</li> <li>Objective 1: Creating learning opportunities leading to sustainable employment</li> <li>Objective 2: Growing the tourism sector in West Kent and creating a fit for purpose facility for a major cultural facility in Kent</li> <li>Objective 3: Developing the distinctiveness of Tunbridge Well's economy</li> <li>Objective 4: Making better and more productive use of a semi derelict site</li> </ul>	For all schemes: Take from section 1.10 / Financial Case Grant Spend £5,856,150 Matched Contributions Spend £12,810,602 Leveraged Funding £541,638	<ul> <li>For all schemes:</li> <li>Influenced by detail in section 3.2.</li> <li>Completely refurbished and part new build library, museum, adult education.</li> <li>Library and Museum – Total of 2137 sq.m usable space that is open to public out of which 1,121 sq. m is newly created space.</li> <li>Adult Education – Total of 758 sq.m of learner space, out of which 113 sq m of learner space as part of redevelopment.</li> </ul>	<ul> <li>Influenced by details in sections 2.1, 3.4, 3.5, 3.10</li> <li>For schemes of £2m of funding or less:</li> <li>18 additional jobs created for the library and museum space</li> <li>204.6 construction jobs created</li> <li>50 NVQ Level 2 and 5 NVQ Level 3 additional leaners per annum who will achieve their aim post enrolment in the Adult Education Centre.</li> <li>3,227 additional library users per annum.</li> </ul>	<ul> <li>This is not required for a grant request of less than £2 million. However, we anticipate that impacts will include:</li> <li>Local job creation and local business benefit from the increased use of the redeveloped facility</li> <li>Well-being benefits from exposure to arts and culture and library</li> <li>Longer term sustainability of Tunbridge Wells cultural infrastructure</li> <li>Growth in creative industries supply chain</li> <li>Opportunities for business growth</li> <li>Wider access to cultural and creative education</li> </ul>



#### 7. DECLARATIONS

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?	No
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	No
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?	No

I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer, 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 Getting Building 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.

Signature of applicant	
Print full name	Paul Taylor
Designation	Director of Change and Communities



#### 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	Source
Discounting	3.5%	The Green Book 2020 guidance
Appraisal period	10-year period from first year of re-opening currently proposed Summer 2021 as per programme	The Green Book 2020 guidance
Deadweight	The number of library users, learners and employee before closure of the facilities for renovation (pre- pandemic).	Employment: Tunbridge Wells Borough Council Business Plan 2020 Library: Kent County Council, Libraries, Registration and Archives, 2015- 2020. Learner numbers: Kent Adult Education – Kent training and Apprenticeships, 2017- 2020
Leakage	7% leakage 93% of people working in Tunbridge Wells live within SELEP area	Office of National Statistics: WU01EW - Location of usual residence and place of work (MSOA level) ,2011 census data extracted in September 2021
Displacement	Learners: Low Displacement: 25% as activities before redevelopment is currently operational at alternate locations and expected to move back in once the Project is complete.	Homes and Communities Agency Additionality guide. Ready reckoner (2014).
	Library: High displacement 75% as borrowers may have switched to other libraries within the region and continue to use the same.	
Employment Density	An average density of 64	Employment: Tunbridge Wells Borough Council Business Plan.



	square metres per FTE employee. This is based on employee numbers for the redeveloped facility as per Business Plan.	
Optimism bias	4% Non-standard building OB applied due to demolition and refurbishment. Lower level due to project currently being under construction and in RIBA stage 5.	Supplementary Green Book guidance- Optimism Bias, 2013
Present value year	2020/2021	



#### 9. APPENDIX B - FUNDING COMMITMENT

Draft S151 Officer Letter to support Business Case submission

Dear Colleague

In submitting this project Business Case, I confirm on behalf of Kent County Council that:

The information presented in this Business Case is accurate and correct as at the time of writing.
 The funding has been identified to deliver the project and project benefits, as specified within the Business Case. Where sufficient funding has not been identified to deliver the project, this risk has been identified within the Business Case and brought to the attention of the SELEP Secretariat through the SELEP quarterly reporting process.

