

| Growing Places Fund Update Appendix 1 | | | | | | | | | |
|---------------------------------------|-------------|---|---|---|---|---|--|--|--|
| Name of Project | Upper Tier | Description | Current Status | Deliverability and Risk | | | | | |
| | | | | Delivery Risk | GPF Spend Risk | Repayment Risk | Delivery of Project outcomes | Other Risks | Overall Project Risk |
| Growing Places Fund Round One | | | | | | | | | |
| Priory Quarter Phase 3 | East Sussex | The Priory Quarter (Havelock House) project is now complete and has delivered 2247sqm of high quality office space. | The Priory Quarter (Havelock House) project is now complete and has delivered 2247sqm of high quality office space. This is currently 16% let with over 20 enquiries received since opening. However a single occupier has now been found for the remainder of the building and terms have been agreed. Once fully let the building is still forecast to host the 440 jobs in the business case. | Project Complete | Project Complete | Tenancy agreement for full occupation of the building has now been agreed, however, there is a one year rent free period as part of the deal. Accordingly, it is proposed that the remaining GPF repayments are re-scheduled across 19/20, 20/21 and 21/22. However, options are currently being considered locally to enable the planned repayment schedule to be met. An update will be provided at the next meeting. | Tenancy agreement for full occupation of the building has now been agreed. | N/A | |
| North Queensway | East Sussex | To construct a new junction and preliminary site infrastructure to open up the development of a new business park providing serviced development sites with the capacity for circa 16,000sqm (gross) of high quality industrial and office premises. | GPF invested, project complete and repayments are being made. | Project Complete | Project Complete | Further delays anticipated in repayment of these funds due to slow take up in land sales. 1 new business to begin development which it is anticipated will catalyse interest in the other plots. The remaining repayment has been rescheduled to 19/20 to reflect the expectation of increased take up following current development. | Once the development of the first plot is underway and further interest is stimulated the delivery of outputs will begin to flow. | Blanket development objection in place by Wealden District Council due to environmental concerns regarding the Ashdown Forest has been lifted. | |
| Rochester Riverside | Medway | The project will deliver key infrastructure investment including the construction of the next phase on the principal access road, public space and site gateways. This development is to be completed over 7 phases and should take approx. 12 years. The scheme will include: 1,400 new homes (25% of which are affordable), a new 1 form entry primary school, 2,200 sqm of new office & retail space, an 81 bed hotel, 10 acres of public open space. | The marketing suite, show flat and station square opened on 3rd November, with the first show homes opening in December 2019. There will be a topping out ceremony early in the new year for the first blocks of flats. The first housing is due to be completed by September 2019. A number of properties have already been reserved. Construction of the hotel started on site in September 2018 and will be completed by September 2019. | This project is already on site and the S106 agreement was signed at the end of January 2018. | The GPF Funding has already been spent | Medway Council is happy with the current repayment programme and has completed the first repayment. | The contractor is on site and will be delivering 1,400 homes, 1,200sqm of commercial space, a new school, hotel and various new open spaces. The scheme is now delivering more than was originally intended. | No | Overall the project is on track to deliver outputs and outcomes. |
| Chatham Waterfront | Medway | The project will deliver land assembly, flood mitigation and the creation of investment in public space required to enable the development of proposals for the Chatham Waterfront Development. A waterfront development site that can provide up to 115 homes over 6 storeys with ground floor commercial space and 115 parking spaces. | An outline planning application has been submitted for the site, approval of which would demonstrate viability for future development. De-risking works have been completed on the site. Detailed planning will be submitted for November 2018, with mobilisation on site to start in early 2019. | The disposal of this site has been agreed and is due to take place in Spring 2018. | The GPF Funding has been spent, or has been allocated to a project to be spent. | Medway Council are comfortable with the current repayment agreement. | Chatham Waterfront has already reduced the number of homes to be delivered. Work is ongoing with the developer to see if the numbers can be increased through the detailed planning process. | No | Overall the project is on track to deliver outputs and outcomes. |
| Bexhill Business Mall | East Sussex | The Bexhill Business Mall (Glover's House) project has delivered 2,345sqm of high quality office space with the potential to facilitate up to 299 jobs. This is the first major development in the Bexhill Enterprise Park in the A259/A21 growth corridor. | The building is 100% let to a single occupier and has currently provided space for 125 jobs. | Project Complete | Project Complete | Building 100% let with secure income to repay loan. | Building 100% let and currently housing 125 jobs, which is less than originally anticipated, however this does provide space for the occupant to grow over time. | | |

