

## 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 requirements of the Independent Technical Evaluation process where applied.

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

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

Version control	
<b>Document ID</b>	Maidstone Business Suite Phase 2. Maidstone House, Maidstone Borough Council, King Street, Maidstone, Kent ME15 6JQ
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<b>Authorised by</b>	Katie Exon
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## 1. PROJECT OVERVIEW

### 1.1. Project name:

*Maidstone Business Suite Phase 2.*

### 1.2. Project type:

*Grow on business space & town centre regeneration.*

### 1.3. Federated Board Area:

*Kent & Medway,*

### 1.4. Lead County Council / Unitary Authority:

*Kent County Council*

### 1.5. Development location:

*Maidstone House, Maidstone Borough Council, King Street, Maidstone, Kent ME15 6JQ*

### 1.6. Project Summary:

**Maidstone Business Suite phase 2 seeks to address the need and opportunity associated with changing working practices from Covid 19 and demand for business space; creating stronger networking and collaboration opportunities spanning across North, Mid and South West Kent and the wider regeneration of Maidstone Town Centre by increasing, job opportunities, available day time spend and footfall.**

### 1.7. Delivery partners:

*The only delivery partner is Maidstone Borough Council*

Partner	Nature of involvement (financial, operational etc.)
<b>Maidstone Borough Council</b>	<b>Financial and operational</b>

### 1.8. Promoting Body:

*Maidstone Borough Council*

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

Katie Exon  
Head of Property and Leisure  
[katieexon@maidstone.gov.uk](mailto:katieexon@maidstone.gov.uk)

**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.]*

<b>Funding source</b>	<b>Amount (£)</b>	<b>Constraints, dependencies or risks and mitigation</b>
<i>GBF</i>	300,000	No identified constraints
<b>Total project value</b>	<i>300,000</i>	

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

**This project is seeking £300,000 in Getting Building Fund**

**State Aid**

**Maidstone Business Suite Phase 2 does not involve state aid. The business space will be let at market values. If any additional business support activity is offered to growing businesses (tenants), they will be made available using UK subsidy controls – replacing EU state aid rules.**

**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]*

**The Assurance Framework states that there is an exemption to the value for money requirements set out in para. V.3.2 if the project has a funding request of less than £2 million. This is reflected in the guidance in this business case template, which states that a full quantified economic appraisal is not required and that the Appraisal Summary Table in the Economic Case does not have to be completed.**

**1.13. Key dates:**

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

**Key dates are as listed below in the table.**

**1.14. Project development stage:**

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

Project development stages completed to date			
Task	Description	Outputs achieved	Timescale
conception	Place identified following reorganisation of MBC own accommodation requirements	Floor space to be refurbished and made compliant for occupation	completed
Project development stages to be completed			
Task	Description	Timescale	
Initial surveys	Initial survey work on space and M&E	January/ March 2024 (dependant of GBF received)	
Planning and detailed design	Detailed design work and space planning	March 2024	
Contractors consulted and appointed	Short tender process with suitably experienced contractors	May 2024	
Pre start meetings	Site set up	May/ June 2024	
Commencement of works	Start on site	June 2024	
Completion of works	Accommodation handed back to MBC	September 2024	
Marketing and leases agreed for new tenants	Marketing will commence during build time, with aim for lettings to be agreed and legals instructed	June 2024	

**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.]*

**MBC have received no previous funding from SELEP that is directly relevant to this project.**

**As detailed previously, marketing of the accommodation would commence in March 2024 with works completing and accommodation being occupied from April 2024**

## 2. STRATEGIC CASE

*The Strategic Case should present a robust case for intervention and demonstrate how the scheme contributes to delivering the [SELEP Economic Recovery and Renewal Strategy](#) 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 should, as far as possible, align with the Monitoring and Evaluation and Benefits Realisation Plan in the Management Case.*

### 2.1. Scope / Scheme Description:

#### Scheme summary

**The Business Suite Phase 2 at Maidstone House will bring forward new high quality 'grow on' business space in Maidstone Town Centre.**

**The Business Suite Phase 2 project will deliver:**

- **1,115 m2 (12,003 sq. ft) of innovative collaborative 'grow on' business space, intended to support businesses in the Business Terrace, and locally post Covid 19, create stronger networking and collaboration opportunities spanning across North, Mid and South West Kent and free up space in the Business Terrace to support the next generation of entrepreneurs and start up's.**

**As well as providing new quality 'grow on' business space , the redevelopment of Maidstone House floor 4 will assist in bringing new footfall to Maidstone Town Centre and supports the councils emerging new Town Centre Strategy and Delivery Plan to be adopted in 2024 and adopted Economic Development Strategy (2021).**

**All required permissions are in place for the scheme as the Council is the owner of the property and delivery will be via a design and build contract. Maidstone Borough Council will manage the Business Suite phase 2 on completion of works and have a strong track record in delivering successful work space with the Business Terrace, Maidstone House Business Suite phase one and Maidstone Innovation Centre.**

#### Issues the project is looking to address:

**Maidstone House Business Suite phase 2 seeks to address three issues, the need and opportunity to provide quality 'grow on' workspace associated with changing working practices and demand for business space, create stronger networking and collaboration opportunities spanning across North, Mid and South West Kent and the wider regeneration of Maidstone Town Centre.**

#### The need for quality 'grow on' workspace.

**The council invested in the Business Terrace located in Maidstone Town Centre providing co-working and 775 sq. ft of high-quality incubator space with on-site wrap around business support in 2015, Demand was high with 2 further phases completed by 2019, increasing the offer from 6 to 23 Offices totally 7,055 sq. Ft. <https://businessinmaidstone.co.uk/the-business-terrace/>**

**Since the pandemic when businesses retracted from physical space and implemented hybrid**

working practices, our existing tenants at the Business Terrace and other local businesses are recovering from Covid and growing, requiring larger business space to operate from. This is part due to increase employee numbers to accommodate their growth plans and where employers and employees now see the benefit to meet in person at least 2 days a week to collaborate.

As part of the Councils emerging new Town Centre Strategy and Delivery Plan Cushman & Wakefield provided a Market Assessment of residential, office, retail, leisure, Food and Beverage, Cultural and other uses to understand the strengths, weaknesses and opportunities for each of these Uses in relation to Maidstone Town Centre (August 2023)

### Main office analysis

Post-pandemic rental declines have stabilised in recent months, with much of this a function of an increased demand for high-quality space. This increased demand for high-quality space is seen as a sustained “flight to quality”, and the general consensus within the office sector is that prime buildings will outperform secondary ones in the near future as businesses prioritise higher-quality space.

Following the introduction of Permitted Development Rights (PDR) in 2013, the change of use of offices to alternative uses, mainly residential, became increasingly prevalent across UK towns and cities, and although the pace of conversions has slowed following Article 4 directions and fewer development opportunities, the impact on stock has been significant. In Maidstone, office stock has declined by 19% since 2013.

Post-covid, many businesses are finding remote working to be successful and applicable in a post-pandemic workplace and are anticipating a continuation of the home/ office split model of working and so asking what split between these two locations is most effective. Under this new working pattern, some businesses and workers are exploring the possibility that the home working element could be satisfied by ‘third spaces’ closer to home, driving a trend towards town centre locations.

Demand for quality purpose-built town centre ‘grow on’ office space in Maidstone outstrips supply, accelerated by the loss of private sector town office space from Permitted Development rights to residential uses over the last 10 years.

This is stunting the economy as businesses are finding it increasingly hard to find suitable quality purpose built ‘grow on’ space in the town centre.

The council acquired Maidstone House where the Business Terrace is located from Capital and Region in 2020.

This has allowed the council to intervene in the market by investing in the refurbishment of the second floor of Maidstone House as the Business Suite, providing that missing quality purpose built ‘grow on’ office space, aimed at our businesses in the Business Terrace and other growing local companies. The Business suite also frees up existing incubator space at the Business Terrace assisting the next generation of entrepreneurs.

### The wider regeneration of Maidstone Town Centre

In 2022 the council appointed consultants We Made That, Steer (Transport), Cushman and Wakefield (Development briefs, market appraisals and Investment Plan) and Studio Deka (Lighting) to produce a Town Centre strategy and Delivery Plan – looking forward to 2050.

