

SELEP – Getting Building Fund Project Background Information

Name of Project	Better Queensway Southend, SS2 5AW Southend on Sea Council
Getting Building Fund value	£4.2m
Description of what Project delivers	<p>Better Queensway is an estate and town centre renewal project, seeking to transform a 5.2-hectare site to the north of Southend town centre. The project will include phased demolition of existing residential and commercial units, including four tower blocks and redevelopment to provide up to 1,669 dwellings; and 7,945sq m of commercial space made up of retail, office, and community and leisure space. The project will also involve significant infrastructure and engineering work to provide a new four lane carriageway with footpath, cycle and bus facilities, which will remedy the sites severance with the High Street, provide a greater developable area, reduce pollution and improve connectivity, including important through traffic routes to the seafront.</p> <p>The Council has been successful in securing £15m of funding from the Housing Infrastructure Fund to make the necessary highway improvement works and has entered into a joint venture with Swan Housing Association as development partner. This approach will employ a ‘whole-place’ approach to regeneration, addressing the inefficiently planned estate and poor quality of the existing 441 housing units on site, as well as enhancing the wider area and improving access to multiple development sites.</p> <p>Getting Building Funding is required for an unforeseen capital sum to upgrade local electrical networks to provide the needed capacity to meet new government guidelines on energy use in new homes and to enable sufficient resilience in the local grid to provide the required level of electrical vehicle charging to future proof the town centre.</p>
Need for Intervention	<p>The housing crisis is a well-known and historic problem Britain has been contending with for decades.</p> <p>Within the context for Southend, the South Essex Strategic Housing Market Assessment (SHMA), Southend Central Area Action Plan (SCAAP) and the Local Economy and Property Market Review (LE&PMR) demonstrate acute housing need in the Borough:</p> <ul style="list-style-type: none"> • The SHMA identified a range of objectively assessed need for between 3,275 and 3,750 dwellings per annum for the period between 2014-2037. • The SBC Core Strategy requires “at least 2,000 net additional new homes to be provided within the Central Area during the period from 2001 to 2021” and “a continued housing demand from London in the longer term”. • LE&PMR confirms a high demand for housing in Southend: “the demand for all residential types is steadily increasing” and the value equation provides an excellent opportunity to harness market uplift to enable delivery; “in terms of sales values, the Queensway area is one of the worst performing areas in Southend” but because of its

	<p>proximity to the station and town centre, “a new quality unit would achieve a significant increase from existing Queensway values”.</p> <p>Better Queensway will directly and significantly contribute to the local’s area needs to provide more dwellings.</p>		
Project benefits	<p>Project will deliver:</p> <ul style="list-style-type: none"> • 1,669 new homes; • 7,945sqm commercial space; • 552 FTE jobs; • Improved environmental benefits through energy efficiency; • Transport benefits through the delivery of road, cycle, pedestrian infrastructure to improve access to the town centre; • Economic benefits through the creation of additional high-quality commercial space and increased spend through an increased population on the site. 		
Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
	Housing Infrastructure Fund	£15m	Secured through Marginal Viability Funding Dependent on cost and revenue estimates from professional advisers
	Getting Building Fund	£4.2m	Dependent on cost and revenue estimates from professional advisers
	To be sourced Loan facility arranged	£2.7m	Dependent on cost and revenue estimates from professional advisers
	Total project value	£21.9 m	
Project constraints and risks	<p>29% of the remaining Better Queensway site is not in Council ownership. The Council has developed a CPO strategy for the site. This has quantified the potential costs of CPO and spelt out the steps to achieve a successful CPO. Negotiations have commenced with landowners in an effort to negotiate purchases, but CPO will be used where applicable. This potential requirement has been built into the development timeline.</p> <p>The highways scheme will need to be approved for the redevelopment of the Queensway Estate to go ahead.</p> <p>The scheme is still awaiting full planning permission consent, and an outcome is expected by February 2021.</p> <p>Cost increases although a detailed viability assessment has been undertaken.</p> <p>Sales/rental values change as housing units become available. The current Covid-19 pandemic has had little effect on the Southend property market.</p> <p>This project will be delivered over a 13 year time period so Covid-19 impacts are minimal.</p>		

