

## 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>

<b>Version control</b>	
<b>Document ID</b>	GBF – Victoria Centre bid
<b>Version</b>	v. 3
<b>Author</b>	Jon Mather/Tim Rignall
<b>Document status</b>	Final for Gate 1 assessment
<b>Authorised by</b>	Tim Rignall
<b>Date authorised</b>	01/09/2023

## 1. PROJECT OVERVIEW

**1.1. Project name:**  
The Victoria Centre – Part 1<sup>st</sup> Floor Refurbishment

**1.2. Project type:**  
Partial regeneration of Shopping Centre

**1.3. Federated Board Area:**  
Opportunity South Essex

**1.4. Lead County Council / Unitary Authority:**  
Southend-on-Sea City Council

**1.5. Development location:**  
The Victoria Centre Chartwell Square, Southend on Sea, SS2 5SP

**1.6. Project Summary:**  
SCC are the owner of the Shopping Centre. There is a terrace of long-term empty units to the first floor of the scheme which we (SCC) would seek to refurbish and let on turnover based rent to new and local businesses who are trying to establish themselves in the City. This would create local employment and revitalise this part of the Centre. As part of the project the roof above the units has been re-surfaced as there had been water leakage into the units. SCC funded these works and arranged for them to be undertaken.

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

Partner	Nature of involvement (financial, operational etc.)
SCC (Lead applicant)	Operational.
Southend BID	Operational
Southend Business Partnership	Operational

**1.8. Promoting Body:**  
SCC

**1.9. Senior Responsible Owner (SRO):**  
Steve Newman, Team Leader Corporate Property and Asset Management  
[Stevenewman@southend.gov.uk](mailto:Stevenewman@southend.gov.uk)  
01702 215494

**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 from SELEP</i>	£600,000	Subject to positive funding decision.
<b>Total project value</b>	£600,000	

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

The request is for £600,000 of GBF. The funding will not constitute State Aid.

**1.12. Exemptions:**

No exemptions are required. However, in line with the SELEP template, a full economic appraisal has not been undertaken as the scheme is below the £2m threshold.

**1.13. Key dates:**

- Confirmation of funding – February 2024
- Finalisation of tender specification – February 2024
- Procurement commences – March 24
- Procurement completion and contractor appointment - May 24
- Works commence - June 24
- Marketing of units starts – June 24
- Completion of works – December 2024
- Units opening for trade - January 25

**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
Victoria Centre roof re-covering	Installation of new waterproof roof covering at the Victoria Centre. This is above the units which we are now looking to refurbish.	Waterproof roof installed (£550k) and funded by SCC	Completed
GBF business case	Submission of GBF business case	Business case prepared and submitted	1 September 2023
Project development stages to be completed			
Task	Description	Timescale	
OSE Assessment	OSE Assessment and Prioritisation	September 2023	
SELEP Prioritisation	Prioritisation of all bids received by Accountability Board.	By February 2023.	
Notification of funding decision.	SELEP to inform SCC of funding decision.	February 2023	
Tender specification	Finalise tender specification for the works	February 2023	
Procurement	Procurement of contractor and appointment of contractor.	March – May 2024	
Construction	Refurbish six units to 'white box' standard.	June – December 2024	
Marketing	Marketing of the units to secure tenants.	Start - June 2024	
Refurbished units open	Units open for trade in the Victoria Centre	January 2025	

**1.15. Proposed completion of outputs:**

*[Include references to previous phases / tranches of the project (link to the SELEP website) and to future projects to be funded by SELEP.]*

Output	Likely completion
Produce an economic return on the investment in the units.	Commence January 2025 and ongoing
Increased employment especially for local population.	April 2025
Increased useable commercial floor space in the City centre.	January 2025
Regeneration of this part of the Scheme and associated increase in footfall.	March 2025

## 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:

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

SCC purchased the Victoria Centre in December 2020. The scheme comprises a 1960s built shopping centre arranged over three floors with 83 units and including a multi-storey car park. The scheme occupies a prominent position at the northern end of the High Street and in close proximity to Southend Victoria Train Station. In recent years the Centre has had a number of different owners and capital investment has been minimal. Historically there have been a significant number of vacant units within the centre reflecting the prevailing economic climate and the wider struggles of Southend High Street.

SCC's rationale for purchase included rejuvenating the centre to provide resources for the local community by providing a more mixed use, rather than just purely a retail offer. This approach has been successful and new leisure uses have been attracted into large long standing empty units. These include an independent climbing operator (Indirock) as well as a national bar operator (Boom Battle Bar). In addition Brook Sexual Health have also taken a further large, long term empty, unit. All these units are on the first floor of the Centre which was previously largely empty.

To achieve these lettings, SCC has made significant capital contributions to assist with fit out and refurbishment costs. This reflects the current state of the occupational market. Due to current budget constraints no further monies are currently available for new initiatives at the Centre. As a consequence SCC are seeking GBF funding to continue the rejuvenation of the Centre.

There is a terrace of 6 small units in an area on the first floor leading to the entrance/exit to Victoria Station. These units are long term vacant and have been stripped back to a concrete shell. Investment by SELEP would enable the refurbishment of these units and make them available to local and start up businesses.

In an effort to stimulate interest we would offer the units on a turnover rent basis, thereby minimising the risks to the operators of the units. The lease term offered to tenant will be for 2 years, with tenants obligated to pay a pre-agreed percentage of turnover. SCC would cover the rates but not the service charge, applicable to the unit. After the initial two-year period a more commercial lease will be agreed. SCC would benefit for having increased net operational income for the Centre via the turnover rents but just as importantly it will make this part of the Centre vibrant with new and local business. Community engagement with the scheme would be increased significantly.

Southend is a city characterised by small businesses and there is a strong entrepreneurial flair in the city, consequently we would expect good demand for the units. This is illustrated by the arts & craft market that currently operates on the first floor at the Centre, once a month. This was

established earlier this year, but already there are circa 30 stall holders and the operators of the market claim there are many more people interested in stalls.

There is a substantial roof area above these units which has been subject to leakage. SCC has installed a new roof covering at a cost of £550k to ensure the units below are free from water penetration.

Southend City Council appointed architecture and urbanism experts We Made That to lead on the delivery of a Strategy and Investment Plan for Southend City Centre. The report was approved and published in 2022. The Strategy identified a strong need for intervention throughout the City Centre and proposed a number of “catalyst” projects. The Victoria Centre was identified as one of these catalyst projects and is the only such project which is under the control of the Council.

The report, which was produced post extensive public and stakeholder engagement, proposed four anchor projects of which the Victoria Centre was one. The stated aim made by the consultants was the reinvention of the Victoria Centre as a creative, commercial and community health hub gateway. Improvements to the Centre would showcase the Council’s presence and will be a key part of the future of the city centre. Further diversification around the core retail offer was one of their proposals and this project would partially satisfy this.

## 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]*

See below.

<b>Inputs</b>	<b>Outputs</b>	<b>Outcomes</b>	<b>Impacts</b>
<p><b><i>For all schemes:</i></b></p> <p><i>Take from section 1.10 / Financial Case</i></p> <p>Grant Spend £0.6m</p>	<p><b><i>For all schemes:</i></b></p> <p><i>Influenced by detail in section 3.2.</i></p> <p>279sqm commercial space brought back into use.</p>	<p>New jobs generated. Envisage the refurbishment of the units would create 20-30 full and part time jobs.</p> <p>6 units would be brought back into commercial use.</p> <p>Increased footfall and community engagement with the Centre.</p> <p>Produce an income stream to the council from rent paid by new occupants.</p> <p>Higher spend in existing businesses in the Victoria Centre.</p> <p>Improved perceptions for visitors, businesses and residents.</p> <p>Economic output generated by new jobs generated.</p> <p>A healthier high street with greater levels of footfall and resident satisfaction Support for new and early-stage businesses.</p>	<p><i>Scheme is less than £2m.</i></p> <p>Rejuvenation of the scheme and northern part of Southend High Street. Creating a more diverse offer drawing in a wider segment of the local community.</p>



		<p>Visual improvements to the façade of shopfronts.</p> <p>Increased surveillance of spaces that may be prone to crime and antisocial behaviour.</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.]*

The scheme is located at the northern end of the High Street, close to Southend Victoria Station. Post code SS2 5SP.

### 2.4. Policy context:

The scheme will support regeneration and activation of the High Street in line with planning and other strategic local and national policies.

SELEPs **Economic Recovery and Renewal Strategy** sets out its Strategic Priority around Communities for The Future and within that priority the need to consider how we reshape and transition our towns and high streets in the aftermath of the pandemic and Brexit. This project has a very clear fit with that aspiration. The Strategy also sets out SELEPs aspirations around business resilience and growth. In particular it sets out the need to ensure that there is robust and flexible business support activity for all businesses and start-ups. The new space in the Victoria Centre will be made available to start ups and local businesses on a turnover rent basis. They will also have access to the Business Navigator funded through the City's UKSPF allocation.

#### **Local**

Southend-on-Sea Local Plan: Planning for Growth and Change Southend-on-Sea City Council is working on producing a new Local Plan for the City. The plan outlines the key factors influencing Southend city centre including reduced customer expenditure growth and the growth of internet/multi-channel retailing and concluding that because future demand for retail growth is limited there is an urgent need to consider alternative strategies for the city centre to retain its vitality and vibrancy.

The Southend City Centre Strategy and Investment Plan is grounded in the Southend 2050 ambition for the future and emphasises the role of arts, culture and the creative industries in the renewal and transformation of city centres. It is therefore positioned to maximise partnership and investment opportunities at a sub-regional level via the Thames Estuary Production Corridor and at a national level, aligned with the investment principles of Arts Council England's Let's Create Strategy.

