

LGF Pipeline
Development: Stage 2
SOBC Technical
Assessment Report

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Introduction

The development of a new South East Local Enterprise Partnership (SELEP) pipeline of high quality and deliverable projects which will have a tangible impact on our economy is a sizable challenge. In recognition of this challenge, the Independent Technical Evaluator’s (ITE) role is to provide independent expert advice to help the Investment Panel to make informed and objective decisions regarding the value for money of schemes seeking an allocation from the LGF (LGF).

An approach was agreed by the SELEP Strategic Board for developing this pipeline. The approach follows a three-stage process

- Stage 1 – Sifting Expressions of Interest
- Stage 2a – Initial scheme prioritisation and Investment Panel
- Stage 2b – Revised scheme prioritisation and Investment Panel
- Stage 3 – SELEP Accountability Board final funding decision

Stage 1 – Sifting Expressions of Interest

The first stage in the process identified proposals through an open call for projects publicised by SELEP, Local Authorities and Federated Boards.

The opportunity was publicised on the SELEP website, social media and through media releases with any bids received by SELEP directly being shared with the relevant Federated Area. Likewise, the funding opportunity was also publicised by Local Authorities and Federated Boards.

Federated Areas, with support from Steer, undertook Stage 1 which was an initial sift of schemes seeking programme entry against the eligibility criteria shown in Table 1. Each Federated Area recommended a list of schemes to be assessed and prioritised as part of Stage 2 – Scheme Prioritisation.

Table 1: Stage 1 Eligibility Criteria

Criteria	Evidence Sought	Scoring Guide
Align with SELEP’s objectives to support economic growth	Evidence provided that the scheme contributes to SELEP’s economic growth objectives.	Pass/fail
Requires capital investment	LGF (LGF) can only be used for capital investment and cannot be used as revenue.	Pass/fail
Demonstrate an ability to deliver the project following the legal requirements for investment of public funds	This includes consideration for the requirement to follow public procurement regulations to the extent which is applicable and demonstrate that the investment does not constitute State Aid.	Pass/fail
Must be able to spend the LGF by 31st March 2021	The LGF will predominately be available in 2020/21. However, there may be the potential to accelerate the LGF spend in 2018/19 and 2019/20. Evidence is to be provided to demonstrate that LGF will be spent by 31st March 2021.	Pass/fail

Stage 2a – Initial Scheme Prioritisation

For projects which were identified as meeting the eligibility criteria, listed in Table 1 above, and which were endorsed by the relevant Federated Board, scheme promoters were asked to prepare Strategic Outline Business Cases (SOBCs) that would be prioritised by SELEP Investment Panel. Assessment of the SOBC's was completed for all projects promoted by the Federated Boards, to help inform decision making by Investment Panel. This assessment was completed based on the assessment approach, set out in Table 2 below. Following the evaluation of each submission, an initial prioritised list was developed.

Approach to Scheme Prioritisation

The number of schemes sifted by Federated Areas and submitted by scheme promoters far exceeded expectation and their combined value was approximately three times the maximum potential funding envisaged to be available over the next two years. As such, a proportionate approach was taken – rather than reviewing all of a scheme's Business Case against all criteria, if a 'showstopper' was identified the business case review was halted. Many of the projects which were sifted out made a strong case for investment and presented strong project proposals but the assessment identified potential issues, such as deliverability constraints which may impact on the ability to spend the LGF within the tight timescales available.

In short, a business case assessment was halted if any substantive issue or risk was identified which rendered the scheme unsuitable for LGF3b funding based on the information presented in the Business Case and the assessment criteria agreed by the SELEP Strategic Board.

Schemes were assessed in three batches:

Task 1 – Strategic Case and Case for Public Sector Investment

Firstly, the Strategic Cases of all bids were assessed. This included a consideration of the scheme's:

- alignment with the strategic aspirations of the LEP;
- rationale for public sector funding;
- outcomes; and
- option assessment.

Bids were initially assessed for whether they presented a 'showstopper' at this stage. Meetings were held with Federated Areas to discuss which schemes Steer's assessment suggested should be sifted out on the basis of need for intervention.

Key reasons for sifting out projects at this stage were a lack of evidence that the scheme would have a direct impact on jobs, insufficient evidence of problems being caused by the lack of intervention, and lack of evidence that other sources of funding had been exhausted.

Task 2 – Value for Money

Schemes which did not present a clear barrier to being allocated funding, through Task 1, progressed to being assessed for indicative value for money. This assessment included consideration of:

- the monetised costs and benefits and any economic appraisal that has been undertaken;
- the type of benefits that are expected and their alignment with what had been set out in the Strategic Case; and
- the timing of benefit realisation.

At this stage, meetings were again held with officers from each of the Federated Areas to discuss schemes which Steer's assessment suggested should be sifted out on the basis of their value for money.

Task 3 – Deliverability

Where showstoppers were not identified through Tasks 1 and 2, the bids progressed to being assessed for deliverability. This included consideration of:

- certainty of other funding sources;
- certainty of LGF spend before March 31st 2021;
- readiness to move to delivery and benefit realisation stage; and
- the provision of a commitment from the Section 151 officer.

Bids which did not present a ‘showstopper’ at this stage were prioritised on the basis of their performance against the assessment criteria. Schemes which presented showstoppers were banded into schemes which did not present sufficient need for intervention, schemes that did not represent high value for money and schemes which did not fulfil the deliverability requirements.

Stage 2b – Revised Scheme Prioritisation

The initial assessment of schemes that were prioritised and schemes that were sifted out was shared with scheme promoters, Federated Areas and the SELEP Investment Panel. The SELEP Investment Panel requested that further information was provided to inform their decision making.

To meet this request, meetings were held with the scheme promoters of all of the schemes, including both those which had been prioritised and those which had been sifted out. Written clarification was also sought from scheme promoters to address the comments made on each business case and to provide any additional information which might further support bids for funding.

Informed by clarification of areas of uncertainty within bids and additional, supporting information, all the schemes were reassessed in full, including those which had been initially sifted out. On the basis of this reassessment, the schemes were reprioritised.

Table 2: Stage 2 Assessment Criteria

Assessment Criteria	Evidence Sought	Scoring Guide
Support from relevant Federated Board	The Project must be supported by the relevant Federated Board. This should be evidenced through Federated Board meeting minutes.	Pass/fail
Support from the relevant Upper Tier Authority	Each funding bid must secure sign off from the S151 officer of the relevant Upper Tier Authority.	Pass/fail
Strategic fit	Evidence of a strategic fit with SELEP objectives to deliver economic growth, and evidence that benefits will be delivered within the SELEP area.	Red/Amber/Green
Option generation and sifting (including evidence of public support)	Evidence that a broad option generation and sifting has been undertaken with evidence of stakeholder involvement and/or wider public consultation/support	Red/Amber/Green
Rationale for funding request	Clear articulation of the rationale for requesting LGF funding including evidence that funding through the LGF is the most suitable available alternative.	Red/Amber Green
Deliverability	Evidence regarding the projects deliverability and its readiness to move to delivery and benefit realisation stage (including consideration of project design stage, planning consents, land acquisitions, relevant powers).	Red/Amber /Green
Value for money	Evidence of the value for money potential and project benefits relative to the amount of LGF sought.	Red/Amber/Green
Additional funding sources	Evidence of secured/committed additional funding from outside sources preferably from private contributions rather than public.	Red/Amber/Green
Programme and risk management	Clear delivery schedule including evidence there is a comprehensive risk register and risk management plan in place.	Red/Amber/Green

Multi-criteria assessment framework

Prioritisation of schemes was determined by performance against six criteria which map to the assessment criteria set out in Table 2.

- Match / leverage
- Scale of impact
- Need for intervention
- Value for Money
- Deliverability
- Benefits Realisation

The first two assessment criteria: *Support from relevant Federated Board* and *Support from the relevant Upper Tier Authority* were Stage 1 sifting criteria so would not provide differentiation between scheme. Similarly, all schemes submitted for assessment at Stage 2 performed well against the *Strategic Fit* criterion. For this reason performance of schemes against the first three Stage 2 assessment criteria has not been presented.

Match / leverage

The use of this criterion ensures that recognition is given to schemes which have been able to attract high levels of additional private sector or local funding, or where the allocation of LGF will unlock such additional funding. Our assessment of schemes against this criterion considered the percentage of the overall project cost which was not planned to be funded by LGF monies. Consideration was also given to the certainty that the match or leverage was dependent upon the LGF monies being allocated.

The RAG assessment included in this technical document applies the following thresholds:

- Over 80% - Green

- 50-80% - Amber/ Green
- 20-50% - Amber
- Less than 20% - Amber/Red

An alternative scenario is presented as Ranked List Presentation B based on the following alternative thresholds for match funding:

- Over 80% - Green
- 20 – 80% - Amber/Green
- Under 20% - Amber

This provides an alternative scenario for the Panel to consider.

This criterion maps to the *Additional funding sources* assessment criterion.

Scale of impact

The use of this criterion ensures that the schemes which meet the key objectives of the LGF – driving economic growth through the delivery of jobs, homes and learners – perform strongly. Our assessment of schemes against this criterion considered the absolute level of scheme impact and the certainty around the assumptions which underpinned the estimation of the scheme impacts.

In our assessment of this criterion we did not consider the relative cost of the scheme impact (e.g. cost per job). This was considered as part of the Value for Money criterion.

For this reason, this criterion favours larger schemes where higher levels of funding, both public and private, can contribute to a more transformational economic impact.

This criterion maps to the *Rationale for funding request* assessment criterion.

Need for intervention

This criterion draws attention to the objective of the LGF and of all public sector funding, that it should be used to solve a market failure and not just as an additional funding source. LGF monies are allocated when all alternative sources of funding have been exhausted. Our assessment of schemes against this criterion considered whether the business case clearly articulated the market failure which was underpinning the need for public sector funding intervention and assessed the extent to which alternative funding sources had been explored.

This criterion maps to the *Rationale for funding request* and the *Option generation and sifting* assessment criteria.

Value for Money

This criterion addresses the requirement that any scheme seeking LGF monies, as set out in the South East Local Enterprise Partnership Assurance Framework, must represent High Value for Money with a Benefit Cost Ratio (BCR) of at least 2:1 or must comply with one of two exemptions:

Exemption 1: This may be applied where a project does not present High Value for Money (a BCR of over 2:1); but

- has a BCR of greater than 1.5:1; or
- where the project benefits are notoriously difficult to appraise in monetary terms.

Exemption 1 will only apply if the following conditions are satisfied:

- The funding sought from SELEP in relation to the project must be less than £2.0m and to conduct further quantified and monetised economic appraisal would be disproportionate; and

- where there is an overwhelming strategic case (with minimal risk in the other cases); and
- there are qualitative benefits which, if monetised, would most likely increase the BCR above 2:1.

Exemption 2: This may be applied where a project does not demonstrate a High Value for Money (a BCR of over 2:1), but has a BCR of over 1:1, and only if the following conditions are satisfied:

- there is an overwhelming strategic case that supports the prioritisation of this project in advance of other unfunded investment opportunities identified in the SEP; and
- there is demonstrable additionality which will be achieved through investment to address a clear market failure; and
- there are no project risks identified as high risk and high probability after mitigation measures have been considered; and
- there are assurances provided from the organisations identified below that the project business case, including value for money, has been considered and approved for funding through their own assurance processes.
 - A Government Department;
 - Highways England;
 - Network Rail;
 - Environment Agency; or
 - Skills Funding Agency.

Our assessment of schemes against this criterion considered the value for money of the scheme with regard to the requirements of the Assurance Framework, as set out above. Also considered as part of our assessment was the robustness and reasonableness of the economic appraisal methodology and the level of certainty it provided that the scheme represents high value for money (e.g the business case may state that the scheme has a BCR of 2:1 or more, but if it does not

clearly set out and justify the assumptions which underpin the BCR, then this reduces the certainty that the scheme represents high value for money.)

This criterion maps to the *Value for money* assessment criterion.

Deliverability

This criterion reflects the need for all LGF allocations to be spent by March 2021. Schemes seeking a contribution from the LGF do not necessarily have to have been fully delivered by March 2021, but all the LGF contribution must have been spent. Our assessment of schemes against this criterion gave consideration to the level of programmed spend of LGF monies in 2021, as well as any complexity or risk associated with the schemes in that year. This criterion favours smaller, or less complex, schemes which can be fully delivered in 2020, or which do not have high levels of spend in 2021.

This criterion maps to the *Deliverability* and the *Programme and risk management* assessment criteria.

Benefits Realisation

This criterion reflects the priorities of SELEP to facilitate schemes which deliver positive economic outcomes within the LGF period. Our assessment of schemes against this criterion considered whether benefits realisation from the LGF contribution to a scheme would commence within the LGF period to March 2021. This criterion favours schemes which will be fully delivered within this period rather than circumstances in which the LGF contribution only delivers part of the scheme and full delivery completes and benefits realisation commences after the end of the LGF period.

This criterion maps to the *Deliverability* assessment criterion.

Scheme types

The approach to scheme assessment and prioritisation was developed to ensure alignment with the assessment criteria agreed by the SELEP Strategic Board. As is set out above, some of the assessment criteria favour larger schemes and others smaller schemes.

Across the scheme types that have been assessed there is a variety of different scales, impacts and accepted approaches to Value for Money appraisal. For instance, the typical transport scheme is far larger in scale than the typical workspace scheme. As a result, criteria which are identified above as benefitting smaller schemes will typically benefit workspace schemes over transport schemes.

Below is a summary of characteristics of a typical scheme of each type and how these characteristics have an impact on the way that they have been assessed and prioritised.

Transport

- Transport schemes are typically larger in terms of overall funding requirement and also timescales for delivery which means that they perform less well against the deliverability and benefits realisation criteria.
- Their role is often to unlock development constrained by transport barriers and therefore, generally, they do not have direct impacts on jobs (other than during construction), homes or learner numbers so they tend to perform less well against the scheme impacts criterion. There are exceptions to this (e.g. Transport Led development).
- There is clear and well-established methodology for undertaking economic appraisal of transport schemes therefore, as long as this has been undertaken correctly, the certainty around value for money of transport schemes should be clear.

Skills

- Skills schemes are typically smaller in terms of overall funding requirement and also timescales for delivery which means that they perform better against the deliverability and benefits realisation criteria.
- They typically have a direct impact on jobs and learner numbers, but these impacts are often small or difficult to calculate robustly.
- There is clear and well-established methodology for undertaking economic appraisal of skills schemes therefore, as long as this has been undertaken correctly, the certainty around value for money of a skills scheme should be clear.