**The strategy has been split into 3 Main mission statements.**

**Mission 1 - Maidstone as a County Town for the future:**

- **Maidstone to be Kent's most prosperous town centre:**
- ***Create new employment and business opportunities including those which allow residents to learn new skills and businesses to form and grow.***
- **Increase the number of people living in the Town Centre and ensure that it can provide for their everyday needs.**
- **Strengthen the retail core as a diverse, active, safe and inclusive daytime and nighttime destination**
- **Expand educational opportunities within the Town Centre, including higher education.**

**Mission 2 Environmental and Placemaking Excellence:**

- **Maidstone to be known for its high quality places, heritage and green and blue spaces with: –**
- **Award-winning heritage areas which are active and easy to access for both residents and visitors –**
- **Attractive and connected public realm with exemplary environmental performance –**
- **A safe, connected and active riverside serving leisure, commercial and environmental purposes.**

**Mission 3 - High Quality of Life for All:**

- **Maidstone to be a desirable place to live with: –**
- ***High number of diverse jobs for local people –***
- **A low crime rate.**
- **Great travel connections within the town, the surrounding area, and to London and beyond –**
- **Varied and high-quality leisure and entertainment offering**

**This scheme would assist in delivering the Town Centre Strategy by *Creating new employment and business opportunities including those which allow residents to learn new skills and businesses to form and grow and delivering high numbers of diverse jobs for local people .***

**Intended benefits**

**In summary, The Business Suite phase 2 will**

- **Deliver additional high quality 'grow on' workspace bringing forward 1,115 m2 (12,003 sq. ft)**
- **Support up to 86 jobs (HCA Employment Density Guide 2015)**
- **Create Stronger networking and collaboration opportunities to strengthen the innovation ecosystem in the region by promoting collaboration, networking, and complementary business support. This collaborative approach will result in the creation of an 'entrepreneurial crescent' spanning across North, Mid, and South West Kent. The council is not seeking GBF funds for this activity.**
- **Increase the vitality and vibrancy of the town centre, by increasing, job opportunities, available day time spend and footfall.**

- **Potential to act as a catalyst for further investment in the town centre.**

## 2.2. Logic Map

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



<b>Inputs</b>	<b>Outputs</b>	<b>Outcomes</b>	<b>Impacts</b>
<p><i>For all schemes:</i></p> <p>Getting Building Fund grant £300,000.</p> <ul style="list-style-type: none"> <li>• Matched Contribution Spend</li> </ul>	<p><i>For all schemes:</i></p> <p><b><i>Employment floorspace</i></b></p> <p><b><i>Creation of high-quality office space suitable for grow on businesses.</i></b></p>	<p>Employment outcomes: — Jobs supported by the creation of new office accommodation 86.</p> <p>Construction employment created by the project 30.</p> <p>Improved built environment.</p> <p>Increased footfall and activity in Maidstone Town Centre</p>	<p><b><i>For schemes of £2m of funding or less:</i></b></p> <p>-n/a</p>

### 2.3. Location description:

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

***Maidstone House occupies a prominent location in the southern area of Maidstone Town Centre. Ideally located within easy reach of all public transport routes and direct access to the main hub of the towns shopping and leisure offer. Maidstone House is served by a good road transport network. On site carparking is also available***

***The building offers a wide range of sized office suites with meeting room facilities and on site business support. The building can be accessed by occupants 24 hours a day 52 weeks of the year, making it an ideal venue for those who are working with different timelines.***

***Maidstone House has a fully managed facilities and security team, making this the ideal location for business base. There are no access constraints to the building, all floors being served by lift and stairs with DDA facilities on each floor.***

***Maidstone House is owned on a long leasehold by Maidstone Borough council and offers no constraints in terms of ownership. We confirm that there are no other constraints in respect of using the building (including but not limited to, rights, consents required or powers required to fully implement the works and use of the building)***

### 2.4. Policy context:

*[Specify how the intervention aligns with national/regional/local planning policies and the SELEP Economic Recovery and Renewal Strategy; 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***

#### ***Town Centre Policies***

**National Government has had a strong policy emphasis in the last decade to restructure town centres due to the national response to shopping patterns to online and wider contextual changes as the retail market reacts to these challenges. The challenges faced by town centres were accelerated during the Pandemic and are still being felt today with the rise in inflation.**

**With regard to Office Space in town centres The Grimsey Review 2 (2018) published key findings including the ‘need for all towns to develop plans that are business-like and focused on transforming centres into community hubs incorporating business/office space’**

**In 2021, the Government released the Build Back Better High Street report highlighting the commitment to revitalising high streets, supporting high street businesses and celebrating local communities.**

Furthermore, The High Streets Task Force was commissioned by the government in 2019 as part of its Plan for the High Street and in response to recommendations of an expert panel on the high street chaired by the highly successful entrepreneur Sir John Timpson. The Task Force has been set-up to strengthen local leadership in high streets and town centres in England.

There are several government funds that are focused on the renewal and revitalisation of the high street and town centre. These include:

- **Future High Street Fund:** There is £675m available for this fund. Its aim is to renew and reshape town centres and high streets in a manner that allows for good growth, improves people's experiences, and is sustainable<sup>1</sup>. Over 100 places benefitted from this funding.
- **Town Fund:** £3.6bn of funding was made available for this fund. The Town Fund provided Town Deals of up to £25m to towns across the country to create economic regeneration, deliver needed infrastructure, and attract inward investment. The Towns Fund was replaced by the £4.8billion Levelling Up Fund. The Fund will provide investment opportunities including regenerating town centres and high streets, upgrading local transport, and investing in cultural and heritage assets.
- 
- In 2021, the UK government launched four new investment programmes to support communities right across the country. All share common challenges and opportunities, which the UK government is determined to address in collaboration with local partners. These investment programmes are:
  - 
  - The UK Community Renewal Fund
  - The Levelling Up Fund
  - The Community Ownership Fund
  - The UK Shared Prosperity Fund
  -
- The UK Shared Prosperity Fund is a central pillar of the UK government's ambitious Levelling Up agenda and a significant component of its support for places across the UK. It provides £2.6 billion of new funding for local investment by March 2025, with all areas of the UK receiving an allocation from the Fund via a funding formula rather than a competition.

Maidstone has not benefitted from any of the Government funding to date but is prioritising its UKSPF on Pride in Place in Maidstone Town Centre, other Government interventions including GBF should apply to the principals of Town Centre renewal.

South East Local Economic Partnership (SELEP) Economic Recovery and Renewal Strategy March 2021.

The proposed project is consistent with and supports and delivers the strategic aims of this regional strategy. Specifically Strategic Priority 1 - Business resilience and 4 of the 7 key objectives.

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<sup>1</sup> <https://www.gov.uk/government/collections/future-high-streets-fund>  
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**1. Support business innovation; 2. drive trade and growth; 3. deliver a skilled workforce; and 7. promote greater resilience in our places.**

**Kent County Council**

**Framing Kents Future 2022-2026**

**The proposed project is consistent with and supports and delivers the strategic aims of this strategy.**

**Priority One**

**To support the Kent economy to be resilient and successfully adapt to the challenges and opportunities it faces over the coming years.**

- **Support strategic opportunities for growth through the delivery of sites and premises and support for new investment and business expansion.**
- **Back SMEs and entrepreneurs to start-up, grow.**
- **Strengthen Kent's innovation 'ecosystem'.**
- **Work with District Councils to regenerate town centres and promote independent retail, building on each town's strengths and the needs of the local area to re-establish town centres as economic and community hubs with renewed purpose and identity.**

**Kent and Medway Economic Renewal and Resilience Plan 2020:**

**This sets out a medium-term strategy to support economic recovery from the Covid-19 pandemic. The Plan notes the importance of accelerating infrastructure investment as a counter-recessionary measure, where this aligns with the Plan's key principles (Greener Futures; Productive and Open; Better Opportunities, Fairer Chances**

**Channel 5: Investment: Planning and investing now for a sustainable future has specific reference to GPF.**

***Accelerating capital projects can be a useful counter-recessionary measure, This includes £37 million investment from the Getting Building Fund, we anticipate that there may be further schemes announced which support innovation and business growth.***

**The proposed scheme is also consistent with and supports and delivers the strategic aims of this strategy.**

**Local Policy Context**

**Strategic Plan 2019-2045**

**This sets out the Council's aspiration for Maidstone through to 2045, and a plan to achieve this aspiration. It identifies four underpinning priorities (Embracing Growth and Enabling**

**Infrastructure, Safe, Green & Clean, A Thriving Place, & Homes and Communities) to shape Council activity and partnership working in support of a vision for a vibrant, prosperous, urban and rural community at the heart of Kent where everyone can realise their potential. The proposed schemes supports 2 of these objectives.**

- **Embracing Growth and Enabling Infrastructure: a Borough where there is a variety of jobs, housing need is met and infrastructure is in place to meet the growing needs of our residents and economy.**
- **A Thriving Place: a Borough that is open for business, attractive for visitors and is an enjoyable and prosperous place to live.**

#### **Spatial Planning – Local Plan context .**

**The adopted Local Plan 2017 (Policy SP4 Maidstone town centre) recognises that the town centre like others across the country faces challenges from retailing patterns as more people turn to the internet for their purchases. The Plans vision is ‘**

**By 2031 a regenerated and sustainable Maidstone town centre will be a first-class traditional town centre at the heart of the 21st Century County Town that has maintained its place as one of the premier town centres in Kent by creating a distinctive, safe and high-quality place that has:**

- **Retained its best environmental features, including the riverside and the enhanced public realm;**
- **Provided a variety of well-integrated attractions for all ages including new shopping, service sector-based businesses, leisure, tourism, and cultural facilities;**
- **and Improved access for all.**

**Identified components in realising this vision are:**

- **Establishing the town centre as an attractive hub for business building on the town centre’s assets and environment.**
- **Creating a stronger mix and balance of uses within the centre to support long term viability.**

**The current Local Plan Review continues to support economic development and the regeneration of the town centre including:**

- **Increasing local employment levels, capitalising on the COVID-19 catalysed decentralisation trend from London, including;**
- **The retention of the best quality office stock whilst allowing for the redevelopment of lower quality offices;**
- **Introduction of new workspace into the centre to enable the growth of a range of businesses and enterprises.**

#### **Maidstone’s Economic Development Strategy (2021-2030)**

**Maidstone Borough Councils Economic Development Strategy prioritises the need to invest in the town centre, business space and support businesses to unleash economic potential and growth opportunities in the Borough.**

#### **Priority 5: Destination Maidstone town centre**

Explore how Covid-19 has impacted and accelerated trends already underway pre-pandemic and coordinate a package of support and investment to re-imagine our town centre as a thriving economic hub.

