

SELEP – Getting Building Fund Project Background Information

Name of Project	<p>Enterprise Centre for Horizon 120 Business and Innovation Park</p> <p>Horizon 120 Business & Innovation Park, South of Great Notley Country Park, Braintree, Essex</p> <p>Essex</p>
Getting Building Fund value	<p>£7.0m</p>
Description of what Project delivers	<p>The provision of an Enterprise Centre for local businesses, including small business start-ups, small businesses focusing on innovation and growth as well as businesses aiming to stabilise and consolidate their activities.</p> <p>This is a new 3,100 m² Enterprise Centre building with a variety of office spaces but no workshops and no laboratories or industrial use. There will also be a flexible conference space that can be transformed into smaller units.</p> <p>It will forge the character and setting for the Horizon 120 Business & Innovation Park aspiration as outlined in the Design Code of the Local Development Order.</p>
Need for Intervention	<p>In its Plan for Growth, Braintree identifies that to improve the prospects of economic growth, through the creation of more jobs and more high quality jobs, the authority recognises that businesses within the district need to be supported to grow and that new businesses need to be attracted to locate in the district. To that end, the Plan recognises that there is currently a lack of grow-on office space for businesses and general employment premises and sites that are at the point of being delivered.</p> <p>The result of this lack is that businesses already in the district either do not grow in order to remain within their manageable spaces or leave the district to grow elsewhere. This also represents a significant barrier to attracting businesses from outside the area to locate in Braintree. In order to support this, the Plan specifically identifies the need to provide appropriate business premises as a key issue that needs addressing and that the private and public sector need to intervene by creating employment sites and a range of office accommodation that are fit for purpose for business needs, including targeted support to businesses in our growing and emerging sectors with innovation potential.</p> <p>Braintree District Council (BDC) commissioned a feasibility study to examine how an enterprise centre at the Horizon 120 Business and Innovation Park would support the delivery of relevant business space and thus help deliver the ambitions within the Plan for Growth. Whilst the feasibility study examines a broad range of sector specific land and premises requirements, the study recognises that there is strong forecast demand for office space in the Braintree district, with an East of England Forecast Model estimate of requirements increasing from the 2020 level of 136,800m² to 163,700m² in 2045 – an increase of nearly 20%. Importantly, the demand for serviced business park B1a office space is also forecast to increase over that period. To that end the feasibility study concludes that for B1a/B1b type office space, the sectoral mix of</p>

	businesses that operate within Braintree leans substantially towards those that would occupy B1a general type office space. The sectors considered relevant for this type of space include Information and communication; Financial and insurance; Professional, scientific and technical; and Administrative and support services (excluding call centre activities).		
Project benefits	<ul style="list-style-type: none"> • New jobs: 160 new jobs per a year will be created and this does not include people directed employed by the centre. • 3100sqm Commercial floorspace • Number of new staff – 4 (Business support, Innovation and Broadband • Virtual environment to support start-ups. • Business Training, leading to professional qualifications provided by an accredited training organisation • Enable nurturing environment to enable start up and grow + SMEs to thrive. • Provide a vibrant innovation ecosystem that brings together business, industry bodies and partners to cultivate innovation. • Offer flexibility for tenant growth. • Better public transport integration Reductions in carbon emissions 		
Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
	Getting Building Fund	7.0m	Subject to approval of Business Case
	Braintree District Council	9.0m	Approved by BDC on 15 October 2020
	Total project value	16.0m	
Project constraints and risks	<ul style="list-style-type: none"> • Cost escalation brought about by prevailing market conditions. • Unable to meet utilisation levels for lettable space due to Corona Virus and a downturn in the economy resulting in poor demand. This is considered low risk with the Council having good experience with the operation of the current Enterprise Centre. • Corona Virus: R rises above 1 leading to a second lockdown nationwide which could lead to delay to the programme. <p>Some additional risks have been covered in the Business Case</p>		
Options consideration	A long list of five options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.		
Project Timeline	Milestone	Planned Date of Delivery	
	Start of project (start spending Getting Building Fund or match funding)	1 August 2020	
	Detailed Design	November 2020	

	Full Planning Permission Granted	December 2020 Through adopted Local Development Order
	Site Mobilisation Works Commence	February 2021
	Completion of Section 1 of 2	Main construction Practical Completion 31/03/22
	Project Completion / Site Opening	Fit-out complete & opening end May 2022
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p> <p>For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).</p>	
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.	
Link to Project webpage	https://www.southeastlep.com/project/enterprise-centre-for-horizon-120-business-and-innovation-park/	

SELEP – Getting Building Fund Project Background Information

Name of Project	Harlow Library Harlow Library, The High, Harlow, CM20 1HA Essex County Council				
Getting Building Fund value	£977,000				
Description of what Project delivers	<p>The scheme will see the relocation of Adult Community Learning (ACL) from its current site into a refurbished Harlow Library. Harlow Library occupies a prime site in the heart of the town centre and the building is oversized and under occupied, providing a significant opportunity for redevelopment into a modern skill and learning hub for the district. Through development of new visible facilities and alignment with the courses offered by Harlow College and requirements of businesses it is envisaged that the skills levels of residents can be enhanced through courses offering training and skills required by the expanding and relocating employers to Harlow such as Public Health England (PHE) and Princess Alexandra Hospital (PAH).</p>				
Need for Intervention	<p>Harlow had the highest number of individuals on furlough and the highest number of unemployment claimants in Greater Essex. Intelligence shows us that Harlow has a large skills deficit with 26% of adult residents in Harlow having no qualifications and only 17.6% of adult residents in Harlow having Level 4 qualifications and above.</p> <p>The current site is not very accessible and has little visibility with a few bus routes and limited parking. Latterly, attendance at Adult Community Learning (ACL) Harlow has been declining, in part due to the location and facilities which do not meet the skills and learning needs of residents or businesses.</p> <p>Harlow Town is at a heart of several opportunities that are going to require sufficient skills provision to ensure that local residents are able to secure the job opportunities coming to Harlow via the Public Health England Relocation, delivery of the Harlow Science Park and Enterprise Zone and the provision of the new Princess Alexandra Hospital.</p>				
Project benefits	<p>The expected benefits of the project are:</p> <table border="1" data-bbox="355 1559 1495 1659"> <tr> <td data-bbox="355 1559 935 1659">452sqm of new learning space supporting 177 gross enrolments per annum</td> <td data-bbox="943 1559 1495 1659">£2.241m of gross GVA generated over a 10-year period</td> </tr> </table> <p>The project enables the delivery of a further phase of activity. Phase 2 has been scoped and can accommodate an estimated 33 new homes, including affordable housing. These wider benefits during Phase 2 sit outside the economic case.</p>			452sqm of new learning space supporting 177 gross enrolments per annum	£2.241m of gross GVA generated over a 10-year period
452sqm of new learning space supporting 177 gross enrolments per annum	£2.241m of gross GVA generated over a 10-year period				
Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation		
	Getting Building Fund	£977,000	Approval of business case at Accountability Board in November 20		

	Essex County Council contribution	£166,261	Confirmed at Recovery Advisory Board but needs final sign off by Cabinet Member, scheduled for 9th November 2020
	Total project value	£1.143m	
	For Phase 1 only.		
Project constraints and risks	Following the initial feasibility study on the vacated ACL site, there will be a requirement to submit section 77 or schedule 1 application. The process of submitting an application for disposal of playing fields and land can take up to 2 years. Engagement has been had with the school and they are supportive of the proposals. The scheme promoter will seek to engage with the Department of Education and action any requirements to achieve the desired outcome.		
	Description	Mitigation	Owner
	Construction costs exceed budget	Design assumptions will be challenged and specification will be value engineered to meet cost plan. Allowances and contingency for abnormal costs to cover worst case scenario and additional surveys to avoid unforeseen issues.	Essex County Council Localities Team
	Government approvals required for disposal of playing fields and land in educational use	There will be a requirement to submit section 77 or Schedule 1 applications. Essex Property and Facilities will commission Mitie to undertake the application and manage the process with the Department for Education. The process of submitting an application for the disposal of playing fields and land usually take up to 2 years. Engagement has been had with the school and they are supportive of the proposals. We will seek to engage with the Department of Education and action any requirements to achieve the desired outcome	Essex County Council Property and Facilities Team
	Harlow District Council do not agree to planning permission	Harlow District Council are aware of the scheme to relocate ACL to a central library location. Good quality affordable housing is required in Harlow and conversations will be had with both the Regeneration and Planning Teams.	Essex County Council Localities Team