Public realm

- Public realm schemes are often seeking funding to unlock developer investment in an area, therefore these schemes tend to perform well against the match / leverage criterion.
- Public realm schemes are typically smaller in terms of overall funding requirement and also timescales for delivery which means that they perform well against the deliverability and benefits realisation criteria.
- They do not have direct impacts on jobs, homes or learner numbers, and the causal link between these schemes and economic impacts can be difficult to establish so they tend to perform less well against the scheme impacts criterion.
- These schemes are sometimes used to support the visitor economy by making an area or town centre more attractive to tourists and day visitors.
- There is not a well-established methodology for undertaking economic appraisal of public realm schemes and this can lead to there being uncertainty around the value for money of these schemes, and also difficulty in comparing their value for money on a consistent basis.

Business support/ enterprise parks

- Business support/ enterprise park schemes are often seeking funding to leverage additional private sector funding sources therefore these schemes tend to perform well against the match / leverage criterion.
- Business support/ enterprise park schemes are typically large in terms of overall funding requirement and also timescales for delivery which means that they perform less well against the deliverability and benefits realisation criteria.
- They sometimes involve mixed use development providing capacity for both jobs and homes.
- They often have large, direct impacts on jobs so they tend to perform very well against the scheme impacts criterion.
- There is not a well-established methodology for undertaking economic appraisal of Business support/ enterprise park schemes and this can lead to there being uncertainty around the value for money of Business support/ enterprise park schemes, and also difficulty in comparing their value for money on a consistent basis.

Workspaces

- Workspace schemes are typically small in terms of overall funding requirement and also timescales for delivery which means that they perform very well against the deliverability and benefits realisation criteria.
- They have a direct impact on jobs so they tend to perform well against the scheme impacts criterion.
- There is not a well-established methodology for undertaking economic appraisal of workspace schemes and this can lead to there being uncertainty around the value for money of these schemes, and also difficulty in comparing their value for money on a consistent basis.

2 Outcome of ITE assessment

Stage 2a – Initial scheme prioritisation

Prioritised schemes

Projects which did not present any “showstoppers” in terms of need for intervention, value for money and deliverability were considered on the basis of performance of the scheme against the assessment criteria.

It is key to note that all of the schemes have been assessed as having a strong strategic alignment with the objectives of the LEP and have positive economic impacts which will ensure that they contribute substantially to local economic growth in the South East. Additionally, all schemes which have moved to the final stage of the technical prioritisation process have demonstrated a market failure which makes a clear case that LGF investment is needed.

The following section provides additional detail about the assessment of each scheme and suggested areas where the case could have been improved.

Given the limited size of SELEP’s remaining LGF monies, prioritisation of these schemes has been necessary. The highest ranked schemes have been prioritised because a high level of match funding has been committed, significant economic impacts will be delivered by the scheme, the business case articulates a clear need for intervention, the scheme represents high value for money, high certainty of LGF spend within the required timescales and benefits of the scheme will be realised within or soon after the LGF period has come to an end.

Schemes sifted out

All schemes submitted for assessment at Stage 2 – Scheme Prioritisation were well aligned with strategic priorities of the LEP. Therefore, whilst it is not proposed that the projects are developed further for LGF3b, there may be merit in exploring alternative funding sources and future funding opportunities.

Similarly, schemes that were sifted out on the basis of their deliverability are not considered to be undeliverable schemes. This assessment is reflective of the fact that the deliverability for schemes seeking an LGF allocation at this stage is considerably constrained by the need to spend the allocation by March 2021.

Stage 2b – Revised scheme prioritisation

Clarification of areas of uncertainty within bids and additional, supporting information was sought through meetings with and written submissions from each of the scheme promoters. All the schemes were reassessed in full, including those which had been initially sifted out. On the basis of this reassessment, the schemes were reprioritised.

For all schemes which were initially prioritised and have now been reassessed, the detail of the initial assessment has been provided with the reassessment provided below it. For all schemes which were initially sifted out, the reasons for this have been provided as well as the details of the reassessment. This format enables comparison and allows understanding of how clarification and new information have been reflected in the reassessment.

A13 East Facing Slips, Grays – Initial Assessment

Primary Theme: *Transport*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2019/20	2022/23

LGF 3b Ask	Match funding	Project Cost	% match
£750,000	£47,750,000	£48,500,000	98%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Amber	Green	Amber/Green	Amber	Amber

Project summary

- Delivery of a new slip road to allow traffic on the A13 Westbound to exit directly onto the A126.
- The scheme will indirectly support the construction of 3,000 homes, support the creation of 1,400 jobs and reduce traffic delays at M25 Junction 30.

Key strengths

- Very high match funding.
- Supports new jobs and houses by removing a transport bottleneck.
- Strategically important project for the area.

Reasons for Amber or Amber/Green scores

Scale of impact (Amber)

The capital scheme, which could result from the design and development work for which funding is sought, would help to unlock additional commercial and housing development. However, this funding contribution can only help to develop and make the case for the wider scheme, therefore there would not be any direct impact on jobs or homes. There is uncertainty around its indirect impacts as the scale for the wider scheme benefits has not yet been assessed.

Value for money (Amber/Green)

The economic appraisal methodology has been carried out at a high level so raises some uncertainty around the value for money of the scheme, with initial modelling indicating a BCR range of 1.5 to 4.

Deliverability (Amber)

The LGF monies are being used for design and development of the scheme therefore there remains a moderate risk that the scheme itself will not be delivered.

Benefits Realisation (Amber)

Since the LGF monies are being used for design and development, there will be limited benefits realisation by March 2021.



A13 East Facing Slips - Grays - Updated Assessment

Primary Theme: *Transport*

Stage of Assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2022/23
Stage 2b (updated assessment)	Feasibility	2020/21	2024/25

Stage of Assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£750,000	£47,750,000	£48,500,000	98%
Stage 2b (updated assessment)	£750,000	£47,750,000	£48,500,000	98%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Amber	Green	Amber/ Green	Amber	Amber
Stage 2b (updated assessment)	Green	Amber/ Green	Amber/ Green	Amber/ Green	Amber/ Green	Amber/ Green

Reasons for changes to scores

Scale of impact (Amber to Amber/Green)

Clearer linkages have been made between the scheme and the dependency and scale of the development. Given the funding is sought for scheme development, it is recommended that, were funding to be allocated it would be on the basis of the full scheme being delivered, and if not, funding returned.

Need for intervention (Green to Amber/Green)

Additional information from the scheme promoter has indicated that alternative funding sources may be available in the form of Council borrowing although this may reduce the ability of Thurrock Council to fund other aspects of scheme development.

Value for money (Amber/Green)

No change from initial assessment, however if the scheme progresses to OBC stage, it is recommended that a test for dependency of development in line Unit A2.2 of WebTAG is undertaken.

Deliverability (Amber to Amber/Green)

The LGF monies are being used for design and development of the scheme therefore there remains a moderate risk that the scheme itself will not be delivered.

Benefits Realisation (Amber)

Though the scheme is design and development benefits realisation is likely to occur shortly after the end of the LGF period.

Flexibility of delivery

No additional information provided specifically regarding a later funding allocation, however the spend profile indicates that if LGF spend were prioritised there would be contingency in the programme.

Balkerne Gate, Colchester – Initial and Updated Assessment

Primary Theme: *Public realm*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£1.436m	£0.0175m	£1.4535m	1%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation	Flexibility of delivery
Red/ Amber	Amber	Red/ Amber	Amber	Green	Green	February 2019

Project summary

- Improving public realm around the Mercury Theatre, including developing new accessible, high quality public space.

Key strengths

- Significantly improvement to Colchester town centre public realm in a strategically important 'gateway' location.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason – Case for Public Sector Intervention

The delivery of public realm work in and around the Mercury Theatre has already been supported by SELEP through the allocation of £1m LGF to the Mercury Theatre project.

The scope of the Mercury Theatre, approved by SELEP in November 2017, included “creating world class facilities for artists and audience alike improving the audience experience – thereby increasing future capacity and attracting more visitors” but also included ‘public realm linking the Mercury, Arts Centre and historic Colchester’. It is therefore unclear how the Balkerne Gate project will deliver additional benefits relative to the project benefits committed to through the award of £1m LGF to the Mercury Theatre project.

Secondary reasons

- The scheme has limited impact on jobs and therefore the scheme is not well aligned with the objectives of the LGF.
- Insufficient economic impact.
- There is a missed opportunity to try and develop more creative options which could attract private sector interest.

Reasons for changes to scores

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Red/Amber)

No change from initial assessment.

Value for money (Amber)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

No additional information provided specifically regarding a later funding allocation, however the spend profile indicates that if LGF spend were prioritised there would be contingency in the programme.

Basildon Innovation Warehouse –Initial and Updated Assessment

Primary Theme: Workspaces

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£0.87m	£0.75m	£1.62m	46%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber	Amber/ Green	Amber/ Green	Green	Green	Green

Project summary

- Conversion of Green Centre in Wat Tyler Country Park into a hub to support entrepreneurs and innovators.

Key strengths

- Supports STEM skills and business start-ups.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

Economic appraisal has been undertaken and identified a BCR of significantly below 2:1, with some additional concerns over the robustness of the estimate.

Secondary reasons

- Economic appraisal has not considered the full LGF ask for the scheme. The BCR assessment has not included the total capital cost of delivering the Warehouse.
- There is a considerable lack of clarity around the assumptions underpinning the value for money.

Reasons for changes to scores

Match / leverage (Red/Amber to Amber)

Additional match funding now provided.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Red/Amber to Green)

Value for Money assessment has been carried out reducing the uncertainty and demonstrating the scheme represents high value for money.

Deliverability (Amber/Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided has indicated that, were the spend LGF spend prioritised there would be contingency in the programme

Betteshanger Sustainable Parks Preventative Health Enterprise Incubation Hub, Dover – Initial Assessment

Primary Theme: *Business support / Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£2,000,000	£2,200,000	£4,200,000	52%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Green	Green	Amber	Green	Green

Project summary

- The construction of an innovation hub for preventative health care, including meeting spaces, café and reception located on the site of a former colliery.
- 150 direct jobs will be supported in preventative healthcare.

Key strengths

- Direct impact on jobs in a key industry.
- Utilises a vacant brownfield site.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of local funding commitment. It is noted that attempts have been made to obtain private sector funds but these have been unsuccessful.

Value for money (Amber)

A BCR of below 2:1 has been presented based on using a land value uplift method. As the project LGF ask is under the £2m threshold, Exemption 1 applies, however, at this stage there remains uncertainty that the scheme would represent high value for money.



Betteshanger Sustainable Parks Preventative Health Enterprise Incubation Hub – Dover - Updated Assessment

Primary Theme: *Business support / Enterprise Park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,000,000	£2,200,000	£4,200,000	52%
Stage 2b Updated assessment	£2,000,000	£2,200,000	£4,200,000	52%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Green	Green	Amber	Green	Green
Stage 2b Updated assessment	Amber/ Green	Green	Green	Green	Amber	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Green)

No change from initial assessment, however it not clear whether the 150 direct jobs are gross or net.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber to Green)

A revised method based on GVA per additional job has been used. Using this methodology, assuming 50% or more additionality, it is shown that the scheme represents high value for money with a BCR of 2.05:1. however if the scheme progresses to OBC stage, it is recommended that greater clarity is provided regarding appraisal assumptions and additionality to increase the certainty of the value for money position.

Deliverability (Green to Amber)

Additional information provided indicated that there was reduced level of certainty around the ability of partners to successfully deliver the scheme.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided indicates that, based on a risk assessment, programme entry beyond September 2019 would render the scheme unviable.

Bexhill Creative Workspace – Initial Assessment

Primary Theme: *Workspaces*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2019/20	2019/20

LGF 3b Ask	Match funding	Project Cost	% match
£960,000	£800,000	£1,760,000	45%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber/ Green	Green	Green	Green	Amber/ Green

Project summary

- Create six light industrial units to attract creative industries to the town.
- Scheme is supported by a growing rental market for small light industry units in Bexhill.
- The project will support 36 net additional jobs.

Key strengths

- Direct impact on jobs.
- Supports start-up businesses.
- Low level of LGF required.
- High BCR Ratio of 6:1.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of local funding commitment.

Scale of impact (Amber/Green)

The expected economic impact of the scheme in terms of jobs is relatively low and other schemes forecast a lower cost per job.

Benefits Realisation (Amber/Green)

Planning permission has not yet been obtained and there is therefore a risk that the full benefits of the funding will not be realised by March 2021.



Map data @2019 Google

Bexhill Creative Workspace - Updated Assessment

Primary Theme: *Workspaces*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2019/20
Stage 2b Updated assessment	Feasibility	2019/20	2019/20

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£960,000	£800,000	£1,760,000	45%
Stage 2b Updated assessment	£960,000	£800,000	£1,760,000	45%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber/ Green	Green	Green	Green	Amber/ Green
Stage 2b Updated Assessment	Amber	Amber/ Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green to Amber)

This is due to a change in the thresholds for assessment of match funding.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for Money (Green)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Amber/Green to Green)

Additional information provided indicates that planning permission does not need to be obtained, giving greater certainty that benefits will begin being realised within the LGF period.

Flexibility of delivery

Additional information provided indicates that programme entry beyond April 2019 would render the scheme unviable as the scheme promoter cannot continue to take the liability on the land asset.

Bexhill Enterprise Park North – Initial Assessment

Primary Theme: *Business support / Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2022/23

LGF 3b Ask	Match funding	Project Cost	% match
£1,940,000	£18,760,000	£20,700,000	91%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Green	Amber/Green	Green	Green	Amber

Project summary

- Site enabling infrastructure to provide access to the Bexhill Enterprise Park from North Bexhill Access Road.
- The scheme will help unlock the development of 19,200 sqm of commercial floorspace, which in turn has the potential to support 493 Jobs (91 net additional jobs).

Key strengths

- High level of match funding.
- Unlocks development by removing a transport bottleneck, which in turn supports jobs growth.

Reasons for Amber or Amber/Green scores

Need for intervention (Amber/Green)

The business case does not provide sufficient justification as to why the site developers cannot make an increased contribution to the delivery of the project to remove the need for public sector investment.