• The risk assessment included in the project Business Case identifies all substantial project risks known at the time of Business Case submission.

• The delivery body has considered the public-sector equality duty and has had regard to the requirements under s.149 of the Equality Act 2010 throughout their decision-making process. This should include the development of an Equality Impact Assessment which will remain as a live document through the project's development and delivery stages.

• The delivery body has access to the skills, expertise and resource to support the delivery of the project

• Adequate revenue budget has been or will be allocated to support the post scheme completion monitoring and benefit realisation reporting

• The project will be delivered under the conditions in the signed GBF Service Level Agreement or other grant agreement with the SELEP Accountable Body.

I note that the Business Case will be made available on the SELEP website one month in advance of the funding decision being taken, subject to the removal of those parts of the Business Case which are commercially sensitive and confidential as agreed with the SELEP Accountable Body.

Yours Sincerely, SRO (Director Level) ..... S151 Officer .....



### 10. APPENDIX C – RISK MANAGEMENT STRATEGY

C.1 A comprehensive risk register is attached as a separate document. – see appendix



### 11. APPENDIX D – GANTT CHART

D.1 A summary Gantt chart is attached as a separate document:



12. APPENDIX E - MONITORING AND EVALUATION METRICS FOR LOGIC MAP



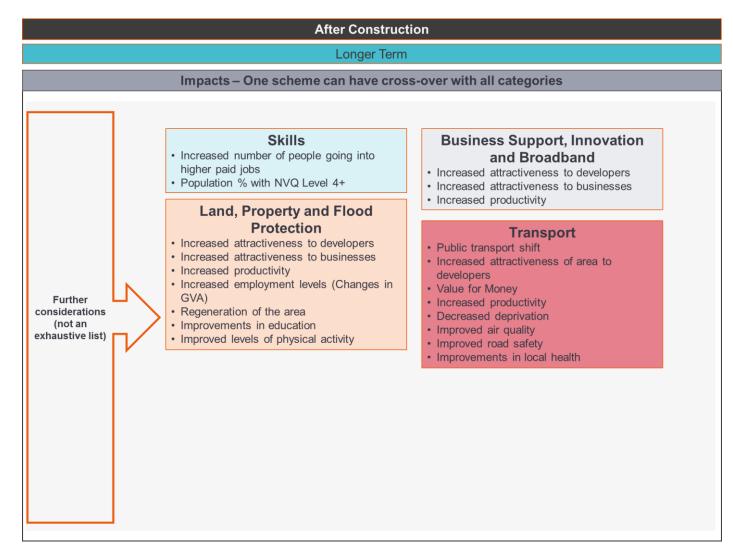
	Immediate	
	Outputs – One scheme can have cross-o	ver with all categories
LEP M&E Metrics (minimum equirements) Your scheme should deliver one or more of these	<ul> <li>Skills</li> <li>Area of new or improved learning/training floorspace (m<sup>2</sup>)</li> <li>Floorspace rationalisation (m<sup>2</sup>)</li> <li>Specialist capital equipment</li> <li>Area of site reclaimed, (re)developed or assembled (ha)</li> <li>Length of cabling/piping by type (electric, water, sewage, gas, telephone, fibre etc)</li> <li>Area of land with reduced likelihood of flooding as a result of the project (m<sup>2</sup>)</li> <li>Follow-on investment at sites (£m)</li> <li>Commercial floorspace completed (m<sup>2</sup> and class)</li> <li>Commercial floorspace refurbished (m<sup>2</sup> and class)</li> <li>Bound access (m<sup>2</sup>)</li> <li>Housing units completed</li> <li>New homes with new or improved fibre optic provision</li> </ul>	<ul> <li>Business Support, Innovation and Broadband</li> <li>Number of new enterprises supported</li> <li>Number of enterprises receiving non-financial support (No. by type of support)</li> <li>Number of potential entrepreneurs assisted to be enterprise ready</li> <li>Number of enterprises receiving grant support</li> <li>Number of enterprises receiving financial support other than grants</li> <li>Number of enterprises receiving non-financial support</li> <li>Number of additional businesses with broadband access of 30mbps or more</li> <li>Total completed length of resurfaced roads (km)</li> <li>Total completed length of newly built roads (km)</li> </ul>
	Skills <ul> <li>m<sup>2</sup> of facility (refurbished)</li> </ul>	Business Support, Innovation and Broadband
Further onsiderations	Land, Property and Flood Protection	Change in active enterprise (business births vs deaths)     Change in commercial floorspace availability
(not an exhaustive list)	Specifics of the construction delivered e.g. Xm sheet piles, cubic metres concrete, km of cycleway	<ul> <li>Transport</li> <li>Infrastructure (km of newly surfaced roads, quantity of new lighting, quantity of new signage, number of new roundabouts, sqm urban realm, number of new stops new stops, new/changed signals)</li> </ul>