	Impact of COVID-19	Sensitivity testing suggests that a 15% reduction in learners would still result in a BCR over 2.0:1.0 – that's about nine months of closure Inflation in costs for refurb and relocation can be managed within the contingency attributed and design assumptions will be challenged and specification will be value engineered to meet cost plan	Essex County Council
Options consideration	A long list of three options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.		
Project Timeline	Task	Description	Timescale
	Refurbishment of Harlow Library	To reconfigure the existing Library to enable the relocation of ACL	April 2021 – October 2021
	Relocation of ACL	To move service and existing furniture from current site into Harlow Library	October 2021 – November 2021
	Initial Feasibility of vacated ACL Site	To commission feasibility study of current ACL site	January 2022 – February 2022
Outcome of ITE Review	The project has been assessed as offering High value for money with a High certainty of achieving this. For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).		
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.		
Link to Project webpage	https://www.southeastlep.com/project/harlow-library/		

SELEP – Getting Building Fund Project Background Information

Name of Project	Remodelling of ‘T’ Level buildings at Harlow College Harlow College, Velizy Avenue, Harlow Essex CM20 3LH Essex County Council
Getting Building Fund value	£1.5m
Description of what Project delivers	<p>The Getting Building Fund investment will repurpose accommodation to a centre for delivering healthcare, health science, education and childcare, sustainable modern construction methods and digital technologies, embedding innovation in the different vocational pathways and fully preparing the College for the introduction and delivery of T Levels.</p> <p>The project will also improve accommodation and teaching spaces for the Education and Childcare T level pathway. The investment will ensure access to state-of-the-art equipment and facilities to support delivery including apprenticeships and higher technical levels.</p> <p>The project will support growth in Harlow and the wider West Essex area including the £400m relocation of Public Health England (or its successor) from Wiltshire and North London to Harlow; the need for health professionals including for the potential new hospital in West Essex; the growth at the Harlow Enterprise Zone, including the £200m Kao Data Campus, with its wider digital technology requirements that support infrastructure, coding, business and big data.</p>
Need for Intervention	<p>The Sainsbury Report on Technical Education published in July 2016 highlighted the need for reform of the further education and skills system, with a specific focus on the technical education pathway as a compliment to the academic A-level pathway.</p> <p>Construction, Digital, Health & Science and Education & Childcare are four of the 15 routes identified in the Sainsbury report, in addition Social Care which is often linked with a Health curriculum is a route. The development of spaces in anticipation of delivering T Levels will allow the College to effectively prepare for delivery of these new technical qualifications, alongside apprenticeship standards.</p> <p>Harlow College has an important role to play in supporting industry to meet the skills challenges ahead:</p> <ul style="list-style-type: none"> • Supporting employers with the skills they need. The College works closely with Public Health England and Princess Alexandra Hospital, Harlow Enterprise Zone and the Digital Innovation Zone in West Essex as well as other partners to identify, plan and deliver appropriate skills and training interventions across sectors in line with the latest labour market intelligence. • Delivering strategic, cross-industry initiatives to ensure a steady supply of skilled labour for employers, developing skills solutions to meet local challenges and to provide support for upskilling and reskilling. • Helping employers to tackle current and future skills issues, including encouraging and enabling greater uptake of apprenticeships, supporting the development of T Levels and the provision of industry placements, and tackling issues of diversity. The College will work with the Careers and

	<p>Enterprise Company, National Careers Service and others to encourage more young people and returners to the workforce to pursue careers in healthcare and digital industries.</p> <p>Should Getting Building Fund not be secured this project will not go ahead in its intended scale and scope. With partial funding, the project would be scaled back and consist of minor refurbishment with significant areas of both K and N building still requiring remodelling and modernising. T Level provision would be difficult to deliver over the longer term, without further capital investment. In this scenario, the College would need to balance its ability to deliver across all T Level routes and the affordability to invest in the modernising of buildings still required in order to deliver an outstanding learner experience.</p> <p>The cost estimates have been prepared by our professional consultant team and experienced managers and has taken into account cost evidence from comparable refurbishment projects. All project activities will be subject to tendered prices with appropriate contingencies taking a guaranteed maximum price approach when procuring contractors. Our highly qualified and experienced project management and finance staff will ensure that the project is managed on time and in budget.</p>		
<p>Project benefits</p>	<p>Harlow College will provide training that will address skills shortages and support skills development in growing sectors. The annual GVA for the centre is (£578,220), with a GVA over a 20 year period of £30.062m and a Benefit Cost Ratio of 8.6:1. When tested against a scenario showing a 50% reduction in learner take up due to COVID-19 and/or lack of employer buy in and an increase in estimated costs, the 20 year GVA is £15.031m with a BCR of 3.4:1. The repurposed accommodation and new equipment will provide a pipeline of individuals with the skills needed to enter or return to employment or to secure existing employment through up-skilling. This will meet skills shortages and gaps and will impact positively on employers.</p> <p>Other benefits include:</p> <ul style="list-style-type: none"> • Greater collaboration with employers through alignment with local skills priorities; • Renewal and modernisation of 4,900m² teaching and learning accommodation; • Widen participation; • Growth due to development of new T Level programmes and technical qualifications leading to 1,148 learners completing T Level programmes across 4 T level routes by 2026. 		
<p>Financial Information</p>	<p>Funding source</p>	<p>Amount (£)</p>	<p>Constraints, dependencies or risks and mitigation</p>
	<p>T Level Capital Fund</p>	<p>£1.5m</p>	<p>TLCF bid submitted June 2020. Funding is dependent on successful assessment of the bid. Outcome of bid expected in October 2020.</p>
	<p>Harlow College match funding</p>	<p>£500,000</p>	<p>This funding has been confirmed and is the maximum affordable College match.</p>
	<p>Getting Building Fund</p>	<p>£1.5m</p>	<p>Request under Getting Building Fund</p>

	Total project value	£3.5m	Dependent on successfully securing all three sources of funding.
Project constraints and risks	<p>The main constraint is refurbishing the buildings whilst teaching and learning is taking place on campus, in parts of the building adjacent to the planned work. The College, along with its consultant team, have built mitigating factors into the programme of scheduled works. These include careful planning and programming of the building works and a decant programme to other parts of the campus whilst phased work is completed.</p> <p>Key risks:</p> <p>Site and Delivery Risks An experienced project delivery team, with relevant experience of delivering construction programmes of similar size and complexity, will oversee the project. Our skilled and experienced Estates Team will undertake thorough preparatory work prior to their restoration of the buildings.</p> <p>Output Risks We consider output failure as a 'low-risk' to the project, because there is a constant requirement for such skills provision in West Essex and beyond. This is evidenced through job vacancies, demand for apprentices and through the current age profile of the existing workforce. The College is graded 'Good' by Ofsted and will apply its extremely effective curriculum planning and Learning, Teaching and Assessment Strategy to this project to ensure high levels of student success.</p> <p>COVID-19 could have the potential in reducing take up in the first two years of T Level delivery, through lack of employer engagement and/or low learner take up. Our strong links with key sector based employers enables the College to work closely with employers to map skills and needs as the local economy recovers from the pandemic and the pre COVID planned growth returns. Likewise, the College has strong links with our feeder schools and is able to deliver comprehensive CEIAG that enables young people to make fully informed choices in relation to their next steps.</p>		
Options consideration	A long list of five options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.		
Project Timeline			
	Task	Description	Timescale
	Wider scope design work (Getting Building Fund)	Amending RIBA stage 2 report to include additional development into scope of works	September 2020-October 2020
	Procurement of contractors and mobilisation	Development of a transparent procurement process in order to bring on contractors, whilst ensuring value for money is achieved.	December 2020-March 2021
	Curriculum design	Development of a new industry relevant curriculum to support pathways into employment	May 2020– May 2021
Employer engagement	Engage with employers to develop pathways into employment, support curriculum relevance, develop industrial placement strategy and develop employer advisory boards	October 2020– May 2021 (and ongoing)	

	Construction phase 1	Remodelling of building N to develop a sustainable energy centre, including Digital labs within the adjoining A building and remodelling 1 st floor of N building ready for delivery of T levels in Sept 2021	March 2021- June 2021
	Construction phase 2	Remodelling of two floors to building K to develop medical environments, a hospital ward and assisted living spaces, as well as improving accommodation and teaching spaces ready for delivery of T levels in Sept 2021 including for the Education and Childcare pathway.	July 2021- October 2021
	T Levels provision commences	First cohorts of T Level learners enrolled and delivery commences with some pathways not in final accommodation.	September 2021
	T Level provision continues in final accommodation	Health & Science T Level pathway learners move to final accommodation	October 2021
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p> <p>For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).</p>		
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.		
Link to Project webpage	https://www.southeastlep.com/project/remodelling-of-t-level-buildings-at-harlow-college/		