Benefits Realisation (Amber)

A wider project timeline, which extends to 2022/23 and therefore beyond the LGF horizon, means that there will be limited benefits realisation by March 2021.



Bexhill Enterprise Park North - Updated Assessment

Primary Theme: *Business support / Enterprise Park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2022/23
Stage 2b Updated assessment	Feasibility	2019/20	2022/23

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,940,000	£18,760,000	£20,700,000	91%
Stage 2b Updated assessment	£1,940,000	£18,760,000	£20,700,000	91%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Green	Amber/Green	Green	Green	Amber
Stage 2b Updated assessment	Green	Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Green)

No change from initial assessment.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Amber/Green to Green)

Clarification was provided at the scheme promoter meeting that developers will not fund the enabling utility works for which the LGF allocation will be used.

Value for Money (Green)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Amber to Green)

Clarification was provided at the scheme promoter meeting that the first year of non-construction jobs onsite would be 2019/20.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that programme entry cannot be delayed beyond April 2019 for the scheme to be delivered.

Braintree Integrated Transport Package (ITP) – Initial assessment

Primary Theme: *Transport*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£4,305,000	£15,000	£4,320,000	0.35%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber	Amber/Green	Green	Green	Amber/Green	Green

Project summary

- A series of road and cycling improvements throughout Braintree to improve traffic flow and journey times and encourage increased cycling. These improvements aim to support housing growth of 862 homes per annum.
- The project aims to deliver local reductions in congestion, noise and road accidents, and improvements in air quality and health outcomes through increased physical activity.
- The scheme has an enabling impact on unlocking sustainable economic growth, and potentially a garden community to the west of Braintree, and a second garden community on the eastern boundary with Colchester.

Key strengths

- Supports sustainable transport options with associated benefits in terms of health, air quality, and congestion reduction.
- Also supports sustainable housing development.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber)

The level of match funding is very low relative to the LGF funding ask.

Scale of impact (Amber/Green)

As it is a transport scheme, Braintree ITP will not have a direct impact on jobs, homes and learner numbers. However, it will have an enabling impact on the delivery of planned garden communities in the area.

Deliverability (Amber/Green)

The level of LGF spend profiled in 2020/21 (£3.82m) presents a risk to the deliverability of the scheme.



Braintree Integrated Transport Package (ITP) - Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£4,305,000	£15,000	£4,320,000	0.35%
Stage 2b Updated assessment	£4,302,000	£18,000	£4,320,000	0.42%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber	Amber/Green	Green	Green	Amber/Green	Green
Stage 2b Updated assessment	Red/Amber	Amber/Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber to Red/Amber)

This is due to a change in the thresholds for assessment of match funding.

Additional information provided indicates that housing development at the northern end of Springwood Drive (Panfield Lane) will provide long term S106 money, this will not be available before this scheme is complete.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Amber/Green to Green)

Additional reassurance has been provided concerning the deliverability of the scheme to schedule. Specifically, it has been stated that ECC will forward fund the design and development costs in 2019 / 2020 to allow construction of all elements of the scheme to start in April 2020, allowing sufficient time to ensure construction can be completed by end March 2021.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided has indicated that, were the LGF spend prioritised there would be contingency in the programme

Calverley Square, Tunbridge Wells – Initial and Updated Assessment

Primary Theme: *Urban realm*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£2m	£18m	£20m	90%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Green	Green	Amber	Amber/ Green	Green	Green

Project summary

- The Calverley Square development involves the redevelopment of land including a new 1,200 seat theatre, new Grade A office accommodation, underground car parking and a new gateway to Calverley Grounds and associated public realm improvements.



Key strengths

- It is a strategically important scheme given that the ambition is for the theatre to be a regional centre.

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

The initial BCR is 1.14:1 only rising to 2.02:1 once “other quantified impacts” are included, these include expenditure on food and drink and induced employment. There is, however, a lack of evidence concerning the scale of these additional benefits.

Secondary reasons

- While the evaluation has utilised an independent economic impact assessment, confidence in this is reduced by the lack of sensitivity testing and the lack of evidence concerning the assumed level of additionality: 50% of jobs

are assumed to be additional but there is no rationale provided for this assumption.

- £5m planned to be spent in the final year of LGF presents a deliverability risk, however, it is noted that there is some flexibility in the profiling of the LGF ask.

Reasons for changes to scores

Match / leverage (Amber/Green)

No change to initial assessment. The LGF3b funding requirement has been reduced from £5m to £2m with funding now sought only for the office accommodation element of the scheme.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Amber)

No change from initial assessment.

Value for money (Amber/Red to Amber/Green)

The re-focussing of the LGF3b contribution to the scheme has reduced the uncertainty over the value for money assessment, though the BCR is only just over 2 (2.02:1).

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

Additional information provided has indicated that, were the LGF spend prioritised there would be contingency in the programme.

Colchester Grow-on Space, North Colchester – Initial and Updated Assessment

Primary Theme: *Workspace*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

State of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£0.9907m	£0.0205m	£1.0112m	2%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber/Red	Amber	Amber/ Green	Amber/ Green	Green	Green

Project summary

- Construction of an extension to the North Colchester Business Centre at the Colchester Business Park to provide non-sector specific grow-on workspace (North Colchester).



Key strengths

- Scheme has been informed by work undertaken on the supply and demand of grow on space within the County which asserted that supply was in critical shortage.

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

The cost benefit analysis has overstated the benefit of the project for a number of reasons:

- business rates have been included in the overall benefit, as this is an economic transfer, in line with Green Book Guidance this should not be included in the value for money assessment;
- construction GVA has been included, as construction jobs are temporary it is not best practice to quantify and include construction GVA in the BCR calculation; and

- operating profit from the growth on units have been incorrectly included in the BCR calculation.

These issues raise concerns over the value for money of the scheme.

Secondary reasons.

- The economic impacts of the scheme are quite limited.
- 2% match indicates that the businesses should be funding a greater proportion of the scheme.
- The assumptions which underpin the economic appraisal are not sufficiently justified.

Reasons for changes to scores

Match / leverage (Red/Amber)

No change from initial assessment.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Amber to Amber/Green)

Additional information has been provided concerning the economic appraisal assumptions giving more certainty as to the value for money of the scheme.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided has indicated that, were the LGF spend prioritised there would be contingency in the programme.

Colchester Grow-on Space - Queen Street – Second Assessment

Primary Theme: *Workspace*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£3.777m	£1.181m	£4.958m	24%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber	Amber/ Green	Amber/ Green	Amber/ Green	Green	Green

Project summary

- Construction of an extension to the North Colchester Business Centre at the Colchester Business Park to provide non- sector specific grow-on workspace (Queen Street).

Key strengths

- Scheme has been informed by work undertaken on the supply and demand of grow on space within the County which asserted that supply was in critical shortage.

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

The cost benefit analysis has overstated the benefit of the project for a number of reasons:

- business rates have been included in the overall benefit, as this is an economic transfer, in line with Green Book Guidance this should not be included in the value for money assessment in this way;
- construction GVA has been included, as construction jobs are temporary it is not best practice to quantify and include construction GVA in the BCR calculation; and
- operating profit from the grow on units have been incorrectly included in the BCR calculation.

These issues raise concerns over the Value for Money of the scheme.

Secondary reasons

- The economic impacts of the scheme are limited.
- The assumptions which underpin the economic appraisal are not sufficiently justified.

Reasons for changes to scores

Match / leverage (Amber)

No change to the initial assessment. The LGF funding request has been reduced from £4.677m to £3.777m.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Amber to Amber/Green)

The value for money assessment has been updated, and assumptions clarified, giving greater assurance over the value for money of the scheme.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information has been provided concerning the scheme's planned programme. Funding is required by September 2019.

Colchester Institute - Initial Assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2019/20	2019/20

LGF 3b Ask	Match funding	Project Cost	% match
£200,000	£130,000	£330,000	39%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber/ Green	Green	Amber/ Green	Green	Green

Project summary

- Development of a standalone Groundworks and Scaffolding Training Centre at Colchester Campus providing a training facility for Essex businesses.
- The project will support 132 new training led jobs within the first three years, by allowing candidates to obtain legislative qualifications to unlock barriers to career progression and business growth.

Key strengths

- Develops skills in a key industry.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of local funding commitment.

Scale of impact (Amber/Green)

The economic impact of the scheme in terms of learners is high, but there are some concerns over the calculation of the economic benefits given that DCLG appraisal guidance has not been used. A qualitative Value for Money case has been made instead.

Value for money (Amber/Green)

2.1 The economic appraisal methodology has been carried out at a high level so there is some uncertainty around the value for money of the scheme.

2.2 There is some uncertainty around the calculation of these scheme outputs given that a full Value for Money assessment has not been undertaken. This is consistent with the scale of the funding requirement which is less than £2m.



Colchester Institute - Updated Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2019/20
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£200,000	£130,000	£330,000	39%
Stage 2b Updated assessment	£100,000	£150,000	£250,000	60%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber/ Green	Green	Amber/ Green	Green	Green
Stage 2b Updated assessment	Amber/ Green	Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment. However, it should be noted that the LGF ask has been reduced from £200,000 to £100,000 and match funding has increased from £130,000 to £150,000. This has resulted in an increase in percentage match funding from 39% to 60%.

Scale of impact (Amber/Green to Green)

Additional information provided has given greater certainty around the methodology used to calculate economic impact of the scheme in terms jobs and learner numbers.

Need for Intervention (Green)

No change from initial assessment.

Value for money (Amber/Green to Green)

Additional information provided has given greater certainty around the high value for money of the scheme. The Skills Funding Agency Investment Appraisal Toolkit has been used to calculate the BCR as 5.66:1. This toolkit includes identification and justification of the appraisal assumptions.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that programme entry cannot be delayed beyond September 2019 for the scheme to be fully delivered.

Columbus Avenue, Thanet, Kent – Initial and Updated Assessment

Primary Theme: *Transport*

State of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£7,901,800	£100,000	£8,001,800	1%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Red/Amber	Green	Green	Amber/Green	Green	Green

Project summary

- New link road including pedestrian and cycling facilities, which forms part of the Thanet Transport Strategy and the Inner Circuit Route Improvement Scheme, in particular.

Key strengths

- Key element within the Thanet Transport Strategy.
- Includes pedestrian and cycling facilities.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary concern - Deliverability Risk

£7.9m to be spent in two years would be difficult to achieve given the current stage of progression of the scheme which still requires planning permission and ecological surveys. Confidence in the ability to spend the LGF funds by March 2021 is reduced by the funding profile which indicates LGF spending will continue beyond 2020/21.

Additional concerns

- The 1% match funding offered for this scheme is very low given the considerable LGF ask of £8m.
- There is no evidence that public engagement or consultation has been undertaken.

Reasons for changes to scores

Match / leverage (Red/Amber)

No change from initial assessment, though additional narrative has provided further justification for the very low match.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Amber to Green)

Further information has been provided which clarifies the role of the Columbus Ave scheme within the wider context of the package of infrastructure improvements which are planned within the wider Thanet Transport Strategy.

Value for money (Amber/Green)

No change from initial assessment.

Deliverability (Amber to Green)

Further information has been provided concerning the planning requirements and this has provided reassurance that the deliverability risks can be mitigated.

Benefits Realisation (Amber to Green)

Additional information has been provided concerning the timing of the scheme construction and risk of delay and this has provided re-assurance concerning the ability to spend the LGF money by March 2021 (as long as it is released by April 2019).

Flexibility of delivery

Additional information provided by the scheme promoter indicates that programme entry cannot be delayed beyond April 2019 for the scheme to be fully delivered.

Cycling and Congestion Improvements, Thurrock – Initial Assessment

Primary Theme: *Transport*

Development Stage	LGF Spend Completion	Project Completion
Option Selection	2020/21	2021/22

LGF 3b Ask	Match funding	Project Cost	% match
£2,530,000	£2,000,000	£4,530,000	44%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/Green	Amber	Amber	Green	Green	Green

Project summary

- The proposed project comprises cycle infrastructure schemes which focus on removing physical barriers to walking and cycling. Component schemes include: installation of crossing points across busy roads; and construction of missing links to retail, education, and leisure or railway stations.
- The project will deliver journey time, safety and air quality impacts.

Key strengths

- Supports sustainable transport options with associated benefits in terms of health, air quality, and congestion reduction.
- High BCR of 5.3:1.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed though there are other schemes which have higher level of funding commitment.

Scale of impact (Amber)

The scheme does not directly support economic growth in terms of jobs and houses. However, the scheme does aim to improve connectivity to jobs and homes, and has wider social and environmental benefits.

Need for intervention (Amber)

The Strategic Case provides a strong rationale for the scheme in terms of supporting local, regional and national policy objectives. However, there is a lack of evidence provided concerning the current problems the scheme will address.



Cycling and Congestion Improvements, Thurrock - Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Option Selection	2020/21	2021/22
Stage 2b Updated assessment	Option Selection	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,530,000	£2,000,000	£4,530,000	44%
Stage 2b Updated assessment	£2,530,000	£2,000,000	£4,530,000	44%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber	Amber	Green	Green	Green
Stage 2b Updated assessment	Amber	Amber	Amber/ Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green to Amber)

This is due to a change in the thresholds for assessment of match funding.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber to Amber/Green)

Additional information provided has identified the market failure which frames the need for intervention. The sustainable transport scheme needs to be delivered faster than provision of developer contributions allows.

Value for Money (Green)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that programme entry cannot be delayed beyond September 2019 for the scheme to be fully delivered.

Digital Technologies Campus, Basildon – Initial assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£2,150,000	£13,650,000	£15,800,000	86%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Amber /Green	Green	Green	Amber /Green	Green

Project summary

- Development of a new Digital Technologies Campus in the heart of Basildon. This scheme has been developed in response to evidence showing acute skills shortages in technological occupations.
- The project will support 22.5 direct jobs (made up of additional teaching and support staff), and an additional 243 learners per annum.

Key strengths

- High level of match funding.
- Direct impact on jobs.
- New learners in a key skill area.