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	Short term – Mediu	um Term				
	Outcomes – One scheme can have cr	oss-over with all categories				
LEP M&E Metrics (minimum requirements) Your scheme should deliver one or more of these	<ul> <li>Jobs connected to intervention (permanent, p. Apprenticeships</li> <li>Housing unit starts</li> <li>Commercial floorspace occupied (sqm and cl.</li> <li>Commercial rental values (£/sqm per month the Financial return on access to finance scheme)</li> <li>Estate Grade</li> <li>Number of new learners assisted (in courses qualification)</li> <li>Reduced flood risk to homes</li> <li>Reduced flood risk to commercial property</li> </ul>	ass) by class) s (%)				
	Changes in learning outcomes	Transport         • By presence of the scheme         • Better public transport integration         • Enhanced connectivity between areas of deprivation         and complement				
Further considerations (not an exhaustive list)	Land, Property and Flood     Protection     Housing units sold/occupied	and employment <ul> <li>Increased operating and maintenance costs</li> <li>Increased/decreased levels of traffic</li> <li>Increased/decreased journey times for public transport</li> <li>Increased/decreased journey times for highways</li> <li>Commercial floorspace occupied</li> </ul>				
	Business Support, Innovation and Broadband	<ul> <li>From use of scheme</li> <li>Reductions in carbon emissions</li> <li>Public transport revenue</li> <li>Additional passenger boardings</li> <li>User and non-user benefits</li> </ul>				





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13. APPENDIX F – MONITORING AND EVALUTAION PLAN AND BASELINE REPORT TEMPLATES



# **MONITORING AND EVALUATION PLAN**

### PURPOSE

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

# A NOTE ON COSTS

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

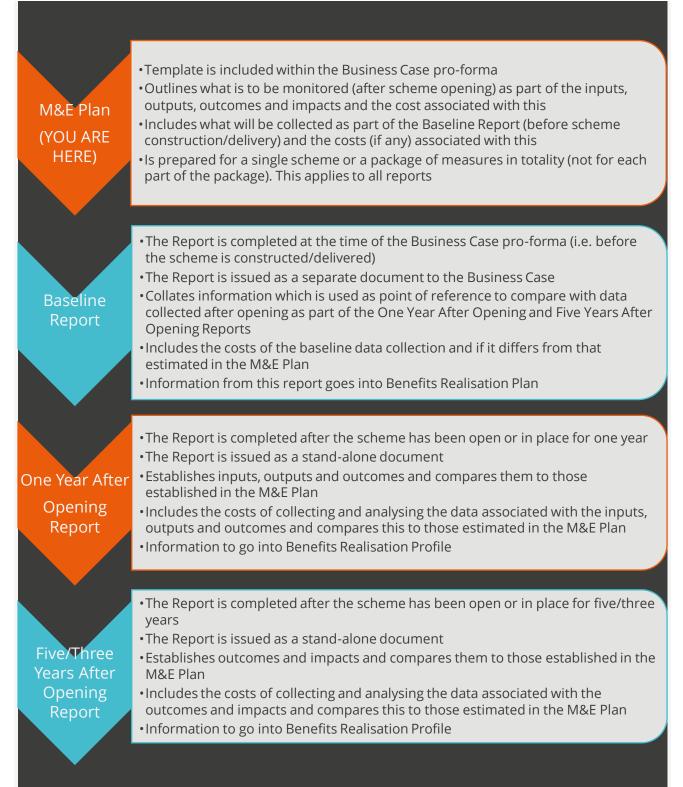
The Monitoring and Evaluation Plan is to be completed as part of the Business Case. At the same time, a Baseline Report would also be completed.