The Strategy and Investment Plan was commissioned by Southend City Council with the aim of developing a shared vision for the future of the city centre, which can guide public and private investment and facilitate community partnerships. This work was underpinned by a thorough review of existing planning documents, and research into the socio-economic conditions of the city centre. It is also informed by extensive engagement with stakeholders, youth groups, the creative and cultural sector, community groups, and the business and development sector as well as the wider public.

The investment plan identifies actions for the next 5 to 10 years, which lays the groundwork for Southend to become an attractive place for private investment, and a great candidate for future government funding. The investment plan also identifies existing community partnerships to build on, and potential new community partnerships. In looking towards the future, this document will help Southend direct its creative energy towards shaping a city centre that promotes health and

well-being, and that is supportive and inspiring for young people and families. The golden thread which will underpin the future development of the city centre is a commitment to inclusivity and sustainability.

The Strategy and Investment Plan identifies five geographic clusters within the city centre, and corresponding “anchor projects” for each of these areas. One of these five clusters is the Victoria Station Gateway where the aspiration is to create a welcoming place for all. The anchor projects for this zone are the Victoria Centre and a liveable city centre. The Victoria Centre will become a civic, community and health hub. Obviously, we have already made some progress towards that goal and the GBF investment will help us to achieve further progress.

## 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.]*

Southend city centre, like many centres across the UK, has experienced a continued decline resulting in growing vacancy rates (especially in the north and central section of the High Street) and decreasing footfall. This situation was exacerbated by the pandemic and the various restrictions that came with it. The Southend Centre Area Action Plan (SCAAP) report identified several issues impacting on the performance of Southend city centre and therefore contributing to the growing vacancy and declining footfall trends including:

- The long, linear nature of the High Street with too much vacant retail space which is also often the wrong configuration and size.
- The latent potential of the city – recognising its role as a local centre, a centre of education and a visitor destination.
- The diffuse land ownership and the limited extent of the land owned by the Council, the perception and practical application of legislation and policy.
- The messaging about the city centre – both in terms of awareness of what it offers and the civic pride it does or doesn't engender.
- Significant levels of illegal and/or anti-social activity.

Work to produce the new City Centre Strategy and Investment Plan highlighted the following issues:

**City centre and retail are in long term decline** – The decline in retail employment in Southend on Sea is widespread. Over the last 5 years, retail jobs have been stagnant around 7000, while retail businesses show long-term decline. Between 2016 and 2020, there was a loss of around 200 jobs in clothing retail and another loss of around 250 in non-specialised retail stores.

**Retail Space** - Retail rents have fallen at a similar rate to the comparator locations over the past 5 years; however, the current day rents are significantly below the other locations.

**The city centre is concentrated with high levels of deprivation** – The area in and around the City Centre are facing the most severe levels of deprivation. Areas on the eastern and western outskirts are the least deprived, especially along the coast, highlighting the inequalities across the borough – Southend is challenged in the Crime, Education, Employment, and Income Domains

**Enterprise growth** – A lack of enterprise growth in the city centre shows that it is not pulling its weight in terms of the wider Southend economy.

**The environment and its quality are a challenge** – The physical environment in Southend-on-Sea and Southend City Centre are quite poor. The City Centre faces a significant challenge with

access to green spaces. Air quality seems to be slightly worse in the northern area of the City Centre.

**Crime and anti-social behaviour** - crime and drug dependency issues were a key part of negative perceptions about Southend.

Without public sector intervention these issues are likely to persist and worsen thereby only serving to discourage visitors and in turn further inward investment.

### **Market failures**

In the case of Southend city centre there are several market failures which exist and prevent the private sector from securing a solution on its own. Successful High Streets across the UK are characterised by several features including clear signage and wayfinding, public and green spaces, appropriate public realm, and various measures to ensure community safety. Although the delivery of these infrastructure improvements would serve to address the identified issues impacting on the social and economic health of the High Street in Southend city centre, the delivery of these elements falls to the public sector given the lack of direct return to this investment, and therefore little incentive for the private sector to deliver or contribute to such schemes.

To provide a joined up and comprehensive solution to the issues identified the Council has implemented a range of programmes of work in and around the city centre:

- Cool Towns
- Town Centre Redevelopment Improvement Project
- Southend Central Area Transport Scheme (S-CATS)
- Sustainable Urban Neighbourhoods Research and Implementation Support in Europe (SUNRISE) Better Queensway
- Capital works to deliver new cameras and security measures.
- Purchase of the Victoria Centre (c.£10m)

The purchase of the Victoria Centre was a deliberate move to give the Council greater influence in place making in the City Centre. Prior to the purchase it owned very little property in the City Centre and as such had little influence in being able to positively drive change. Private sector property owners had to that point shown little interest in proactively seeking to engage with initiatives to increase occupancy and diversify the High Street. Within the Victoria Centre many units had been unoccupied for years, including the units proposed for refurbishment. This part of the Centre was unattractive and without any meaningful economic or community use.

While recognising the progress that has been made the new City Centre Strategy has set out a clear vision and series of actions to guide the regeneration of the city centre. It is hoped this will lay the groundwork for Southend to become an attractive place for private investment. The strategy identifies five geographic clusters within the city centre and corresponding “anchor projects” for each of these areas. Recognising the opportunity presented by the Councils purchase of the Victoria Centre this is included as an anchor project. The Victoria Station Gateway aspires to be a welcoming place for all, and the Victoria Centre will become a civic, community and health hub. While good progress has already been made the Council, like many others, is experiencing significant budget pressures and this will limit progress that can be made with the Centre. An allocation of GBF funding would allow momentum to continue.

To maximise the outcomes of this project, we will look to progress in tandem and effectively link up with other existing programmes of work. A market led approach would result in a piecemeal

scheme which would not achieve the same quantum of benefits. However, whilst public sector intervention is required, SBC itself owns little of the land in the city centre therefore limiting its direct power to enforce change that would improve and address the issues facing the city centre. Start-up costs for new and small businesses are high and deter many potential business owners. By making available units based on turnover rents, it is hoped to attract a number of diverse businesses. It is hoped that those that do well will seek more long-term premises either in the scheme or elsewhere in the City Centre.

There has been a growing body of research to suggest that the emerging role of city centres is to become a 'destination' to encourage residents and visitors to visit and spend more time (and money) in their local urban centre. Investment in measures to make public space more desirable are critical to the competitiveness of place and key to transforming a city centre into a destination. Trafford Council's town Centres Business Growth Programme has levered in over £600,000 of private investment and created 100 jobs. This precedent suggests that investment in the public realm and other related activities generates 'economic benefit streams' that translate into 'economic impact' through a number of mechanisms: attracting investment; increasing land and property values; attracting visitors; increasing tourism; improving productivity; and enhancing image.

## 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 the Council is the owner of the Victoria Centre, there is no obvious angle avenue to seek private funding for this initiative. The High Street is however very much in need of this type of intervention as set out in 2.5. In addition to the initial purchase of the Victoria Centre (c.£10m) SCC have already provided capital funding for the roof surfacing works at a cost of approximately £550,000. In addition, the Council has helped with fit out costs to secure new tenants.

As set out in 2.5, there appears to be no appetite for the private sector to invest in this type of intervention so it falls to the public sector to make the investment that will create the right conditions to attract private sector investment.

## 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.]*

In a do-nothing scenario, investment from the private sector will not be forthcoming as the required works to ensure the units are fit for purpose are beyond what a normal occupier would expect/ be able to pay. The existing units will experience further decline.

The decline in retail employment that Southend on Sea is experiencing is a national problem. Over the last 5 years, retail jobs have been stagnant at around 7000, while retail businesses show long-term decline. Coupled with an ongoing uncertain economic outlook for the UK (cost of

living crisis, changing national retail and High Street trends), without intervention, i.e. the ‘Do Nothing’ scenario, it is expected that these trends will continue at the same rate as a minimum. The outlook for public sector finances suggests that there will be limited opportunity for further Council investment in the Victoria Centre.

Southend Council has already implemented a wider programme of works in the City Centre (Better Queensway, TRIPS, SCATs etc) so there would be an indirect impact on the High Street area from these programmes through improved environment of the surrounding areas. However, implemented alone these programmes will not directly address the issues identified as areas of focus for Southend city centre such as vacancy rates, footfall, poor messaging and anti-social behaviour. In the event of the Council failing to acquire the necessary GBF funding for the Victoria Centre project then the programme of works cannot be delivered. Without targeted interventions derived from the City Centre Strategy, the full potential of the wider programmes of works will not be reached, the challenges identified for the High Street will not be addressed and there will continue to be a decline in retail employment, empty units will not be repurposed, there will be a lack of enterprise growth in the City Centre, and the physical environment will continue to give rise to negative perceptions. These continuing challenges will not lay a platform to attract private sector investment.

## 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 To create employment and opportunities for local people (19 gross new jobs).
- Objective 2: To re-use six empty units
- Objective 3: Revitalise this part of the Victoria Centre.

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

- Problem 1: Unemployment - the immediate surrounding population is amongst the poorest in England.
- Problem 2: Vacant Premises – these are a blight on modern High Streets and both local and government policy is to try and get them occupied.
- Problem 3: Apathy by much of the population towards the High Street.

*[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.]*

	<b>Problems / opportunities identified in Need for Intervention section</b>		
	<b>Problem 1:</b> Unemployment - the immediate surrounding population is amongst the poorest in England.	<b>Problem 2:</b> Vacant Premises – these are a blight on modern High Streets and both local and government policy is to try and get them occupied.	<b>Problem 3:</b> Apathy by much of the population towards the High Street.
Objective 1 - To create employment and opportunities for local people	✓✓✓	✓✓	✓✓
Objective 2 - To re-use empty units	✓✓	✓✓✓	✓✓✓
Objective 3 - Re-vitalise this part of the Victoria Centre.	✓✓	✓✓✓	✓✓✓

### 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.]*

As owners of the building, we are able to provide all necessary consents for the development and as the works are internal there is no need for any planning permission. The nature of the work is such that access to the Centre can be maintained while work is ongoing so there are no implications for other traders. The area where the works will be undertaken can be contained so will have no impact on holiday season visitors. We are confident there is occupational demand for the units once they are refurbished and they will produce a reasonable return on the amount invested.