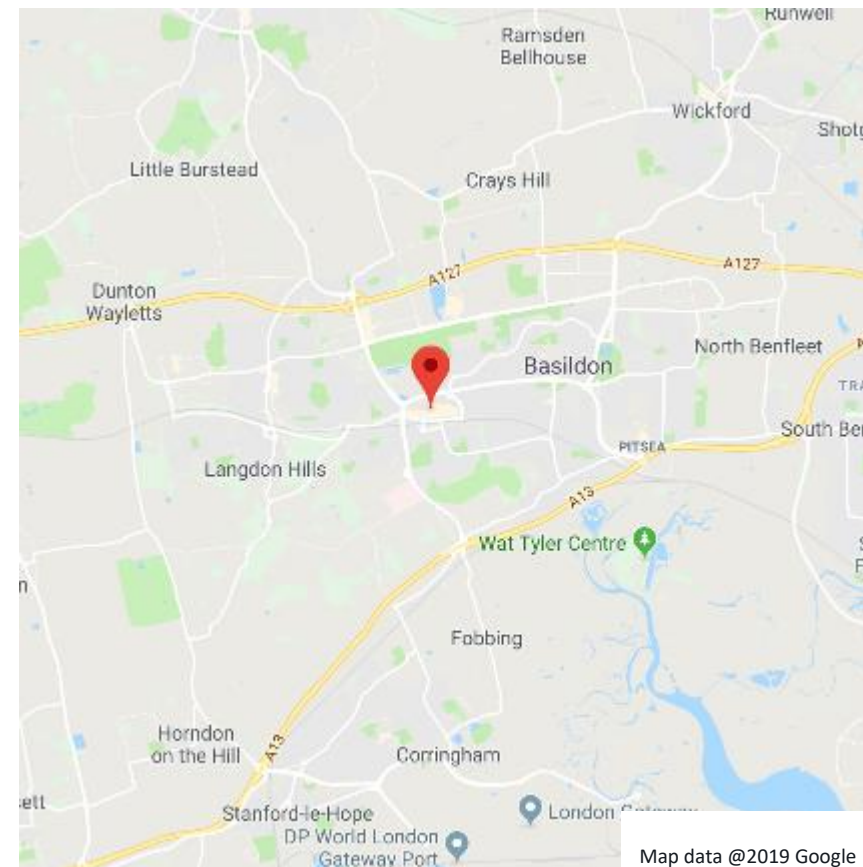
Reasons for Amber or Amber/Green scores

Scale of impact (Amber/Green)

Relative to its cost, the expected impact of the scheme in terms of additional learners is moderate.

Deliverability (Amber/Green)

The level of LGF spend profiled in 2020/21 (£1.0m) presents a small risk to the deliverability of the scheme, though it is noted that there is scope to bring forward the LGF spend.



Digital Technologies Campus, Basildon - Updated Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,150,000	£13,650,000	£15,800,000	86%
Stage 2b Updated assessment	£2,150,000	£13,650,000	£15,800,000	86%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Amber/ Green	Green	Green	Amber/ Green	Green
Stage 2b Updated assessment	Green	Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Green)

No change from initial assessment.

Scale of impact (Amber/Green to Green)

Additional information provided indicates that the scheme will have very significant economic impacts in terms of the numbers of learners.

Need for intervention (Green)

No change from initial assessment.

Value for Money (Green)

No change from initial assessment.

Deliverability (Amber/Green to Green)

The project programme indicates that, though there is planned spend in 2020/21, construction will be completed by September 2020 which mitigates the deliverability risk.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that programme entry cannot be delayed beyond September 2019 for the scheme to be fully delivered.

Eastbourne Fisherman's Quayside & Infrastructure Development Project, East Sussex – Initial Assessment

Primary Theme: *Business support/ enterprise park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£1,080,000	£380,000	£1,460,000	26%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Green	Green	Amber/ Green	Amber/ Green	Amber/ Green

Project summary

- A three phase project to provide processing infrastructure, administrative offices and a visitor centre. The LGF funding will enable phases two and/or three to be completed, with each phase being capable of being implemented independently, although most of the benefits are captured by phase three which includes the heritage and visitor centre.
- The project aims to maximise local economic benefits from fishing activity with a final aspiration to be a vibrant, multi-purpose destination combining a sustainable fishing industry for the local area with a heritage visitor destination.
- The project as a whole (i.e. all three phases) will safeguard 72 fishing jobs, support 4 net additional jobs within the visitor centre, and attract 3,200 additional visitors to the SELEP region.

Key strengths

- Safeguards jobs in an important local industry.
- Supports the visitor economy.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed but there are other schemes which have higher level of local funding commitment.

Value for money (Amber/Green)

A BCR has been calculated using the Land Use Change and External Impact methodology. In addition to this, Tourism Uplift and Residual Asset Value are also considered. However, operational costs do not appear to have been factored in raising some doubts over the calculations. There is also some potential for double counting the benefits from phase one of the scheme, which has been supported by SELEP through a Growing Places Fund loan.

Deliverability (Amber/Green)

While an initial risk register and mitigations has been provided, further consideration of the scheme risks would increase certainty of deliverability.

Benefits Realisation (Amber/Green)

A significant element of the LGF funding is scheduled to be spent in 2020/21 (£0.36m) so there is a risk that the benefits of the funding will not be realised by March 2021.

Eastbourne Fisherman's Quayside & Infrastructure Development Project, East Sussex - Updated Assessment

Primary Theme: *Business support/ Enterprise Park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,080,000	£380,000	£1,460,000	26%
Stage 2b Updated assessment	£1,080,000	£380,000	£1,460,000	26%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Green	Green	Amber/ Green	Amber/ Green	Amber/ Green
Stage 2b Updated assessment	Amber	Amber/ Green	Green	Green	Amber/ Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

This is due to a change in the thresholds for assessment of match funding.

Scale of impact (Green to Amber/Green)

While the scale of impact is significant, the scheme will not support or safeguard as many jobs as some other schemes within the pipeline.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber/Green to Green)

Additional information provided has indicated that future operating costs have been considered as part of the economic appraisal which has given greater certainty around the value for money of the scheme.

Deliverability (Amber/Green)

No change from initial assessment.

Benefits Realisation (Amber/Green to Green)

Additional information provided indicates that benefits will begin being realised before March 2021.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that the scheme could still deliver were programme entry delayed until February 2020.

Exceat Bridge Replacement, East Sussex – Initial assessment

Primary Theme: *Transport*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2021/22

LGF 3b Ask	Match funding	Project Cost	% match
£2,110,579	£2,633,000	£4,743,579	56%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber	Green	Green	Amber/ Green	Amber/ Green

Project summary

- A scheme to replace a bridge which is coming to the end of its serviceable life.
- The scheme will improve connectivity within East Sussex by removing a major bottleneck. It will not have a direct impact on housing development but will support growth in Eastbourne, Seaford and Newhaven.

Key strengths

- Supports economic growth by removing a transport bottleneck.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

Match funding from the National Productivity Investment Fund and the East Sussex County Council Capital programme have been committed, but there are other schemes which have higher level of funding commitment.

Scale of impact (Amber)

There is uncertainty over the scale of impact in terms of jobs and homes numbers since the scheme has no direct impacts.

Deliverability (Amber/Green)

Additional quantification of the scheme risks using a Quantified Risk Assessment would increase certainty of scheme.

Benefits Realisation (Amber/Green)

The wider project delivery timescales are beyond the LGF horizon and although LGF funds can be spent prior to March 2021 the full benefits of the funding will not be realised by this date.



Exceat Bridge Replacement, East Sussex – Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2021/22
Stage 2b Updated assessment	Feasibility	2020/21	2021/22

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,110,579	£2,633,000	£4,743,579	56%
Stage 2b Updated assessment	£2,110,579	£2,633,000	£4,743,579	56%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber	Green	Green	Amber/ Green	Amber/ Green
Stage 2b Updated assessment	Amber/ Green	Amber/ Green	Green	Green	Green	Amber/ Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment, though it is acknowledged that ESCC is committed to looking for other funding sources.

Scale of impact (Amber to Amber/Green)

Whilst the scheme has no direct impact on jobs further information has been provided concerning how the scheme will support additional jobs in Newhaven, tourism visits, and additional housing in coastal towns.

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Amber/Green)

Additional information regarding risks and a QRA has been provided giving reassurance over deliverability risks.

Benefits Realisation (Amber/Green)

No change from initial assessment.

Flexibility of delivery

Construction is programmed to start May 2020. There is some flexibility in ESCC's capital funding.

Flightpath Phase 2, Epping- Initial Assessment

Primary Theme: *Business support/ Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£1,600,000	£1,243,000	£2,843,000	44%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber	Amber	Amber	Green	Green	Green

Project summary

- Building of the second phase of a commercial mixed-use development at Thornwood Camp, a former training base for North Weald airbase.
- The scheme is designed to support 144 new jobs.

Key strengths

- Supports new jobs.
- Makes use of a brownfield site with planning permission already in place.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of funding commitment.

Scale of impact (Amber)

The estimation of the scale of impact on jobs is based on research which identified a lack of suitable commercial space constraining development. However, given the other factors which may also constrain growth there is a high level of uncertainty around the number of jobs delivered by the scheme.

Need for intervention (Amber)

The allocation from the LGF is primarily needed for accelerated delivery rather than enabling the development. As such, not all jobs are dependent on the scheme receiving an LGF allocation.



2.3

Flightpath Phase 2, Epping – Updated Assessment

Primary Theme: *Business support / Enterprise Park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,600,000	£1,243,000	£2,843,000	44%
Stage 2b Updated assessment	£1,421,500	£1,421,500	£2,843,000	50%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber	Amber	Amber	Green	Green	Green
Stage 2b Updated assessment	Amber/ Green	Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber to Amber/Green)

Additional match has been pledged by ECC.

Scale of impact (Amber to Green)

Additional clarification concerning the impact of the scheme on jobs has reduced the uncertainty over the scale of the impact. This includes additional sensitivity analysis.

Need for intervention (Amber to Green)

It has been clarified that without LGF contribution the scheme is not viable. A good case has been made that private sector funding is unlikely to be a solution. It is also noted that vacancy rates are very low indicating an unmet need.

Value for money (Green)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

The scheme is ready to go as soon as funding is in place, but there is some flexibility as to when the scheme is delivered.

Flood Control Across the South East (FloCASE) – Initial and Updated Assessment

Primary Theme: *Business support/enterprise Park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£1.493m	£1.002m	£2.495m	40%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber	Amber	Amber	Amber/Green	Green	Green

Project summary

- A pan-SELEP project which will assist businesses to invest in their own flood protection.

Key strengths

- Expected benefits include: an estimated £15 million present value of damages avoided, and 700 jobs safeguarded.

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Case for Public Sector Intervention

It is stated that without intervention, businesses will not invest in required flood defences due to a lack of capital and / or available advice. This type of problem may be better solved by providing advice and support to raise awareness and motivate the private sector to invest without the need for public sector capital funding.

Secondary reasons

- The economic impacts of the scheme are only indirect. They will improve the resilience of the businesses in the area which in turn has the potential to safeguard jobs.
- There is no evidence that funding has been sought from the businesses that will benefit from the project.
- There has not been a clear articulation of the options for consideration and the justification for selection of the preferred option.

Reasons for changes to scores

Match / leverage (Amber)

No change from initial assessment.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber)

No change from initial assessment.

Value for money (Amber/Green)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that the scheme could still deliver were programme entry delayed until September 2019

Gillingham, Britton Farm redevelopment – Initial assessment

Primary Theme: *Business support / Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£1,890,000	£3,610,000	£5,500,000	66%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber/ Green	Green	Amber	Green	Green

Project summary

- Re-development of town centre mall into a mixed-use site including office and business space, residential units and public realm improvements.
- The project will support 450 sqm of office space and 40 residential units.
- These impacts are all indirect.

Key strengths

- Supports the re-vitalisation of a town centre currently in decline.
- Forms a key part of a masterplan for Gillingham Town Centre.
- Releases land for commercial and residential use.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

Although a strong funding match has been committed there are other schemes which have higher level of funding commitment.

Scale of impact (Amber/Green)

The expected economic impacts of the scheme are all indirect and a result of an improved public realm. There is therefore some uncertainty over the scale of the impacts.

Value for money (Amber/Green)

A BCR of 1.6:1 has been calculated, though there are a number of additional non-monetised benefits which are likely to improve the scheme's Value for Money including: safeguarding jobs, supporting high street viability, and enabling additional houses. As the project LGF ask is under the £2m threshold, Exemption 1 applies.



Map data @2019 Google

Gillingham, Britton Farm redevelopment – Updated Assessment

Primary Theme: *Business support/ enterprise park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,890,000	£3,610,000	£5,500,000	66%
Stage 2b Updated assessment	£1,890,000	£3,610,000	£5,500,000	66%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation	Flexibility of delivery
Stage 2a	Amber/ Green	Amber/ Green	Green	Amber	Green	Green	Programme Entry required:
Stage 2b Updated assessment	Amber/ Green	Amber/ Green	Green	Amber	Green	Green	Sep 2019

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber)

No change from initial assessment, though additional information was provided to identify the additional, qualitative impacts of the scheme which could contribute the scheme have a higher value for money categorisation.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that the scheme could still deliver were programme entry delayed until September 2019

Grangewaters, Thurrock – Initial Assessment

Primary Theme: *Workspace*

Development Stage	LGF Spend Completion	Project Completion
Option Selection	2020/21	2022/23

LGF 3b Ask	Match funding	Project Cost	% match
£1,495,000	£1,459,000	£2,954,000	49%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/Green	Amber	Green	Green	Amber/Green	Amber

Project summary

- Construction of a major indoor training and development centre, 10 micro business units and installation of an improved access road.
- The training room will provide space capable of hosting between 100 and 150 students.
- The microbusiness units are a response to the demand from small start-up companies.
- The project will support 16 jobs.

Key strengths

- Supports new jobs, skills development, and start-up businesses.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of funding commitment. The scheme promoter has successfully secured funding previously but has been unable to do so for this project.

Scale of impact (Amber)

The economic impact in terms of jobs created is low relative to the LGF funding request.

Deliverability (Amber/Green)

Final design and construction details need to be finalised and this may have an impact on timing and final costs, although a contingency has been included. There is an inconsistency as to the timescales of project delivery and the timing of the LGF contribution to the project.

Benefits Realisation (Amber)

The wider project delivery timescales are beyond the LGF horizon and although LGF funds can be spent prior to March 2021, the full benefits of the funding will not be realised by this date.