Options consideration	Due to the regulatory requirement as part of the introduction of the Future Homes Standard in 2020, a detailed options assessment was not possible when developing the preferred option to proceed with Better Queensway		
Project Timeline	Task	Description	Timescale
	Planning	Secure detailed planning permission	February 2021
	Demolition and Infrastructure Works	Energy upgrade of substation to occur as first stage of development in 2021, to be completed by March 2022 Subsequent highways infrastructure investment to commence Demolition of four existing residential blocks to occur	2021-2025
	Construction of housing, commercial space and public realm		2026-2033
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with Medium certainty as there are deliverability concerns around planning which will not be secured until February 2021.</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/better-queensway-southend/		

SELEP – Getting Building Fund Project Background Information

Name of Project	Jaywick Market & Commercial Space Brooklands Avenue, Jaywick Sands, Clacton-on-Sea, Essex CO15 2JE Essex County Council					
Getting Building Fund value	£1.972m					
Description of what Project delivers	<p>The Jaywick Market and Commercial Space project will build and operate covered market and affordable business space on a gateway site in Jaywick Sands to support the local economy, grow local entrepreneurship, and grow and retain economic activity and job creation in the local area.</p> <p>The proposal is to construct 13 affordable rent business units offering 9,500sq. ft. lettable area and a covered local market of 10 affordable pitches. Alongside this, the public realm in the area will be improved including the creation of a new community garden and a multipurpose hard landscaped area which can be used for outdoor markets and seasonal events. This will form part of a programme of wider regeneration and will deliver an extensive range of positive social impacts to help alleviate the severe deprivations experienced by much of the Jaywick Sands community including increased employment opportunities, increased training opportunities, a rise in skills and employability, pride in the area, a rise in aspiration, especially amongst younger people and significantly improved health benefits through affordable access to fresh foods.</p>					
Need for Intervention	<p>Jaywick Sands includes the most deprived Lower Super Output Area in the country, with 6 out of the 7 domains ranked in the bottom 10% nationally, including income, employment and health and wellbeing. The community, comprising around 5,000 people, experiences very high unemployment and low skills levels, and there are significant barriers to accessing training and employment due to the geographical isolation of the community.</p> <p>As a coastal community, residents work predominantly in the leisure and care sectors which have been hardest hit by COVID-19 and have lower than average incomes, exceptionally poor-quality housing, and struggle with everyday living. The project aligns with the objectives of the Government to 'level up' these deprived coastal communities, creating opportunities and aspiration which will result in economic and social benefits.</p> <p>Employment and training issues, access to affordable healthy food and low-cost everyday household goods, public realm and environmental quality, market failure and COVID-19 are all contributing factors in the need for this project.</p>					
Project benefits	<p>The summary economic benefits are anticipated to be:</p> <table border="1" data-bbox="341 1809 1498 2067"> <tr> <td data-bbox="341 1809 922 1962"> Total net local employment gains of 44 FTE jobs by year 4 of occupation – equivalent to a 12% increase in the number of jobs within the community. </td> <td data-bbox="922 1809 1498 1962"> Total net local GVA gains of £15.8m over a ten-year period. </td> </tr> <tr> <td data-bbox="341 1962 922 2067"> Increasing the job density within Jaywick Sands from 1 job per 14 residents to 1 job per 8 residents. </td> <td data-bbox="922 1962 1498 2067"> 842sqm lettable floorspace (B1), 10 market pitches </td> </tr> </table>		Total net local employment gains of 44 FTE jobs by year 4 of occupation – equivalent to a 12% increase in the number of jobs within the community.	Total net local GVA gains of £15.8m over a ten-year period.	Increasing the job density within Jaywick Sands from 1 job per 14 residents to 1 job per 8 residents.	842sqm lettable floorspace (B1), 10 market pitches
Total net local employment gains of 44 FTE jobs by year 4 of occupation – equivalent to a 12% increase in the number of jobs within the community.	Total net local GVA gains of £15.8m over a ten-year period.					
Increasing the job density within Jaywick Sands from 1 job per 14 residents to 1 job per 8 residents.	842sqm lettable floorspace (B1), 10 market pitches					