### 2.10. Scheme dependencies:

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

Aside from ensuring that build costs are within budget and generating sufficient tenant demand there are no other immediate dependencies for the project.

### 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.]*

Paragraph 3.3 of the economic case sets out the assessment approach and paragraph 3.4 the economic appraisal assumptions.

The delivery of the Victoria Centre Project is expected to deliver a multitude of different benefits to the city centre and its users. In addition to the costed benefits the economic case also identifies the wider benefits which are relevant. These include:

- The new commercial space will drive increased footfall and dwell time in this part of the centre and stimulate spend for existing businesses in the Victoria Centre.
- The investment will improve perceptions for visitors, businesses and residents.
- Economic output generated by new jobs created.
- An economy less reliant on retail and an expansion of alternative employment sectors
- A healthier high street with greater levels of footfall and resident satisfaction
- A diversified and increased income stream for the Council. Supporting new and early-stage business ventures on a lower risk basis could support them to find alternative, permanent space in the city if successful.
- A more resilient local economy that is less heavily reliant on retail uses.
- Visual improvements to the façade of shopfronts.
- Increased surveillance of spaces that may be prone to crime and antisocial behaviour.

#### 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.]*

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

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

Southend on Sea City Council will achieve these aims by implementing and maintaining, as part of the South East LEP Capital Project Business Case, a Risk Management Framework, comprising this risk policy statement, the strategy and toolkit. These documents will be reviewed regularly against good practice guidance to ensure that they are fit for purpose and continue to drive forward a robust approach to risk management. The Council's Internal Audit Team will provide capacity to support this activity. See Risk Register in Appendix C.

The Council is aware that a lack of tenant demand could fundamentally jeopardise successful scheme delivery. To this end SCC have retained Savills as managing agents on the Scheme. The managing agent concerned also manages another scheme on behalf of an institutional client in Poole. A secondary part of this scheme had voids of circa 70% and the Landlord decided to

whitebox the empty units and let them on a similar basis to that which SCC is proposing. They had a huge amount of interest in the units and were able to pick and choose between interested parties. The project has been a great success in rejuvenating the street and surrounding area. Businesses include a fishmonger, furniture restorer, art gallery, perfumier, surfboard shop, organic grocery and gin shop. An eclectic mix of businesses, similar to those that we would hope to attract to the Victoria Centre.

The Poole scheme attracted widespread positive publicity and i am advised the turnover rents received are ahead of expectations. This is primarily based on the fact that the Landlord has continued interest in the shops and is able to re-let premises easily, where turnover has been poor.

As mentioned elsewhere in the report Southend has a large demographic but is characterised by small, local businesses. The City has a very entrepreneurial population and as such we are very confident there would be strong interest in our proposals here, especially as there is minimal risk for incoming tenants, with the only fixed cost being the service charge. A bespoke marketing campaign would be conducted utilising our retained marketing consultants and occupational agents, both of whom are local and are supportive of the proposals. There would also be input from the Economic Development Team within the Council.

Based on the above we are very confident on letting the units post confirmation of funding and prior to the units being refurbished. Potential depth of demand is illustrated by the new craft market at the Victoria Centre which attracted over 30 stall holders within the first three months of opening.



### 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:

SCC purchased the Victoria Centre in December 2020. The shopping centre is a 1960's building arranged over three floors with 83 units and a multi-storey car park. The scheme occupies a prominent position at the northern end of the High Street, close to Southend Victoria Train Station. Prior to council acquisition, the scheme has had several different owners and investment to maintain the centre has been minimal. There are also a substantial number of vacant units within the centre which reflects the prevailing economic climate and the struggles of Southend High Street.

SCC's rationale for purchase centred on ambitions to rejuvenate the centre move it towards a more mixed use offer rather than the sole retail focus. Successful diversification has resulted in new organisations occupying vacant units, such as:

- Independent climbing operator (Indirock)
- National bar operator (Boom Battle Bar)
- Brook Sexual Health

Whilst SCC has achieved these lettings, all have involved substantial capital contributions, reflecting the current state of the occupational market.

As part of revitalisation efforts, SCC prepared a Strategy and Investment Plan for Southend City Centre in 2022. The Plan identified a strong need for intervention throughout the City Centre and proposed a number of "catalyst" projects which could revive the city centre, of which the Victoria Centre was also identified as an 'anchor project'. Of these projects, the Victoria Centre has been identified as a priority as it is in SCC ownership and therefore immediate change can be brought about. The process of preparing a Strategy and Investment Plan included extensive public and stakeholder engagement.

The reinvention of the Victoria Centre was envisaged as a creative, commercial and community health hub gateway. Improvements to the Centre would showcase the Council's presence and will be a key part of the future of the city centre. Further diversification around the core retail offer was a key part of this.

Roof repairs have been undertaken by SCC over the six vacant units on the first floor of the Victoria Centre as these were experiencing leaking. In line with the strategic intent to address vacancies in the centre and attract new types of occupiers, SCC have prioritised repurposing of the units as a collective to create a destination in this part of the centre. Releasing this number of

units at the same time should also generate excellent publicity and good PR will be crucial to generating the excitement need to secure the first lettings.

### 3.2. Preferred option:

The Preferred Option is the refurbishment and repurposing of 6 units on the first floor of the Victoria Centre. The units are long term vacant and have been stripped back to their concrete shell. SELEP grant would enable the following works to take place on each of the units:

- Shop front with signage above
- Plastering and decorating
- Floor screed, latex and flooring
- Suspended ceiling grid and tiles
- Electrical power & lighting
- Fire sprinkler
- Fire Alarm
- Passive fire protection
- WC & kitchenette

Southend has a strong entrepreneurial and small business community. Therefore, the council would seek to prioritise occupation by local startups and small businesses to improve the diversity of offer. SCC recognises that the upfront costs for small businesses looking to take on business space can be prohibitive, therefore units would be made available on a turnover rent basis as a more attractive and lower risk proposition for SMEs.

Competition by other nearby shopping centres has meant that Southend has experienced a decline in national operators being represented in the city, and an oversupply of lower value enterprises offering similar goods and services (including charity shops, mobile phone shops, vape shops etc.). The proposal is a key offer in enabling local small businesses to get a foothold in the market and catalyse new business start-ups.

More widely, animating this part of the Victoria Centre is expected to have positive knock-on effects for existing tenants by stimulating footfall and encouraging new consumers to visit the centre.

The project is scaleable but reducing the scope of the project would significantly reduce the impact. The cost of refurbishing the six units is £600,000 which obviously equates to a cost per unit of £100k. If, for example, only £300,000 was available, then three units could be completed.

### 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 Green Book (2022) highlights that place-based analysis is required for proposals with objectives that are specific to a particular place or area or type of area. Where this is the case, place-based analysis should be performed. The re-letting of currently vacant units is likely to have a modest local employment effect so place-based analysis is considered appropriate.

According to ‘the what works centre for local economic growth’, local multipliers identified in the Green Book guidance should be applied to tradable sectors (that sell mostly outside the local economy), in tradable skilled and high-tech sectors and in the public sector<sup>1</sup>. Given that the products and services developed in the workspace will be traded across the UK, the central estimate from the tradable sector has been selected.

The Preferred Option will unlock 279sqm of commercial space across 6 units in the Victoria Centre. The following floorspace ratios have been applied to determine additional jobs using the HCA Employment Density Guide (2015) of 15 sqm per job for a high street retail unit.

This results in 19 gross new jobs.

Gross Direct Jobs	19
Estimated leakage (25%)	5
Gross local direct effects	14
Displacement (25%)	3
Net local direct effects	10.5

#### Indirect Employment Effects

Non-tradable multiplier	0.9
Tradable multiplier	0.4
Non-tradable net additional jobs	9.4
Tradable net additional jobs	4.2
<b>Total net employment</b>	<b>24.1</b>

The net local direct effects will result in 10.5 new jobs and the local multiplier in the supply chain will stimulate 13.6 additional jobs, resulting in 24 net additional jobs in the local economy.

As well as the economic output generated by the uplift in employment, which we have not quantified, in line with the latest DLUHC March 2023 guidance, there will be the welfare value derived from these jobs, which is additional to the economic output produced. The overall impact of being in work (after income, health and other standard factors have been allowed for) is positive, with a central value of £5,980 per annum in 2019 prices. Uprating this to 2023 values using the June 2023 HM Treasury National Accounts gives a value of £6,872. **This delivers Present Value Benefits of £1,805,781.**

There are wider non-monetised benefits that are expected to flow from the intervention by unlocking vacant rough the wider offering and services delivered through the new workspace which will benefit members and the wider Southend-on-Sea community:

- The new space will drive increased footfall and dwell time in this part of the centre and stimulate spend for existing businesses in the Victoria Centre.
- The investment will improve perceptions for visitors, businesses and residents.
- Economic output generated by new jobs generated.
- A healthier high street with greater levels of footfall and resident satisfaction
- A diversified and increased income stream for the Council. Supporting new and early-stage business ventures on a lower risk basis could support them to find alternative, permanent space in the city if successful.

<sup>1</sup> <https://whatworksgrowth.org/resources/toolkit-local-multipliers/>  
South East LEP Capital Project Business Case  
Page 19 of 80

- Visual improvements to the façade of shopfronts.
- Increased surveillance of spaces that may be prone to crime and antisocial behaviour.