**Priority 2: A Greener, more productive economy**

Develop a portfolio of shovel ready 'capital' projects to kick start investment, unlock and stimulate economic activity within the Borough.

**Priority 1 - Open for Business**

Consider investing in employment space to de risk employment sites coming forward.

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

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

***Immediacy of the need of the project and GBF intervention, in addition to market failure for new spec grow on space, the current situation of blocking up incubator space as growing businesses have no place to grow, the council has been working on two immediate situations for quality grow on space and incubator space.***

***Springfield House provides 13,801 sq ft of quality flexible incubator and grow on space offices situated in Maidstone town centre. The council has become aware that the landlord has issued a notice for all tenants to quit by March 2024 as they seek planning consent for a SEND school. Springfield House offers 26 units between 150 and 1,100 sq ft. Some tenants have already made contact with the council regards alternative space.***

***JT phase one interest has risen since the business case was originally submitted with pre lets close to 45%.***

***H3i network – as explained in the business case the Business Suite Phase 2 will be focussing on the Digital Creative Sector and Professional services. H3i network is a network of moving image, screen based and creative technologies linked through innovative research and development. With Business Hubs located at Canterbury, Folkestone and Maidstone Studios. Part funded by ERDF the H3i Business Hub at Maidstone Studios has been in contact with the councils Economic Development Team looking for alternative premises due to the end of ERDF funding to support their Business Hub in the Town. The Maidstone Hub has 1,442sq ft co-working space. The Business Suite Phase 2 could provide a solution to house the H3i network not just supporting direct employment and businesses but also providing higher value business support services for the wider creative sector via access to innovation and research and development. If the council was successful with GBF funding it would be in a position to start negotiations with H3i in earnest. <https://www.southbankinnovation.co.uk/programmes/hi3>***

***Market failure unlikely to deliver new spec developments of purpose-built office 'grow on' accommodation. within Maidstone Town Centre. A number of purpose-built offices within the town centre have been repurposed to residential use, which is showing a higher capital return to owners. Little motivation for investors seeking a quick and profitable return to develop and maintain purpose-built office accommodation as residential build and return rates are currently showing a higher value and return.***

***Blocking economic growth as growing businesses are finding it increasingly difficult to find quality grow on space in the town centre.***

***Free up incubator space – next generation of startups MBC has a well-supported Business Hub, providing start up accommodation for fledgling businesses, the problem that we and our tenants are encountering is that there is limited supply of high-quality grow on office space within the town centre for them to then move on to. By bringing forward phase 1 and Phase 2 this will allow us to provide accommodation for businesses to grow and move onto, freeing up space within our start up units to enable and continue growth. Our retained letting agents (Watson Day) have expressed that there is demand for high-quality purpose-built office accommodation within the town centre, yet there is a limited supply. Phase 1, although works are not yet fully completed is already 40% let with agreements in place. We have paused marketing for this space until all works are complete (reason for doing so is to allow some flexibility to move existing tenants to allow works to complete) the demand through agent contact and direct contact, has been high and we are confident that the demand already shown will out strip availability and are keen to bring forward Phase 2.***

***MBC invested in Phase 1 and are unable to bring forward phase 2 in the short to medium term without GBF, budgetary constraints – this funding allows the council to bring this space forward 5 years earlier to support the town centre and wider economic growth of local businesses***

**Opportunity for intervention to strengthen the innovation ecosystem in the region by promoting collaboration, networking, and complementary business support across North, Mid and South West Kent linking the individual relevant GBF bids together.**

**Experienced managing agents within the locality have expressed that there is a growing demand for high-quality purpose-built office accommodation located within the town centre. Maidstone House is ideally located, and this funding will enable the 4<sup>th</sup> floor to be bought forward to offer accommodation to meet the demand.**

**The Borough council have recently invested £200,000 in bringing forward the 2<sup>nd</sup> floor of Maidstone House, to provide compliant high quality office accommodation. There is no identified funding from the Borough councils' own budget to continue works to bring the 4<sup>th</sup> floor forward. Without GBF this project (phase 2) would be significantly delayed in being bought forward. The current space on the 4<sup>th</sup> floor is not compliant and currently does not meet expectations of high-quality office space.**

## **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.]

**As indicated on page 10 (National Policy context) of the business case the council identified the following potential alternative funding routes.**

The UK Community Renewal Fund  
The Levelling Up Fund  
The Community Ownership Fund  
The UK Shared Prosperity Fund

These funds did not lend themselves to the timescales, operational model and scale of investment required to deliver the Business Suite Phase 2.

The council has is prioritising its UKSPF on 'Pride in Place' in Maidstone Town Centre, with funding to deliver small scale greening and lighting projects and an extensive town centre events programme to increase footfall figures.

The UKSPF funds also supports a 'pop up' Creative Industries Hub focussing on makers space and exhibition space in order to prove market demand for a permanent Hub in the future. Although UKSFP is not funding the Business Suite Phase 2 itself, phase 2 will have a focus on supporting Digital Creatives as part of a spoke and hub approach to future Creative business support in Maidstone Town Centre.

The council also investigated section 106 and CIL contributions but was unable to identify relevant sources and discounted.

The Borough Council has recently committed to Phase 1 of this project. Works to the 2<sup>nd</sup> floor at Maidstone House are due to commence imminently. Works will create high quality and compliant office suites. 40% are already prelet and leases have been agreed with businesses. Maidstone Borough council have self-funded Phase 1 and this would be our match funding for phase 2

#### 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.]*

***If we are unsuccessful in achieving GBF funding, the second phase of this project will not progress in the short to medium term (estimated at least 5 years) as there is no available budget from within the Council. There is a risk that by not having the additional space available that we will not be able to offer our "startups" from our Business Hub a natural progression of accommodation to move into, as well as not being able to furnish new enquiries and business with an office accommodation solution. Without being able to move on our startups, this causes stagnation and in addition leaves no availability for new startups to progress.***

***Therefore, there will be a significant risk of not being able to fulfil the demand for purpose built office accommodation that is currently in demand in Maidstone Town centre. Businesses will be forced to locate outside of the town which will have a negative impact on increasing town centre footfall and visits to businesses established in the town centre.***

#### 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:** Deliver additional high quality ‘grow on’ workspace bringing forward 1,115 m<sup>2</sup> (12,003 sq. ft) – the need and opportunity to provide quality ‘grow on’ workspace associated with changing working practices from Covid19. Cushman and Wakefield Office Market Analysis and emerging Town Centre strategy Work led by We Made That.

**Objective 2;** Deliver 86 direct jobs within Digital Creative and Professional Services sectors and 30 construction jobs.

**Objective 3:** Increase the vitality and vibrancy of the town centre, by increasing, job opportunities, available day time spend and footfall. National Government Town Centre Policy and emerging Town Centre Strategy work by We Made That.

**Objective 4:** Strengthen the innovation ecosystem in the region by promoting collaboration, networking, and complementary business support across North, Mid and South West Kent linking the individual GBF bids together. Supporting the South East Local Economic Partnership (SELEP) Economic Recovery and Renewal Strategy March 2021 and Framing Kents Future 2022-2026. This could support an additional 15 Maidstone Businesses, this could be increased if GBF opened up options with the H3i network.

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

**Problem / Opportunity 1:** Deliver additional high quality ‘grow on’ workspace bringing forward 1,115 m<sup>2</sup> (12,003 sq. ft) The need and opportunity to provide quality ‘grow on’ workspace associated with changing working practices from Covid19.

**Problem / Opportunity 2:** Increase the vitality and vibrancy of the town centre

**Problem / Opportunity 3** Strengthen the innovation ecosystem in the region – North, Mid and South West Kent by linking GBF activity across the region.