	<p>The following benefits beyond those which are quantified in the Business Case are expected:</p> <ul style="list-style-type: none"> • Increased employment opportunities leading to a reduction in deprivation due to unemployment and involuntary exclusion from the labour market, and a reduction in deprivation caused by low income; • Increased training opportunities leading to a rise in skills and employability, and a rise in aspiration among young people in particular; • Increased entrepreneurship and business survival rate within the community; • Keeping spend local through creating space for local independent businesses which meet local community needs – helping the community help itself; • Access to a wider range of fresh food creating positive health impacts across age groups but particularly impactful on the 46% of Jaywick Sands households who do not own a car and therefore struggle to access affordable, healthy food; • Increased footfall to the seafront of Jaywick Sands and associated benefits to the wider local business community; • Improving Jaywick Sands’ reputation, and the visual appearance of a key site in the community, which in turn will complement the other regeneration projects, resulting in increased viability for more market-led projects; • Increased safety and walkability of the area, incentivising active travel and improving health and wellbeing; • Creating space for community events, increasing social cohesion and mixing between the different communities within Jaywick Sands; • Increased local pride; • Mitigate some COVID-19 related impacts on local employment. 		
Financial Information	Funding source	Amount (£m)	Constraints, dependencies or risks and mitigation
	Tendring District Council	0.106	A portion of this is set aside for first year revenue support to establish the facility and the business support offer. The remainder covers some capital costs.
	Essex County Council	0.05	Set aside for 20/21 for regeneration of the market site and improvement of public realm.
	Getting Building Fund	1.972	To be spent by March 2022
	Total project value	2.128m	Feasibility studies completed in March 2020 provides the basis for the assessment of project costs.

Project constraints and risks	<p>Constraints: The site is relatively unconstrained. It is already fully in public ownership and this ownership extends around the site so that construction access and temporary site requirements can be accommodated easily.</p> <p>Constraints include:</p> <ul style="list-style-type: none"> • Presence of well-used streets to the southern and eastern boundaries of the site. Brooklands Avenue and Lotus Way will need to be open throughout the construction period and the inevitable short-term disruption will need to be managed carefully. • Flood risk: while the flood risk is relatively low for the proposed site compared to the rest of Jaywick Sands, there remains a long-term potential flood risk as well as a short-term low probability risk of a breach scenario. This will be mitigated by ensuring that the proposed construction is flood resilient and includes Sustainable Drainage Systems (SuDS). • Initial ecological surveys indicate the presence of some protected species on the site. This is not a constraint in that a mitigation strategy is proposed and has been costed for. <p>Key risks:</p>		
	Risk	Mitigation/quantified risk within contingency	Impact
	Planning permission is not granted	As this is an application by the Council on Council owned property and a brownfield site within a designated regeneration area, this risk is considered to be low. It will be mitigated by pre-application engagement with the Planning team and good community and stakeholder engagement.	Programme delays
	Unexpected site conditions e.g. ground conditions, ecology	Contingency has been included in the QRA and cost model. Initial background ecological surveys have already been undertaken and initial specialist advice has informed the scheme to date. Further specialist advice and expertise will be sought at project start-up, to identify the most suitable approach for the site. This may include the translocation of identified species, which will be planned in accordingly.	Cost increase or programme delay

	Reduced demand for commercial space in the area	<p>Net scheme benefits will be realised even if occupancy is far lower than projected.</p> <p>The business support element of the scheme and site operator will play a key role in identifying businesses that would benefit from the site. This will help generate demand in an 'organic' way, providing advice and guidance to existing and new local businesses and making them aware of the scheme (if appropriate for the individual business being supported).</p>	
	COVID-19 related issues	Contingency has been included in the QRA and cost model	Cost increase or programme delay
Options consideration	A long list of 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
	Procure operating partner	Open market tender process for operating partner for the employment space and market	September-October 2020
	Procure design team	Open market tender process for full design team for the project	September-October 2020
	Scheme design	RIBA Stage 2-3 including submission and negotiation of full planning application.	November 2020-February 2021
	Planning application	Secure full planning permission. Includes statutory consultation.	March-May 2021
	Prepare tender information	RIBA Stage 4 design and build tender pack including Employers Requirements.	March-May 2021
	Procure contractor	Procure contractor. Undertake any value engineering required upon receipt of tender returns.	June-July 2021
	Construction	Construction, snagging, soft landing handover of project	August 2021-February 2022
Business support	Commencement of business support	April 2021 onwards	