SELEP – Getting Building Fund Project Background Information

Name of Project	NU Living Modular Housing Factory Basildon 117, Christopher Martin Road, Basildon, SS14 3ES Essex County Council
Getting Building Fund value	£4.53m
Description of what Project delivers	<p>The project will enable the company to both increase its current production capacity of Cross Laminated Timber (CLT) housing modules, as well as establish an innovative in-house capability to manufacture fabricated steel modules, which are essential for the construction of higher buildings (over 18m high) given recent changes in legislation with regard to combustible materials. This will enable Swan, already a leader in Modern Methods of Construction (MMC) to deliver circa 830 new homes per annum by 2024, as well as further innovate and more efficiently produce a range of construction modules.</p> <p>Swan as both a housing association and a developer of housing for sale, is partnering with a number of Local Authorities in the area, on a number of key regeneration projects, and this newly refurbished factory will facilitate reduced development costs and accelerated delivery (creating higher levels of value for money) as well as creating new and innovative jobs, building industry capacity for MMC, upskilling the local workforce and allowing for the supply of modular components to other local authorities/developers.</p>
Need for Intervention	<p>Taking an investment decision of this scale is challenging at any time, not least in current circumstances, due to the uncertainties within the housing market and the serious economic impacts arising from COVID-19, which are still “unwinding” as the country emerges from lockdown, and potentially faces a further spike in infection rates during the autumn and winter periods.</p> <p>The economic consequences are not expected to become clear for some time, and looking at government and other forecasts suggest that the impacts on house values, land values, construction costs and transaction levels, could “dip” considerably, and take some years to fully recover to their pre-COVID levels.</p> <p>With the significant uncertainty in the market at the present time and without the availability of public funding to support this initiative, Swan will be unable to make the required investment, and the refurbished factory would certainly not proceed.</p> <p>Conversely, funding from the Getting Building Fund will allow investment to be made at this time, that will create additional skilled jobs at the factory, reduce costs of developing Swan’s own sites, utilising innovative steel construction techniques, accelerating delivery of housing and bringing forward modular housing</p>

	manufacturing capacity that will benefit the wider construction industry.	
Project benefits	Proposed / main outputs for the project are as follows: <ul style="list-style-type: none"> • 248 FTE gross operational jobs (124 net additional FTE jobs for South Essex, after adjusting for deadweight, leakage, displacement and multiplier effects) • 144 new learners assisted • Manufacturing of 2,500 steel MMC modules per annum by year 5, along with expansion of cross laminated timber (CLT) MMC module production to 1000 by year 5 • Supporting the development of 1,500 new homes over a five-year period, of which 40% (600) are estimated to be affordable 	
Financial Information	Funding Source	Amount (£)
	Getting Building Fund	4.53m
	Additional funding is outlined in Confidential Appendix C	
Project constraints and risks	<ul style="list-style-type: none"> • The key risks which the project is likely to face, have been identified/assessed and cover such issues as set-up and fit-out costs, approvals/accreditation required, staffing issues etc. Potential mitigation factors that will need to be addressed if issues arise, have also been considered. In all cases, the likelihood of an occurrence is not significant. 	
Options consideration	A long list of three options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.	
Project Timeline	Task	Timescale
	Detailed design specification for refurbishment	September 2020
	Procurement of contractors for refurbishment of Factory 2 building	September-November 2020
	Procurement of equipment and machinery for Factory 2	November 2020-February 2021
	Recruitment and training of employees	March 2021
	Commence manufacturing at Factory 2	April 2021
	Factory 2 reaches capacity	January 2024

Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p> <p>For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).</p>
Evidenced compliance with Assurance Framework?	<p>Yes, the project does meet the requirements of the SELEP Assurance Framework.</p>
Link to Project webpage	<p>https://www.southeastlep.com/project/nu-living-modular-housing-factory-basildon/</p>

SELEP – Getting Building Fund Project Background Information

Name of Project	Maritime and Sustainable Technology Hub Railway Quay, Railway Approach, Newhaven BN9 0ER East Sussex County Council
Getting Building Fund value	£1.3m
Description of what Project delivers	The aim of the project is to convert an existing, disused educational facility and Grade-II listed building in Newhaven into a multi-purpose site, comprising: <ul style="list-style-type: none"> • 1,630 sqm of educational/training and business support space for the maritime sector; • 1,595 sqm of commercial office space; and • 1,500 sqm of ancillary space.
Need for Intervention	<p><u>Equity and Redistribution</u> This project supports key national, SELEP and local objectives in supporting the regeneration of Newhaven a coastal town that is identified as requiring particular interventions to support its transition to a more productive economy.</p> <p>Establishing a specialist enterprise and training hub near the town centre will reposition the town as a regional centre of excellence for maritime business and contribute to its economic revitalisation, building on the work that is already underway through the Newhaven Enterprise Zone and the recent FHSF submission.</p> <p><u>Market Failure – Externalities</u> The main (although not sole) driver of this project is to provide the facilities to improve the productivity of the Maritime sector through business support and training. Although this will be delivered through the operator, without intervention any direct return on investment in the reconfiguration of the site is not expected to accrue for several years, making the project unviable without intervention. The Externalities relate to the wider benefits to the economy that will be gained from the national, regional and local economies as a result of the upskilling that will follow. In addition, there are additional potential economic benefits relating to the regeneration of Newhaven that cannot be captured directly by either Lewes District Council or its partner as a result of the investment in the project.</p>
Project benefits	<ul style="list-style-type: none"> • Redeveloped Building to include: <ul style="list-style-type: none"> ○ 1,630 sqm of class training/education space; ○ 1,595 sqm of office space; ○ 1,500 sqm of Ancillary zones, including storage, lift shafts, stairwells etc. • 133 gross jobs (46 net new jobs); • £3.683m in Land Value Uplift; • £2.055m in external benefits associated with workforce upskilling;

	<ul style="list-style-type: none"> • Additional Maritime Businesses supported each year from 2022/23 (number to be agreed); • 346 trainees achieving qualifications each year 		
Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
	Getting Building Fund	1.3m	A reduced level of GETTING BUILDING FUND grant would impact on the ability of providing a viable Maritime and Sustainable Technology Hub. Listed Buildings and Planning Consents may be required for alterations that impact the significance of the building. Where appropriate, consents will be applied for.
	Lewes District Council	478,091	This public sector funding is dependent on securing sufficient GETTING BUILDING FUND to enable the delivery of a successful Maritime and Sustainable Technology Hub.
	Total project value	1.778m	
Project constraints and risks	<p><u>Planning Permission and Listed Building Consents</u> The site currently has a F1 planning use allocation (former Education use class). A change of use for part of the building will need to be secured in order to enable part of the building to be converted to E office use class. This is a Grade II listed building. Any change of use, therefore, and any works that have the potential to impact the significance of the listed building (internal and external) will require Listed Building and/or planning consents.</p> <p><u>Lease Variation</u></p> <p>The headlease for the land is with Newhaven Construction Ltd and the current lease for the site is with West Register Realisation Ltd and UTC@harbourside. The permitted use under the lease is for education and ancillary community fundraising and recreational use, not for office use. A variation in the terms of the lease may, therefore, need to be sought from the landlord. In addition, there is an overage clause which would apply if the property was disposed of before 2034 or planning permission implemented during this period.</p> <p>The key risks are:</p> <ul style="list-style-type: none"> • Failure to secure planning and listed building consent for change of use; • Failure to renegotiate lease terms to diversify site uses; • Failure to agree contractual with the operator; • Failure to attract businesses and/public sector organisations to occupy new commercial floorspace; • Refurbishment costs higher than forecast; • Change in key personnel leading to change in project brief or loss of key knowledge of the scheme. 		
Options consideration	A long list of five options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.		