Grangewaters – Thurrock - Updated Assessment

Primary Theme: *Workspaces*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Option Selection	2020/21	2022/23
Stage 2b Updated assessment	Option Selection	2020/21	2022/23

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,495,000	£1,459,000	£2,954,000	49%
Stage 2b Updated assessment	£1,495,000	£1,459,000	£2,954,000	49%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber	Green	Green	Amber/ Green	Amber
Stage 2b Updated assessment	Amber	Amber	Green	Green	Amber/ Green	Amber

Reasons for changes to scores

Match / leverage (Amber/Green)

This is due to a change in the thresholds for assessment of match funding.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Amber/Green)

No change from initial assessment.

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

No additional information provided specifically regarding a later funding allocation, however the spend profile indicates that if LGF spend were prioritised there would be contingency in the programme.

Healthcare and Technology, Harlow – Initial and Second Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£3.24m	£2.78m	£6.02m	46%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber	Amber/ Green	Green	Amber/ Green	Green	Green

Project summary

- The repurposing of accommodation at Harlow College into a centre for delivering healthcare, health science and digital technologies, embedding innovation in different vocational pathways and preparing the college for the introduction/delivery of T Levels.

Key strengths

- Aims to improve STEM skills provision in the area.

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

- The value for money calculation methodology used is in line with the Education and Skills Funding Agency methodology and the programme offers a BCR greater than 2:1. However, the value has been based on all learners (not additional learners) and hence is overstated. Therefore, the scheme does not provide good value for money.

Secondary reasons

- The methodology used for economic appraisal is not robust and does not provide a consistent basis for comparison with other schemes.

Reasons for changes to scores

Match / leverage (Amber)

No change from initial assessment.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber to Amber/Green)

Additional information has been provided giving reassurance over the assumptions made in the value for money assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that the scheme could still deliver were programme entry delayed until September 2019.

High House Works, Thurrock – Initial Assessment

Primary Theme: *Business support/ enterprise park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2022/23

LGF 3b Ask	Match funding	Project Cost	% match
£4,800,000	£1,500,000	£6,300,000	24%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber / Green	Amber / Green	Amber / Green	Amber	Amber	Amber

Project summary

- A 30,000 ft² purpose-built facility of creative makers' workspace with a broad range of unit sizes to support creative micro businesses and SME's.
- The scheme is estimated to support 78 net jobs and £2.4m GVA per annum. These are net additional jobs and have gone through an assessment of additionality. Falling vacancy rates and demand for office space suggests this is a reasonable estimate of the number of jobs that could be supported.

Key strengths

- New direct jobs.
- Supports start-up businesses.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

Some match funding has been secured but it has not been clearly demonstrated why it would not be possible for a private sector developer to take the project forward reducing the need for public sector investment.

Scale of impact (Amber/Green)

The economic impact in terms of additional jobs is low given the funding ask, therefore cost per job is high.

Need for intervention (Amber/Green)

The business case does not provide clear justification as to why a private sector developer cannot fill the funding gap.

Value for money (Amber)

The use of a 20-year appraisal period and lack of sensitivity analysis raises uncertainty around the value for money of the scheme. There is a high cost per additional job (£30.8k) which also raises some concerns and is an indication that the value for money of the scheme is not high.

Deliverability (Amber)

The level of LGF spend profiled in 2020/21 (£4.1m) presents a moderate risk to the deliverability of the scheme, with building works programmed for May 2020 to June 2021 and overall expenditure continuing into 2022/23.

Benefits Realisation (Amber)

The project timeline indicates that 47 jobs will be accommodated by 2026 meaning that there will be very limited benefits realisation by March 2021.

High House Works, Thurrock – Updated Assessment

Primary Theme: *Business support/ enterprise park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2022/23
Feasibility	2020/21	2022/23

LGF 3b Ask	Match funding	Project Cost	% match
£4,800,000	£1,500,000	£6,300,000	24%
£4,800,000	£1,500,000	£6,300,000	24%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber / Green	Amber / Green	Amber / Green	Amber	Amber	Amber
Amber	Amber / Green	Green	Amber / Green	Amber	Amber

Project summary

- A 30,000ft² purpose-built facility of creative makers' workspace with a broad range of unit sizes to support creative micro businesses and SMEs.
- The scheme is estimated to support 78 net jobs and £2.4m GVA per annum. These are net additional jobs and have gone through an assessment of additionality. Falling vacancy rates and demand for office space suggests this is a reasonable estimate of the number of jobs that could be supported.

Key strengths

- New direct jobs.
- Supports start-up businesses.

Reasons for changes to scores

Match / leverage (Amber/Green)

This is due to a change in the thresholds for assessment of match funding.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Amber/Green to Green)

Additional information provided has identified the market failure which frames the need for intervention. The high capital cost of the scheme and the relatively poor returns means that scheme is not viable for the private sector investment.

Value for money (Amber to Amber/Green)

Additional information provided indicates that the scheme has a BCR of 2.11:1 using a ten-year appraisal period as recommended by MHCLG's appraisal guidance. However, additional information has not been provided setting out and justifying the assumptions underpinning this economic appraisal. For this reason, there remains uncertainty around the value for money of the scheme.

Deliverability (Amber)

No change from initial assessment.

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

Additional information provided by the scheme promoter indicates that programme entry cannot be delayed beyond April 2019 for the scheme to be fully delivered.

Innovating, Creative & Enterprising Lab (iceLab), Canterbury – Initial and Updated Assessment

Primary Theme: *Business support/ enterprise park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£5.44m	£2.689m	£8.129m	33%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber	Amber	Amber/Green	Green	Green	Green

Project summary

- Capital project to support businesses to embrace future technologies.

Key strengths

- Supports investment in R&D by businesses in the area.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Deliverability Risk

High levels of expenditure profiled in 2020/21 raises uncertainty around the deliverability of the scheme. Thus, planning permission is due to be obtained in May 2019 with construction / fit out planned for Q2 2019/20 through to the end of Q1 2021/22.

Secondary reasons

Uncertainty around the deliverability of the programme with funding planned to be allocated in February 2019.

Reasons for changes to scores

Match / leverage (Amber)

No change from initial assessment.

Scale of impact (Amber)

Additional information has been provided concerning n.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Red / Amber to Green)

New information indicates that iceLAB could proceed with a formal launch in first quarter of 2021 if funding announcement was delayed to April or September 2019.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

New information indicates a degree of flexibility.

Innovation Park Medway, Enabling infrastructure – Initial and Updated Assessment

Primary Theme: *Business support / Enterprise Park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£2.3m	£30.2m	£32.5m	93%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Green	Green	Amber/Green	Green	Amber	Amber/Green

Project summary

- Infrastructure works to support the park (which is aiming to attract high GVA businesses in technology and science).

Key strengths

- Supports the objectives of the SEP.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Deliverability Risk

The scheme is dependent upon the delivery of earlier phases of work which have come up against public opposition and have not yet been implemented; creating a risk to the spend of the current LGF allocation to the project.

Phase 1 of the project was awarded £4.4m LGF in June 2016. However, less than £0.369m LGF has been spent to date. A further £3.7m LGF has also already been allocated to Phase 2 of the project.

SELEP have previously been made aware of the intention to deliver phase 2 of the project using developer contributions (along with the £3.7m LGF which is currently allocated to Phase 2 of the project). It is therefore unclear why further public sector funding contributions are being sought.

Secondary reasons

- Development partners have yet to be identified.

- If considered as a whole scheme, the total spend on Innovation Park Medway will be difficult to achieve in the timescales.

Reasons for changes to scores

Match / leverage (Green)

No change from initial assessment.

Scale of impact (Green)

No change from initial assessment

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Red/Amber to Amber)

The Phase 1 project is proceeding to programme and delivery of IPM LGF3 and 3b (if awarded) is on target, and achievable within the timescales indicated by SELEP, even if 3b funding is not awarded until February 2020.

Benefits Realisation (Amber/Green)

No change from initial assessment.

Flexibility of delivery

No change from initial assessment

Kent and Medway Medical School, Canterbury, Kent – Initial Assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
Design stage	2019/20	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£8,000,000	£13,792,594	£21,792,594	63%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Green	Amber/ Green	Amber	Amber/ Green	Green

Project summary

- Capital funding sought to deliver the Kent & Medway Medical School (KMMS) - a centre to house medical education and research activity across two sites at Canterbury Christ Church University and the University of Kent.
- The project will support 200 student learners per annum. The local impact of this is uncertain as leakage of students has not been considered, a significant number of students could leave the area to find employment elsewhere once they have completed their studies.

Key strengths

- Creates new learners in a key industry.
- Fast pace of benefit realisation with KMMS due to open to students in September 2020.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed but there are other schemes which have higher level of funding commitment relative to LGF funding request which is very high.

Need for intervention (Amber/Green)

There is an identified need to be addressed in terms of a shortage of local healthcare professionals. The justification for LGF funding is that this would free up university funds for other schemes, and provides a lower cost of finance than a loan.

Overall, the Strategic Case does not provide a compelling justification as to why alternative funding sources cannot be used to fund the school or reduce the LGF request. The business case states that the two universities have funding reserves upon which they could call as an alternative were LGF monies not allocated.

Value for money (Amber)

The Business Case states an initial BCR of 1.82:1, increasing to an Adjusted BCR of 2.01:1.

The robustness of economic appraisal methodology that has been applied and the assumptions underpinning it raise uncertainty around the value for money of the scheme.

Specifically, by considering items such as student tariffs, research incomes and leakage the BCR could fall below 2:1.

Deliverability (Amber/Green)

The level of LGF spend profiled prior to the end of the LGF horizon presents a moderate risk to the deliverability of the scheme.

Kent and Medway Medical School, Canterbury, Kent – Updated Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Design stage	2019/20	2020/21
Stage 2b Updated assessment	Design stage	2019/20	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£8,000,000	£13,792,594	£21,792,594	63%
Stage2b Updated assessment	£8,000,000	£13,792,594	£21,792,594	63%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Green	Amber/ Green	Amber	Amber/ Green	Green
Stage 2b Updated assessment	Amber/ Green	Green	Amber/ Green	Amber/ Green	Amber/ Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Amber to Amber/Green)

Additional information provided gives greater certainty around the value for money. The methodology is robust and the assumptions which underpin the economic appraisal have been clearly identified and justified. The analysis indicates that the scheme has an initial BCR of 1.82:1, and an adjusted BCR of 2.01:1. With an adjusted BCR this close to 2:1 the value for money of the scheme is sensitive to downside and upside risks and for this reason there remains some uncertainty that this scheme would achieve high value for money.

Deliverability (Amber/Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Clarification from the scheme promoter indicates that the scheme could still deliver were programme entry delayed until February 2020.

M2 J5 Improvements, Sittingbourne – Initial Assessment

Primary Theme: *Transport*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2021/22	2021/22

LGF 3b Ask	Match funding	Project Cost	% match
£1,600,000	£89,100,000	£90,700,000	98%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Green	Amber/ Green	Amber/ Green	Amber/ Green	Amber

Project summary

- M2 J5 is the main access point for people travelling to Sittingbourne, Port of Sheerness and the Isle of Sheppey. It provides a strategic link between the M20 and M2 corridors.
- Improvements to the M2/A249 junction are therefore a Kent County Council strategic priority in order to deliver their strategic priority of "growth without gridlock".

Key strengths

- Very high match funding.
- Supports a strategic road corridor.

Reasons for Amber or Amber/Green scores

Need for intervention (Amber/Green)

It is acknowledged that improvements to M2 Junction 5 are a strategic priority in the region. However, there is a need for a more compelling justification for allocation of LGF monies to fill the funding gap. For instance, the business case has not made it clear the extent to which developer contributions have been sought to partly fund the scheme. Additionally, there is uncertainty around the extent to which £1.6m will fully enable the scheme and unlock its economic impacts.

Value for money (Amber/Green)

2.4 The Business Case sets out a BCR of 3.46:1, demonstrating high value for money. However, the lack of sensitivity testing within the Value for Money assessment raises some uncertainty around the value for money of the scheme.

Deliverability (Amber/Green)

The expenditure forecast, and funding profile of the wider scheme is not yet confirmed by Highways England.

Benefits Realisation (Amber)

Although Highways England has indicated that LGF funds would be spent by March 2021, given that the wider project timeline extends beyond the LGF horizon means that there will be limited benefits realisation by March 2021.



M2 J5 Improvements, Sittingbourne – Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2021/22	2021/22
Stage 2b Updated assessment	Feasibility	2020/21	2021/22

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,600,000	£89,100,000	£90,700,000	98%
Stage 2b Updated assessment	£1,600,000	£89,100,000	£90,700,000	98%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Green	Amber/ Green	Amber/ Green	Amber/ Green	Amber
Stage 2b Updated assessment	Green	Green	Green	Amber/ Green	Amber/ Green	Amber/ Green

Reasons for changes to scores

Match / leverage (Green)

No change from initial assessment.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Amber/Green to Green)

Additional information has been provided which clarifies the need for intervention and LGF funds. Specifically, the case has been made that development is being put on hold prior to the delivery of the improvement scheme. This is thereby putting at risk the delivery of Swale BC's Local Plan delivery.

Value for money (Amber/Green)

No change from initial assessment, though it is acknowledged that Highways England are still finalising their business case (due for completion March 2019).

Deliverability (Amber/Green)

No change from initial assessment, though as above it is acknowledged that Highways England are still finalising their business case and expenditure forecast (due to completion March 2019).

Benefits Realisation (Amber to Amber/Green)

Additional information provided indicates that the funding commitments of the scheme will enable the delivery of 2,271 dwellings to be brought forward between 2019 and 2022

Flexibility of delivery

The funding profile is due to be confirmed by Highways Agency in March 2019.

Maidstone East Urban Civic Quarter – Initial and Updated Assessment

Primary Theme: *Urban realm*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£6.8m	£61.2m	£68m	90%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Green	Green	Green	Green	Amber/ Green	Amber



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Deliverability Risk

£8m to be spent by March 2021 given that the funding profile indicates most of the LGF spending (£6m) is in 2020/21 and given the current stage of progression of the scheme which still requires planning permission.

Secondary reasons

- There is insufficient evidence of the consideration of risk. This is particularly pertinent given the involvement of a variety of different key stakeholders and land owners.
- A development partner has not yet been identified.

Reasons for changes to scores

Match / leverage (Green)

No change from initial assessment, though the funding requirement has been reduced from £8m to £6.8m).

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Red/Amber to Amber/Green)

Additional information has been provided regarding risks associated with planning permission and costs, reducing the deliverability risk.