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



# AN OVERVIEW TO THE MONITORING AND EVALUATION PROCESS

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





# PROPORTIONATE APPROACH TO COMPLETING THE REPORT

The GBF 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 GBF 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 GBF schemes.

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

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

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



·		
	considerations'	Also include any
	section (see	additional impacts
	Appendix A	that have a large or
	supplied	moderate benefit /
	separately)	disbenefit in the
		Business Case
	Also include any	
	additional	
	outcomes that	
	have a large or	
	moderate benefit /	
	disbenefit in the	
	Business Case	

# THE AMELIA SCOTT

This Monitoring and Evaluation Plan provides the details of the inputs, outputs, outcomes and impacts of the Amelia Scott, 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.

### Project description

The Amelia Scott is a cultural and educational concept bringing together books, objects, photographs, and visual art in two important Grade II listed buildings that will be restored, integrated and extended in the heart of Royal Tunbridge Wells.

It supports the ambition within Kent's Growth and Infrastructure Framework to secure and build on Tunbridge Wells' role as a cultural centre for West Kent and East Sussex. The scheme consists of a number of services:

- Enhanced and expanded museum and exhibition space that will be able to display more of the current collection and attract higher quality touring and educational displays
- 2. Integrated library that brings learning alive with integration to the museum artifacts
- 3. Enhanced adult education facility and learning spaces throughout the building to build on the learning opportunities including formal learning paths to boost education provision in the town



Project objectives

The objectives of the scheme are:

Objective 1: Creating learning opportunities leading to sustainable employment

Objective 2: Growing the tourism sector in West Kent and creating a fit for purpose facility for a major cultural facility in Kent

Objective 3: Developing the distinctiveness of Tunbridge Well's economy

Objective 4: Making better and more productive use of a semi derelict site

Project location

The project is located at The Amelia Scott, Monson Road, Royal Tunbridge Wells, TN11LS



### 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	Pre 2020/21 £000	[2020/ £000	/21]			[2021/ £000	22]			[2022 £000	/23]			2023/ £000	24]			[2024 £000	/25]		
							Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
IN1	Grant Spend	Planned / Forecast	Weekly Project construction Review meetings. Monthly Full Budget Review and Reporting	Weekly at project and Monthly full budget	Planned/ Forecasted Spend Profile	0	0	0	0	0	0	0	0	1400	0	0	0	0	0	0	0	0	0	0	0	0
IN2	Matched Contributions Spend	Planned / Forecast	Weekly Project construction Review meetings. Monthly Full Budget Review and Reporting	Weekly at project and Monthly full budget	Planned/ Forecasted Spend Profile	2268	1787	2114	5267	409	1758	2622	1400	901	321	39	32	30	32	36	32	25	32	35	32	27
IN3	Leveraged Funding	Planned / Forecast	Weekly Project construction Review meetings. Monthly Full Budget Review and Reporting	Monthly Fundraising Tracker and Monthly Full Budget	Planned/ Forecasted Spend Profile	0	0	0	0	0	512	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0



# **INPUT 4: PROJECT DELIVERY AND MILESTONES**

• Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Start of project (start spending GBF or match funding)	January 2022
Site Mobilisation Works Commence	December 2022
Project Completion	March 2022
Site opening	April/May 2022

### **INPUT 5: RISK MITIGATION**

Please note any anticipated risks and mitigation – Risk Register (this is appended to the document, but not pasted here to avoid repetition within the business case pack).