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| Parkside Office Village | Essex | SME Business Units at the University of Essex. Phase 1, 14,032 sqft.; 1,303sqm lettable space, build complete June 2014. Phase 1a 3,743 sqft.; 348 sqm - complete Sept 2016. | Both Phase 1 and 1a are both open and fully let. As well as 135 employees there are also 14 student intern placements within those businesses. The funding has now been repaid in full. | Project Complete | | | | | |
| Chelmsford Urban Expansion | Essex | The early phase development in NE Chelmsford involves heavy infrastructure demands constrained to 1,000 completed dwellings. The funding will help deliver an improvement to the Boreham Interchange, allowing the threshold to be raised to 1350, improving cash flow and the simultaneous commencement of two major housing schemes. | GPF invested, project complete and GPF has been repaid in full. | Project Complete | | | | | |
| Grays Magistrates Court | Thurrock | The project to convert the Magistrates Court to business space was part of a wider Grays South regeneration project which aimed to revitalise Grays town centre. | GPF invested, project complete and repayments are being made. The refurbished building is now in use and having a positive impact in the town centre. | | | | | The only significant risk to the project now is a significant economic down turn which impacted on occupancy. Currently however demand across the borough is strong and targets are being achieved | |
| Sovereign Harbour | East Sussex | The Pacific House project has delivered 2345sqm of high quality office space with the potential to facilitate up to 299 jobs. This is the first major development in the Sovereign Harbour Innovation Park in the A22/A27 growth corridor. | The Sovereign Harbour Innovation Mall (Pacific House) project is now complete and has delivered 2345sqm of high quality office space. This is currently 77% let with over 171 enquiries received since opening. | Project Complete | Project Complete | Strong occupancy rates should facilitate repayment at the scheduled intervals. | 180 jobs from 77% occupancy is still short of the anticipated 299 jobs. | | |
| Workspace Kent | Kent | The project aims to provide funds to businesses to establish incubator areas/facilities across Kent. The project provides funds for the building of new facilities and refit of existing facilities. | There are 4 projects within this programme. Of these, 2 have been completed and GPF repayments are being made. The 4th project has been approved and refit has commenced. | There is a risk to defrayment of funds as applications from potential customers are awaited. | Awaiting applications for remaining funds | There is a delay on repayment from one of the loan applicants. Loan agreement being renegotiated in line with income received from business. | Some job numbers are delayed due to new project build not being completed on time, approximately 1 year delay. | | |
| Harlow West Essex | Essex/ Harlow | To provide new and improved access to the two sites designated within the Harlow Enterprise Zone. | Delivery package 1 is well into delivery with the majority of risks closed out. Procurement for the second package is about to start with a view to getting on site early next financial year. | N/A | N/A | N/A | N/A | N/A | N/A |
| Discovery Park | Kent | The proposal is to develop the Discovery Park site and create the opportunity to build both houses and commercial retail facilities. | Initial planning permission received and work is commencing on the application outcome for final planning permission. | Initial planning permission received and work is commencing on the application outcome for final planning permission. | Funds defrayed to Kent Invicta Law by 31st March 2018. All subject to final legal requirements being met. | The business case will provide a reprofile of repayment yet to be finalised as part of the legal documentation. Current profile for repayment will be Q1 2021/22. | The project outputs and outcomes will be updated and brought forward on completion of the legal documentation. Delay in finalising the legal due diligence process KCC still awaiting documentation from borrower - rescheduled to end of November 2018. | Meeting all requirements as specified in the final legal documentation and final planning permission. | |