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

No change from initial assessment. Funding is required by Sep 2019.

Malden Enterprise Centre – Initial and Updated Assessment

Primary Theme: *Business support/ enterprise park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£3,850,000	£3,856,117	£7,706,117	50%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber/ Green	Amber/ Green	Green	Amber	Green	Green

Project summary

- To develop a new Business Enterprise Centre in Maldon District, forming part of the Maldon Garden Suburb Development Masterplan.

Key strengths

- Site already has outline planning permission.
- Scheme based on a partnership between Malden DC, Essex CC and Magnox Ltd.
- Scheme designed to assist start-up businesses.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

A monetised economic appraisal has not been carried out, although an economic appraisal has been undertaken based on the HCA's Employment Density and Additionality Guides. This indicates a cost per additional job of £20,993. While there is some uncertainty given the appraisal method, it is stated that the project offers good value for money.

Additional reasons

- Insufficient consideration has been given to the economic impact of the scheme.
- The potential number of jobs accommodated within the development has been identified, though the number of additional jobs is unclear since there is no consideration of deadweight, leakage or displacement.

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber)

No change from initial assessment– a BCR has not been calculated, though it is estimated that it will create 184 new jobs (gross) at an average of £20,993 per job.

Deliverability (Amber)

No change from initial assessment.

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

There is high level of flexibility in scheme delivery since the project can begin prior to fund availability.

Mid Kent College Training services Scaffolding Training Centre, Chatham - Initial Assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
Option Selection	2018/19	2018/19

LGF 3b Ask	Match funding	Project Cost	% match
£269,148	£403,724	£672,872	60%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber	Amber/ Green	Amber	Green	Green

Project summary

- A new centre to provide training and apprenticeships for scaffolding and construction.
- The centre will result in the delivery of new training and apprentices. Given that other centres are at full capacity, and the closure of CITB training centre, it is likely that there will be demand for these courses / apprenticeships. Around 400 students could be accommodated in the facility.

Key strengths

- Provides skills in an important industry sector.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of funding commitment.

Scale of impact (Amber)

The scale of the impact in terms of job numbers is uncertain. The business case has not robustly identified the number of learners that will be upskilled by the facility.

Need for intervention (Amber/Green)

The Strategic Case states that the funding gap cannot be filled by private sector funding, as the low financial returns make it unattractive yet no evidence of this has been provided.

Value for money (Amber)

The economic appraisal methodology has been carried out at a high level based on the earning potential of trained apprentices. This is appropriate given the scale of the funding requirement, though this means there is some uncertainty around the value for money of the scheme. In particular, although the value for money rating is high, the assessment has not considered additionality.



Map data @2019 Google

Mid Kent College Training services Scaffolding Training Centre - Chatham – Updated Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Option Selection	2018/19	2018/19
Stage 2b Updated assessment	Option Selection	2019/20	2019/20

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£269,148	£403,724	£672,872	60%
Stage 2b Updated assessment	£269,148	£518,727	£787,875	66%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber	Amber/ Green	Amber	Green	Green
Stage 2b Updated assessment	Amber/ Green	Amber/ Green	Green	Amber	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment. Project management costs have been included as match funding which increases the percentage match from 60% to 66%.

Scale of impact (Amber to Amber/Green)

Additional information provided indicates that the scheme will enable the upskilling of 2,100 trainees per year as well as the safeguarding of 20 jobs at the facility.

Need for intervention (Amber/Green to Green)

Additional information provides has evidenced the fact that the funding gap cannot be filled by private sector funding, as the low financial returns make it an unviable investment.

Value for money (Amber)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Clarification provided by the scheme promoter indicates that programme entry cannot be delayed beyond April 2019 for the scheme to be fully delivered.

New Artist Studios, Southend-on-Sea – Initial Assessment

Primary Theme: *Workspace*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2018/19	2018/19

LGF 3b Ask	Match funding	Project Cost	% match
680,000	£575,000	£1,255,000	46%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber	Amber	Amber	Amber/Green	Green	Green

Project summary

- Conversion of a former gallery into rentable space for artists and for community projects.
- The project will support 16 jobs, though there is a lack of certainty regarding this estimate.

Key strengths

- Direct impact on jobs.
- Utilises a vacant site in a prime location.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of funding commitment.

Scale of impact (Amber)

The economic impacts in terms of jobs numbers are quite low relative to the LGF ask.

Need for intervention (Amber)

Whilst it is stated that there is a lack of artists' studios in South Essex, there is insufficient evidence to demonstrate that there is a market failure and that public sector investment is required.

Value for money (Amber/Green)

Using the Transparent Economic Assessment Model (TEAM) a Very High Value for Money has been calculated (BCR of 5.78:1), although there are some doubts concerning the robustness of the input assumptions for the number of additional jobs created.



New Artist Studios - Southend-on-Sea, Second Assessment - Updated Assessment

Primary Theme: *Workspace*

Stage of development	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2018/19	2018/19
Stage 2b Updated Assessment	Feasibility	2019/20	2019/20

Stage of development	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£680,000	£575,000	£1,255,000	46%
Stage 2b Updated Assessment	£680,000	£575,000	£1,255,000	46%

Stage of development	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber	Amber	Amber/ Green	Green	Green
Stage 2b Updated assessment	Amber	Amber	Amber/ Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

This is due to a change in the thresholds for assessment of match funding.

Scale of impact (Amber)

No additional information provided so no change.

Need for intervention (Amber to Amber/Green)

Additional evidence for the demand for studios has been provided.

Value for money (Amber/Green to Green)

Further information has been provided which has clarified the assumptions and reduced uncertainty.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

There is some flexibility with regards to LGF3b funds - updated funding profile suggests that if LGF funding received in or before Feb 2020 the scheme would still be deliverable before the end of 2020.

New Construction Centre, Chelmsford – Initial and Updated Assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£1.295m	£0.505m	£1.8m	28%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation	Flexibility of delivery
Amber	Amber	Amber/ Green	Amber	Green	Green	Feb 2020

Project summary

- Replacing the existing 'Rubb Huts' at the Princes Road Campus of Chelmsford College with a new purpose-built workshop for construction courses and skills development.

Key strengths

- A skilled construction labour force will benefit housing delivery.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Case for Public Sector Intervention

The case for LGF funding is based on the lack of private sector funding opportunities due to the unattractive rate of return. However, there is insufficient evidence to suggest LGF funding is being used as a funder of last resort since the college has a capital fund that it can utilise, albeit by delaying other projects.

Secondary reasons

- There is insufficient evidence that alternative funding sources have been exhausted.
- A limited options assessment has been put forward.

Reasons for changes to scores

Match / leverage (Amber)

No change from initial assessment.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Red/Amber to Amber/Green)

Information provided has shown that there is a need for intervention. Other funding sources would not be suitable for filling the funding gap.

Value for money (Amber)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

There is some flexibility with regards to LGF3b funds. The funding profile suggests that if LGF funding received in or before Feb 2020 the scheme would still be deliverable before the end of 2020.

Newhaven Town Centre Scheme – Initial Assessment

Primary Theme: *Public realm*

Development Stage	LGF Spend Completion	Project Completion
Option Selection	2020/21	2023/24

LGF 3b Ask	Match funding	Project Cost	% match
£843,000	£60,600,000	£61,443,000	99%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Green	Amber/ Green	Amber	Green	Amber

Project summary

- The scheme will provide new community, tourism, leisure, residential, and retail facilities in an accessible central location.
- The project will indirectly create 182 jobs and safeguard a further 75, plus 108 affordable homes will be enabled with the potential for a further 70 on an adjacent site.

Key strengths

- Supports the regeneration of a town centre, indirectly supporting new affordable houses and new jobs.
- Supports the visitor economy.
- Very high match funding.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Need for intervention (Amber/Green)

There are some concerns regarding whether such a small LGF contribution 1% of the overall project cost can unlock such a substantial scheme.

Value for money (Amber)

A BCR of below 2:1 has been presented, though with additional economic analysis to take into account the wider benefits, we would expect the Value for Money to improve.

Benefits Realisation (Amber)

A wider project timeline which extends far beyond the LGF horizon means that there will be limited benefits realisation by March 2021.



Newhaven Town Centre Scheme - Updated Assessment

Primary Theme: *Public realm*

Stage of development	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Option Selection	2020/21	2023/24
Stage 2b Updated Assessment	Option Selection	2020/21	2023/24

Stage of development	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£843,000	£60,600,000	£61,443,000	99%
Stage 2b Updated Assessment	£843,000	£60,600,000	£61,443,000	99%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Green	Amber/ Green	Amber	Green	Amber
Stage 2b Updated Assessment	Green	Green	Amber/ Green	Amber/ Green	Green	Amber

Reasons for changes to scores

Match / leverage (Green)

2.5 No change to initial assessment.

Scale of impact (Green)

2.6 No change to initial assessment.

Need for intervention (Amber/Green)

No change to initial assessment.

Value for money (Amber to Amber/Green)

Additional value for money analysis has been undertaken using land value uplift analysis. This has provided greater certainty around the assumptions and the estimated BCR, though the scheme is still sensitive to downside risks.

Deliverability (Green)

No change from initial assessment

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

There is some flexibility with regards to LGF3b funds. The funding profile suggests that if LGF funding received in or before Feb 2020 the scheme would still be deliverable before the end of 2020.

National Institute of Agricultural Botany (NIAB), East Malling, Kent – Initial Assessment

Primary Theme: *Business support / Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility Design and Option Selection	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£1,840,000	£3,293,000	£5,133,000	64%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Green	Green	Amber	Green	Green

Project summary

- Provision of infrastructure (utilities, drainage, groundworks) required to build 896m² of new state-of-the-art glasshouses and the construction of a low-carbon energy centre at NIAB (horticultural and land-based science research centre). This will support a range of innovative research projects. This forms Phase 1 of Masterplan for an Advanced Technology Horticultural Zone.
- It will directly create 14 knowledge-based jobs and contribute to 150 new jobs in the horticultural sector.
- The scheme will also release land suitable for the development of 410 homes.

Key strengths

- Direct impact on jobs.

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- Releases land for new housing.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of local funding commitment.

Value for money (Amber)

The economic appraisal methodology has been carried out at a high level since the LGF funding request is less than £2m.

The scheme has a relatively small direct impact, and while it opens up opportunities for additional jobs and housing growth, the case for the realisation of these potential benefits requires additional qualitative and quantitative evidence. The lack of this qualitative and quantitative evidence raises uncertainty around the value for money of the scheme.



National Institute of Agricultural Botany (NIAB) – East Malling, Kent – Updated Assessment

Primary Theme: *Business support/ enterprise park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility Design and Option Selection	2020/21	2020/21
Stage 2b Updated assessment	Feasibility Design and Option Selection	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,840,000	£3,293,000	£5,133,000	64%
Stage 2b Updated assessment	£1,750,000	£3,383,000	£5,133,000	66%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Green	Green	Amber	Green	Green
Stage 2b Updated Assessment	Amber/ Green	Green	Green	Amber	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

There has been a 5% reduction in the LGF ask and the matching funding has increased by an equal amount.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber)

No change from initial assessment. Whilst additional narrative has been provided, uncertainty remains due to the lack of quantification of impacts.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Information has not been provided, though the programme indicated that there is flexibility since the scheme is planned to be completed by August 2020, providing seven months contingency.

Purdeys Way, Junction Improvements, Rochford – Initial Assessment

Primary Theme: *Transport*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£2,110,000	£15,000	£2,125,000	1%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber	Amber	Amber/Green	Green	Amber/Green	Green

Project summary

- Modification of the access junction for Purdeys Industrial Estate to remove the mini-roundabout and replace with a larger signalised junction with widened approaches and improved footways.
- The scheme will improve access to Purdeys Industrial Estate and London Southend Airport.

Key strengths

- Supports economic growth (specifically new jobs) by improving connectivity and reducing transport barriers.
- Demonstrates Very High Value for Money with a BCR of 5.92:1.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber)

The level of match funding is low relative to the LGF funding ask.

Scale of impact (Amber)

Whilst the project is linked to the growth of London Southend Airport, the business case has not identified the scale of impact on jobs, homes and learner numbers associated specifically with the delivery of this project.

Need for intervention (Amber/Green)

The business case does not demonstrate why private sector funding from tenants benefitting from the scheme cannot fund the delivery of the scheme.

Deliverability (Amber/Green)

2.7 The level of LGF spend profiled in 2020/21 (£1.71m) of 80% of total scheme costs presents a risk to the spend of LGF within the required timescales.



Map data @2019 Google

Purdeys Way, Junction Improvements, Rochford – Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,110,000	£15,000	£2,125,000	1%
Stage 2b Updated assessment	£2,110,000	£15,000	£2,125,000	1%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber	Amber	Amber/ Green	Green	Amber/ Green	Green
Stage 2b Updated assessment	Red/ Amber	Amber	Amber/ Green	Green	Amber/ Green	Green

Reasons for changes to scores

Match / leverage (Amber to Red/Amber)

This is due to a change in the thresholds for assessment of match funding.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

The programme indicates that funding cannot be delayed beyond September 2019 for the scheme to be fully delivered.

Restoring the Glory of the Winter Garden, Eastbourne – Initial and Second Assessment

Primary Theme: *Urban realm*

Scale of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£1.6m	£2.3m	£3.9m	59%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber/ Green	Amber	Amber/ Green	Green	Green	Green

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Case for Public Sector Intervention

The rationale for public intervention is not well made in the Strategic Case. It is stated that public sector intervention is needed to restore the Winter Gardens to its former glory, yet a clear coherent case has not been articulated as to why this is required. For example, there is no evidence of demand, for music and event space, no narrative on the provision of conference space elsewhere.

Secondary reasons

- There is insufficient evidence of demand for the proposal.
- There has not been a compelling case made that alternative options have been considered and the most appropriate option selected.

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Amber)

No change from initial assessment, though additional information has been provided concerning the potential benefits of the scheme.

Need for intervention (Amber to Amber/Green)

Additional information has been provided concerning the need for intervention which demonstrates demand for the venue.

Value for money (Green)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

The programme indicates that funding cannot be delayed beyond September 2019 for the scheme to be fully delivered.