### 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 recognise that the scheme is less than £2m total value, therefore Appendix A has not been completed. We have set out the following general assumptions have been made as part of our economic assessment:

- Geography – We have undertaken a place-based analysis. The appropriate geography for the place-based analysis is Tunbridge Wells.
- Appraisal period - The appraisal period has been selected based on guidance provided by DLUHC. An appraisal period of 15 years has been selected. This period covers the capital works process and allows for the space to establish and mature.
- The site employment capacity is profiled in line with the amount of floorspace delivered each year, 100% of the target floorspace will be available in 2024.
- Deadweight: This provides an estimate on what level of target outputs/outcomes would be produced in the intervention did not go ahead. The employment impacts presented in the Preferred Option are assumed to be new and additional on the basis that without intervention the works to enable an occupier to let the unit are beyond the scope of what a standard occupier would expect/ be able to pay. The existing units will experience further decline.
- Place-based multiplier – The direct employment category for the intervention is the tradable sector. The central case multipliers for indirect employment effects have been selected – 0.9 for non-tradable sectors and 0.4 for tradable.
- Discount Rate – Costs and benefits are expressed in current day prices (2023) and as present values, with future costs and benefits discounted at 3.5% a year, in line with HM Treasury Green Book guidance. Discounting accounts for time value of money, reflecting a general preference for value now rather than later.
- Displacement – HCA additionality guidance states that a low level of displacement (25%) should be used if some displacement effects are expected, although only to a limited extent.
- Leakage - HCA additionality guidance states that a low level of displacement (25%) should be used if some displacement effects are expected, although only to a limited extent.
- Welfare value of employment – Welfare value per worker per year of £5,980 has been drawn from the Green Book supplementary guidance on wellbeing and updated to 2023 values using HM Treasury accounts.

### 3.5. Costs:

The scheme costs are as outlined in the Financial Case.

Cost type	Expenditure Forecast			
	23/24	24/25	25/26	26/27
Capital costs (Getting Building Fund)		£600,000		
QRA				
Monitoring and Evaluation (Getting Building Fund)			5,000*	
<b>Total funding requirement</b>		600,000	5,000*	

\* The £5,000 will be an officer time contribution to complete all relevant monitoring and evaluation.

A breakdown of the capital costs is included here.

Element	Cost
Prelims	£25,500
Electrical supply	£3,000
Unit clearance	£18,000
Water supply	£22,800
Drainage works	£2,400
Fire sprinkler	£90,000
Fire alarm	£39,000
Electrical works	£60,000
Suspended ceiling	£24,000
Shop front	£60,000
Flooring	£73,500
Walls	£69,300
Doors	£33,000
WC	£4,500
Kitchenette	£42,660
Contingency	£30,000
Labour fees	£2,340
<b>Total</b>	<b>£600,000</b>

This includes the capital costs from SELEP. Applying an adjusted Optimism Bias allowance of 10% and discounting would result in present value costs of £724,831.

### 3.6. Benefits:

The initial benefits for the scheme are the welfare benefits of additional employment generated by new business space. The net local direct effects will result in 10.5 new jobs and the local multiplier in the supply chain will stimulate 13.6 additional jobs, resulting in 24 net additional jobs in the local economy.

We have not captured any additional quantified or monetised benefits for an adjusted BCR, however there are several non-monetised benefits that the scheme is likely to unlock. Many of these would typically be considered in the adjusted BCR:

- The new business space will drive increased footfall and dwell time in this part of the centre and stimulate spend for existing businesses in the Victoria Centre.
- The investment will improve perceptions for visitors, businesses and residents.
- Economic output generated by new jobs generated.

- An economy less reliant on retail and an expansion of alternative employment sectors
- A healthier high street with greater levels of footfall and resident satisfaction
- A diversified and increased income stream for the Council. Supporting new and early-stage business ventures on a lower risk basis could support them to find alternative, permanent space in the city if successful.
- A more resilient local economy that is less heavily reliant on retail uses.
- Visual improvements to the façade of shopfronts.
- Increased surveillance of spaces that may be prone to crime and antisocial behaviour.

### 3.7. Local impact:

The benefits of this scheme are inherently place-based. The local place-based impact of the Preferred Option is 10.5 new jobs and the local multiplier in the supply chain will stimulate 13.6 additional jobs, resulting in a total of 24 net additional jobs in the local economy. The wider non-monetised benefits are all likely to have the most impact locally.

### 3.8. Economic appraisal results:

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

We have not prepared a full Value for Money assessment on the scheme as it is under the £2m threshold. Throughout this section we have established that a place-based assessment would be the most appropriate approach to consider the scheme's value for money.

A scheme cost (present value costs) of £718,841 would need to return present value benefits of £1.45m to achieve good Value for Money (BCR 2:1). An appropriate appraisal period for a scheme of this nature would be 15 years. Purely based on the moderate jobs creation from letting business space to new and early-stage companies, the Present Value Benefits would be £1,805,781. Therefore, delivering high Value for Money.

Wider benefits are also relevant:

- The new business space will drive increased footfall and dwell time in this part of the centre and stimulate spend for existing businesses in the Victoria Centre.
- The investment will improve perceptions for visitors, businesses and residents.
- Economic output generated by new jobs generated.
- An economy less reliant on retail and an expansion of alternative employment sectors
- A healthier high street with greater levels of footfall and resident satisfaction
- A diversified and increased income stream for the Council. Supporting new and early-stage business ventures on a lower risk basis could support them to find alternative, permanent space in the city if successful.
- A more resilient local economy that is less heavily reliant on retail uses.
- Visual improvements to the façade of shopfronts.
- Increased surveillance of spaces that may be prone to crime and antisocial behaviour.

## 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.]*

The supplier market for all aspects of the project is well established and as such should be relatively straightforward. SCC's procurement team have already created a framework of pre-approved contractors who are able to bid on individual projects which have normally scoped internally by the Council. This ensures we can deal with matters quickly but also ensures we are getting best value. Most of the contractors are local.

SCC has recently completed the refurbishment of other units within the Victoria Centre and is drawing on that experience both from a procurement and project management viewpoint.

### 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.]*

All procurement will be conducted in accordance with Southend Council's Contract Procedure Rules and will be overseen by the internal Procurement Team. As indicated above, SCC has already created a framework of pre-approved contractors. Once finalised the tender specification will be circulated to this pre-approved list. Any tenders received will then be assessed and the contract awarded in line with our Contract Procedure Rules.

The Council now has an electronic contract management system and once awarded the contract will be entered on to the system to ensure effective management and monitoring. Through the system the PM will also have access to any support that they need.

### 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.]*

The Council is experienced in different types of procurement and has a considerable amount of knowledge and experience in the Procurement Team. Southend-on-Sea City Council has procured a number of projects through various different routes. The "Better Southend" projects, including the A127 Progress Road Junction Improvement, the A127/A1159 Cuckoo Corner Junction Improvement, A127/A13 Victoria Gateway and City Beach improvements, were procured utilising the Highway Agency's East & South East Framework Contract. This Contract allowed Southend to undertake a mini Tender process with the five Contractors which had already been procured by the Highways Agency. The Council also procured a development partner for the Southend Airport Business Park project and its advisers subsequently supported Henry Boot to procure a design and build contract for the anchor tenant.

In respect of the Victoria Centre the proposed procurement strategy has been used for a number of projects in the Centre:

- Refurbishment of unit occupied by Indirock
- Refurbishment of unit occupied by Brook
- Refurbishment of Unit F15

#### 4.4. Competition issues:

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

All works will be procured in accordance with the Council's contract procedure rules. There has already been some supplier engagement to establish the framework of pre-approved contractors. We know there will be interest in the work.

#### 4.5. Human resources issues:

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

As indicated elsewhere the Council's Asset Manager – Surveyor will act as project manager for this project. To provide additional capacity and mitigate against any adverse impact the Council has also identified additional project support capacity through the Property Team. If this bid is successful, they will support day to day activities and provide additional support where needed. This additional capacity recognises the need to meet the challenging timescales for spending GBF allocations. The situation will continue to be monitored through the project governance arrangements and also, in respect of Council staff, the established system of monthly 1-2-1 conversations.

#### 4.6. Risks and mitigation:

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

The nature of this bid is that there is one lead authority who will conduct all the procurement. Our position will be protected through robust contract documentation and an effective approach to contract management. Procurement will be overseen by the internal procurement team to help minimise risk.

#### 4.7. Maximising social value:

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

As part of its procurement framework the Council has a policy statement, with supporting guidance, which demonstrates how maximum value can be secured from the requirements of the Public Services (Social Value) Act 2012. The Act embeds consideration of social value (economic, social and environmental benefits) within the procurement process. The Council is taking every opportunity to achieve better outcomes for its communities, residents and the environment through a range of its functions and activities, including but not limited to procurement of goods and services, regeneration and development opportunities, partnership working with community and voluntary sector organisations and, of course, through embedding an added value ethos into the everyday work of the council. All procurement will be conducted in



accordance with the Councils approved policy and we will look to maximise social value opportunities.

## 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.]*

Total Costs are estimated as follows:

Refurbishment Costs £600,000

Other Costs - £5,000.00. To be met by SCC and will include Monitoring and Evaluation and any ancillary fees for example agency and marketing fees.

### 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.]*

We require 100% SELEP funding.

### 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.]*

Optimism Bias has not been included in the financial case.

---

<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.

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]		600			
Non-capital [For example revenue liabilities for scheme development and operation]					
QRA					
Monitoring and Evaluation			5		
<b>Total funding requirement</b>		600	5		
Inflation (%)		20%			

Monitoring and evaluation will be undertaken by internal SCC resource. Any other ancillary fees, for example agency and marketing fees, will be paid for by SCC.

#### 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.]*

Cost estimates have been determined through benchmarking against a comparable intervention in the Victoria Centre and making a 20% allowance on base costs for inflation/risk/contingency.