Project Timeline	Task	Description	Timescale
	Tenant negotiations	To agree lease documentation	August 2020 to January 2021
	Design	Develop and agree detailed designs	January 2021 to April 2021
	Specifications	Develop and agree project specifications	March 2021 to June 2021
	Procurement	Design and implement procurement of works	June 2021 to July 2021
	Construction	Construction works	July 2021 to March 2022
	Handover	Opening and handover of new facility	March 2022
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p> <p>For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).</p>		
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.		
Link to Project webpage	https://www.southeastlep.com/project/maritime-and-sustainable-technology-hub-newhaven/		

SELEP – Getting Building Fund Project Background Information

Name of Project	Discovery Park Incubator Building 500, Discovery Park, Sandwich Kent County Council
Getting Building Fund value	£2.5m
Description of what Project delivers	<p>The Discovery Park Incubator project will deliver flexible, collaborative workspace in which life science start-ups and SMEs can establish their operations and grow as part of an innovative community.</p> <p>The project involves the refurbishment of two floors within the East Block of Building 500 at Discovery Park, to provide around 30,000sqft of net lettable incubator space. The new facility will include self-contained laboratory units, informal breakout and café space and shared lab support facilities.</p> <p>As well as additional physical space and high-quality facilities, the Incubator will also offer a package of innovation support to tenants, encouraging collaboration between firms at Discovery Park and with higher education, and linking new and emerging businesses with the access to investment, skills and partners that they need to thrive.</p>
Need for Intervention	<p><u>Market failure in the supply of lab space to life science SMEs</u></p> <p>There is high demand for lab space, and there is evidence that this demand has been sustained during the current COVID-19 crisis. However, there is a lack of available lab space that is ready for the market.</p> <p>The key issue is why the market does not respond by increasing supply to meet levels of likely demand. The issue is not generally an absence of capacity (i.e. available floorspace that could be brought forward if it were economically viable to do so) but is more linked with the nature of demand and the costs of development. Issues include:</p> <ul style="list-style-type: none"> • The lack of financial strength of small firms in the life science sector: the ‘start-up’ phase for small businesses in the sector can be lengthy, as most firms in the sector are funded by raising capital to finance the next phase of R&D activity: many firms will not generate significant profits for several years. This is incompatible with normal long-term property deals, and in general, small life science businesses are unable to offer the financial guarantees that would conventionally meet landlords’ requirements. • The need for flexibility as companies scale up: In their early stages, firms’ requirements are likely to change substantially. Ideally, firms will want the flexibility to scale within or close to their existing location, but a lack of quality supply in the market overall tends to constrain businesses in smaller units, limiting expansion and preventing churn in the market.

	<ul style="list-style-type: none"> • Bespoke requirements: Different firms will often have unique wet lab requirements. This can make it challenging to re-let space to new tenants without additional investment and the resources to manage space across a facility in an integrated and coordinated way. • The need for support infrastructure: Typically, innovation/incubation centres for the sector provide support to businesses to enable them to focus on R&D, while providing access to networks and advisory support that will help them grow. This incurs additional cost, and also requires a level of critical mass to establish a collaborative community and make a support offer viable. • Relatively high costs associated with specialist facilities: Modern lab space is expensive to build and maintain. This is linked with equipment and fit-out costs and the ongoing costs of maintenance and capital reinvestment and the high energy costs generated by lab space. <p>Currently, the market failure appears to be resolved through firms remaining in premises that are too small for their needs or through re-purposing offices or industrial stock. The consensus view is that this is sub-optimal, given the inherent inflexibility of this solution and the isolation to which it tends to lead.</p>		
Project benefits	<p>The key benefits of the scheme are:</p> <ul style="list-style-type: none"> • An increase in the number and survival rate of life science businesses in Kent and Medway, as firms are attracted to the Incubator and are enabled to expand; • Increased collaboration between start-up and growing firms, larger businesses and academic institutions at Discovery Park; • Increased investment at Discovery Park (and in East Kent more broadly) as a result of the increase in business activity at the Incubator; • Increased investment in start-ups and growing businesses through the opportunity to create a network of investors; • Longer term benefits through the growth of the life science cluster as a driver of growth in East Kent, contributing to the greater resilience of the sector and regional productivity growth. 		
Financial Information	The total capital cost of the project is £5.5m .		
	Funding source	Amount £	Constraints, dependencies or risks and mitigations
	Discovery Park Ltd	£3m	This funding is committed, subject to approval of the Getting Building Fund allocation to the project
	Getting Building Fund	£2.5m	Subject to Board approval
	Total	£5.5m	

Project constraints and risks	Risk	Mitigation measures	Impact
	Delay due to complexity of design due to complexity of works by others	Procure early works under Construction Management route to protect schedule for specialist fit out. Contractor design input critical	Delay to delivery of project
	Downturn in property market	COVID-19 has had a significant impact on the commercial property market. Demand for laboratory and specialist production space is currently strong with a pipeline of enquiries.	Reduction in occupancy rates
	Lower take-up of space	Lack of wet lab space in SELEP market presents opportunity. Ensure rents and operating costs remain competitive	Reduction in forecast income, increased costs
Full project risk register provided in project Business Case.			
Options consideration	A long list of nine options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.		
Project Timeline	Project milestone	Indicative date	
	RIBA Stage 3 design completed	September to November 2020	
	Mini-tender for site-wide works	November to December 2020	
	Installation of site-wide works	January to March 2021	
	Procurement of fit-out contractor	November to December 2020	
	Enabling works and demolition	January to February 2021	
	Construction	February to July 2021	
	Incubator complete	August 2021	
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p> <p>For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).</p>		
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.		
Link to Project webpage	https://www.southeastlep.com/project/discovery-park-incubator/		

SELEP – Getting Building Fund Project Background Information

Name of Project	Javelin Way Javelin Way, Henwood Industrial Estate, Ashford Kent County Council
Getting Building Fund value	£578,724
Description of what Project delivers	<p>Javelin Way is an employment site on the Henwood Industrial Estate in Ashford. The project will support the development of the site for employment use, with a focus on the development of Ashford's creative economy.</p> <p>The scheme consists of two elements:</p> <ul style="list-style-type: none"> • The construction of a 'Creative Laboratory' production space (with a ground floor internal area of 1,293 sqm). This will be leased from Kent County Council by Jasmin Vardimon Company, a world-renowned dance company and creative organisation. • The development of 29 light industrial units (with a gross internal area of 3,046 sqm), for sale and/or lease, suitable for additional creative businesses as well as the general market. Mezzanine floors will be available for the 29 industrial units, with full flexibility on the sizes of mezzanines to meet market demand.
Need for Intervention	<p>Ashford is a strategically important location for population and employment growth, building on its excellent connectivity with London and continental Europe via High Speed One.</p> <p>In recognition of its role as an important growth location, investment in cultural infrastructure is a high priority for Ashford. To this end, Ashford Borough Council published an Arts and Creative Industries Strategy Report in May 2016. This identifies the Jasmin Vardimon Company's presence in Ashford as a strategic asset. The retention and expansion of the company is further identified by the council as one of the areas 'Big 8' major projects, with the aim of developing high quality cultural facilities as part of Ashford's growth programme.</p> <p>Given that the Jasmin Vardimon Company is the only National Portfolio Organisation based in Ashford, and the only one based in Kent which is engaged in direct production, it provides a 'unique offer'.</p> <p>The Jasmin Vardimon Company has outgrown its' current facilities and has commenced investigations to identify an alternative site. If alternative premises cannot be provided within Ashford, there is a risk that the Jasmin Vardimon Company will relocate outside the SELEP area.</p> <p>As well as providing cultural facilities, the Javelin Way project will deliver additional employment space. Ashford Borough Council's Employment Land Sites Assessment (2016) notes that there is a growing demand for smaller industrial units of less than 2,000 sq. ft, with less current supply in this category than in any other type of space, both locally and across the South East.</p>