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| Live Margate | Kent | Live Margate is a programme of intervention in the housing market in Margate and Cliftonville, which includes the acquisition of poorly managed multiple occupancy dwellings and other poor quality building stock and land to deliver suitable schemes to achieve the agreed social and economic benefits to the area. | <p>"Phase 1" has been completed. "Phase 2" is underway. An offer to purchase a site has been made, with due diligence processes underway and the exchange of contracts due shortly. This site contains several derelict homes that require refurbishment and alteration before being placed on the market for purchase by the public.</p> <p>Discussions are ongoing regarding the acquisition of the freehold for a building which has the potential to be redeveloped as part of this project. Other poorly managed multiple occupancy dwellings and poor quality building stock properties are being evaluated for purchase and development that accord with the loan agreement criteria.</p> <p>Over the last quarter, 15 properties with planning consent (where required) have been identified. These are being supported with £1M of funds and are currently in delivery stage. A total of 31 new homes will be created to the decent homes standard. 40% of the total are expected to be completed by December 2018 and the remaining 60% by March 2019. This will increase the delivery of outputs to 40 homes.</p> | An offer has been accepted on a site with several empty derelict houses. A programme of works will occur, which should bring the non-habitable houses back into use. Albeit, slightly delayed due to the nature of the property market, the issue is in the hands of solicitors and due to exchange this shortly. Other potential investment opportunities are also being examined, that accord with the loan agreement objectives and criteria. | Spend delays would be primarily caused by delays in the acquisitions completing due to nature of the property market, profile of private landowners in the area and the council needing to ensure best consideration is achieved. | Subject to exchanging successfully, the repayment profile should be met. | From the land and sites identified, and positive engagement of partners, there is now greater certainty that the target of 66 homes will be achieved by 24/25. | As with any development project, there is a planning risk, although this is very small for the site, as the houses are already constructed and the majority of changes will relate to altering the internal layouts to maximise the houses' attractiveness to the public property market. | |
| Revenue admin cost drawn down | n/a | | n/a | | | | | | |
| Harlow EZ Revenue Grant | n/a | | n/a | | | | | | |
| Growing Places Fund Round Two | | | | | | | | | |
| Fitted Rigging House | Medway | The Fitted Rigging House project converts a large, Grade 1, former industrial building into office and public benefit spaces initially providing a base for three organisations employing over 350 people and freeing up space to create a postgraduate study facility elsewhere onsite for the University of Kent Business School. The project also provides expansion space for the future which has the potential to enable the creation of a high tech cluster based on the work of one core tenant and pre-existing creative industries concentrated on the site. The conversion will provide 3,473sqm of office space, of which 2,184sqm is allocated to two expanding businesses that would otherwise have relocated outside of Medway and potentially the South East of England as they grow. | Construction works now 95% complete. The first tenant has fitted out their space and began operating from the building on 1st October 2018. The second tenant has begun fit out of their space and is due to take occupation in December 2018. A third tenant has been secured with Heads of Terms agreed and occupation scheduled for May 2019. The building was officially opened on 18th October 2018 by the Minister for Arts, Heritage and Tourism - Michael Ellis MP. Project is on track for completion as expected with no increases in budget. Construction works due to complete in December 2018. | Asbestos contamination from roof lining discovered. Mitigated by the involvement of main contractor with specialist team to deal with roof lining to ensure minimal slip in project timing and cost. Delay in delivery of main lift for stair core but an additional platform lift is being installed (at no cost to CHDT) to mitigate. | Project is progressing according to programme, therefore spend of GPF funding will be in accordance with the Business Case. | Low risk - any shortfall in income received from tenants to be offset by charitable reserves. | Low risk - outcomes dependent upon space being occupied by tenants. The first anchor tenant has already moved into their space, with the second anchor tenant due to move in by December 2018. | No. | Project is progressing well. |

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| Innovation Park Medway (southern site enabling works) | Medway | <p>The Project is part of a wider package of investment at Innovation Park Medway. The Innovation Park is one of three sites across Kent and Medway which together forms the North Kent Enterprise Zone.</p> <p>The vision for Innovation Park Medway is to attract high GVA businesses focused on the technological and science sectors – particularly engineering, advanced manufacturing, high value technology and knowledge intensive industries. These businesses will deliver high value jobs in the area and contribute to upskilling the local workforce. This is to be achieved through general employment and the recruitment and training of apprentices including degree-level apprenticeships through collaboration with the Higher Education sector.</p> <p>The Project will bring forward site enabling works on the southern site at the Innovation Park.