Since it acquired the Victoria Shopping Centre the Council has refurbished a number of units for new tenants. To ensure that works can be completed quickly and in accordance with procurement guidelines the Council has established a framework of contractors for this type of work. The framework was established in accordance with the Council's contract procedure rules. As a result of this process, we have six pre-approved contractors on the list. Most of these are local or from within the region. A schedule of works is given to each contractor who is then able to provide an estimate of costs. SCC then choose the most competitive. The framework has worked extremely well and has been used in relation to numerous projects. A contractor is usually selected within one month of the schedule of works being published.

The Council has recently completed the refurbishment of a unit for 'Boom Battle Bar' which opened on 12 October 2023. This unit is almost identical to the six units to be refurbished as part of this project and the schedule of costs provided for the work has provided a reliable and robust benchmark for the costs included in this proposal.

#### 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
Capital source 1 - GBF		600				
Capital source 2...						
Non-capital source 1...						
Non-capital source 2...						
<b>Total funding requirement</b>		600				

**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.]*

The funding commitment is provided in Appendix B.

**5.7. Risk and constraints:**

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

A full description of risks is provided in Appendix C.

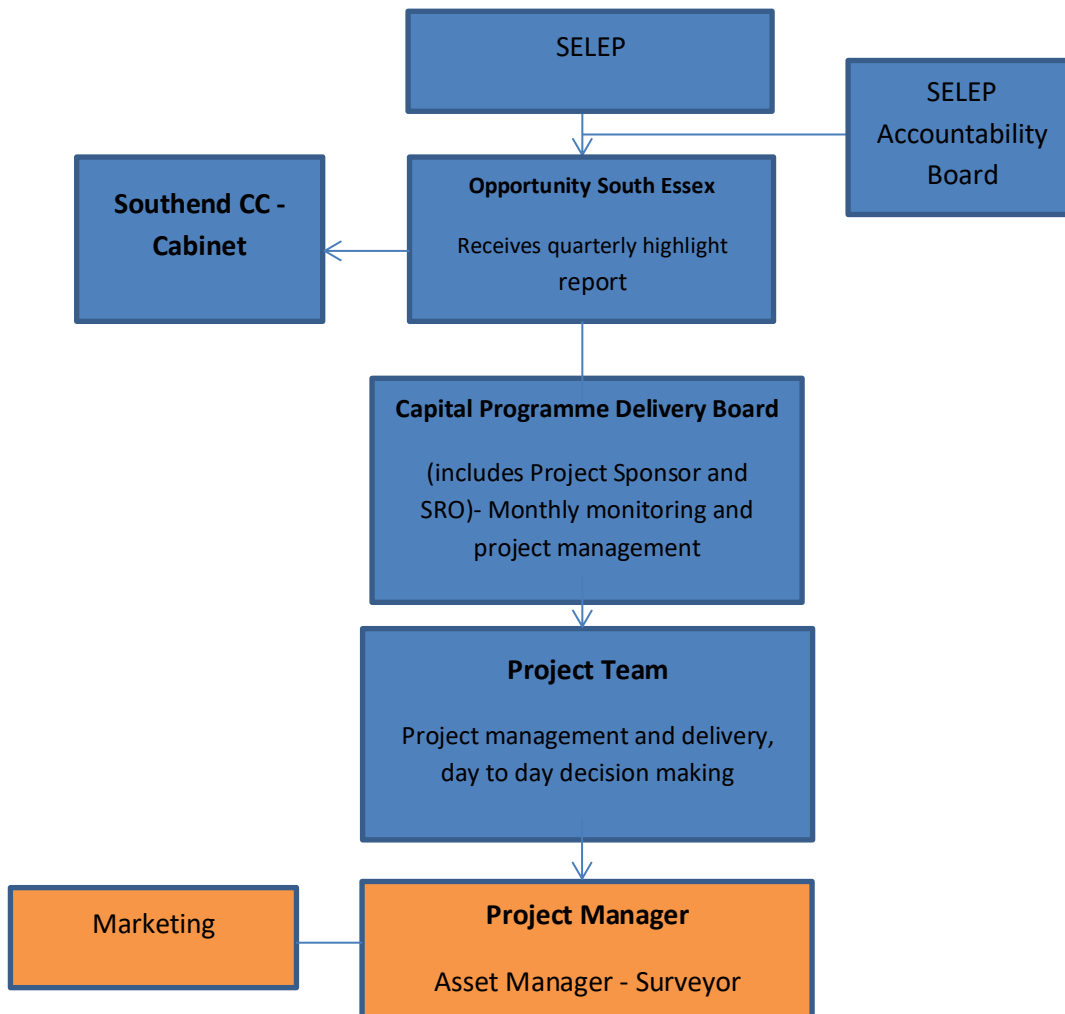
## 6. MANAGEMENT CASE

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

### 6.1. Governance:

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

The Project Sponsor will be Alan Richards, Executive Director for Environment & Place. The Senior Responsible Officer will be Steve Newman, Team Leader Property and Assets. The governance structure will be as follows:



## 6.2. Approvals and escalation procedures:

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

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

The Asset Manager – Surveyor will act as Senior Project Manager with oversight. There is an experienced operational Project Manager) responsible for co-ordinating day to day delivery, stakeholder management and communication. This post reports to the Asset Manager – Surveyor.

This Team will report on a quarterly basis to the Capital Programme Delivery Board. The membership of the Board is comprised of Portfolio Managers for the Council's capital programme and includes the Project Sponsor and SRO. The Project Manager will attend on a monthly basis to provide update reports including financial monitoring and risk management. The purpose of this Group is to make key decisions, take strategic oversight and monitor spend and performance. Any issues in relation to scheme delivery are first raised and discussed at the Project Team level, before being escalated if required to the CPDB. There is the ability for key/pressing issues to be raised directly outside of the quarterly reports through direct liaison between the Project Manager and the Senior Responsible Officer and/or Project Sponsor.

Issues that cannot be resolved at this level or requests for approval that require it will be submitted to the Council's Cabinet.

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

## 6.3. Contract management:

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

SCC has recently published its Procurement and Contract Management Strategy 2023-26. The primary focus of the strategy is to embed effective contract management and commissioning. Contract Managers are now being supported to ensure that they are monitoring and reporting on the key aspects of their contracts and that across the Council the approach is appropriate and proportionate. Key areas of support include:

- Delivery of contract outcomes/specification
- Working with suppliers to ensure they implement 'Carbon Reduction Plans'
- Ensuring that contract managers are provided with the tools to monitor supplier stability, financial health and the risk of insolvency (as well as supply chains)
- Monitoring supplier (and sub-contractor) compliance with legislation and contractual terms

Capital expenditure and output delivery will be monitored through the Council's existing Capital Programme Monitoring Process and reported to the Project Team, Programme Board and the Council's Cabinet. Jonathan Mather, the Asset Manager – Surveyor will be responsible for this on a day-to-day level, reporting into Steve Newman, Team Leader Assets & Property. All outputs will be monitored by the Capital Programme Delivery Board comprising senior representatives from the Council including the Project Sponsor and SRO. Progress against key milestones will be reported back to the SELEP's LGF Programme Manager through the Project Team at regular intervals as required as part of a dedicated project monitoring process as is already in place for

other GBF projects in accordance with the terms of the SELEP funding agreement. These arrangements will be reviewed once the SELEP transition plan has been prepared and approved.

#### 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.]*

The project proposal flows from the City Centre Strategy and Investment Plan. This is informed by extensive engagement with stakeholders, youth groups, the creative and cultural sector, community groups, and the business and development sector as well as the wider public. The engagement process was designed to offer multiple opportunities for concerned parties to voice their priorities at different stages of the plans development. This ensures the development of a vision that all the people of Southend can feel confident in.

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

For this project to be successful it will be important that our network of agents effectively market the space and that business support providers help us to identify suitable start-up businesses. Over the life of the project multiple promotion, information and engagement events will need to be arranged and cascaded to stakeholders. The co-ordination, management and organisation of this communication and engagement will be the responsibility of the Project Team with oversight from Capital Programme Delivery Board. The project will utilise the collective communications and marketing resources from across local stakeholders including the BID.

Stakeholders will include MP's; Portfolio Holders; Councillors; Business Partnerships; and estate agents. A particular focus will be placed on building a relationship with agents to help market the units to our target markets of start-ups and local businesses. Through our work on the Victoria Centre to date we have already built effective networks with agents and business groups and we will look to capitalise on this as we move forward.

#### 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.]*

An EqIA has not yet been undertaken for this project. The EqIA will be completed once the initial project prioritisation has been completed and in advance of the Gate 2 assessment by the Independent Technical Evaluator. The analysis will be completed using SCC's approved EqIA guidance and templates.

#### 6.6. Risk management strategy:

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

SCC is committed to the proactive management of key external and internal risks and actively promotes the principles of effective risk management throughout the organisation. The Risk Management Strategy and Framework aims to apply best practice to the identification, evaluation

and control of key risks and ensure that residual risks are monitored effectively. This will be achieved by:

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

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

#### 6.7. Work programme:

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

A high-level work programme in the form of a Gantt Chart is attached at Appendix D. The project is relatively straightforward and there is the opportunity to build on knowledge and experience that we have gained in the ownership and management of the Victoria Centre to date.

The early stage of finalising the tender specification will clearly be important to a successful procurement. The Council has already refurbished a number of the units in the Centre and this experience will assist in preparing the specification. Procurement of works will need to be managed and planned carefully. Again, earlier experiences will help with this and colleagues in procurement have already built up a framework of pre-approved contractors who are able to bid on individual projects. This ensures we can deal with matters quickly but also ensures we are getting best value. Most of the contractors are local.

Clearly the project will only be successful if the units are occupied once completed. We have built up a network of agents to ensure that the opportunity is marketed successfully, and the terms of the lease are favourable to new start ups and local businesses. Our business networks, for example the Southend Business Partnership, will also help us to identify suitable businesses.