# OUTPUTS

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

#### COMPLETE AND REPEAT FOR ALL OUTPUTS

ID	Output Description		value	Monitoring approach	Frequency of Tracking	Source	Date
----	-----------------------	--	-------	------------------------	-----------------------------	--------	------



OP1	New and enhanced Library and Museum – Total of 2137 sq.m usable space that is open to public out of which 1,121 sq. m is newly created space.	Baseline	1016 sq.m	Monitoring as part of construction and fit out process	Bi-yearly	See detailed calculations and source within Appendix K – Benefit to Cost Ratio Model	Post April 2022		
		Planned/ Anticipated	2137 sq.m				After opening		
Details: Method of Collecting Baseline Information         Measured survey									

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP2	Adult Education – Total of 758 sq.m of learner space, out of which 113 sq m of learner space is newly created space as part of redevelopment.	Baseline	758 sq.m	Monitoring as part of construction and fit out process	Bi-yearly	See detailed calculations and source within Appendix K – Benefit to Cost Ratio Model	Post April 2022
		Planned/ Anticipated	646 sq.m	Monitoring as part of construction and fit out process	Bi-yearly	See detailed calculations and source within Appendix K – Benefit to Cost Ratio Model	After opening
	s: Method of Colle red survey	cting Baseline	Information				



### OUTCOMES

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

Outcomes – the project seeks to deliver a cultural and educational facility in the heart of Royal Tunbridge Wells, with enhanced spaces, job creation and educational opportunities. It will have the following impacts:

Local job creation and local business benefit from the increased use of the redeveloped facility

Well-being benefits from exposure to arts and culture and library

Longer term sustainability of Tunbridge Wells cultural infrastructure

Growth in creative industries supply chain

Opportunities for business growth

Wider access to cultural and creative education

As set out in the FBC, we will seek to align evaluation processes to those required by NLHF, ACE and other funders.

EXAMPLE									
ID	Outcome Description			Monitoring approach	Frequency of Tracking	Source	Date		



		Baseline	10 jobs from one business	Short email questionnaire	n/a	Email questionnaire before opening	2020
OC1	Jobs connected to the intervention	Planned / Anticipated	30 jobs – 15 from construction and 15 total FTE as a result of the scheme (5 additional jobs delivered in each year after opening for the first three years only)	Construction jobs from contractors data. FTEs from surveying new businesses along the route of the tram with a short email questionnaire after scheme opening.	Once after opening and once for five years after opening report	Full Business Case, p22	After opening
Detai	ils: Method of Co	ollecting Baseli	ine Informatio	on			
	is one business i	•				• •	
	all accountancy fir	0			0	that it employs	10 FTE.
The c	ost of finding out	this informatio	on was 1 day of	internal resource	2.		

# COMPLETE AND REPEAT FOR ALL OUTCOMES

	Outcome Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1	18 additional jobs	Baseline	16	Payroll	Annual	TWBC and KCC info	2023



		Planned/ Anticipated	33.6	Payroll	Annual	TWBC and KCC info	2023			
Deta	Details: Method of Collecting Baseline Information									

	Outcome Description		Value	Monitoring approach	Frequency of Tracking	Source	Date		
OC2	50 NVQ Level 2 and 5 NVQ Level 3 additional leaners per annum	Baseline	25NVQ Level 2 10 NVQ Level 3	Course Completion data	Annual	KCC info	2023		
		Planned/ Anticipated	75NVQ Level 2 15 NVQ Level 3	Course Completion data	Annual	KCC info	2023		
Details: Method of Collecting Baseline Information									

# IMPACTS

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

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



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

Map STATS19 data and analyse results for key roads and junctions affected by reductions in traffic as a result of the scheme.

This required 1 day of GIS time. STATS19 data was free to use.

### COMPLETE AND REPEAT FOR ALL IMPACTS (NOT REQUIIRED FOR GRANTS BELOW £2M)

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

	Impact Description		Value	Monitoring approach	Frequency of Tracking	Source	Date		
IM2		Baseline							
		Planned/ Anticipated							
Deta	Details: Method of Collecting Baseline Information								



#### 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.



- 15. APPENDIX H NLHF standard form of grant
  16. APPENDIX I ACE Round 4 stage 2 Capital Guidance
  17. APPENDIX I Tender report
- 17. APPENDIX J Tender report 18. APPENDIX K – BCR model
- 19. APPENDIX L S151 TWBC Letter (KCC letter to follow)