	<p>The reasons for this shortfall in supply have been widely researched and are not unique to Kent. They relate to limited growth in rental values, landowner preferences for residential development, and in some cases an overhang of older secondary stock depressing market prices. However, where schemes have come forward, demand has been strong. In the context of Ashford's growth, it is a policy objective to increase capacity for employment of a range of types to complement residential development. Javelin Way is within an industrial area, there is strong planning policy support for a development of this type, and strong grounds to bring forward new industrial space.</p>			
Project benefits	<p>Delivery of the project is expected to deliver a number of benefits relating to employment, business rates growth, education and skills development and the growth of the creative economy. These benefits include:</p>			
	<p>Creation of 171 new jobs (12 within the Creative Laboratory and 159 within the industrial units)</p>	<p>Safeguarding of 12 jobs within the Creative Laboratory, and a further 15-21 freelance roles</p>	<p>Increased student learners and creative internships</p>	<p>Longer term sustainability of Ashford's cultural infrastructure</p>
	<p>Growth in creative industries supply chain</p>	<p>Opportunities for business growth</p>	<p>Wider access to cultural and creative education</p>	
Financial Information	<p>The total capital cost of the scheme is £11.2m.</p> <p>Kent County Council's contribution, and repayment of the Growing Places Fund loan, will be through capital receipts from the sale of the industrial units. The Council's agreement to proceed is therefore dependent on estimates of eventual sales values arising from the industrial units and the risks that these present in the current financial environment.</p>			
	Funding source	Amount £	Constraints dependencies and mitigations	
	Kent County Council	5.204m	Agreement to proceed, subject to risk on receipts	
	Growing Places Fund	1.597m	Loan secured in 2018. Revised repayment schedule due to be considered by Accountability Board in February 2021	
	Arts Council England	3.069m	Grant confirmed	
	Ashford Borough Council	750,000	Funding approved by Cabinet	
	Getting Building Fund	578,724	Subject to Board approval	
	Total	11.2m		

Project constraints and risks	<p>There are no major constraints associated with the project. Planning permission is in place and the site is within the ownership of Kent County Council.</p> <p>It should be noted that the terms for the Deed of Dedication required by Arts Council England will fetter the Creative Laboratory building for 20 years.</p> <p>The most significant project risks are set out below. A full risk register was included within the Business Case submission for the project.</p>		
	Risk	Mitigation measures	Impact
	Tender delay - delay to procurement process due to COVID-19 pandemic	Adequate allowance for the main contractor pricing exercise was provided but lockdown disrupted the tenderer's ability to price the work and the ability of the tenderers supply chain partners who were also affected by the lockdown	Extended procurement period leads to delay to commencement of the project
	Tender price increase – lockdown increases risk pricing within the tender returns provided	Risk pricing mitigated as far as possible with clear documentation and the off-set of opportunity to value engineer within the constraints of the employer's requirements	Risk pricing shows increase in costs and caution surrounds value engineering
	Governance delays - approval of the scheme to enter into contract delayed due to staffing shortages or insufficient resource due to the furlough scheme.	Review of approvals process and management of risks.	Delay to the commencement of the contract.
Options consideration	A number of options have been considered in the Business Case and justification has been provided as to why the preferred option has been selected.		
Project Timeline	Milestone	Indicative Dates	
	Planning permission granted	April 2019	
	Construction of creative laboratory and light industrial units	October/November 2020 to January 2022	
	Project handover	January 2022	

	Specialist fit out of creative laboratory	February 2022
	Site opening	February/March 2022
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p> <p>For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).</p>	
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.	
Link to Project webpage	https://www.southeastlep.com/project/javelin-way-ashford/	

SELEP – Getting Building Fund Project Background Information

Name of Project	North Kent College – New Performing and Production Digital Arts Facility North Kent College, Dartford Campus, Oakfield Lane, Dartford Kent County Council
Getting Building Fund value	£12.302m
Description of what Project delivers	<p>The project will provide a new Performing and Production Digital Arts Facility at North Kent College’s Dartford campus. This will enable the College to maintain and develop its established strengths in performing arts and digital design, respond to growing student demand and contribute to the long-term growth of the creative and cultural sector.</p> <p>Specifically, it will involve the construction of a new, high-quality two-storey building containing 2,836sqm (c.30,500sqft) of educational floorspace, including a performance venue, dance studios, music performance spaces, digital design classrooms and workshops, and a new food court and social zone serving the whole College campus.</p>
Need for Intervention	<p><u>Safeguarding existing provision to protect the quality of the ‘asset’ at North Kent College and to ensure its continued success</u></p> <p>North Kent College has an outstanding educational provision in performing and digital arts but much of this provision is being provided from sub-standard and outdated facilities. While significant efforts are being made to extract value from the existing facilities, challenges for the performing and digital arts offer include:</p> <ul style="list-style-type: none"> • Poor quality working environments, including congested facilities, poor temperature control and in some cases health and safety issues resolved through short-term mitigations; • Sub-optimal teaching conditions (e.g. subject provision over multiple floors); <p>Without intervention, it is likely that the quality of the existing offer will suffer. This may be through reduced attractiveness to students, although the strong educational offer has been sufficient to maintain (and grow) student numbers to date. More fundamentally, if there is no new investment, some parts of the campus will need to close, meaning that the College will be unable to maintain its existing offer.</p> <p><u>Expanding provision to meet market demand</u></p> <p>While there is a risk that provision could be reduced as facilities become unsustainable, there ought to be opportunities to expand provision to meet the rising demand, however, these are constrained by physical capacity. Applications exceed offers in all relevant subjects, and the gap has accelerated in the past year. This is because despite the popularity of Digital Design, the number of offers has been reduced substantially due to the physical limits on capacity</p> <p>In the event of non-intervention, the obsolescence of some buildings will mean that some provision will need to be consolidated in those parts of the campus that can be viably maintained. This will mean that areas will end up</p>

	<p>sharing common teaching rooms, restricting the College’s ability to offer highly specialised training and courses. Over time, this will lead to a decline in offers, even if some provision is maintained.</p> <p><u>Ensure the viability and sustainability of the College estate</u></p> <p>Delivering the new Facility will have an impact on the College estate overall, as well as on the specific subject areas that will directly benefit. Currently, 49% of buildings on the Dartford site are assessed as either ‘operational’ (requiring investment in the next 3-5 years) or ‘poor’ (at risk of major failure), compared with a DfE benchmark of 24%. The consequence of this is that running costs are high, cost of major repair and maintenance are high and obsolescence and a need to consolidate provision will impact student numbers.</p>														
Project benefits	<p>The key benefits of the project are:</p> <ul style="list-style-type: none"> the safeguarding and consolidation of North Kent College as a leading centre for performing and digital arts in the Thames Estuary, supporting the growth of the sector and helping to drive forward the Thames Estuary Production Corridor; an increased supply of skills linked with the creative economy; the greater sustainability – financially and environmentally – of North Kent College’s Dartford campus. 														
Financial Information	<p>The total capital cost of the project is £13.981m.</p> <table border="1" data-bbox="387 1025 1503 1283"> <thead> <tr> <th data-bbox="387 1025 687 1099">Funding source</th> <th data-bbox="695 1025 995 1099">Amount £</th> <th data-bbox="1003 1025 1503 1099">Constraints, dependencies and mitigations</th> </tr> </thead> <tbody> <tr> <td data-bbox="387 1111 687 1171">North Kent College</td> <td data-bbox="695 1111 995 1171">1.679m</td> <td data-bbox="1003 1111 1503 1171">Funding contribution predominantly covers sunk costs.</td> </tr> <tr> <td data-bbox="387 1182 687 1243">Getting Building Fund</td> <td data-bbox="695 1182 995 1243">12.302m</td> <td data-bbox="1003 1182 1503 1243">Subject to Board approval</td> </tr> <tr> <td data-bbox="387 1254 687 1283">Total</td> <td data-bbox="695 1254 995 1283">13.981m</td> <td data-bbox="1003 1254 1503 1283"></td> </tr> </tbody> </table>			Funding source	Amount £	Constraints, dependencies and mitigations	North Kent College	1.679m	Funding contribution predominantly covers sunk costs.	Getting Building Fund	12.302m	Subject to Board approval	Total	13.981m	
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Getting Building Fund	12.302m	Subject to Board approval													
Total	13.981m														
Project constraints and risks	<p>No significant constraints have been identified for the project.</p> <ul style="list-style-type: none"> Ownership: The site is fully owned by North Kent College. There are no land assembly or land acquisition issues to manage ahead of start on site. Planning: The facility was granted full planning permission on 1 March 2019. The College is in the process of dealing with pre-commencement planning conditions to enable a start on site in January 2021. <p>The most significant project risks are:</p> <table border="1" data-bbox="387 1664 1503 2063"> <thead> <tr> <th data-bbox="387 1664 951 1702">Risk</th> <th data-bbox="959 1664 1503 1702">Mitigation measures</th> </tr> </thead> <tbody> <tr> <td data-bbox="387 1713 951 1921">Insufficient capacity within existing utility services to serve new facility</td> <td data-bbox="959 1713 1503 1921">Information available suggests sufficient capacity in gas, water and drainage. North Kent College to seek application for increase in electrical power as it is suspected that existing capacity is insufficient</td> </tr> <tr> <td data-bbox="387 1933 951 2063">Costs and delays resulting from the need to DBS check all contractor personnel</td> <td data-bbox="959 1933 1503 2063">College safeguarding requirements to be maintained. Key personnel to be checked in advance</td> </tr> </tbody> </table>			Risk	Mitigation measures	Insufficient capacity within existing utility services to serve new facility	Information available suggests sufficient capacity in gas, water and drainage. North Kent College to seek application for increase in electrical power as it is suspected that existing capacity is insufficient	Costs and delays resulting from the need to DBS check all contractor personnel	College safeguarding requirements to be maintained. Key personnel to be checked in advance						
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	Disruption to College utility services	Shutdowns and switchovers to be programmed for College holiday periods and planned in advance. Works to be conducted under Permit to Work system.
	A full risk register has been provided as part of the Business Case submission.	
Options consideration	A long list of ten options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.	
Project Timeline	Project milestone	Indicative dates
	Completion of detailed design	18 th December 2020
	Appointment of contractor	23 rd November 2020
	Start of construction onsite	4 th January 2021
	Construction complete	28 th February 2022
	Fit-out complete	26 th April 2022
	New Performing and Production Digital Arts Facility opens	27 th April 2022
Outcome of ITE Review	The project has been assessed as offering High value for money with a High certainty of achieving this. For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).	
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.	
Link to Project webpage	https://www.southeastlep.com/project/north-kent-college-performing-and-production-digital-arts-facility/	