The Council has the benefit of significant programme and project management expertise and also has access to significant risk and financial management resource. This expertise and resource has extensive experience of externally funded projects including GBF.

#### 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.]*



SCC has significant successful project management experience. Since 2008, we have secured external funding from a range of sources to support key projects:

- We have delivered major capacity enhancements at three junctions on the A127 which were predicated on the opening up of employment opportunities in the JAAP area and town centre.
- The Southend Airport Business Park, including Launchpad construction, was successfully delivered within budget and is now open for business.
- The Council has delivered two significant public realm schemes at City Beach and Victoria Gateway which sought to improve access to the High Street and also increase dwell time.
- The UK's first combined public-academic library, 'The Forum' in partnership with Further Education and Higher Education providers.
- The Royal Pavilion events and conference centre on the end of Southend pier and the Garon Park Swimming and Diving centre used by the British diving team during the London 2012 Olympics.

Many of these projects have been recognised for their innovation, delivery, and impact through industry awards. The local authority is adaptable, agile and has a positive approach to development and does so working with relevant partners. The majority of Council-led projects have been delivered on time and to budget and the Council has a strong delivery track record.

#### 6.9. Monitoring and evaluation:

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

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

Appendix F to be completed after initial project prioritisation and before Gate 2 assessment.

6.91 Logic Map

<b>Objectives</b>	<b>Inputs</b>	<b>Outputs</b>	<b>Outcomes</b>	<b>Impacts</b>
<p><b>For all schemes:</b></p> <p>Objective 1 - To create employment and opportunities for local people.</p> <p>Objective 2 - To re-use empty units</p> <p>Objective 3 - Re-vitalise this part of the Victoria Centre.</p>	<p><b>For all schemes:</b></p> <p>Grant Spend £0.6m</p>	<p><b>For all schemes:</b></p> <p><i>Influenced by detail in section 3.2.</i></p> <p>279sqm commercial space brought back into use.</p>	<p>New jobs generated. Envisage the refurbishment of the units would create 20-30 full and part time jobs.</p> <p>6 units would be brought back into commercial use.</p> <p>Increased footfall and community engagement with the Centre.</p> <p>Produce an income stream to the council from rent paid by new occupants.</p> <p>Higher spend in existing businesses in the Victoria Centre.</p> <p>Improved perceptions for visitors, businesses and residents.</p> <p>Economic output generated by new jobs generated.</p>	<p>n/a - Scheme is less than £2m</p> <p>Rejuvenation of the scheme and northern part of Southend High Street. Creating a more diverse offer drawing in a wider segment of the local community.</p>

			<p>A healthier high street with greater levels of footfall and resident satisfaction Support for new and early-stage businesses.</p> <p>Visual improvements to the façade of shopfronts.</p> <p>Increased surveillance of spaces that may be prone to crime and antisocial behaviour.</p>	
--	--	--	---	--

## 7. DECLARATIONS

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

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

I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer, 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>Timothy Rignall</i>
<i>Print full name</i>	<i>Timothy Rignall</i>
<i>Designation</i>	<i>Capital Programme Manager</i>

## 8. APPENDIX A – ECONOMIC APPRAISAL ASSUMPTIONS

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

<b>Appraisal Assumptions</b>	<b>Details</b>
QRA and Risk allowance	
Real Growth	
Discounting	
Sensitivity Tests	
Additionality	
Administrative costs of regulation	
Appraisal period	
Distributional weights	
Employment	
External impacts of development	
GDP	
House price index	
Indirect taxation correction factor	
Inflation	
Land value uplift	
Learning rates	
Optimism bias	
Planning applications	
Present value year	
Private sector cost of capital	
Rebound effects	
Regulatory transition costs	

## 9. APPENDIX B - FUNDING COMMITMENT

*S151 Officer Letter to support Business Case submission*

*Dear Colleague*

*In submitting this project Business Case, I confirm on behalf of Southend on Sea City 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,*



*SRO (Director Level) Glyn Halksworth, Director of Regeneration & Housing*



*S151 Officer – Joe Chesterton, Executive Director of Finance & Resources*

## 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
No contractor identified through procurement	In the event that the contract wasn't awarded the works would not be able to start.	SCC	SCC Asset Manager – Surveyor	Very low (1)	Very high (5)	5	A framework of preapproved contractors has already been established and the procurement has been successfully tested.	1*2 = 2
Works delayed	A delay may mean that spend deadline for GBF cannot be met.	SCC	SCC Asset Manager – Surveyor	Medium (3)	High (4)	12	A time contingency has been built into the construction timeline to help mitigate risk. Effective contract management will also help to keep contractors on track.	2*3 = 6
Cost increases	Cost overrun to be met by the Council.	SCC	SCC Asset Manager – Surveyor	Medium (3)	High (4)	12	Costs have been estimated based on recent refurbishment works at the Victoria Centre. An allowance of 20% included for inflation. Strong financial management will give early sight of financial risks to allow for value engineering.	2*2 = 4

Changes to staff or reduced capacity	Loss of project management or contract management resource impacts scheme delivery.	SCC	Team Leader Assets & Property	Low (2)	High (4)	8	Across SCC there are a sufficient Project Managers/Contract Managers with skill sets to cover if required until a replacement was found. Given the importance of external funding capacity would be freed up from capital programme delivery. We will develop desk procedures for the project which can be easily transferred to replacements.	2*2 = 4
Units not let	Project objectives, outputs and outcomes not achieved.	SCC	SCC Asset Manager – Surveyor	High (4)	High (4)	16	A network of agents has been established to support work with the Victoria Centre. This network of occupational agents will be used to develop a good marketing strategy together with and the Economic Inclusion Team and other business networks. From the regular market we already have a pipeline of interest to build on. All these arrangements and the terms of the lease will be kept under review.	2*2 = 4

\* 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

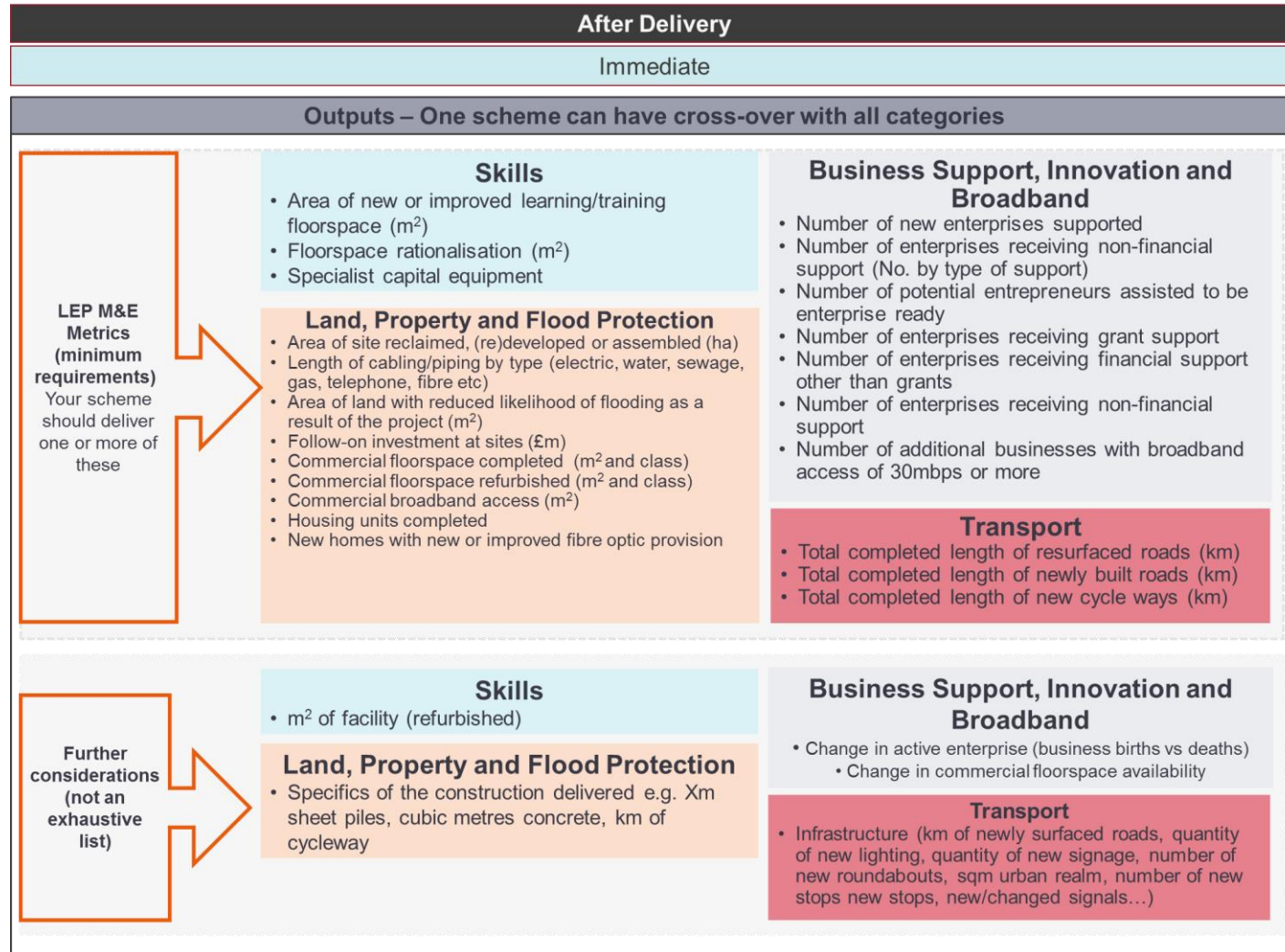
*Please note, not all sections of the table may require completion.*