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

	Problems / opportunities identified in Need for Intervention section		
Objectives	Deliver additional high quality 'grow on' workspace	Increase the vitality and vibrancy of the town centre	: Strengthen the innovation ecosystem in the region by promoting collaboration
Deliver additional high quality 'grow on' workspace	X	X	X
Increase the vitality and vibrancy of the town centre	X	X	X
: Strengthen the innovation ecosystem in the region by promoting collaboration	X	X	X

**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.]*

**Maidstone Borough Council own the long leasehold of the building. There are no identified constraints in this project proceeding and completing. Maidstone Borough Council have a clear understand of the project requirements and are well placed to bring this project forward in a clear and timely manner. We confirm as owner of the longleasehold of the building, there are no constraints in respect of ownership, rights over the site or any consents required**

**The only identified constraint to the proposed scheme, is if the Council do not receive GBF, the scheme will be delayed in being bought forward for at least 5 years, as there is no identified funding within the councils budget to complete the works required**

**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.]*

**This project is not dependant on any other works or schemes coming forward. The project is dependent on securing GBF funding to enable the works to progress**

**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.]*

**As covered earlier in the business case the key benefits to the scheme are:**

- **Delivery of 1115 m2 (12,003 sq. ft) of innovative high quality 'grow on' town centre business space.**
- **Up to 86 Jobs (HCA 2015 guidance) – and 30 construction jobs**
- **Creates stronger networking and collaboration opportunities to strengthen the innovation ecosystem in the region by promoting collaboration, networking, and complementary business support. This collaborative approach will result in the creation of an 'entrepreneurial crescent' spanning across north, middle, and South West Kent**
- **Business support for a 15 Maidstone Businesses**
- **Frees up the Incubator Units in the Business Terrace , enabling 75m of space to support new start ups.**
- **Opportunity to assist businesses being forced to vacate Springfield House by moving into Maidstone House Business suite phase 2.**
- **Opportunity to support the Digital Creative and Professional services sector expand and grow.**
- **Opportunity to support the H3i Creative Network.**
- **Increase the vitality and vibrancy of the town centre, by increasing, job opportunities, available day time spend and footfall.**
- **Potential to act as a catalyst for further development investment in the town centre.**

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

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

***This project is dependant on receiving GBF. Without GBF there are no availability of funds within the Councils budget to progress this scheme, it is anticipated that the scheme without funding would be delayed in coming forward for 5 years. The premises is within the ownership of the Borough Council and therefore no risks are identified in securing the accommodation, necessary consents or permissions.***

### 3. ECONOMIC CASE

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

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

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

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

#### 3.1. Options assessment:

**The Borough Council have no other suitable premises / accommodation within their portfolio which could be used to create such office space.**

**The council have considered that they could “lease in” accommodation from a third party, however this would be cost prohibitive and therefore has been dismissed as an option.**

**The space within Maidstone House is fully within the councils ownership and therefore control. There are no third party negotiations required, which enables the option of using Maidstone House to proceed at pace and does not incur any additional rental costs**

#### 3.2. Preferred option:

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

*As the strategic case outlines our key objectives with this project are*

<b>Deliver additional high quality ‘grow on’ workspace</b>
<b>Increase the vitality and vibrancy of the town centre</b>
<b>Strengthen the innovation ecosystem in the region by promoting collaboration</b>

***These objections were key in forming our options for the “grow on” business space for Maidstone House. They have been informed by the preparation of MBC masterplan, Economic Development Strategy and associated public and other stakeholder consultations.***

***The Council have tested the feasibility of the “grow on” business space on the 4<sup>th</sup> floor at Maidstone House and this would be bought forward to support existing and new business locate in the town centre which would assist with the economies of the town centre, driving an increase in footfall and economy.***

***Maidstone House is the Councils only option to provide grow on business space. It is within the Councils ownership and can proceed on achieving GBF at pace.***

### 3.3. Assessment approach:

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

**The guidance for projects with a GBF grant request of less than £2 million states that there is no requirement for a quantified appraisal of the scheme (and therefore no requirement to complete Section 3.4 or the Appraisal Summary Table)**

### 3.4. Economic appraisal assumptions:

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

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

**We note that we are not required to complete this section**

### 3.5. Costs:

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

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

*If the land is owned by the public sector, then the public sector will be incurring holding costs assumed to be 2% of the existing value of the land per year. Should the land be used for non-residential development these holding costs will be avoided. This needs to be reflected in the appraisal as a negative cost.*

*Please note that any private costs associated with the development should be included in the appraisal as a dis-benefit and therefore feature in the numerator of the BCR calculation rather than the enumerator.*

*Additional details regarding the consideration of costs as well as standard assumptions that can be used in the absence of local data can be found in the [DCLG appraisal data book](#).]*

**Maidstone House is held on a long leasehold by Maidstone Borough council. The Borough Council have already committed £200,000 to bring forward Phase 1 of this project (Grow on High Quality business space on the 2<sup>nd</sup> floor of Maidstone House). The Council are seeking £300,000 GBF grant to cover the works to the 4<sup>th</sup> floor to create additional grow on business space.**

**Within our costs allowances have been made for inflation, rise in construction costs (labour and material) We have assumed a contingency of 20% for inflation and any subsequent rise in costs (labour and materials)**

**Revenue costs associated with this project will be the marketing of the completed Business space and ongoing management and support. The Borough council will fund from its own budget the costs of these.**

### **3.6. Benefits:**

*[Provide details of the benefits of the scheme identifying the 'initial' and adjusted benefits that were used to calculate the 'initial' and 'adjusted' BCR.*

#### **'Initial' Benefits**

**All impacts quantified based on the Green Book Guidance and Green Book Supplementary and Departmental Guidance should feature in the 'initial' BCR calculation. These impacts currently include:**

- **Air quality**
- **Crime**
- **Private Finance Initiatives**
- **Environmental – less commuting**
- **Transport (see WebTAG guidance)**
- **Public Service Transformation**
- **Asset valuation**
- **Competition**
- **Energy use and greenhouse gas emissions**
- **Private benefits e.g. land value uplift**
- **Private sector costs if not captured in land value**
- **Public sector grant or loan if not captured in land value**
- **Public sector loan repayments if not captured in land value**

#### **'Adjusted' Benefits**

*There are several external impacts to the users or entities already present in a development area or to the society that are additional to the impacts included in the Green Book Supplementary and Departmental Guidance.*

*Such external impacts include potential agglomeration impacts on third parties, health impacts of additional affordable housing and brownfield land clean-up, educational impacts of additional housing, transport externalities, public realm impacts, environmental impacts, and cultural and amenity impacts of development. Such externalities should still form part of the appraisal and included in the 'adjusted' BCR.*

*Promoter should present here additional estimates of impacts based on their own evidence. These estimates might be based on tentative assumptions where the evidence base is not well established. Additional guidance regarding the identification of externalities and ways of estimating the 'adjusted' impacts are available in [DCLG Appraisal Guidance](#).]*

### **Construction**

**In addition to the benefits above, the construction phase will result in additional employment and supply chain benefits. Frequently, these are excluded from the calculation of overall economic benefits, since it can usually be reasonably assumed that the construction industry is buoyant, and that construction jobs could be absorbed somewhere else. However, Getting Building Fund is specifically aimed at 'kick-starting' construction activity to compensate for the general downturn. We have therefore considered the benefits arising from this. In total from the design stage to the various**

trades and specialist required, we are estimating that 30 jobs will be created during phase 2.

### Employment

The Grow on Business space will provide for 86 opportunities of employment plus an additional 30 jobs through the design and construction phase. This evaluates to some GVA per head of £2,2 million in benefit to the town centre over 10 years.

GVA calculation: Kent County Council GVA per head Maidstone 2020 £25,714 x 86 jobs created = c £2.2m – assuming 10% of total GVA per head over 10 years at 2020 figures. (source Kent County Council – District estimates 2020 published May 2022

[www.kent.gov.uk/ data/assets/pdf\\_file/0012/8202/Gross-Value-Added-bulletin.pdf](http://www.kent.gov.uk/data/assets/pdf_file/0012/8202/Gross-Value-Added-bulletin.pdf) )

The primary sectors for specific focus and support would be within the Creative Digital and Professional Services sector. This would compliment Maidstone Innovation Centre which has a focus on the MedTech, Lifescience and Healthcare sectors.