Romney Marsh Employment Hub, Folkestone & Hythe – Initial Assessment

Primary Theme: *Business support / Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility/Planning	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£2,570,737	£4,310,237	£6,880,974	63%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/Green	Green	Amber/Green	Amber	Amber/Green	Green

Project summary

- Delivery of a business/skills/innovation employment hub and associated infrastructure to kick-start the delivery of the development masterplan in New Romney.
- Delivery of the masterplan will support 700 jobs, although only 200 of these are direct jobs related to the business hub. It also has the potential to unlock 400 homes.
- There is not a high degree of certainty over these jobs, given that limited demand assessment has been carried out to demonstrate the labour requirements of business owners / entrepreneurs.

Key strengths

- Supports new jobs and releases land for new homes.

- Supports the delivery of a wider masterplan.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of funding commitment.

Need for intervention (Amber/Green)

The Business Case provides evidence of the existence of a viability gap. However, it has not been made clear why a private sector developer would not develop the site reducing the need for LGF funding.

Value for money (Amber)

The Business Case states an adjusted BCR of 3.92:1. However, the robustness of the economic appraisal methodology that has been applied and the assumptions underpinning it raise uncertainty around the value for money of the scheme. In particular, private sector contributions and rental incomes have been incorrectly accounted for within the cost-benefit analysis.

Deliverability (Amber/Green)

As over 50% of expenditure will happen in 2020/2021 (£1.3m) there is risk to LGF spend within the required timescales.



Map data @2019 Google

Romney Marsh Employment Hub, Folkestone & Hythe - Updated Assessment

Primary Theme: *Business support/ enterprise park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility/Planning	2020/21	2020/21
Stage 2b Updated assessment	Feasibility/Planning	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,570,737	£4,310,237	£6,880,974	63%
Stage 2b Updated assessment	£2,570,737	£4,310,237	£6,880,974	63%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Green	Amber/ Green	Amber	Amber/ Green	Green
Stage 2b Updated assessment	Amber/ Green	Green	Amber/ Green	Green	Amber/ Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Amber to Green)

The value for money assessment has been reworked following feedback and additional information provided, resulting in a very high BCR of 6.99:1, and clear articulation of assumptions.

Deliverability (Amber/Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

The programme indicates that funding cannot be delayed beyond September 2019 for the scheme to be fully delivered.

Rye Harbour Discovery Centre – Initial Assessment

Primary Theme: *Public realm*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2019/20	2019/20

LGF 3b Ask	Match funding	Project Cost	% match
£200,000	£2,900,000	£3,100,000	94%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Amber	Amber	Amber/Green	Amber/Green	Green

Project summary

- Creation of a landmark new visitor attraction for the South East and provision of access to a key nature tourism site.
- The project will support 8 jobs. There are high levels of certainty around this output.
- The project will support the regional tourist economy as part of the wider South East Nature Tourism Partnership. However, the economic outputs of this are less certain.

Key strengths

- Generates additional jobs.
- Supports the visitor economy.
- High match funding.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Scale of impact (Amber)

Whilst the wider potential for positive impact is understood and well-communicated, the direct economic impact in terms of additional jobs is low, and the economic impacts from tourism are uncertain.

Need for intervention (Amber)

Sussex Wildlife Trust has a good track record in fundraising and the business case does not make it clear why other sources of funding cannot fill this funding gap.

Value for money (Amber/Green)

The economic appraisal methodology has been carried out at a high level so raises some uncertainty around the value for money of the scheme.

Deliverability (Amber/Green)

Sussex Wildlife Trust as an organisation does not have significant experience in managing capital build projects and this raises a minor delivery risk.



Rye Harbour Discovery Centre - Updated Assessment

Primary Theme: *Tourism*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2019/20
Stage 2b Updated assessment	Feasibility	2019/20	2019/20

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£200,000	£2,900,000	£3,100,000	94%
Stage 2b Updated assessment	£150,000	£2,950,000	£3,100,000	95%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Amber	Amber	Amber/ Green	Amber/ Green	Green
Stage 2b Updated assessment	Green	Amber	Amber	Amber/ Green	Green	Green

Reasons for changes to scores

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber)

No change from initial assessment.

Value for money (Amber/Green)

No change from initial assessment.

Deliverability (Amber/Green to Green)

Although Sussex Wildlife Trust does not have significant experience in managing large contract build programmes, it has secured professional advice and support from independent project management experts to ensure the Project is managed both efficiently and to budget.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

The programme indicates that funding cannot be delayed beyond April 2019 for the scheme to be fully delivered.

Sevenoaks Business Hub – Initial Assessment

Primary Theme: *Workspace*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2019/20	2019/20

LGF 3b Ask	Match funding	Project Cost	% match
£240,400	£25,000	£265,400	9%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber	Amber/ Green	Green	Green	Green	Green

Project summary

- A project to bring a disused Red Cross building back into use as a Business Hub.
- The project will support 16 start-up businesses and 15 net jobs over 10 years.

Key strengths

- Direct impact on jobs.
- Utilises a vacant town centre site.
- Supports start-up businesses.
- Low level of LGF required.
- Very High Value for Money with a BCR of 10.6:1

Reasons for Amber or Amber/Green scores

Match / leverage (Amber)

The level of match funding is low relative to the LGF funding ask.

Scale of impact (Amber/Green)

The expected economic impacts of the scheme in terms of net jobs is moderate, though it is acknowledged that the scale of the scheme is relatively small and the LGF ask is relatively low.



Map data ©2019 Google

Sevenoaks Business Hub - Updated Assessment

Primary Theme: *Workspace*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2019/20
Stage 2b Updated assessment	Feasibility	2019/20	2019/20

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£240,400	£25,000	£265,400	9%
Stage 2b Updated assessment	£240,400	£825,000	£1,065,400	77%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation	Flexibility of delivery
Stage 2a	Amber	Amber/ Green	Green	Green	Green	Green	Programme Entry required:
Stage 2b Updated assessment	Amber/ Green	Amber/ Green	Green	Green	Green	Green	Apr or Sep 2019 or Feb 2020 (assumed)

Reasons for changes to scores

Match / leverage (Amber to Green)

Additional information provided indicates that the site for the business hub is being provided by Sevenoaks. This has significantly increased the match funding.

Scale of impact (Amber/Green)

2.8 No change from initial assessment.

Need for intervention (Green)

2.9 No change from initial assessment.

Value for money (Green)

2.10 No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Flexibility of deliver

From the information provided it is assumed that the provision of LGF3b funds is required by February 2020.

Shoebury Heritage Centre, Southend – on –Sea. – Initial and Updated Assessment

Primary Theme: *Tourism*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£0.85m	0	£0.85m	0

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Red/ Amber	Amber	Amber	Amber/ Green	Amber/ Green	Green

Project summary

- Completion of the internal works to the proposed Shoebury Heritage Centre providing multi-use space for Social Enterprise employment, community space, heritage, tourism and support to local businesses.

Key strengths

- Aims to encourage visitors and residents to explore the area.



Map data @2019 Google

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Case for Public Sector Intervention

The Strategic Case suggests the project will be a catalyst for supporting tourism as there is a lack of accessible year round infrastructure to support visitors and residents to explore the area, hold social, cultural and civic events and see interpretation on the history, culture and environment. However, there is a lack of evidence on how this has been determined, and a lack of quantification.

Secondary reasons

- There is insufficient evidence that the scheme cannot be funded through alternative sources.
- Whilst supporting creative and tourism sectors in an area with relatively high levels of deprivation in the Thames Gateway, the case is not sufficiently strong that the scale of impact will be suitably significant.

Reasons for changes to scores

Match / leverage (Red/Amber)

No change from initial assessment.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber)

No change from initial assessment.

Value for money (Amber/Green)

No change from initial assessment.

Deliverability (Amber/Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

From the information provided it is assumed that the provision of LGF3b funds is required by February 2020.

Sidney Little Road Business Incubator Hub, Hastings – Initial Assessment

Primary Theme: *Business support / Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2019/20	2021/22

LGF 3b Ask	Match funding	Project Cost	% match
£500,000	£2,273,686	£2,773,686	82%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Green	Green	Green	Amber/ Green	Amber/ Green

Project summary

- Development of 28 incubator units on redundant land located in an industrial estate in Hastings Borough.
- 74 jobs created with initial support given to 28 start-up businesses, which is likely to increase in number given the total lettable space of 887 sqm.

Key strengths

- High level of match funding.
- Low level of LGF funding required.
- Direct impact on jobs (with a low cost per new job - £6.8k).
- Supports start-up businesses.
- Leverages previous SELEP investment in the Bexhill/Hastings link road.

Reasons for Amber or Amber/Green scores

Deliverability (Amber/Green)

Additional consideration of the scheme risks would increase certainty of deliverability. In particular, a quantified risk assessment has not been undertaken at SOBC stage. Additionally, the council is taking the risk on revenue shortfall in the first five years, so the funding gap may increase if borrowing levels or interest rates increase.

Benefits Realisation (Amber/Green)

Although the LGF monies are programmed to be spent in 2019/20, the wider project delivery timescales are beyond the LGF horizon, therefore the full benefits of the funding will not be realised by March 2021.



Map data @2019 Google

Sidney Little Road Business Incubator Hub – Hastings – Updated Assessment

Primary Theme: *Business support/ enterprise park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2021/22
Stage 2b Updated assessment	Feasibility	2019/20	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£500,000	£2,273,686	£2,773,686	82%
Stage 2b Updated assessment	£500,000	£2,273,686	£2,773,686	82%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Green	Green	Green	Amber/ Green	Amber/ Green
Stage 2b Updated assessment	Green	Amber/ Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Red/Amber)

No change from initial assessment.

Scale of impact (Green to Amber/Green)

While the scale of impact is significant, the scheme will not support or safeguard as many jobs as some other schemes within the pipeline.

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Amber/Green to Green)

Additional assurance has been provided concerning risk management.

Benefits Realisation (Amber/Green to Green)

Spend outside of LGF period is minimal so benefits realisation will begin in 2020/21.

Flexibility of delivery

Updated evidence indicates some flexibility in delivery with programme entry in April 2019, September 2019 or February 2020 all compatible with project completion by March 2021.

Skills for Rural Businesses Post-Brexit, Plumpton College, Lewes, East Sussex – Initial Assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
SOBC	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£2,918,000	£4,119,020	£7,037,020	59%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber/ Green	Amber/ Green	Amber/ Green	Green	Green

Project summary

- Building capacity in technical training, skills supply and business support interventions at Plumpton College to drive productivity increases in agrifood and associated businesses during Brexit transition and post Brexit.
- The project will deliver new jobs, 13 safeguarded jobs, 204 additional apprenticeships, and 2,500 + business support activities.

Key strengths

- Additional skills and business support in a key industry.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, though there is no private sector contribution and there are other schemes which have higher level of funding commitment.

Scale of impact (Amber/Green)

The economic impact of the scheme is high, but the number of jobs supported directly is small (13), with most of the benefits accruing from additional apprenticeships and business support activities. There are some concerns over how the scale of impact from the business support activities has been estimated – it is stated that these comprise “2500+ p.a. arising from events, mentoring, peer exchange, masterclasses, demonstrations, student/employer meets etc...”. However, there could be more evidence provided to support this estimate, more detail on the nature of the interventions and an explanation of how they will add value.

Need for intervention (Amber/Green)

The business case does not provide sufficient justification as to why alternative funding sources cannot be used to contribute towards filling the funding gap.

Value for money (Amber/Green)

The Business Case states a Very High Value for Money with a BCR of 6.52:1. However, the assumptions underpinning the economic appraisal raise some uncertainty around the value for money of the scheme. Specifically, additional evidence is required to justify how business support interventions have been valued. Their quantified benefit is estimated to be £2.374m p.a. (or £950 per intervention), but there is a lack of evidence regarding how this has been determined, and a lack of benchmarking information to provide confidence in the estimate.

Skills for Rural Businesses Post-Brexit – Plumpton College, Lewes, East Sussex – Updated Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	SOBC	2020/21	2020/21
Stage 2b Updated assessment	SOBC	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,918,000	£4,119,020	£7,037,020	59%
Stage 2b	£2,918,000	£4,119,020	£7,037,020	59%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber/ Green	Amber/ Green	Amber/ Green	Green	Green
Stage 2b	Amber/ Green	Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment, though further narrative has been provided to support this level of match funding.

Scale of impact (Amber/Green to Green)

Additional information and clarification have been provided which provides increased assurance regarding the scale of impact. This includes 13 additional staff plus 165 additional training jobs; 100 new apprentice places in butchery and bakery; increased business to business networking leading to stronger supply chains and faster adoption of sector innovation.

Need for intervention (Amber/Green to Green)

Additional information has been provided which demonstrates that alternative funding sources have been considered and reasonably discounted. For example, the Agriculture and Horticulture Development Board does not provide capital investment.

Value for money (Amber/Green to Green)

Additional clarification has been provided concerning the underlying assumptions use and this has provided increased confidence in the very high value for money rating.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

From the information provided it is assumed that the provision of LGF3b funds is required by April 2019

St Nicholas Square, Colchester – Initial Assessment

Primary Theme: *Public realm*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£1,052,500	£17,500	£1,070,000	2%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Red/ Amber	Amber	Green	Green	Green	Green

Project summary

- A public realm improvement scheme to improve a currently very poor public space and harness planned/potential regeneration around the square.
- The project will indirectly support the delivery of 24 new housing units, and 12 net jobs. It will also support retail units located adjacent to the square.

Key strengths

- Supports the regeneration of a town centre as part of a wider investment programme within a Business Improvement District.
- Supports new housing.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber)

The level of match funding is low relative to the LGF funding ask.

Scale of impact (Amber)

The direct economic impacts in terms of jobs and houses are quite low, though there are additional indirect benefits in terms of supporting the rejuvenation of Colchester town centre and encouraging visitors to the town.



St Nicholas Square – Colchester – Updated Assessment

Primary Theme: *Public realm*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated Assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£1,052,500	£17,500	£1,070,000	2%
Stage 2b Updated Assessment	£902,054	£123,366	£1,025,420	12%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Red/Amber	Amber	Green	Green	Green	Green
Stage 2b Updated assessment	Red/Amber	Amber/Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Red/Amber)

No change from initial assessment.

Scale of impact (Amber to Amber/Green)

Although the scheme does not have a direct impact on jobs, a case, supported by an evidenced example, is made for the fact that public sector investment in public realm can leverage substantial private sector (developer) investment. The point is also made that the Colchester Business Improvement District has identified schemes such as this as being key enablers.