		programme targeted at local SMEs, sole traders and potential entrepreneurs	
	Marketing and letting	Marketing and pre-letting units to tenants	August 2021-February 2022
	Scheme opening	Tenants move in, scheme operational	March 2022
Outcome of ITE Review	<p>A proportionate and robust economic appraisal of the scheme costs and benefits has been undertaken assessing the land value uplift of the scheme in line with Ministry for Homes Communities and Local Government Appraisal Guide. This assessment shows the scheme to have a benefit cost ratio of 3:1 which falls within a “high” value for money categorisation.</p> <p>The assumptions used in the appraisal are reasonable and robust, and a programme has been provided which demonstrates that spend of the Getting Building Fund allocation and delivery of the scheme will be completed before March 2022. Planning permission is not expected to be secured until May 2021. The scheme promoter has provided high levels of assurance that it will be secured, however we would recommend that the Accountability Board considers the risk that this poses to certainty of deliverability before deciding whether or not to approve funding for the scheme.</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/jaywick-market-and-commercial-space/		

SELEP – Getting Building Fund Project Background Information

Name of Project	Rocheway Independent Living Former Adult Community Learning Centre, Rocheway, Rochford, SS4 1DQ Essex County Council
Getting Building Fund value	£713,000
Description of what Project delivers	<p>The Rocheway site is owned freehold by Essex County Council (ECC) and covers 7.5 acres. It was occupied by a vacant school building built in 1937 with a developed area of 2.6 acres, with the remaining 4.9 acres presently used as playing fields/open space. The school building was most recently used by Adult Community Learning prior to vacation in 2013 and is surplus to ECC educational requirements. The school building was demolished in November 2018 following the securing of planning permission for 74 units of development by Essex Housing (ECC's property development function).</p> <p>Construction has recently commenced (July 2020) on a development of 14 new private homes which acts as a facilitating first phase. The opportunity exists to provide a range of site infrastructure and enabling works for phase 2 - 60 units of independent living (Extra Care) for older people.</p>
Need for Intervention	<p>ECC's Organisation Strategy 2017-2021 commits the Council to enable more vulnerable adults to live independent of social care and to make sure there are high quality solutions available providing extra care where needed. To deliver this commitment, Investment Board agreed in June 2019 to a strategic business case for the Essex Independent Living Programme for older people, which includes Rocheway as the location for the scheme required in Rochford.</p> <p>The need for intervention at this stage in the project is driven by market failure. While Essex Housing is directly delivering the general needs unit an alternative approach is followed for the Extra Care delivery (in accordance with ECC's strategy for Independent Living for Older people). The model for Extra Care provision involves Essex Housing undertaking design and securing planning permission and at which point a developer/provider is appointed who delivers and operates the scheme and in effect ECC exchanges its land for nil value (or a contribution from the developer/provider if they can justify this when they review financial viability) in exchange for nomination rights into the scheme where revenue savings can be driven abnormal costs including enabling works such as site clearance and the delivery of adoptable standard highways and drainage infrastructure which this bid would help to overcome.</p>

	<p>Phase 1 of the Rocheway project is currently underway and will deliver 14 general needs houses to support the independent living of older people. Getting Building Fund investment will allow additional work to take place in Phase 1 that will support the viability of Phase 2. This includes enabling works such as clearance/enabling/ infrastructure work and mitigating negative land value so that a developer/provider can be secured to progress with Phase 2, and scheme benefits delivered.</p> <p>The Getting Building Fund investment will deliver site infrastructure and enabling works for phase 2. These enabling works will support the delivery of a 60 unit for independent living (Extra Care) for older people.</p> <p>This scheme contributes to address the shortfall in general needs housing and the delivery of Independent Living units for older people. It also supports the release of public sector land for housing development and the provision of jobs in both the construction and care sectors. The scheme also protects and improves community facilities on the wider site with new changing and parking facilities being provided for ongoing use of the sites green space by local sports clubs.</p>
<p>Project benefits</p>	<ul style="list-style-type: none"> • Contributes to address the shortfall in general needs and specialist housing. 74 new homes • Delivers 43 construction sector jobs as part of phase 1 and enables a further 186 through the enabling of phase 2 - 229 construction jobs across the development. • Supports the release of surplus public sector land for housing development. • Delivers cost avoidance to the public purse relating to site holding and security liabilities. • Supports economic growth and regeneration through the utilisation of brownfield land. • Generates developer surpluses from phase 1 that are reinvested in public service delivery (with ECC acting as developer). • Supports health and wellbeing through retaining/improving local community sports facilities. • Delivers Independent Living units (Extra Care) for older people – to address an identified need that the market has not responded to. <p>Extra Care schemes support ECC’s strategic aim to ‘help people get the best start and age well’. These schemes also provide the following benefits:</p> <ul style="list-style-type: none"> • ECC having nomination rights on all units will result in revenue benefits to Adult Social Care of £86,384 per annum (£647,876 over ten years from the commencement of construction). • Better working environments and conditions for staff; improving recruitment and retention – with the scheme accommodating 30-35 care sector jobs according to research by Housing LIN.

Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
	Essex County Council	4.701m	Funding has been confirmed.
	Land Release Fund	422,000	Funding has been confirmed
	Getting Building Fund	713,000	Subject to Board approval
	Total project value	5.836m	

Project constraints and risks	<p>Given the progress already made on the first phase of the scheme most of the constraints that had been affecting the suitability of the preferred option has already been overcome. Most notably:</p> <ul style="list-style-type: none"> • Planning constraints (both in terms of the planning decision and also planning pre-commencement conditions). • Sectional agreements have been obtained regarding highways, drainage and utilities to allow the infrastructure work to complete. • Procurement of a phase 1 contractor who can undertake the required enabling works to enable phase 2 delivery. <p>The main remaining constraint therefore relates to the delivery of the phase two scheme most noticeably the procurement risk (demonstrated by the recent market failure).</p> <table border="1"> <thead> <tr> <th>Risk</th> <th>Effect</th> <th>Mitigation now in place</th> </tr> </thead> <tbody> <tr> <td>Problems found on site during construction.</td> <td>Increased project costs and/or delays to completion resulting in reduced/delayed benefits realisation.</td> <td>Award robust contract with clauses to limit contractor claims for additional cost or time.</td> </tr> <tr> <td>ECC issues significant change orders during construction.</td> <td>Scheme profit reduced.</td> <td>Clear sign-off at every stage of design and pre-contract. Detailed Employers Requirements. Change order procedure in place during construction.</td> </tr> </tbody> </table>	Risk	Effect	Mitigation now in place	Problems found on site during construction.	Increased project costs and/or delays to completion resulting in reduced/delayed benefits realisation.	Award robust contract with clauses to limit contractor claims for additional cost or time.	ECC issues significant change orders during construction.	Scheme profit reduced.	Clear sign-off at every stage of design and pre-contract. Detailed Employers Requirements. Change order procedure in place during construction.
Risk	Effect	Mitigation now in place								
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ECC issues significant change orders during construction.	Scheme profit reduced.	Clear sign-off at every stage of design and pre-contract. Detailed Employers Requirements. Change order procedure in place during construction.								

	Sale values fall/rise due to a change in market conditions or other factors	Scheme profit reduced/increased, or benefits delayed.	Seek local agent's advice on sale values and specification. Off plan sales	
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	Milestone Description		Date	
	Private scheme (Phase 1) commencement of construction		06/07/2020	
	Private scheme (Phase 1) Practical completion		06/09/2021	
	Extra care scheme (Phase 2) re-procurement of Developer/Provider		Autumn 2020	
	Extra Care Scheme (Phase 2) Practical Completion		31/12/2022	
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with Medium certainty of achieving this.</p> <p>This assessment shows the scheme to have a benefit cost ratio of 2.7:1 which falls within a "high" value for money categorisation. However, a private sector partner has not yet been identified to deliver the Phase 2 development which reduces certainty of deliverability of this Phase. We would, therefore, recommend that the Accountability Board considers the risk that this poses to certainty of benefits realisation before deciding whether or not to approve funding for the scheme.</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/rocheway-rochford/			