### 3.7. Local impact:

- Delivery of 115 m2 (12,003 sq. ft) of innovative high quality ‘grow on’ town centre business space.
- Delivers up to 86 Jobs (HCA 2015 guidance) – and 30 construction jobs
- Creates stronger networking and collaboration opportunities to strengthen the innovation ecosystem in the region by promoting collaboration, networking, and complementary business support. This collaborative approach will result in the creation of an 'entrepreneurial crescent' spanning across north, middle, and South West Kent, linking all GBF bids together for regional impact. Including:
  1. Joint Entrepreneurial Events and Workshops:
  2. Complementary Business Support Services: Each local authority location can specialise in certain aspects of business support while complementing each other's offerings. For example, there might be dedicated provision focussing on specialized training programs, access to funding opportunities, marketing and branding support, and tech and research collaboration.
  3. Regional Investment Network: The local authorities can create a regional investment network that connects local investors, venture capitalists, and angel investors with startups and innovative businesses from all four areas. This network will provide a broader pool of funding options for startups and facilitate cross-area investment.
  4. Collaborative Research and Innovation: The authorities can encourage collaboration between businesses, universities, and research institutions across the different areas. Joint research projects and innovation initiatives will promote knowledge exchange and technological advancement.
  5. Unified Branding and Marketing: The local authorities can work together to promote the entire 'entrepreneurial crescent' as a unified region with a vibrant innovation ecosystem. This coordinated branding and marketing effort will attract attention from potential investors, businesses, and talent.
  6. Joint Policy Advocacy: Collaboration in advocating for policies that support innovation and entrepreneurship at the regional level can lead to more favourable regulatory environments and incentives for businesses in the 'entrepreneurial crescent.'

**7. Data Sharing and Insights: By sharing data and insights on local business trends, challenges, and successes, the local authorities can make informed decisions and tailor their support services to the evolving needs of the entrepreneurial community.**

**3.8. Economic appraisal results:**

*[Please provide details of the key appraisal results (BCR and sensitivity tests) by completing the table below. Please note, not all sections of the table may require completion.]*

*Promoters should also include a statement which identifies other schemes which may have potentially contributed to the same benefits/impacts.*

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

**We note that there is no requirement to complete the Appraisal Summary table below, given the scale of the grant request**

	<b>DCLG Appraisal Sections</b>	<b>Option 1 relative to status quo (Do Something)</b>	<b>Option 2 relative to status quo (Do Minimum)</b>
<b>A</b>	Present Value Benefits [based on Green Book principles and Green Book Supplementary and Departmental Guidance (£m)]		
<b>B</b>	Present Value Costs (£m)		
<b>C</b>	Present Value of other quantified impacts (£m)		
<b>D</b>	Net Present Public Value (£m) [A-B] or [A-B+C]		
<b>E</b>	'Initial' Benefit-Cost Ratio [A/B]		
<b>F</b>	'Adjusted' Benefit Cost Ration [(A+C)/B]		
<b>G</b>	Significant Non-monetised Impacts	<i>[Please provide details of the non-monetised impacts of the scheme. Please note that, where monetisation is not possible, a qualitative assessment of the potential impacts should be carried out and presented in the Business Case submission.]</i>	
<b>H</b>	Value for Money (VfM) Category	<i>[A VfM category should be produced for each spending option. The VfM should be based on the overall assessment of both monetised and non-monetised impacts. The VfM category will ultimately represent a judgment based on the size of the monetised benefits relative to the monetised costs (the BCR) and the potential significance of non-monetised impacts.]</i>	





	<b>DCLG Appraisal Sections</b>	<b>Option 1 relative to status quo (Do Something)</b>	<b>Option 2 relative to status quo (Do Minimum)</b>
<b>I</b>	Switching Values & Rationale for VfM Category	<i>[Sensitivity analysis can be used to identify a 'switching value' particularly with respect to additionality]</i>	
<b>J</b>	DCLG Financial Cost (£m)		
<b>K</b>	Risks		
<b>L</b>	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.]*

**Maidstone Borough Council has an adopted Procurement Strategy. This is reviewed annually and is accompanied by a series of guidance notes for officers to assist implementation. Maidstone borough council Procurement Strategy is published and available to view on the Councils website**

**The council has an experienced and robust Procurement Team, who oversee any tender process**

### 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.]*

***With this particular project, the Borough Council would proceed with a “Design and build” contract: Within this approach, a main contractor would be appointed directly by the Council. The main contractor would assume responsibility for design work undertaken in the pre-contract phase, together with ongoing design, development, and coordination in the post-contract phase. The contractor would provide a fixed price and programme to design and build the project. The advantage of design and build is that it provides cost certainty, provided that a detailed set of Employer’s Requirements is prepared. It is the most widely used procurement route for projects of this type. One disadvantage of design and build is perceived loss of control over the quality of the works. Maidstone borough council has a strong building surveyor team and a professional managing agent who has responsibility for Maidstone House, with this additional expertise, we are confident that design and Build is the preferred option for this project.***

***The Council as standard practise would have regular meetings with the contractor and map progress. An internal project board would be formed with suitably experienced and qualified officers in attendance.***

### 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.]*

***Maidstone Borough Council has a wealth of procurement experience, on varying valued projects. Experienced using direct procurement and framework routes. The Council also has a firm Governance structure where if appropriate waiver reports can be submitted for consideration and sign off, providing they are warranted and robust.***

**Recent experience.**

**Successful procurement for the construction of Maidstone Innovation Centre, a total budget of £13,315,604 , consisting of £11,492,634 for capital and £1,822,970 for revenue.**

**Funding sources included £5,787,212 ERDF and £7,528,392 of public sector match funding. Due to the ERDF element Regional and National Governments Audited the project on 3 different occasions including the procurement route, delivery model and project management. These were to found to be robust, good value for money and compliant with no financial irregularity penalties issued. The revenue budget included a business support programme ‘The South East Innovation Programme’ available to SME;s with growth potential across the wider SELEP region supporting 135 businesses.**

**The centre is solely dedicated to support the Medtech, Lifescience and Healthcare sectors opened in March 2021 and is currently supporting a 47 businesses and 200 jobs.**

**Lessons learnt – The Innovation Centre project underestimated the initial car parking requirements, at 76 spaces. This was quickly picked up and a new 42 space car park was neogiated with a landowner and was completed by the council in 2023 before coming an issue.**

***£1.2million refurbishment of Maidstone Bus Station, completed 2021.***

***Various affordable housing schemes on going.***

**4.4. Competition issues:**

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

***We do not anticipate any competitiveness issue with appointing a contractor to complete this project.***

**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.]*

***We do not anticipate any HR issues with the completion of this project. The Borough Council has a professional internal Property Team, Economic Development lead and business support staff who will ensure that the project is completed and then successfully managed once occupied.***

**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 Borough Council have identified the following risks and mitigation.***

**1.Capital costs exceed budget due to factors including: construction market tender disinterest, tender risk cover pricing.**

**Mitigation - Given a single stage design and build procurement route this offers the best balance between cost certainty, programme certainty and quality.**

**2. Take-up of the new office accommodation falls below expectation.**

**Mitigation - Market research undertaken, and our own professional knowledge suggest that the business case for new high quality office accommodation is robust. This is**

**coupled with the current situation where we are operating a successful business hub for start ups that wish to expand and move on but are finding the supply of suitable accommodation with the benefit of ongoing support hard to come by.**

**Please refer to Appendix C which further identifies the risks associated**

**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.]*

**Construction**

**Achieving social value through the procurement process is an objective of the Council's Procurement Strategy, in line with the Social Value Act. The Council through its procurement process / design and build contract will seek proposals from prospective main contractors to deliver social value over and above the benefits of the scheme itself. This might include opportunities to recruit local labour, especially among disadvantaged and underrepresented groups. An example of a previous project was that the contract enabled the main contractor to employ 2 local apprentices to assist on the scheme. Further to their introduction to the construction employment, they were then successfully appointed full employment positions.**

**Beyond the completion of the physical works, there will be opportunities to deliver social value through the operation of the office accommodation.**

## 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>2</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 value of the project £300,000, to be funded by Getting Building Fund (subject to approval). It should be noted that the Borough council have committed £200,000 to bring forward Phase 1 of this project in creating Grow On Business space on the 2<sup>nd</sup> floor – this is considered match funding

**Revenue** Getting Building Fund is sought for the capital element of the project only.

### 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.]*

**This project requests Getting Building Fund grant of £300,000.**

### 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.]*

**On receipt of funding the Borough Council are well placed to mobilise the project. As detailed in the works timetable, the first element of works and spend will be commissioning detailed surveys and scheme design, this will then move forward to a procurement tender, award of tender and appointment of contractors. The scheme will be marketed concurrently when contractors commence on site. We have carried out preliminary studies using in house experienced officers to place us in a position that we can move forward at pace. We understand that the outcome of funding will be given in January 2024 and funding received in March 2024. Our works timetable can be altered to align when funding is actually received.**

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<sup>2</sup> Nominal values are expressed in terms of current prices or figures, without making allowance for changes over time and the effects of inflation.