SELEP – Getting Building Fund Project Background Information

Name of Project	<p>Romney Marsh Employment Hub</p> <p>Mountfield Road Industrial Estate, New Romney, TN28 8LD</p> <p>Kent County Council</p>
Getting Building Fund value	<p>£3.536m</p>
Description of what Project delivers	<p>Getting Building Fund investment is being sought as part of a funding package to further develop the Mountfield Road Industrial Estate. This includes the development of a business hub of 751 sqm (8084 sq. ft) (GEA) divided into 14 rooms of varying sizes, with offices built for businesses that will range in size from 2-10 employees. The planned flexibility of the space within the business hub will mean that it could also lend itself to providing space for skills training. There is land within the hub site for the building to be further extended by 427 sq. m to provide either more business space or a more bespoke skills facility depending on demand.</p> <p>The undeveloped 6 hectares on the industrial estate requires an access road and servicing. This would follow the masterplan for the site co-financed by Magnox/NDA and Folkestone & Hythe District Council (FHDC).</p> <p>Completing the development of the whole employment hub, including unlocking the remaining employment land, will enable up to 620 jobs to be created in the Romney Marsh area. However, it should be noted that as a result of COVID-19 and social distancing there may be some impacts on the jobs realisation in the short term.</p>
Need for Intervention	<p>The need for the Getting Building Fund funding is due to the funding gap which arises from the low investment returns currently being achieved in the Romney Marsh area and the failure of the market to deliver new high-quality business space which recent studies indicate is needed. Savills Valuation Report demonstrates there is a cost/value funding gap which means that the commercial development is unviable without some form of public sector support because it costs more to build than it is worth once completed.</p> <p>The Council can offer the land as serviced plots for development at a market value, not a price which is artificially high due to land-owners' aspirations for value. This will thereby bring much need serviced sites to the market for development by end users themselves or for developers to develop out. This demand has not been met elsewhere within the Romney Marsh area. This development will also provide an opportunity to attract new businesses into the Romney Marsh area to help diversify and grow the local economy.</p>
Project benefits	<p>The primary benefit of the project will be to unlock the delivery of 6 hectares of employment land which is expected to be capable of delivering some 15,000 sq. metres of new Gross External Area industrial space at Mountfield Road Industrial Estate. To uplift the employment offer locally, a 751sq.metre business/skills hub is proposed to initiate the creation of high-quality accommodation capable of meeting the demands of local growing enterprises and to attract new inward investment.</p> <p>Modelling of economic benefits has identified potential for the income to support:</p> <ul style="list-style-type: none"> • 620 FTE Gross Jobs (64 business hubs + 556 on developed land);

	<ul style="list-style-type: none"> • Net Land Value Uplift NPV of £1.067m; • Welfare-related impacts, estimated at £30.6m, or £22.0m at NPV. These GDP impacts are a mix of additional tax revenues and negated welfare payments nationally; <p>Alongside the monetised benefits, the project has the potential to bring a number of wider economic output, including potential to:</p> <ul style="list-style-type: none"> • Retain and attract inward investment in the County and the SELEP area; • Provide the opportunity for local companies to expand their operations within the area; • Support the delivery and attractiveness of the Mountfield Road Industrial Estate; • Provide quality business accommodation in Romney Marsh that can meet the needs of local employers. 		
Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
	Applicant – Folkestone & Hythe District Council	2.31m	Fully Approved
	East Kent Spatial Delivery Development Company	735,000	Approved for the Business Hub building
	Other Public – Nuclear Decommissioning Authority (NDA)	500,000	Approved for the Business Hub building
	Getting Building Fund	3.536m	To be confirmed
	Total project value	7.081m	
Project risks and constraints	<p>Land Ownership – the site is in the ownership of FHDC.</p> <p>Highways Access – site access can connect into the existing adopted highway network.</p> <p>Planning – Detailed planning consent has been secured for the business hub building and the remaining site infrastructure.</p> <p>Site Services - mains services will be provided as part of the project.</p> <p>Site Conditions – detailed site investigations have been carried out for the hub building and high-level desk top work has been undertaken for the remainder of the site.</p> <p>Match Funding – funding from NDA, East Kent Spatial Development Company and FHBC is already approved.</p> <p>Maintain Cost Envelope - Tender works for design and build Stage 1 (Business hub) due in September 2020, Stage 2 (site infrastructure and servicing) due December 2020.</p> <p>Key Risks:</p>		

	Risk Name	Risk Description & Triggers	Actions in place
	Procurement	Failure to secure a suitable contractor	Tenders for Stage 1 are in and within budget. Stage 2 tenders pack being worked up and a design build contract to be used to mitigate risks
	Statutory Consents	Failure to secure statutory Consents	Planning permission already in place (including conditions) – need to ensure building regs compliance
	COVID-19	Cost and timescale impact of COVID-19	Use of design and build contracts to share risk appropriately. Stage 1 tenders are in which have been tendered after the pandemic and reflect current market conditions.
	Site Conditions	impact on design and costs	Intrusive SI's complete for hub building, desktop for mains site infrastructure
	Actual build costs exceed projected costs	Project running over budget and requiring additional funding	Cost consultants have been employed and together with FHDC's experience in these matters strongly indicate that costs can be contained within the expenditure plan.
Options consideration	A long list of four options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.		
Project Timeline	Task	Description	Timescale
	Tenders received and evaluated for Stage 1	Currently being evaluated. Work has been commissioned since the Minister's announcement on 2 Aug 2020 to progress the project to a stage where it can be contracted immediately upon Getting Building Fund approval.	8 September 2020
	Design & build contract Stage 2 Infrastructure	Tenders received, evaluated and contractor appointment	8 December 2020
	Practical completion for Stage 1 (Business Hub)		30 September 2021
	Completion for Stage 2 (land infrastructure and Servicing)		28 February 2022
Outcome of ITE Review	The project has been assessed as offering High value for money with a High certainty of achieving this. For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).		
Evidenced compliance with	Yes, the project does meet the requirements of the SELEP Assurance Framework.		