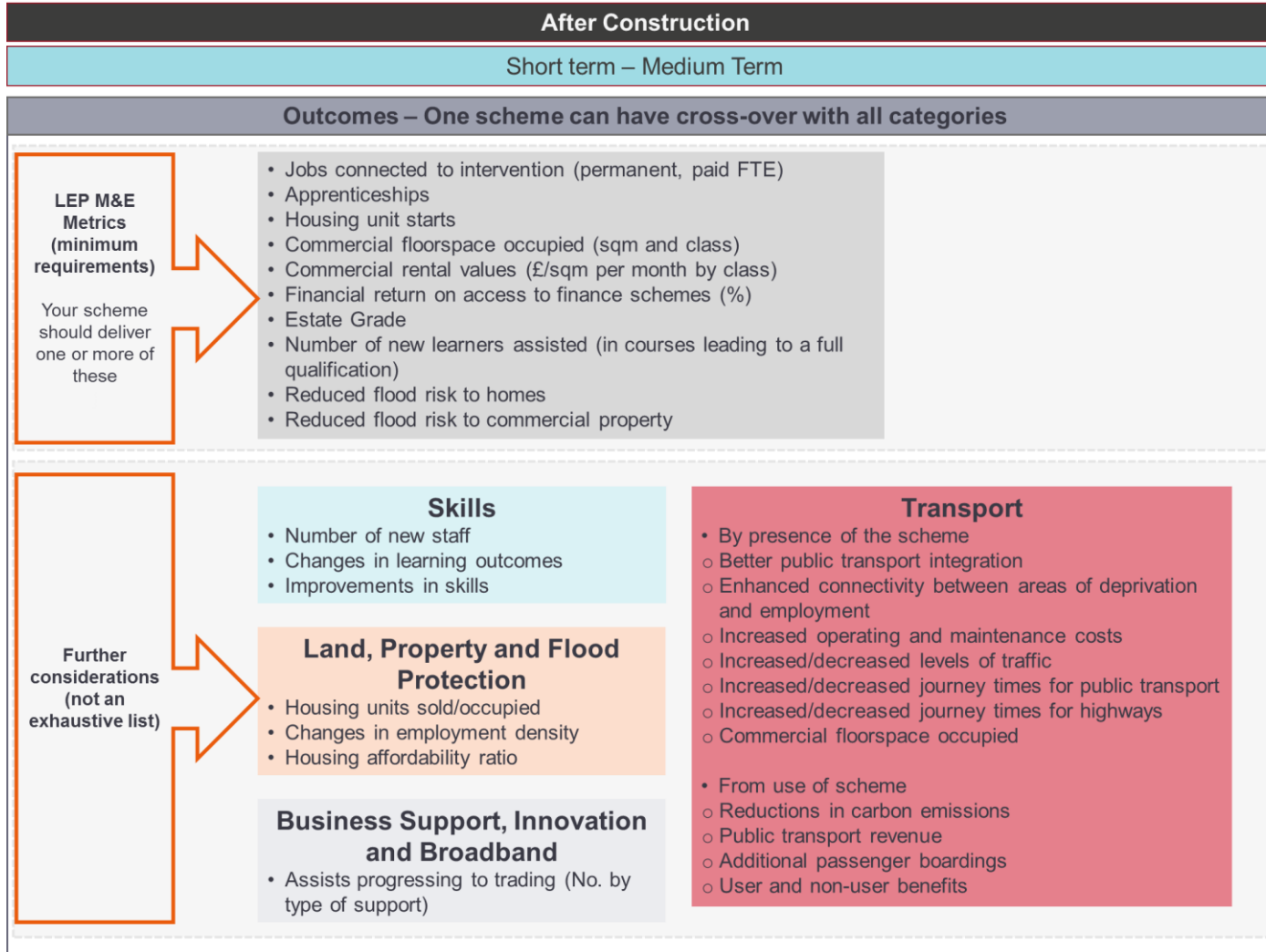


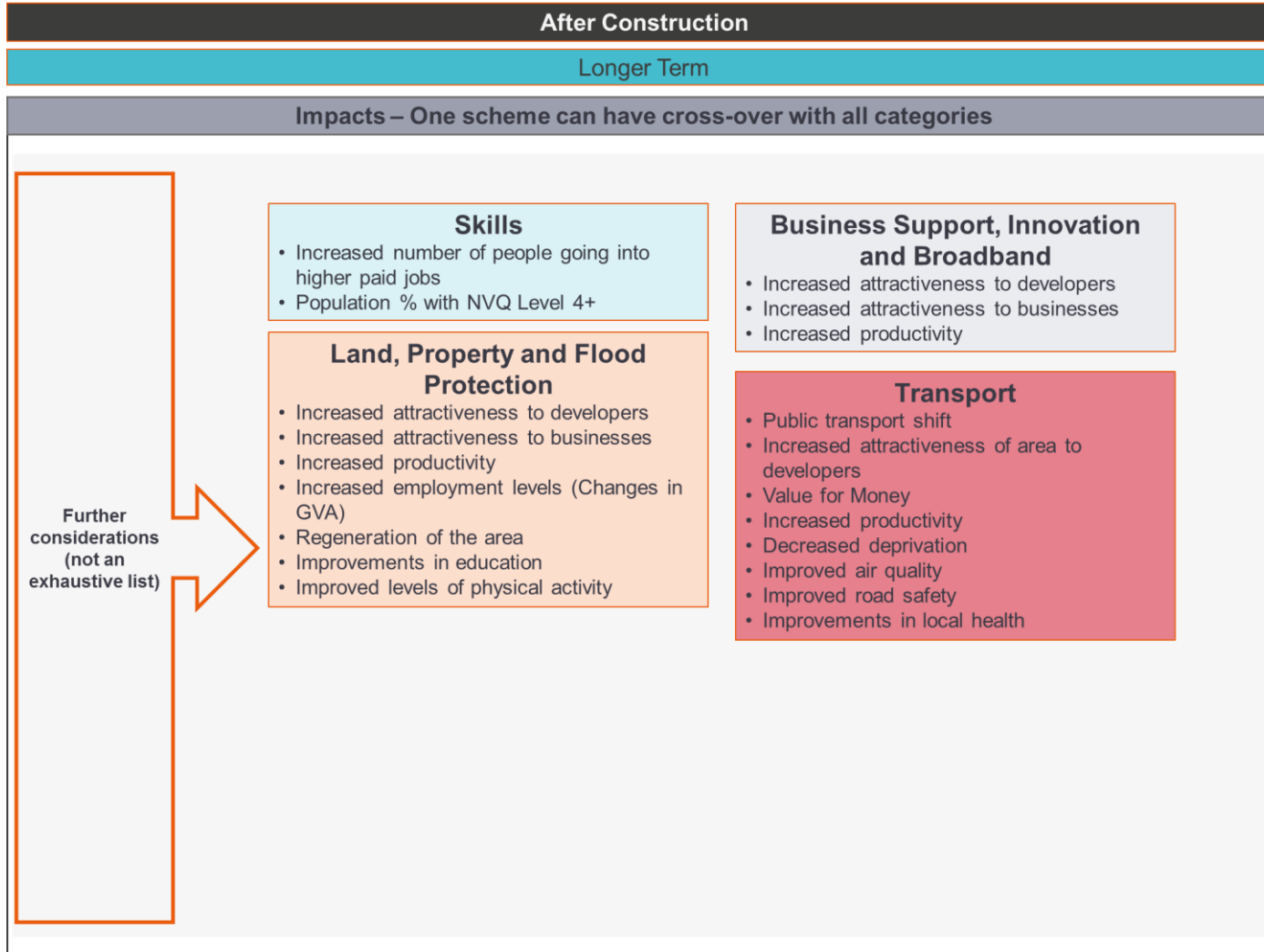
## 11. APPENDIX D – GANTT CHART

Tasks	Start date	Finish date	2024												2025				
			Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	Etc.	
Funding decision		<i>Feb 24</i>																	
Finalise Tender spec	Nov 23	Feb 24																	
Procurement	Mar 24	May 24																	
Refurbishment works	Jun 24	Dec 24																	
Marketing of units																			
Units open for trade																			

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









**SOUTH EAST**  
LOCAL ENTERPRISE  
PARTNERSHIP

## 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>
--	--	--	---	--

## THE VICTORIA CENTRE – PART 1<sup>ST</sup> FLOOR REFURBISHMENT

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

The objectives of the scheme are:

Objective 1 - To create employment and opportunities for local people.

Objective 2 - To re-use empty units.

Objective 3 - Re-vitalise this part of the Victoria Centre.

The geography of the scheme is shown in the map below

[insert map(s) of final scheme here]

## 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	[2024/2025]			
						Q1	Q2	Q3	Q4
IN1	Grant Spend	Planned / Forecast	GBF and internal reporting	Quarterly	Planned/ Forecasted Spend Profile	£50k	£150k	£200k	£200k
IN2	Matched Contributions Spend	Planned / Forecast			Planned/ Forecasted Spend Profile	£0	£0	£0	£0
IN3	Leveraged Funding	Planned / Forecast			Planned/ Forecasted Spend Profile	£0	£0	£0	£0

## INPUT 4: PROJECT DELIVERY AND MILESTONES

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Funding decision	February 2024
Finalise Tender spec	February 2024
Procurement	May 2024
Refurbishment works	December 2024
Marketing of units	December 2024
Units open for trade	February 2024

## INPUT 5: RISK MITIGATION

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

Description of Risk	Impact of Risk	Risk Mitigation
No contractor identified through procurement	In the event that the contract wasn't awarded the works would not be able to start.	A framework of preapproved contractors has already been established and the procurement has been successfully tested.