***Our application for funding includes a 20% contingency for inflation and potential rise in costs (labour and material). We remain confident that the proposed scheme can be delivered within the funding applied for. With regard to monitoring costs associated with this project, as explained in the body of this application, we will have an internal project board who will monitor the progress of the project, working closely with the contractor (weekly meetings)***

Cost type	Expenditure Forecast				
	23/24 £000	24/25 £000	25/26 £000	26/27 £000	Etc.
Capital [For example by stage, key cost elements for construction, and other cost elements such as contingency, overheads and uplifts]	£50,000	£250,000	completed		
Non-capital [For example revenue liabilities for scheme development and operation]					
QRA					
Monitoring and Evaluation					
<b>Total funding requirement</b>	50000	250000			
Inflation (%)	20%				

**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.]*

**Risks on the capital phase are considered low at this stage**

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

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

Funding source	Expenditure Forecast					
	23/24 £000	24/25 £000	25/26 £000	26/27 £000	27/28 £000	28/29 £000
GBF	50000	250000				
Capital source 2...						
Non-capital source 1...						
Non-capital source 2...						
<b>Total funding requirement</b>	<b>50000</b>	250000				

**5.6. Funding commitment:**

*[Provide signed assurance from the Section 151 officer to confirm the lead applicant will cover any cost overruns relating to expenditure and programme delivery, as per the template in*

*Appendix B. Please also confirm whether the funding is assured or subject to future decision making.]*

***S151 Officer Mark Green has signed this agreement – see relevant section***

**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.]*

***As previously detailed***

## 6. MANAGEMENT CASE

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

### 6.1. Governance:

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

**The Project Sponsor for this project is Mark Green Director of Finance, Resources & Business Improvement, Maidstone Borough.**

**The Senior Responsible Officer will be Katie Exon Head of Property and leisure, Maidstone Borough Council, who will be supported by suitably experienced colleagues in delivering this project. Namely The Property Portfolio Manager and Building Manager**

***Weekly internal project board meetings will be initiated, attended by key representatives from Services with an interest in delivering the project. Key personnel are trained in PRINCE 2 methodologies and have experience of managing capital schemes. On completion of the “building phase”, this area of accommodation will then fall into the internal ED and Property Project Board where performance and management of the business hub is included. [The internal project board will consist of – Section 151 Officer, Head of Property and Leisure, Portfolio manager, building Surveyor, Senior Finance Officer, Economic Development manager]***

### 6.2. Approvals and escalation procedures:

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

**Approvals and escalation procedures reflect Maidstone Borough Councils governance structure in place.**

### 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.]*

**The project management and governance processes set out in section 6.1 above will be used to ensure that project outputs are delivered to scope, timescale and quality**

### 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.]*

- **High Street Businesses that will be able to capitalise on increased footfall and day time spend.**



- ***Maidstone Borough Council who have an interest and responsibility for growing and supporting the local economy.***
- ***Local businesses that have out grown their existing workspace hampering their growth plans***
- ***Local Start ups and micro businesses as Incubator space becomes available as existing tenants move into grow on space.***
- ***Lets Do Business Group (the councils business support provider) and other business support organisations and private businesses whom provide business support and workshops via the Economic Development Team may wish to have a presence.***
- ***Commercial Investors/developers as the project demonstrates demand for grow on and start up space.***
- ***Locate In Kent –new high quality office space provision in the Town Centre.***

### **Engagement**

- ***Tenants of the Business Terrace of whom some have expressed the need for high quality grow on space.***
- ***Watson Day are the Councils retained marketing agents, their views have been sought on rental level expectations and demand for office space. Their advice aligns with our ambitions to bring Phase 2 forward.***
- ***Town Centre Strategy business engagement events held on 6<sup>th</sup> and 9<sup>th</sup> June 2023 – there was support for the need of high-quality grow on space.***
- ***Town Centre Strategy engagement with One Maidstone – the Business Improvement District managing Maidstone Town Centre.***
- ***The Councils Economic Development team manage a database of 6,500 local businesses for its monthly e-business newsletter, with an average 43% monthly open rate. The e-business newsletter will be key to engagement with the business community.***

### **Further engagement**

- **Engagement with the H3i network to see whether this project could accommodate their space requirements.**
- **Engagement with the current tenants of Springfield House – opportunity to accommodate their space requirements.**
- **Further electronic engagement via the Economic Development teams e-newsletter.**

### **6.5. Equality Impact:**

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

**Maidstone Borough Council has a robust Equality Impact Assessment process which is applied to all new, policies, projects, plans and Services.**

**A full Equality Impact Assessment will be undertaken in September 2023. The findings from the assessment will assist inform the developments proposals. For example, findings against the Protected Characteristic 'Disability' would inform the Business**

**Suites internal layout and specialist equipment required such as access to hearing loops and other technology to ensure the business suite is accessible to all.**

**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.]*

**The risk register for the scheme is detailed in App C. . This risk register is kept ‘live’ and is regularly updated by the Project Board and is used the basis for weekly discussion with the main contractor. A summary of key risks is considered by the Project Team, in line with the management and escalation procedures set out above**

**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.]*

**The high-level work programme for the scheme is set out in the table above. Please be advised that our work programme can be aligned for when funding actually received**

**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.]*

**Business Terrace – Maidstone Innovation Centre build – Mote Park Café, Maidstone House refurbishment – the Project Team possess a wealth of experience and professional qualifications to be able to successfully deliver this project**

**6.9. Monitoring and evaluation:**

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

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

6.91 Logic Map

Objectives	Inputs	Outputs	Outcomes	Impacts
<p><b>Objective 1:</b> Deliver additional high quality 'grow on' workspace</p> <p><b>Objective 2:</b> Increase the vitality and vibrancy of the town centre, by increasing, job opportunities, available day time spend and footfall.</p> <p><b>Objective 3:</b> Strengthen the innovation ecosystem in the region by promoting collaboration, networking, and complementary business support across North, Mid and South West Kent</p>	<p><i>For all schemes:</i></p> <p>Grant Spend £300,000</p>	<p><i>For all schemes:</i></p> <p><i>Creation of high-quality grow on business space</i></p> <p><i>Employment business space</i></p> <p><i>Also refer to metrics output metrics within Appendix E</i></p>	<p>Employment outcomes: Jobs supported by the creation of new office accommodation 86.</p> <p>Construction employment created by the project 30.</p> <p>Improved built environment.</p> <p>Increased footfall and activity in Maidstone Town Centre</p>	<p>Increased business sustainability through grow on business space offer</p> <p>Environmental benefits arising from reduced commuter/ work travel.</p> <p>Future commercial investment</p> <p>Increased expenditure in the town centre</p> <p>Increased offer within the town centre</p>



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## 7. DECLARATIONS

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

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

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



<i>Signature of applicant</i>	
<i>Print full name</i>	<i>Katie Exon</i>
<i>Designation</i>	<i>Head of property and leisure</i>

## 8. APPENDIX A – ECONOMIC APPRAISAL ASSUMPTIONS

*[The DCLG appraisal guide data book includes all of the appraisal and modelling values referred to in the appraisal guidance. Below is a summary table of assumptions that might be required. All applicants should clearly state all assumptions in a similar table.]*

<b>Appraisal Assumptions</b>	<b>Details</b>
QRA and Risk allowance	10% for construction costs;
Real Growth	All prices quoted at 2023 values
Discounting	N/A
Sensitivity Tests	<b>N/A. As there is no requirement for full economic appraisal (as less than £2m grant request), sensitivity testing has not been carried out)</b>
Additionality	N/A
Administrative costs of regulation	N/A
Appraisal period	10 years from 2023
Distributional weights	N/A
Employment	As explained
External impacts of development	As Explained
GDP	As Explained
House price index	N/A
Indirect taxation correction factor	N/A
Inflation	As Calculated
Land value uplift	N/A
Learning rates	N/A
Optimism bias	N/A
Planning applications	Not required
Present value year	N/A
Private sector cost of capital	n/A
Rebound effects	N/A
Regulatory transition costs	n/A

## 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 Maidstone Borough 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 projects development and delivery stages.*
- The delivery body has access to the skills, expertise and resource to support the delivery of the project*
- Adequate revenue budget has been or will be allocated to support the post scheme completion monitoring and benefit realisation reporting*
- The project will be delivered under the conditions in the signed 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,*



*Mark Green*

*Director of Finance, Resources and Business Improvement (SRO (Director Level) and S 151 Officer)*

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## 10. APPENDIX C – RISK MANAGEMENT STRATEGY

Description of Risk	Impact of Risk	Risk Owner	Risk Manager	Likelihood of occurrence (Very Low/ Low/Med/ High/ Very High) (1/2/3/4/5) *	Impact (Very Low/ Low/ Med/ High/ Very High) (1/2/3/4/5) **	Risk Rating	Risk Mitigation	Residual Likelihood/Impact Scores
GBF is not achieved	Scheme will be delayed in being bought forward for at least 5 years due to budgetary constraints	MBC	Katie Exon	3	5	15	N/A	5
Capital costs exceed budget due to factors including: construction market tender disinterest, tender risk cover pricing,	Additional funding required. Delay to project completing	MBC	Katie Exon	2	3	6	Given the accelerated procurement programme, a single stage design and build procurement route offers the best balance between cost certainty, programme certainty and quality. Realistic client	1

							contingencies in place for unforeseen. Robust change control process in place	
Occupation take up of new office space is lower than predicted	Increased marketing, revision of terms	MBC	Katie Exon	2	2	6	Robust market research and national market trends indicate that high quality office space is in demand in Maidstone Town centre	2