</p> | Consultation on the Innovation Park Medway Masterplan has concluded, with the responses received currently being analysed. The Masterplan (once adopted) will inform the development on the southern site. | There is a risk of opposition from a small group of local residents – both in terms of the Masterplan for the site and the planning requirements. An LDO has been identified as the preferred planning mechanism so as to minimise this risk. Development on the southern site is dependent upon successful delivery of the LGF funded improvements to airport infrastructure, as otherwise the site remains on an active flightpath and is therefore subject to building restrictions. | GPF spend is still expected to progress broadly in line with timescales agreed in the Business Case. | There is currently no identified risk in relation to meeting the repayment schedule set out in the Business Case. | There is significant interest from businesses who are looking to locate on the southern site, therefore, it is expected that the project outcomes will be delivered. | No | Work has not yet commenced on the project but it is expected that the project can be delivered in accordance with the Business Case. |
| Centre for Advanced Engineering | Essex | Development of a new Centre of Excellence for Advanced Automotive and Process Engineering (CAAPE) through the acquisition and fit out of over 8,000sqm, on the industrial estate in Leigh on Sea. The project will also facilitate the vacation of the Nethermayne site in Basildon, which has been identified for the development of a major regeneration scheme. | Phase 1 completed and operational for start of 2018/19 academic year including motor vehicle and engineering. Phase 2 due to complete in November 2018 (advance of programme) providing the construction and sustainability facilities. | | | | | | |
| Colchester Northern Gateway | Essex | This development is located at Cuckoo Farm, off Junction 28 of the A12. The overall scheme consists of: a relocation of the existing Colchester Rugby club site to land north of the A12 which will unlock residential land for up to 560 homes including 260 extra care and up to 100 bed Nursing home providing in total around 35% affordable units, on site infrastructure improvements facilitating the development of the Sports and Leisure Hub. | Project approved by Accountability Board and project delivery underway. Planning application was approved on the 20th July 2018. Loan agreement being progressed to allow draw down of funds in 2018/19. | | | | | | |
| Charleston Centenary | East Sussex | The Charleston Trust are going to create a café-restaurant in the Threshing Barn on the farmhouse's estate. This work is part of a wider £7.6m multi-year scheme – the Centenary Project – which aims to transform the operations of the Charleston farmhouse museum. | No funding draw down yet due to delays to the signing of the legal agreements. | Work included as part of a wider works contract. | | Strong business plan in place with clear revenue increases. | | Charleston are facing further financial pressures following increases in costs to earlier phases of the project and are looking for funding from various sources to plug these gaps. | |
| Eastbourne Fishery | East Sussex | This capital project has secured £1,000,000 European Maritime and Fisheries Fund (EMFF) grant funding to build a Fishermen's Quay in Sovereign Harbour to develop local seafood processing infrastructure to support long term sustainable fisheries and the economic viability of Eastbourne's inshore fishing fleet. | No funding draw down yet, however, legal agreements will be signed shortly. Ground investigations starting on 19th November which will address the final pre-commencement planning condition and allow building phases to commence. | Negotiations for a long leasehold between Premier Marina's Ltd and the Fishermen are now close to completion. | All funding is in place and the project is now expected to commence this year. | EMFF money has been secured to ensure repayment of the loan | | | Land ownership issues are close to resolution which will enable the project to proceed in the current financial year |

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| No Use Empty | Kent | The NUE C project aims to return long-term empty commercial properties to use, for residential, alternative commercial or mixed-use purposes. In particular, it will focus on town centres, where secondary retail and other commercial areas have been significantly impacted by changing consumer demand and have often been neglected as a result of larger regeneration schemes. | NUE C has contracted with 4 projects (2 in Dover, 1 in Folkestone & 1 in Margate) awarding £440,000 of the £500,000 allocated for 19/20. All projects have started (using the available match). The projects will provide 6 commercial units and 16 residential units when delivered. Marketing is continuing to attract suitable applicants, so the remaining £60k can be deployed. | Loan agreement with SELEP is now sealed. Funds of £500k have been drawn down July 2018. | NUE C has currently allocated £ 440k of the £500k drawn down. | The individual projects currently supported by NUE C have repayment dates which will fulfil the requirement to repay back the first £500k by March 2021. | Loan agreement with SELEP is now sealed. Funds of £500k have been drawn down July 2018. | No other risks other than impact of delay in issuing documentation | Loan agreement with SELEP is now sealed. Funds of £500k have been drawn down July 2018. |