<p>Works delayed</p>	<p>A delay may mean that spend deadline for GBF cannot be met.</p>	<p>A time contingency has been built into the construction timeline to help mitigate risk. Effective contract management will also help to keep contractors on track.</p>
<p>Cost increases</p>	<p>Cost overrun to be met by the Council.</p>	<p>Costs have been estimated based on recent refurbishment works at the Victoria Centre. An allowance of 20% included for inflation. Strong financial management will give early sight of financial risks to allow for value engineering.</p>
<p>Changes to staff or reduced capacity</p>	<p>Loss of project management or contract management resource impacts scheme delivery.</p>	<p>Across SCC there are a sufficient Project Managers/Contract Managers with skill sets to cover if required until a replacement was found. Given the importance of external funding capacity would be freed up from capital programme delivery. We will develop desk procedures for the project which can be easily transferred to replacements.</p>
<p>Units not let</p>	<p>Project objectives, outputs and outcomes not achieved.</p>	<p>A network of agents has been established to support work with the Victoria Centre. This network of occupational agents will be used to develop a good marketing strategy together with and the Economic Inclusion Team and other business networks. From the regular market we already have a pipeline of interest to build on. All these arrangements and the terms of the lease will be kept under review.</p>

## 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	279sqm commercial space brought back into use.	<p><b>Details: Planned/Anticipated Output Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 279sqm commercial space across 6 units in the Victoria Centre brought back into use.</p> <p><b>Source of Value:</b> Full business case, page 18.</p> <p><b>Future Monitoring Approach:</b> Victoria Centre Management will monitor the available sqm of commercial floor space available.</p> <p><b>Frequency of tracking:</b> Once after opening for One Year After Report</p> <p><b>Costs Allocated to Monitoring:</b> Free, data to be collected by Shopping Centre Management</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> As the units are presently unoccupied, a zero sqm baseline will be employed.</p> <p><b>Costs Allocated:</b> Free</p>

...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	New gross jobs generated.	<b>Details: Planned/Anticipated Outcome Value and Proposed Approach for Monitoring</b>
		<b>Value:</b> 19 Gross jobs created
		<b>Source of Value:</b> Full business case, page 18
		<b>Future Monitoring Approach:</b> Victoria Centre Management will monitor the employment statistics of businesses that establish themselves in the units.
		<b>Frequency of tracking:</b> Once after opening for One Year After Report
<b>Costs Allocated to Monitoring:</b> Free, shopping centre management to survey/review.		
<b>Details: Proposed Method of Collecting Baseline Information</b>		
<b>Approach for Collection:</b> As the units are presently unoccupied, a zero-job baseline will be employed.		
<b>Costs Allocated:</b> Free		

OC2	6 units would be brought back into commercial use.	<p><b>Details: Planned/Anticipated Outcome Value and Proposed Approach for Monitoring</b></p> <p><b>Value:</b> 6 units to be brought back into commercial use.</p> <p><b>Source of Value:</b> Full business case, page 18</p> <p><b>Future Monitoring Approach:</b> Victoria Centre Management will monitor the units available statistics within the shopping centre.</p> <p><b>Frequency of tracking:</b> Once after opening for One Year After Report</p> <p><b>Costs Allocated to Monitoring:</b> Free, shopping centre management to survey/review.</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p><b>Approach for Collection:</b> As the units are presently unoccupied, a zero baseline will be employed.</p> <p><b>Costs Allocated:</b> Free</p>
-----	--	--

...OC2, OC3, OC4 etc



- 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	N/A as project total is less than £2m	<p><b>Details: Planned/Anticipated Impact Value and Proposed Approach for Monitoring</b></p> <p>Value:</p> <p>Source of Value:</p> <p>Future Monitoring Approach:</p> <p>Frequency of tracking:</p> <p>Costs Allocated to Monitoring:</p> <p><b>Details: Proposed Method of Collecting Baseline Information</b></p> <p>Approach for Collection:</p> <p>Costs Allocated:</p>

...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>
--	--	--	--	--

## THE VICTORIA CENTRE – PART 1<sup>ST</sup> FLOOR REFURBISHMENT

This Baseline Report provides the details of the inputs, outputs, outcomes and impacts of the Victoria Centre project from the period [date] to [date], before the scheme is constructed/delivered.

The objectives of the scheme are:

Objective 1 To create employment and opportunities for local people.

Objective 2 To re-use empty units

Objective 3 Re-vitalise this part of the Victoria Centre.

The geography of the scheme is shown in the map below

[insert map(s) of final scheme here]

## 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 [2024/2025]				
						Q1	Q2	Q3	Q4	
IN1	Grant Spend	Planned / Forecast		GBF and Internal reporting	Quarterly	Planned/ Forecasted Spend Profile	£50k	£150k	£200k	£200k
IN2	Matched Contributions Spend	Planned / Forecast				Planned/ Forecasted Spend Profile				
IN3	Leveraged Funding	Planned / Forecast				Planned/ Forecasted Spend Profile				



SOUTH EAST  
LOCAL ENTERPRISE  
PARTNERSHIP

## INPUT 4: PROJECT DELIVERY AND MILESTONES

- Please complete the table of planned Key Milestones

Milestone	Planned Date of Delivery
Funding decision	February 2024
Finalise Tender spec	February 2024
Procurement	May 2024
Refurbishment works	December 2024
Marketing of units	December 2024
Units open for trade	February 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].

Description of Risk	Impact of Risk	Risk Mitigation
No contractor identified through procurement	In the event that the contract wasn't awarded the works would not be able to start.	A framework of preapproved contractors has already been established and the procurement has been successfully tested.



<p>Works delayed</p>	<p>A delay may mean that spend deadline for GBF cannot be met.</p>	<p>A time contingency has been built into the construction timeline to help mitigate risk. Effective contract management will also help to keep contractors on track.</p>
<p>Cost increases</p>	<p>Cost overrun to be met by the Council.</p>	<p>Costs have been estimated based on recent refurbishment works at the Victoria Centre. An allowance of 20% included for inflation. Strong financial management will give early sight of financial risks to allow for value engineering.</p>
<p>Changes to staff or reduced capacity</p>	<p>Loss of project management or contract management resource impacts scheme delivery.</p>	<p>Across SCC there are a sufficient Project Managers/Contract Managers with skill sets to cover if required until a replacement was found. Given the importance of external funding capacity would be freed up from capital programme delivery. We will develop desk procedures for the project which can be easily transferred to replacements.</p>
<p>Units not let</p>	<p>Project objectives, outputs and outcomes not achieved.</p>	<p>A network of agents has been established to support work with the Victoria Centre. This network of occupational agents will be used to develop a good marketing strategy together with and the Economic Inclusion Team and other business networks. From the regular market we already have a pipeline of interest to build on. All these arrangements and the terms of the lease will be kept under review.</p>

## OUTPUTS

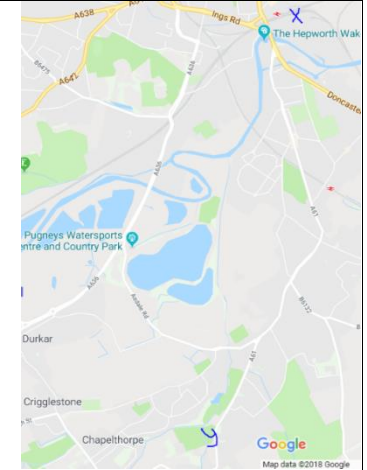
- Please provide information about:
  - what the baseline value is for each output and its source;
  - how the baseline value was measured;
  - what the planned/anticipated value is for the output and reference this source; and
  - how the value will be measured after the scheme opens.

EXAMPLE							
ID	Output Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OP1	Type of service improvement	<b>Baseline</b>	8 minutes from x to y by bus 11 in the morning peak hour	Through public timetable information	n/a	Timetable Bus 11 (March 2018)	March 2018
		<b>Planned/ Anticipated</b>	6 minutes from x to y by tram in the morning peak hour	Through public timetable information	Once after opening for One Year After Report	Full Business Case, p10	From scheme opening (July 2021)

### 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	279sqm commercial space brought back into use	<b>Baseline</b>	0sqm	Measurement of available commercial space	N/A	Shopping Centre Management	31/10/2023
		<b>Planned/ Anticipated</b>	279sqm	Measurement of available commercial space	One year after completion	Shopping Centre Management	Mar 2025

**Details: Method of Collecting Baseline Information**

The Shopping Centre Management maintains records of the available commercial space at any given moment. Currently, the six proposed units earmarked for refurbishment using GBF funding are vacant. Therefore, by reintroducing and making these units available, it will increase the shopping centre's total commercial space.

## 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	Gross jobs created	Baseline	0	The units are presently vacant, resulting in zero job opportunities.	n/a	Shopping Centre Management	31/10/2023
		Planned/ Anticipated	19	Short survey	One year after completion	Full business case, page 18	March 2025

**Details: Method of Collecting Baseline Information**

Currently, the units are unoccupied, leading to zero employment opportunities. At the one-year mark after completion, Shopping Centre Management plans to conduct a brief survey among the occupants of the units to gather resource-related data.

	Outcome Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
OC2	6 units to be brought back in to commercial use.	Baseline	0	The units are presently vacant, resulting in zero job opportunities.	n/a	Shopping Centre Management	31/10/2023
		Planned/ Anticipated	6	Shopping Centre Management Occupancy availability.	On year after completion	Full business case, page 18	March 2025

**Details: Method of Collecting Baseline Information**

Presently, these units are vacant and are in need of refurbishment to stimulate occupancy. As a result, a baseline of zero has been established. There is an expectation that these units will be fully operational by March 2025, and the shopping centre's data will serve as evidence to ascertain occupancy rates.

...OC3, OC4 etc



- 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
<b>Details: Method of Collecting Baseline Information</b>							
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.							



	Impact Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
IM1	N/A Project below £2m	Baseline					
		Planned/ Anticipated					

**Details: Method of Collecting Baseline Information**

	Impact Description		Value	Monitoring approach	Frequency of Tracking	Source	Date
IM2		Baseline					
		Planned/ Anticipated					

**Details: Method of Collecting Baseline Information**

...IM3, IM4 etc



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

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

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

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

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