SELEP – Getting Building Fund Project Background Information

Name of Project	Modus – Harlow Science Park Harlow Science Park, Newhall Way, Harlow, Essex, CM17 9LX Essex County Council					
Getting Building Fund value	£1.96m					
Description of what Project delivers	<p>The Harlow Science Park (HSP) is providing space for science and technology companies and bringing many high value jobs to Harlow. Modus will provide collection of 5 mid-tech buildings to a total space of 4774sqm within HSP for businesses focusing on all areas of science, technology, research and innovation.</p> <p>Successful allocation of funding would relinquish Harlow District Council of any additional funding requirement for Modus and would free up loan capacity to commence with a 'Community Heart' for the park to include a Café/Restaurant operation, Children's Nursery, associated parking, drop-off and public realm space.</p>					
Need for Intervention	<p>Harlow is as a key location in the London Stansted Cambridge Consortium for both economic and housing growth. Major investments include the government backed move of Public Health England to Harlow, the growing city scale population of the Harlow & Gilston Garden Town, the development of the Harlow Enterprise Zone (HEZ) and Harlow Science Park (HSP), and the building of a new Princess Alexandra Hospital rely on attracting both businesses and employees, and both the Harlow Growth Board and our partners leading these major investments, greatly emphasise how planned and future developments must match this growth ambition.</p> <p>COVID-19 has triggered adverse economic impacts to Harlow with disproportionately high levels of furlough and unemployment making the stimulation of employment space and tenant uptake an imperative. HSP is the flagship development of the HEZ, Modus and the wider HSP will demonstrate high quality development, and raise the bar for private sector interventions, improving quality of place and life in the town centre.</p> <p>In order to meet these prevailing issues and to support the Governments Sustainable Development Goals, the EZ and HSP represent clear interventions to support the expansion of the Harlow employment areas and deliver a wide variety of job and career types to appeal to a wide cross section of the local working population.</p> <p>The development of Modus is an important tactical part of the the strategic realisation, by providing mid-tech buildings that offer flexible solutions across research and engineering led disciplines and will deliver specific elements of the park that will stimulate and accelerate the establishment of the employment opportunities targeted by the interventions of Modus, HSP and the EZ.</p>					
Project benefits	<p>The expected benefits of the Modus project are:</p> <table border="1" data-bbox="419 2033 1500 2107"> <tr> <td data-bbox="419 2033 778 2107">4645sqm of new commercial space</td> <td data-bbox="778 2033 1137 2107">190 new hi-tech jobs</td> <td data-bbox="1137 2033 1500 2107">New GVA of £13.012m over a 10 year period.</td> </tr> </table>			4645sqm of new commercial space	190 new hi-tech jobs	New GVA of £13.012m over a 10 year period.
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	'Platinum' accredited fibre connectivity to all buildings	27 jobs created through 'Community Heart' development	54 construction jobs
Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
	Harlow District Council Loans	5.0m	Funding approved by Cabinet decision and secured.
	Getting Building Fund	1.96m	Currently seeking funding to finalise programme
	Total project value	6.96m	
Project constraints and risks	<p>At this juncture of delivery, constraints around planning and infrastructure have been overcome with construction already underway.</p> <p>It is anticipated that all projects within the Getting Building Fund will be in a similar situation given the 'shovel ready' nature of the requirement, and should these constraints still be present it would be difficult to meet the timeframes of delivery for projects of any significant impact.</p> <p>The residual constraints for the Modus project and its ability to gain funding is therefore linked to the ability of HDC to retain loan capacity to deliver the future services area and as such deliver the wider development of HSP and the EZ and their objectives.</p> <p>Key risks: Key areas of risk are associated to a second lockdown due to COVID-19 during internal works which could provide delays to the programme of works.</p> <p>This is of course a risk present in all projects that include interior works, but given the advanced nature of the Modus project, the timelines for deliver could accommodate such delays whilst not having detrimental impact to the backstop date of the Getting Building Fund funding.</p> <p>Given the contractual nature of the construction, cost increases sit within the liability of the contracted partner and as such this risk has been mitigated.</p> <p>The main area of risk sits with the delivery of the key benefits of the scheme surrounding job creation, and this has been detailed in previous sections through its relationship to the establishment of the services area of the park and the establishment of HSP as a functioning and attractive proposition to employers and employees alike.</p>		
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	Construction commenced on site in May 2020, and should funding be approved, the total provision will be utilised towards profiled costs within December 2020, and January, February & March 2021.		
	Task	Description	Timescale
	Construction to Practical completion	Full scheme construction to completion to a position for tenancy.	Completion due March 2021
	Marketing	Marketing of all units to market	On-going until completion – Expected December 2021
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with Medium certainty of achieving this.</p> <p>This assessment shows the scheme to have a benefit cost ratio of 2.01:1 which falls within a “high” value for money categorisation though a benefit cost ratio this close to 2:1 means that the value for money categorisation will be very sensitive to any net downside risks. Therefore, before determining whether or not to approve funding for the scheme, we recommend the Accountability Board consider the risk that cost increases would reduce the outturn value for money categorisation to medium.</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/modus-harlow-science-park/		