Assurance Framework?	
Link to Project webpage	https://www.southeastlep.com/project/the-romney-marsh-employment-hub/

SELEP – GBF Project Background Information

Name of Project	<p>Thanet Parkway Station</p> <p>Cliffsend, Ramsgate</p> <p>Kent County Council</p>
Getting Building Fund value	<p>£11.999m</p>
Description of what Project delivers	<p>The project will deliver a new train station which will be located approximately 2 miles east of Ramsgate on the Ashford International to Ramsgate line.</p> <p>The proposed station will provide two platforms suitable for use by 12-car trains. Each platform will be fitted with lighting columns that host CCTV cameras and public address speakers; two customer information displays and one passenger help point; and shelters to provide weather protection. Lifts, stairs and an underpass will provide access to the platforms.</p> <p>The station forecourt will include two ticket vending machines, two bus shelters and bus passenger information points. A set down area will be provided for buses, taxis and passenger drop off, together with staff parking.</p> <p>Parking will be provided for 297 cars plus 20 short stay bays for passenger drop off and taxis (including 16 disabled bays and 60 spaces with provision for electric vehicle charging), motorcycles spaces, 40 pedal cycle parking spaces.</p> <p>To provide access to the station, a new direct access road will be provided from the A299 Hengist Way. Pedestrian and cycle access are provided from Cliffsend village via Clive Road, ensuring sustainable access to the station.</p>
Need for Intervention	<p>The East Kent area, specifically the districts of Canterbury, Dover, Shepway and Thanet, suffers from a higher level of deprivation when compared with West Kent and South East England as a whole. Poor accessibility is one factor that has discouraged major employers from locating in the area, which serves to undermine regeneration and has limited the employment catchment for local residents.</p> <p>Thanet's economic challenges stem from its peripheral location as well as a declining ferry port industry and the loss of major employers, such as Pfizer. Historically, there has been an overreliance on specific local employment sectors, such as the ferry industry, education, pharmaceuticals and the seasonal tourism sector.</p> <p>The journey time from London makes Thanet unattractive for potential employers for which London is the major commercial centre. The ability for business travellers to be able to get a train from close to their place of work to/from London is important in business location decisions.</p> <p>Whilst there is capacity in the local workforce to support economic growth, it is also true that the area has lower representation of residents with</p>

	<p>higher skills levels, which has been a constraint on economic growth in the past. Thanet Parkway station will stimulate additional housing because of the improvement to rail services to London, and that will attract higher skilled residents to the area. In turn, this will attract greater levels of inward investment. Without delivering the project soon, the area will continue to lag further behind the rest of the county (and the South East).</p> <p>The new Thanet Parkway station will reduce the journey time between central London and Thanet to around 1 hour and will therefore improve the attractiveness of the area to businesses. It will also increase the employment catchment area for Thanet residents so that they might be able to live in Thanet and work elsewhere in Kent or London. A parkway station will provide greater opportunity to access London via High Speed 1 and improve access to employment in Canterbury, Ashford and the rest of Kent.</p>		
Project benefits	<p>Delivery of the project will:</p> <ul style="list-style-type: none"> • Accelerate the pace of housing delivery in Thanet; • Stimulate the creation of additional jobs; • Generate additional passenger boardings and new rail journeys; • Improve the journey time from Thanet to London St Pancras International; • Offer enhanced connectivity between areas of deprivation and employment; • Increase the use of sustainable transport by offering sustainable access to the station, i.e. electric vehicle charging points and cycle parking spaces; • Positively contribute to economic growth by attracting higher skilled workers to the area; • Generate increased attractiveness of the area to prospective residents and developers; • Reduce unemployment in the local area. 		
Financial Information	<p>The total capital cost of the project is £34.513m.</p>		
	Funding source	Amount £	Constraints, dependencies or risks and mitigation
	Local Growth Fund	14m	Funding approved subject to conditions
	Kent County Council	5.814m	Funding secure but may reduce to £2.411m if application to New Stations Fund 3 is successful
	Thanet District Council	2m	Funding committed and grant agreement is in place
	East Kent Spatial Development Company	700,000	Funding secured
	Getting Building Fund	11.999m	Subject to Board approval
	Total	34.513m	

	The outcome of the New Stations Fund 3 application is expected in autumn 2020	
Project constraints and risks	<p>There are a number of potential project constraints:</p> <ul style="list-style-type: none"> • Level crossing constraints related to the need to carry out works within the section of track bounded by the automatic half barrier crossings at Sevenscore and Cliffsend. The aim is to utilise the same railway possessions to complete these level crossing works as scheduled for the main station works wherever possible; • Land ownership constraints related to the need to acquire privately owned land for the delivery of the project. The negotiations are advanced and the Heads of Terms for the sale are agreed and contracts in place. • Planning Permission constraints – planning permission was granted in September 2020, subject to compliance with a number of planning conditions. • Environmental constraints which may affect the construction of the station. Scoping work was undertaken as part of the planning application which was fed into the outline design and will be taken forward into the detailed design. These environmental constraints are well understood and reflected in the planning conditions associated with the consent. 	
	Risk	Mitigation measures
	Scope creep/changes to project scope	<p>Continuous dialogue between stakeholders to reduce the level of scope creep by ensuring that station design fits with expectations.</p> <p>Project scope clearly defined at the beginning of the project. This should help to ensure that changes are not required to the design of the station at a later stage.</p>
	Over-run of disruptive railway possessions	Contractor and Network Rail to work closely to ensure that possession over-run does not occur. Contractor and Network Rail incentivised through contractual mechanisms not to over-run possessions.
	Delays during construction works	Regular liaison between the contractor (managed by Network Rail), Kent County Council, Southeastern and other parties. Penalties may be included within the contract to incentivise the delivery of the project on time.
	Passenger forecasts do not materialise	Independent validation of passenger and revenue forecast. Further sensitivity tests undertaken in line with DfT guidance on potential impacts of COVID-19.

	Demand forecasts predicted in Business Case do not materialise	Independent validation of the demand forecast undertaken by Kent County Council and by DfT/Network Rail.
	Trains do not stop at the station	The previous new South Eastern Franchise Specification required the new franchisee to serve Thanet Parkway, as well as to not impede the delivery of the new station. They were also required to enter into a Station Lease, and therefore take responsibility for the operation and maintenance of the station. Kent County Council has requested dialogue with DfT to gain assurance that this previous commitment will continue with future train service operating arrangements.
Options consideration	A long list of six options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.	
Project Timeline	Milestone	Indicative dates
	Determination of planning application	September 2020
	Land acquisition process	September 2019 to December 2020
	GRIP Stage 5 (Detailed Design) sign off	June 2020 to March 2021
	GRIP Stage 6 (Construction) – advanced works	November 2020 to February 2021
	Access junction construction	January to May 2021
	GRIP Stage 6 (Construction) – station	March 2021 to March 2022
	GRIP Stage 7 (Project hand back)	March to October 2022
	Level crossing works	November 2021 to March 2023
	Station Open	Early 2023
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p> <p>For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).</p>	
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.	

Link to Project webpage	https://www.southeastlep.com/project/thanet-parkway-station-getting-building-fund/
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SELEP – Getting Building Fund Project Background Information

Name of Project	The Meeting Point 27-37 High Street, Swanley Kent County Council
Getting Building Fund value	£1.49m
Description of what Project delivers	<p>The project will deliver The Meeting Point in Swanley town centre – a new and innovative ‘work hub’ alongside 17 new homes. This will be achieved through the redevelopment of a prominent site which is in Sevenoaks District Council ownership and which has been redundant for several years.</p> <p>The housing element of the scheme responds to the identified need for smaller units, especially for younger workers. The ‘work hub’ element will consist of 250sqm of flexible space aimed at start-ups, home workers and people who might otherwise have had to commute for work. It will provide support for business collaboration, as well as access to facilities on a ‘gym’-style membership basis.</p> <p>As well providing new uses on the site itself and directly delivering new homes and business opportunities, The Meeting Point will help to bring new activity and footfall to a part of the town centre currently dominated by a secondary, poor quality retail offer. It will bring forward the first of a series of sites in public ownership within Swanley town centre, contributing to a coordinated regeneration strategy for the town. It will also deliver significant environmental benefits, providing employment and housing in a sustainable town centre location, within a building constructed to high environmental standards.</p>
Need for Intervention	<p><u>Supporting a quality scheme to achieve regeneration outcomes</u></p> <p>The building in Swanley Town Centre has been in public ownership for many years. By 2014, it was no longer viable to maintain the existing building, and it was vacated at that point, on the basis that it would subsequently be redeveloped.</p> <p>There was therefore an accepted need that the public sector needed to act to provide alternative economic use for the site. Intervention would also need to contribute to the wider strategy for Swanley town centre, by providing additional housing supply, supporting a greater diversity of commercial uses and contributing to greater footfall and activity on the High Street. Given the other regeneration sites in the area, development at The Meeting Point should help to promote market demand for future schemes – and any solution would obviously need to be policy-compliant, especially in maintaining the active frontage of the building. While Sevenoaks District Council could have disposed of the site and allowed a private sector proposal to come forward, it is highly unlikely that any policy-compliant solution would have been proposed without some form of subsidy.</p>