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

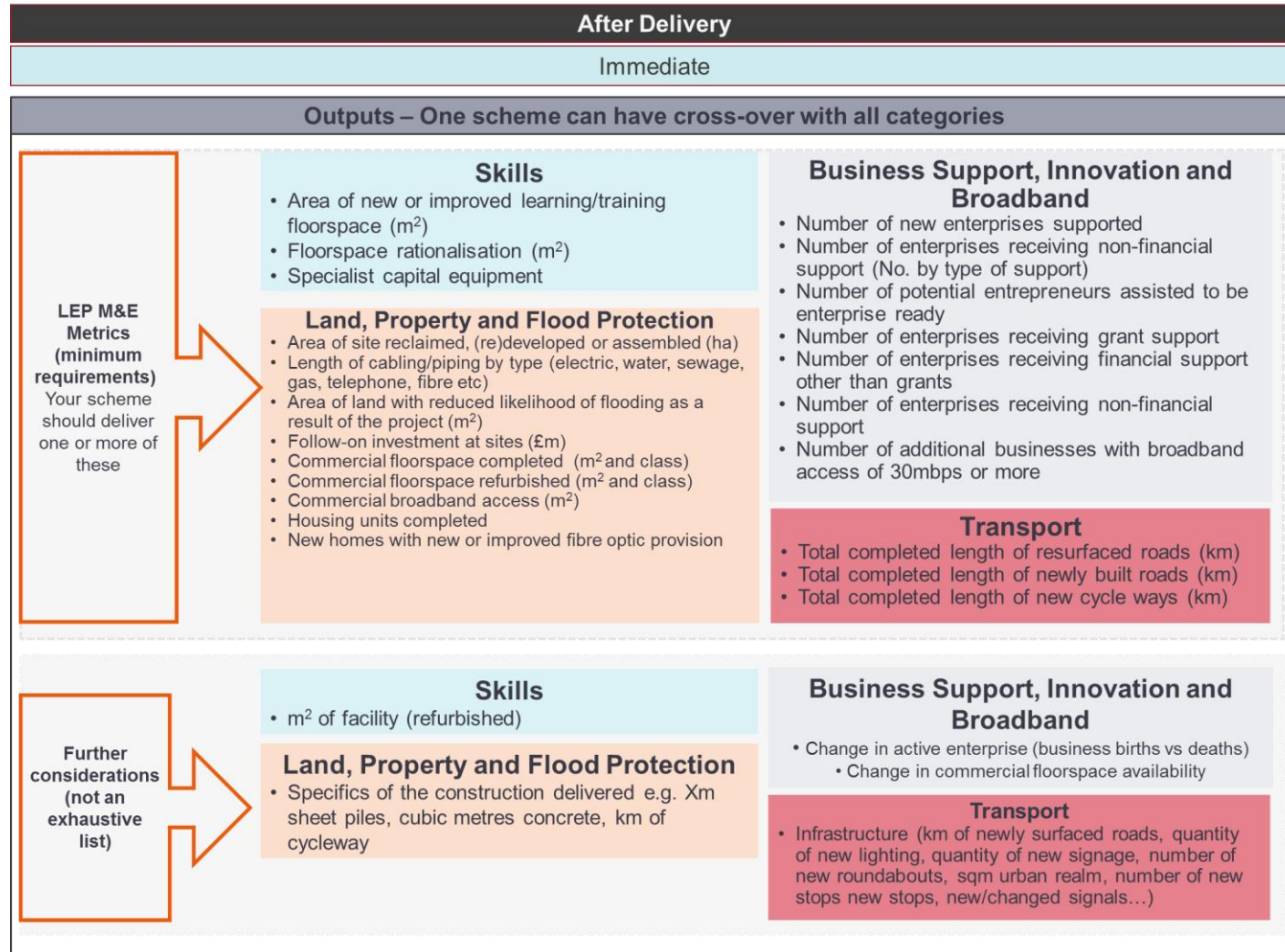
\*\* Impact scale: Very Low (1) likely that impact could be resolved within 2 days; Low (2) potential for a few days' delay; Medium (3) potential for significant delay; High (4) potential for many weeks' delay; Very High (5) potential for many months' delay

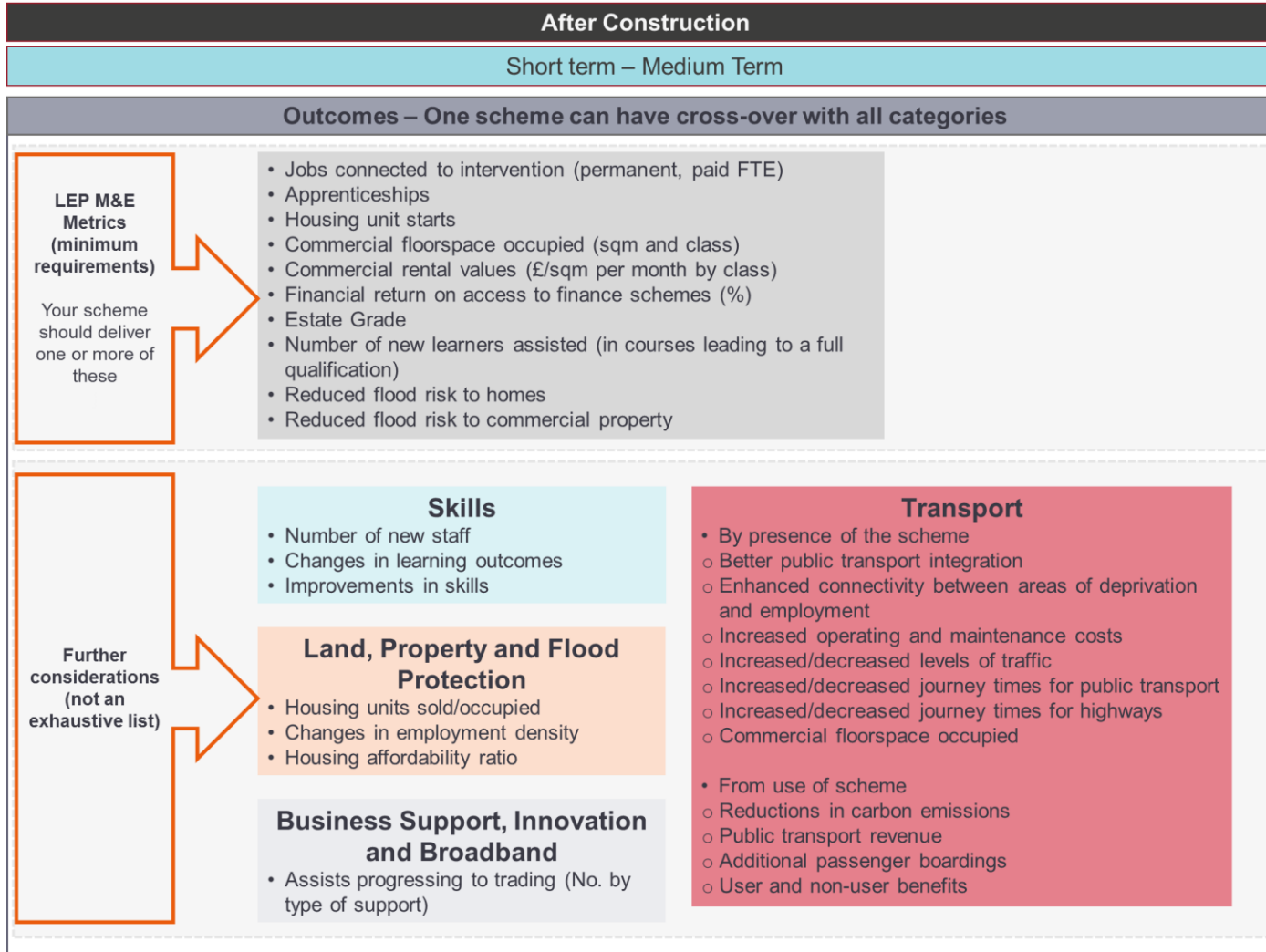
*Please note, not all sections of the table may require completion.*