SELEP – Getting Building Fund Project Background Information

Name of Project	Tendring Bikes and Cycle Infrastructure Jaywick Sands to Clacton Essex County Council		
Getting Building Fund value	£2.3m		
Description of what Project delivers	To deliver a bespoke bike scheme and cycle network infrastructure within Jaywick Sands and Clacton aimed at tackling inequality within one of the most deprived areas of the country by: <ul style="list-style-type: none"> • Making significant improvements to the cycle way between Jaywick and Clacton by making new, widening, and by providing improved signage, lighting and drainage. This will allow cyclists in Jaywick to connect to roads and cycle paths in Clacton to allow access to the Station and on to the Business and Industrial Estates of Clacton. It will also allow students to access schools and colleges with the aim of improving skills level in the area; and • Working with community organisations in Jaywick to provide a bike loan scheme (Big Essex Cycles), along similar lines to the Birmingham Active Wellbeing Society (TAWs) scheme, whereby bikes are loaned to local residents for an initial period of one year to create the opportunity to cycle to the station in Clacton and places of work – primarily in Clacton at the Gorse Lane and Bull Hill Industrial Estates, the new commercial workspace in Jaywick and the town centre itself. 		
Need for Intervention	Both Jaywick and Clacton, like many seaside towns, have suffered significant and ongoing decline, despite their substantial natural assets and Clacton’s large conurbation. Employment within the village and town are very reliant on the tourist industry, which, over recent years, has suffered huge economic losses due to the increase in low cost package holidays and changing consumer need. The advent of the COVID-19 pandemic has exacerbated this problem.		
Project benefits	This scheme will: <ul style="list-style-type: none"> • Upgrade the current seafront/road route • Provide a bike loan scheme • Tackle deprivation and inequality in Jaywick and Clacton; • Provide access to wider employment opportunities; • Directly create skills and training opportunities for local residents; • Provide access to wider training and up-skilling opportunities; • Support economic growth in Jaywick; • Address health inequalities by supporting active travel. 		
Financial Information	Funding source	Amount (£)	Constraints, dependencies or risks and mitigation
	SELEP	2.3m	Dependent on this bid
	Essex County Council (Local Delivery Pilot Funding)	100,000	Already committed
Total project value	2.4m		
	Description of Risk		Mitigation

Project constraints and risks	Unforeseen Statutory Undertakers work	Conduct early investigations to allow sufficient time to resolve
	Delivery partners cannot achieve required quality of outcomes	Maintain constant dialogue with partners and take action when outcomes appear unachievable
	Construction costs escalate or tender prices higher than envisaged	Obtain early estimates, monitor regularly, work closely with suppliers and develop alternative plans if required
	Unable to get appropriate cooperation from cycling hub	Conduct early discussions and continue to negotiate
	New bikes or cycling hub vandalised	Ensure hub has appropriate security and that all bikes are locked away safely
	Lack of interest or acceptance in Jaywick and Clacton	Appropriate marketing of new facilities will be essential. Once it is seen to work, people will come
	Lack of capacity to deliver the programme in full	Ensure resources are allocated and identify potential contingency support
	Adverse economic climate as a consequence of further Covid-19 restrictions or Brexit	Monitor situation as closely as possible and follow Government guidelines
Options consideration	The options assessment revolved around getting people from Jaywick to Clacton, primarily for work. The full assessment is contained within the business case	
Project Timeline	Jaywick to Clacton Cycleway	
	Project milestone	Indicative date
	Preliminary design	August 2020
	Detailed design	September to November 2020
	Tender	December 2020 to February 2021
	Construction – Phase 1	March to June 2021
	Construction – Phase 2	September to November 2021
	End construction	December 2021
	Big Essex Cycles Scheme	
	Project milestone	Indicative date
	Preliminary design	August 2020
	Detailed design	September to October 2020
	Tender	September 2020 to December 2020
	Bike Procurement/Facilities	January 2021 to March 2021
	Start scheme	April 2021
	Outcome of ITE Review	<p>The project has been assessed as offering High value for money with a Medium 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/tendring-bikes-and-cycle-infrastructure/	