	<p><u>Supporting innovation in the business workspace offer</u></p> <p>There is also a need for intervention to deliver the new model of business workspace that would be created through the work hub element. While the business plan for the work hub shows a small surplus after Year 3, this is insufficient to make the scheme viable without some form of initial public subsidy (and this would be the case were the work hub to be provided in an alternative location in Swanley). Some form of active frontage is required to make any scheme at the site policy compliant, and the prospects for alternative commercial uses in that location are weak.</p> <p>The proposition is that an innovative work hub offer could deliver economic benefits and provide a new product in the market: while there is evidence that there is likely to be demand, this is unproven and commercially unviable. At the same time, such a facility would make an important contribution to the strategy for the town and the quality of the site and its surroundings.</p>		
Project benefits	<p>The key project benefits are:</p> <p><u>Residential element</u></p> <ul style="list-style-type: none"> • Additional housing to meet demand, especially among younger workers; • Increased town centre living, contributing to the vitality of the area and reducing the need for private transport use. <p><u>Work hub element</u></p> <ul style="list-style-type: none"> • Additional jobs and business activity generated by the work hub; • Increased business and worker productivity (estimated £3.331m additional GVA); • Stronger local SME networks and collaboration; • Demonstration of innovation to the market, potentially driving further demand and commercial responses. <p><u>The project as a whole</u></p> <ul style="list-style-type: none"> • Increased footfall and economic activity on the High Street – leading to further diversification and investment; • ‘Catalytic’ contribution to wider regeneration, by demonstrating demand and supporting the viability of subsequent schemes. 		
Financial Information	Funding source	Amount £	Constraints, dependencies or risks and mitigation
	Getting Building Fund	1.49m	Subject to Board approval
	For full funding breakdown refer to confidential appendix C.		
Project constraints and risks	<p>There are no significant constraints. Full planning permission is in place and Sevenoaks District Council has an accelerated timetable to bring forward project delivery.</p>		
	Risk	Mitigation measures	
	Capital receipts from the sale of the residential units are not achieved.	Residential units are appropriately designed and to be finished for the target market. Intention is to commence marketing as soon as possible to receive achieve off-plan sales. In the event that sales are not achieved, Sevenoaks District Council will consider placing units on the market for rent	

		through an appropriate vehicle and delay the expected capital receipts
	Impact of COVID-19 pandemic (tender pricing, programme fixing, availability of labour, availability of materials) causes additional cost and/or delay to the programme.	Include COVID-19 question in procurement documents. Provide detailed tender information to assist on risk assessment and mitigation. Close monitoring of COVID-19 as the situation develops
	Capital costs exceed budget due to factors including construction market tender disinterest, tender risk cover pricing, tender period over Christmas, COVID-19 costs	A single stage design and build procurement route offers the best balance between cost certainty, programme certainty and quality. Works tendered on RIBA stage 4 information gives tenderers confidence the design is thorough and coordinated. Realistic client contingencies in place for unforeseen. Robust change control process in place. Contract includes administration by Employers Agent.
	Delays in scheme approval lead to increased costs due to construction inflation	Robust information submitted to allow Sevenoaks District Council Committees/ Cabinet/Council to make timely decisions. Project Contract sum based on programme.
	An operator cannot be procured	An open tender will be held prior to the scheme achieving practical completion. Soft market testing has revealed interest in the provision of business hub services. If this interest does not materialise, Sevenoaks District Council will consider using the existing business support network in Kent, and failing this, the Council may consider operating this directly through its Economic Development Team.
Options consideration	A long list of eight options has been considered in the Business Case and justification has been provided as to why the preferred option has been selected.	
Project Timeline	Project milestone	Indicative date
	Procurement process for demolition works	September to November 2020
	Main contractor procurement process	September 2020 to February 2021
	RIBA Stage 4 design completed	October 2020
	Demolition work undertaken	January to February 2021
	Construction work undertaken	March 2021 to March 2022
	Procurement route for work hub operator agreed	March 2021
	'Virtual' launch of work hub	October 2021
	Work hub opens	May 2022
Outcome of ITE Review	The project has been assessed as offering High value for money with a High certainty of achieving this.	

	For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.
Link to Project webpage	https://www.southeastlep.com/project/the-meeting-point-swanley/

SELEP – Getting Building Fund Project Background Information

Name of Project	<p>Thurrock Logistics Centre, Thurrock</p> <p>South Essex College - East Building, High Street, Grays, Essex, RM17 6TF</p> <p>Thurrock Council</p>
Getting Building Fund value	<p>£600,000</p>
Description of what Project delivers	<p>This project creates a dedicated Logistics Training Facility in the ground floor of the Thurrock campus in Grays Town centre, circa 400m² (GIA). The new centre will provide a range of programmes focussed on training for the logistics industry. It will enable delivery encompassing wide areas of this high demand sector including software logistics management, supply chain management, logistics technologies including robotics, warehouse planning and management alongside to picking systems / equipment. In addition, it will train those who are recently unemployed due to the pandemic by providing short upskilling programmes including warehousing, LGV/HGV driving and fork lift truck driving, all of which are in demand in the region.</p>
Need for Intervention	<p>Transport and Logistics is an identified priority sector nationally and regionally employing 2.2m people, one in twelve UK workers. However, performance in the sector lags behind many European economies. The sector is vital to the UK economy, contributing £90 billion and employing 8% of the working age population. It is also seen to be a critical enabler in improving the competitiveness of the nation and local economies: the ability to connect to local and global markets is a key aspect of a country's capacity to compete, grow, attract investment and create jobs.</p> <p>The sector experiences significant skills shortages which is only set to widen in the face of further technological advancements and the COVID pandemic and underperforms with regard to education and training. The majority of employees only hold a Level 2 qualification or below. Although the vast majority of employers consider their workforce to be proficient, 67,339 logistics employees are regarded as not proficient in their job-roles. This is a concern as today's globalised economy requires well educated workers who are able to adapt rapidly to their changing environments. Research completed by Oxford Economics and PWC expects the Transport and Logistics sector to experience significant growth between now and 2025. This will require an additional 1.2m workers by 2022. Yet the sector struggles to recruit, 45% of workers are 45-or-over and only a very small minority are 25-or-under. Only 25% are female.</p> <p>Further compounding the sector's skills gaps/shortages in the region are substantial planned investments/developments including:</p> <ul style="list-style-type: none"> • Lower Thames Crossing; • London Gateway: one of Europe's largest logistical parks and rapidly expanding; • Port of Tilbury: projected 5,500 jobs created at London Distribution Park and Tilbury;

	<ul style="list-style-type: none"> Thames Enterprise Park: three key zones (food park, logistical innovation hub and energy park). Potential 5,000 new jobs. 		
Project benefits	<ul style="list-style-type: none"> The scheme would upskill residents to support job retention and providing new skills will enable residents to access new employment opportunities. This would reduce strain on universal credit applications and claims; Skilled employees will maximise the economic potential and competitiveness of the local area and attract inward investment. Increased local employment would reduce the strain on other local services such as health and housing; Providing the first College logistics training facility in the country will raise the profile of the logistics industry as a career which will significantly benefit the sector; Attracting more staff and students to the facility based in Grays town centre would further aid the regeneration of the local area. 		
Financial Information	Funding source	Value £	Constraints, dependencies or risks and mitigation
	South Essex College	399,840	College disposal of Nethermayne campus to Redrow Homes. Funds already received as sale became unconditional in 2019.
	Getting Building Fund Grant	600,000	Dependent on successful bid
	Total project value	999,840	
Project constraints and risks	<p>The works do not require planning consent or landlord's consent (the College has a 125 year ground lease and owns the buildings). Building control approval in principle has already been secured and the College's funding from Redrow regarding the sale of the Nethermayne Campus has already been received into the Project Development Account.</p> <p>The only risk to the project is this funding bid.</p>		
Options consideration	<p>A long list of options were considered before selecting this option all of which are detailed in the Business Case.</p> <p>The preferred option minimises spend whilst locating the scheme within one of their own buildings.</p>		
Project Timeline			
	Task	Description	Timescale
	JCT Stage 1	Stage 1 design and build contract	Oct 2020
	RIBA Stage 3 / 4	RIBA Stage 3 and 4 design	Nov 20 – Mar 21
	JCT Stage 2	Confirmation of CSA & contract execution	Mar 21 – May 21
	Mobilisation & Clear	Contractor mobilisation & clearance of existing space	Jun 21
	Construction	Fit out of IoT space and equipment installation	Jul 21 – Aug 21
	Opening	Opening of new Facility	Sep 21
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a High certainty of achieving this.</p>		

	For additional information, please refer to the Report of the Independent Technical Evaluator (as attached to agenda item 14).
Evidenced compliance with Assurance Framework?	Yes, the project does meet the requirements of the SELEP Assurance Framework.
Link to Project webpage	https://www.southeastlep.com/project/thurrock-logistics-centre/