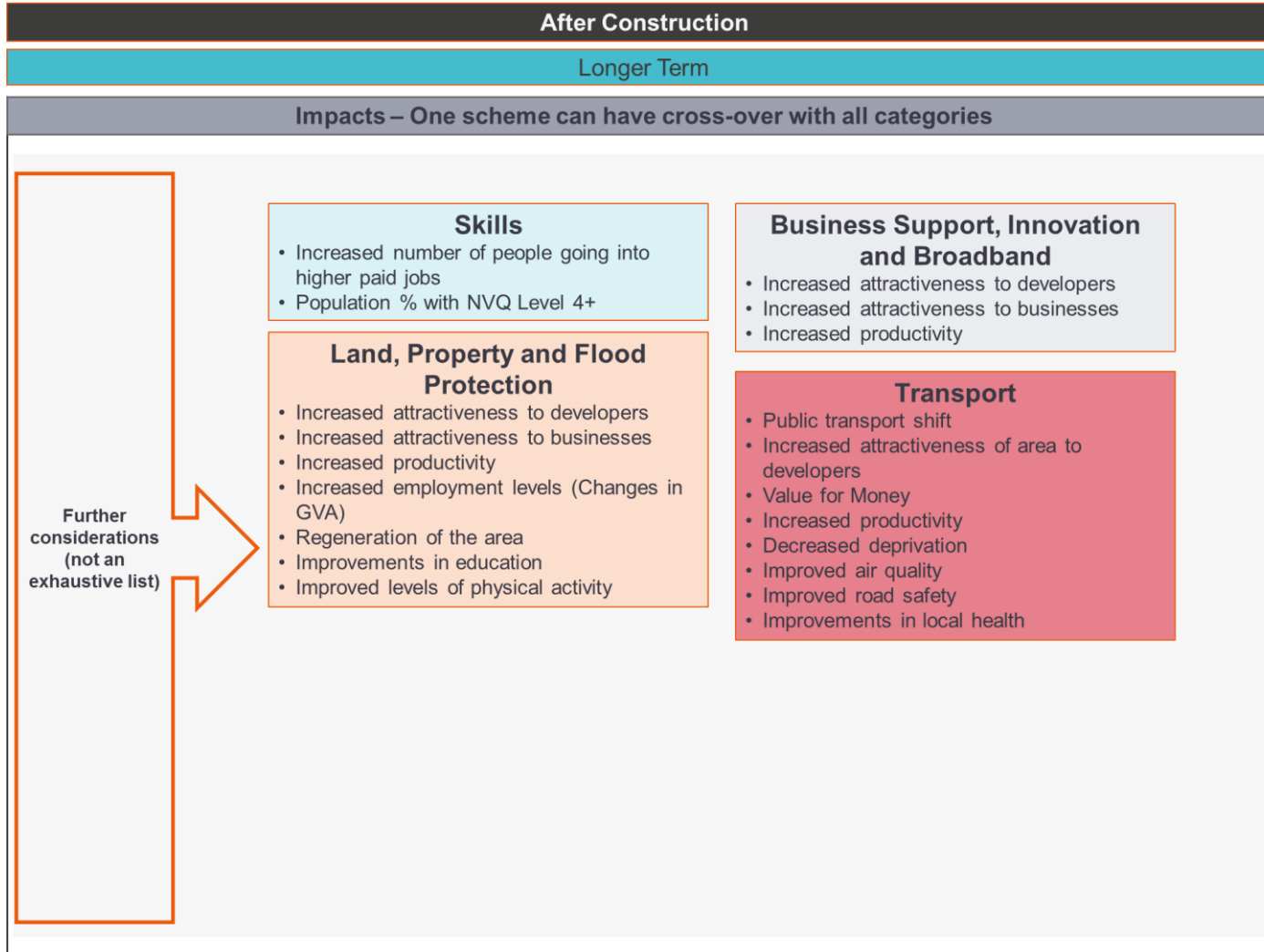
11. APPENDIX D – GANTT CHART

Tasks	Start date	Finish date	2024						2025				
			Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Etc.
Site surveys	(On receiving Funding or) January 2024	February 2024											
Detailed design and planning	As above dependant on funding outcome – march 2024	April 2024											
<b>Key Milestones / Deliverables</b>													
Contractors appointed	June 2024	June 2024											
Pre Planning Site meetings	April / may 2024	May 2024											
Works commence	June 2024	September 2024											
Marketing and occupation	May 2024	ongoing											

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









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### 13. APPENDIX F – MONITORING AND EVALUATION 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 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)



			<p>considerations' section (see Appendix A supplied separately)</p> <p>Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case</p>	<p>Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case</p>
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### MAIDSTONE HOUSE GROW ON BUSINESS SPACE

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

The objectives of the scheme are:

Objective 1

Objective 2

Objective 3

## INPUTS

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

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

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	[FY1/FY2]				[FY1/FY2]				[FY1/FY2]				
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
IN1	Grant Spend	Planned / Forecast			Planned/ Forecasted Spend Profile													
IN2	Matched Contributions Spend	Planned / Forecast			Planned/ Forecasted Spend Profile													
IN3	Leveraged Funding	Planned / Forecast			Planned/ Forecasted Spend Profile													

## INPUT 4: PROJECT DELIVERY AND MILESTONES

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Start of project (start spending GBF or match funding)	
Public Consultation	
Detailed Design	
Full Planning Permission Granted	
Site Mobilisation Works Commence	
Project Completion / Site Opening	

## INPUT 5: RISK MITIGATION

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

## OUTPUTS

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



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



*COMPLETE AND REPEAT FOR ALL OUTPUTS*

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

...OP2, OP3, OP4 etc

## OUTCOMES

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



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

*COMPLETE AND REPEAT FOR ALL OUTCOMES*

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

...OC2, OC3, OC4 etc

## IMPACTS

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

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

*COMPLETE AND REPEAT FOR ALL IMPACTS*

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

...IM2, IM3, IM4 etc

## **BASELINE REPORT**

### **PURPOSE**

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



## AN OVERVIEW TO THE MONITORING AND EVALUATION PROCESS

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





## PROPORTIONATE APPROACH TO COMPLETING THE REPORT

The 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 considerations' section (see	Those relevant to the scheme/package from within the list in Appendix A (supplied separately)



			<p>Appendix A supplied separately)</p> <p>Also include any additional outcomes that have a large or moderate benefit / disbenefit in the Business Case</p>	<p>Also include any additional impacts that have a large or moderate benefit / disbenefit in the Business Case</p>
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This Baseline Report provides the details of the inputs, outputs, outcomes and impacts of the [insert scheme name *here*] from the period [date] to [date], before the scheme is constructed/delivered.

The objectives of the scheme are:

<b>Deliver additional high quality 'grow on' workspace</b>
<b>Increase the vitality and vibrancy of the town centre</b>
<b>Strengthen the innovation ecosystem in the region by promoting collaboration</b>

## INPUTS

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

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

ID	Input Description	Source of Value	Monitoring Approach	Frequency of Tracking	Source	Year 1 Before Opening [F23/FY24]				Year 2 Before Opening [FY24/FY25]				Year 3 Before Opening [FY1/FY2]				
						Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	
IN1	300,000	Planned /	Weekly project board meetings during construction phase	weekly	Planned/				100K	200K								
IN2	200,000 match funded by MBC Phase 1	Planned /	Works proceeding – weekly monitoring	Weekly meetings	Planned/													
IN3	Leveraged Funding	Planned / Forecast	N/A	N/A	Planned/ Forecasted													



					Spend Profile														
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## 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)	Dependant on when GBf received – January / march 2024
Public Consultation	Ongoing
Detailed Design	March 2024
Full Planning Permission Granted	N/A
Site Mobilisation Works Commence	June 2024
Project Completion / Site Opening	September 2024

## INPUT 5: RISK MITIGATION

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

## OUTPUTS

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



EXAMPLE							
ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1	Grow on Business space	Baseline	zero	Through public timetable information	n/a	n/a	n/a
		Planned/ Anticipated		Through capital build	Weekly during construction phase	Full Business Case,	From scheme opening April 2024

**Details: Method of Collecting Baseline Information**

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

The cost of collecting this information was £0.



*COMPLETE AND REPEAT FOR ALL OUTPUTS*

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1		Baseline					
		Planned/ Anticipated					
<b>Details: Method of Collecting Baseline Information</b>							

ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP2		Baseline					
		Planned/ Anticipated					
<b>Details: Method of Collecting Baseline Information</b>							

...OP3, OP4 etc



## OUTCOMES

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



EXAMPLE							
ID	Outcome Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1	Jobs connected to the intervention	Baseline	10 jobs from one business	Short email questionnaire	n/a	Email questionnaire before opening	2020
		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
<b>Details: Method of Collecting Baseline Information</b> There is one business in the impact area of the scheme on a small business park which is newly opened. This is a small accountancy firm. Through an email questionnaire before opening, we found that it employs 10 FTE. The cost of finding out this information was 1 day of internal resource.							

*COMPLETE AND REPEAT FOR ALL OUTCOMES*

	Outcome Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC1		Baseline					
		Planned/ Anticipated					
<b>Details: Method of Collecting Baseline Information</b>							

	Outcome Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC2		Baseline					
		Planned/ Anticipated					
<b>Details: Method of Collecting Baseline Information</b>							

...OC3, OC4 etc

## IMPACTS

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

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

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

...IM3, IM4 etc



#### 14. APPENDIX G - CATEGORIES OF EXEMPT INFORMATION

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

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

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

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