SELEP – GBF Project Background Information

Name of Project	Riding Sunbeams Solar Railways Cuckmere, East Sussex East Sussex County Council
Getting Building Fund value	£2.528m
Description of what Project delivers	<p>The project will build and connect the world’s first megawatt scale renewable solar energy plant directly powering the direct current railways located in the heart of East Sussex.</p> <p>The project will be delivered through an innovation collaboration between green technology start-up Riding Sunbeams and Network Rail and will develop the route to market for subsidy free renewable energy generators to directly supply the UK’s largest energy user.</p>
Need for Intervention	<p>In the UK and internationally there is an accelerating shift from carbon-based diesel powered rail traction to electrified railways. UK railways use 1% of our electricity. Demand for traction power is rising, as is pressure to decarbonise offering a significant opportunity for low carbon electricity to power the UK’s largest energy user.</p> <p>The Transport Decarbonisation Plan issued by Government, marks the beginning of the development of the policies required to decarbonise transport with the ultimate aim of reaching net zero emissions across the transport network. Within this report it indicates that:</p> <p>‘Network Rail is actively pursuing large-scale carbon reduction activities across its estate and operations through its internal Decarbonisation Programme, aiming to improve energy efficiency, energy management practices and innovate in the areas of renewable energy, energy storage, low carbon design and transitioning the vehicle fleet to electric.’</p> <p>This project seeks to respond to the decarbonisation challenge through provision of renewable energy to power the local railway network, facilitating significant carbon savings.</p>
Project benefits	<p>The project benefits include:</p> <ul style="list-style-type: none"> • Establishing the first proven route-to-market for direct-wire power purchase agreements, and the technical and commercial

	<p>framework to help guide Network Rail’s low carbon power procurement trajectory;</p> <ul style="list-style-type: none"> • Creating green employment opportunities. Over the 25 year lifetime of the project it is estimated that the solar farm will support 40 jobs; • Benefiting the region’s electricity network resilience and providing capacity enhancement solutions whilst opening up renewable energy capacity for the rail industry; • Saving of annual carbon per megawatt of around 245t/CO2e; • Stimulating local social and environmental impact through the development of community benefit and options for community investment. 	
Financial Information	The total capital cost of the project is: See Confidential Appendix D	
Project constraints and risks	The most significant project risks are:	
	Risk	Mitigation measures
	Delays to approval processes	The Power Purchase Agreement is likely to be the most challenging process, so an Executive Board will be established with industry representation from the Department for Transport and Rail Safety and Standards Board. GRIP project management processes will be followed to fit with Network Rail standards. There will be ongoing engagement with key stakeholders to ensure any potential issues are dealt with prior to becoming time critical.
	Delays and inefficiencies due to multiple delivery partners	Oversight with an experienced senior project manager, and a day-to-day project manager to manage the key interface issues. There will be a Project Delivery Board which will bring together the key project managers from the various parties.
	Impacts of COVID-19 and Brexit reduce availability and/or increase cost of materials	There is a possibility that it may be more difficult to source materials due to the impact of Brexit and COVID-19. The project will endeavour to minimise the impact by placing material orders as soon as is practical, and may use storage facilities within Great Britain.
Railway electricity usage reduces forecast baseload demand	The project team is currently arranging for further data-logging devices to be installed at Selmeston substation to capture demand, though some estimation will be required due to a currently reduced timetable.	

		The site will be constructed based on the levelized demand requirements.
	A full risk register has been included within the project Business Case.	
Options consideration	Four 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 date
	Riding Sunbeams and Network Rail enter into a formal agreement	November 2020
	Full system design complete	January 2021
	Construction commences	February 2021
	Construction complete	August 2021
	Full system commissioned	October 2021
	Commercial agreement entered into with Network Rail	February 2022
Outcome of ITE Review	<p>The project has been assessed as offering High value for money with Medium 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.southeastlepp.com/project/riding-sunbeams-solar-railways/	