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment, though it is noted that the revised BCR is now 4.03, with the increase derived from a reduction in land acquisition costs and the inclusion of a quantified reduction in crime and disorder.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that scheme remains deliverable with LGF funding being released in September 2019 or February 2020.

Southend Town Centre – Initial and Updated Assessment

Primary Theme: *Urban realm*

Scale of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£1.5m	£0.5m	£2m	25%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber	Amber/ Green	Green	Green	Green	Amber/ Green

Project summary

- Delivery of public realm works, CCTV in the town centre, improvement in pedestrian access to the town centre and tackling the high levels of vacancy rates in the town centre.

Key strengths

- Aims to help attract inward investment in the town centre.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

There is uncertainty that the scheme components that would be delivered by the LGF can have the stated economic impacts. For example, the creation of jobs is hinged on the filling of vacant units but there is no information about how likely these are to be filled and when.

Secondary reasons

- 75 units being brought back into use, 402 jobs and 75% occupancy rate is too much to expect from the investment being proposed.
- This is not part of a larger scheme therefore it is unclear as to how this level of impact could be delivered.

Reasons for changes to scores

Match / leverage (Amber)

No change from initial assessment.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Red/Amber to Green)

Additional information has been provided concerning assessment assumptions which has increased confidence in the value for money of the scheme.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Amber/Green)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that scheme remains deliverable with LGF funding being released in September 2019.

Sturry Link Road – Initial and Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a Updated Assessment	SOBC	2020/21	2021/22

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£1,500,000	£28,100,000	£29,600,000	95%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Green	Green	Green	Green	Amber/ Green	Amber

Project summary

- A new road and bridge which avoids the need to use a level crossing.

Key strengths

- Includes provision for sustainable modes.
- Key improvement required to deliver the Canterbury District Local Plan



Map data @2019 Google

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Deliverability Risk

Given that the scheme has £5.9m already allocated, more than £10m would need to be spent in 2 years and this would be difficult to achieve given the current stage of progression of the scheme (including the need for planning permission and a CPO) and given the uncertainty about the timing of the developer contributions to the project.

Secondary reasons

- More funding should be provided by developers given the high level of dependency of development on this scheme.

Reasons for changes to scores

Match / leverage (Green)

The LGF ask has decreased from £4.5m to £1.5m and the percentage local leverage has increased.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Amber to Green)

Additional information provided by Canterbury City Council has provided further evidence for the importance of the intervention, particularly in relation to supporting growth.

Value for money (Green)

No change from initial assessment.

Deliverability (Red/Amber to Amber/Green)

Additional information has been provided concerning actions being taken to mitigate risks. The mitigations include negotiations with the landowners whilst also progressing with a CPO.

Benefits Realisation (Amber)

No change from initial assessment. The scheme is due for completion November 2021 - after the LGF period - with further works for the extension scheme continuing into 2022.

Flexibility of delivery

Funding is required in September 2019 to ensure construction can begin in January 2020.

Superfast Essex – Initial and Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	SOBC	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£4m	£0.042m	£4.042m	1%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated Assessment	Red/Amber	Amber	Amber/Green	Amber	Amber/Green	Green

Project summary

- Complete superfast broadband infrastructure in remaining unconnected areas.

Key strengths

- Aims to improve productivity.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

The delivery of broadband creates benefits that are created through safeguarding employment, productivity-time savings or increased participation in the labour force. These are left as concepts and no attempts are made to quantify them.

Secondary reasons

- There is limited quantification of the economic impacts of the scheme.
- No monetised economic appraisal has been undertaken as is required by the Assurance Framework.

Reasons for changes to scores

Match / leverage (Red/Amber)

No change from initial assessment.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Amber)

No change from initial assessment.

Deliverability (Amber/Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in September 2019.

Thames Enterprise Park, Sustainable Transport – Initial and Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£2.276m	£2.276m	£4.552m	50%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber/Green	Amber	Amber	Red/Amber	Amber	Amber/Green

Project summary

- A package of infrastructure schemes and initiatives which focus on encouraging and enabling greater travel choice and providing sustainable options for walking, cycling, public transport use and access to car sharing.

Key strengths

- Encourages use of sustainable and active modes.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Value for Money

Economic appraisal has shown that the scheme represents low value for money with a BCR of 1.32:1

Secondary reasons

- There is insufficient evidence that alternative funding sources have been exhausted.
- There is limited evidence of consideration of options. There is insufficient consideration of procurement, contracting and management strategies.

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Amber)

No change from initial assessment.

Need for intervention (Amber)

No change from initial assessment.

Value for money (Red/Amber)

No change from initial assessment.

Deliverability (Amber)

No change from initial assessment.

Benefits Realisation (Amber/Green)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in September 2019.

Thameside Fire Training Ground (North Kent College) – Initial Assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	Unclear	2021/22

LGF 3b Ask	Match funding	Project Cost	% match
£400,000	£100,000	£500,000	20%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber	Green	Amber/ Green	Green	Amber/ Green

Project summary

- Redevelopment of a fire training ground for skills training, to provide a purpose-built training facility suitable for both marine and shore based firefighting training.
- The project will support the delivery of 1,500 employees trained and 106 maritime apprentices. The expected outputs have been calculated by assessing past performance and trends and the economic appraisal has been undertaken at a high level.

Key strengths

- Supports skills training in an important industry.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

Some funding match has been committed, but there are other schemes which have higher level of funding commitment.

There timescale for LGF spend relative to other funding contributions is unclear.

Scale of impact (Amber)

The scheme has no direct impact on jobs or homes numbers, but does provide skills training with the potential to reduce youth unemployment. This is not quantified so there is uncertainty around the scale of the economic impact.

Value for money (Amber/Green)

The economic appraisal methodology has been carried out at a high level and this raises some uncertainty around the value for money of the scheme.

Benefits Realisation (Amber/Green)

The wider project delivery timescales are beyond the LGF horizon therefore the full benefits of the funding will not be realised by March 2021.



Thameside Fire Training Ground (North Kent College) – Updated Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2020/21
Stage 2b Updated assessment	Feasibility	2019/20	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£400,000	£100,000	£500,000	20%
Stage 2b Updated assessment	£400,000	£100,000	£500,000	20%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber	Green	Amber/ Green	Green	Amber/ Green
Stage 2b Updated assessment	Amber	Green	Green	Amber/ Green	Green	Green

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green to Amber)

Change in match/leverage RAG banding.

Scale of impact (Amber to Green)

Since the original application a contract has been agreed with KFRS for them to hire the facility for a minimum of three years, with the option to increase to five years. This has substantially increased the scale of impact.

Value for money (Amber/Green)

No change from initial assessment - the economic appraisal methodology has been carried out at a high level and this raises some uncertainty around the value for money of the scheme.

Benefits Realisation (Amber/Green to Green)

Clarification of timescales has provided reassurance of benefits realisation within 2020/21.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in September 2019.

Thanet Parkway – Initial and Updated Assessment

Primary Theme: *Transport*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	OBC	2020/21	2021/22

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£4.0m	£23.65m	£27.65m	86%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Green	Amber/ Green	Amber/ Green	Amber/ Green	Amber/ Green	Amber/ Green

Project summary

- New station located approximately 2 miles east of Ramsgate on the Ashford International to Ramsgate line, south of the Manston Airport site and just to the west of the village of Cliffsend.

Key strengths

- Has the potential to create a step change in the connectivity between Thanet and central London.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Deliverability and Funding Risk

- This is a large scheme designed to enable development but has yet to secure any firm commitment from a developer, as the proposed development has not been forthcoming.
- £10m LGF is currently allocated to the project but no LGF has been spent to date due to the substantial funding gap.
- Whilst a further LGF contribution would reduce the funding gap, it would not complete the funding package required to deliver the project.

- Uncertainty around the future use of Manston Airport which will have a significant impact on benefits realisation of the scheme.

Secondary reasons

- Lack of evidence concerning a current problem caused by poor rail service provision in the area that would be served by the new station.
- The scheme is only at GRIP 4 stage which given experience on Ashford Spurs (much smaller scheme) means that implementation at least a year from commencing.
- Spend of £15m in 2 years would be difficult to achieve given the current stage of progression of the scheme.

- There is currently uncertainty as to the total cost of the project and, even with the additional LGF ask, how this funding gap would be met.

Reasons for changes to scores

Match / leverage (Green)

Additional match has been pledged by KCC which means the LGF3b has been reduced from £8m to £4.0m.

Scale of impact (Amber to Amber/Green)

Additional information has been provided concerning the dependent development and this has identified that Thanet District Council expects Thanet Parkway to expedite around 8,500 homes, ensuring deliverability of the Local Plan's housing allocation.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Amber to Amber/Green)

The core scenario BCR is 2.35, based on a medium growth scenario. There remains some uncertainty around the value for money given the potential for downside risks such as below expected car parking revenue or above expected fare evasion materialise.

Deliverability (Red / Amber to Amber/Green)

Additional information has been provided regarding the programme which provides some reassurance on the ability to deliver the scheme within the LGF timescales, given the contingencies allowed.

The uncertainty regarding the funding gap has been removed as this will be included in Kent County Council's capital programme.

Benefits Realisation (Amber to Amber/Green)

The planned opening of the station is December 2021 coinciding with the timetable change. This indicates that benefits will begin to be realised shortly after the end of the LGF period.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in February 2020.

The Coachworks, Ashford – Initial assessment

Primary Theme: *Workspace*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2019/20	2019/20

LGF 3b Ask	Match funding	Project Cost	% match
£910,800	£1,000,000	£1,910,800	52%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber	Amber/ Green	Green	Amber/ Green	Green

Project summary

- The refurbishment of a number of buildings within Ashford's Commercial Quarter to create a campus where people can work, make, perform, exhibit, eat and drink.
- The scheme will indirectly support 147 jobs, however, there is uncertainty around how these outputs have been calculated.

Key strengths

- Forms part of a wider strategy to support the town centre.
- Utilises a derelict building in a prime location.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed but there are other schemes which have higher levels of funding commitment and there is no private sector contribution.

Scale of impact (Amber)

The economic impact of the scheme on jobs numbers is indirect and there is uncertainty around the displacement and deadweight assumptions which have been employed. Identification of what would happen in the absence of an allocation from the LGF would increase the robustness underpinning the economic impacts of the scheme.

Need for intervention (Amber/Green)

The Strategic Case identifies that the LGF funding is primarily to speed up the scheme deployment, the case has not been made that without the funding the scheme would not happen at all.

Deliverability (Amber/Green)

There is some uncertainty over the availability of match funding given that Council approval is still required.



The Coachworks, Ashford - Updated Assessment

Primary Theme: *Workspace*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2019/20	2019/20
Stage 2b Updated assessment	Feasibility	2019/20	2019/20

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£910,800	£1,000,000	£1,910,800	52%
Stage 2b Updated assessment	£910,800	£1,000,000	£1,910,800	52%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/Green	Amber	Amber/Green	Green	Amber/Green	Green
Stage 2b Updated assessment	Amber/Green	Green	Green	Green	Green	Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Amber to Green)

Additional information has been provided concerning the underlying assumptions (e.g. deadweight, displacement) giving confidence that the 147 new jobs are additional. Further useful narrative has been provided concerning the wider benefits of the scheme and what would be lost without LGF funding.

Need for intervention (Amber/Green to Green)

Additional clarification has been provided concerning the dependence of the scheme on LGf funding. Specifically, If LGf funding is not forthcoming while some of the buildings on the site could be refurbished this would exclude the Corn Mill building and the ability to deliver restoration and regeneration of the whole site.

Value for money (Green)

No change from initial assessment.

Deliverability (Amber/Green to Green)

Assurances have now been provided that match funding will be delivered.

In addition, the planning application for the conversion of the Old Corn Store received resolution to permit at Planning Committee on the 16th January 2019.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

From the information provided it is assumed that the provision of LGF3b funds is required by April 2019

The Reception, Purfleet – Initial and Updated Assessment

Primary Theme: *Workspace*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2b Updated assessment	£8.82m	£2.16m	£10.98m	20%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber	Amber/ Green	Green	Amber / Green	Amber	Amber

Project summary

- Development of a mixed-use facility comprising creative commercial workspace, a central reception, café/events hall and canteen at the High House Production park.

Key strengths

- Aims to create a cluster of creative activity at the High House Production Park by delivering creative commercial workspace and associated facilities at the site, as well as business support services on-site.



Map data @2019 Google

Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Deliverability Risk

£8.3m planned to be spent in the final year of LGF presents a deliverability risk. More specifically, the scheme still requires planning permission and detailed design work meaning that construction is planned for February 2020 through to completion May 2021.

Secondary reasons

- Given the level of investment, the economic impacts on jobs is quite limited: 73 jobs is fewer than what is being delivered by lower levels of funding.
- Planning permission is not yet in place.

Reasons for changes to scores

Match / leverage (Amber)

No change from initial assessment.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber/Green)

No change from initial assessment.

Deliverability (Amber)

No change from initial assessment.

Benefits Realisation (Amber)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in September 2019.

Tilbury Riverside, Thurrock - Initial Assessment

Primary Theme: *Business support / Enterprise Park*

Development Stage	LGF Spend Completion	Project Completion
Detailed Design	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£2,360,000	£3,000,000	£5,360,000	56%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber/ Green	Green	Green	Green	Amber/ Green

Project summary

- Building of a new extension to the Riverside Business Centre to provide good quality workspace targeted at start-up, small and medium businesses.
- The project will deliver high quality business support services, 20 workshop extensions, and 48 net jobs.

Key strengths

- Direct impact on jobs.
- Provides support for start-up businesses.
- Project demonstrated High Value for Money with a BCR of 5.54:1.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there are other schemes which have higher level of funding commitment. Private sector funding has been considered but is deterred by current poor market conditions.

Scale of impact (Amber/Green)

The short economic impacts in terms of direct additional jobs is low relative to the level of spend, though there is in addition some economic benefit from business support services and additional jobs growth in the medium term.

Benefits Realisation (Amber/Green)

Given that there is £1.16m of LGF funded spending programmed for 2020/21 there is some risk that the full benefits of the funding will not be realised by March 2021.



Tilbury Riverside, Thurrock - Updated Assessment

Primary Theme: *Business support/ enterprise park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Detailed Design	2020/21	2020/21
Stage 2b Updated assessment	Detailed Design	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£2,360,000	£3,000,000	£5,360,000	56%
Stage 2b Updated assessment	£2,360,000	£2,757,964	£5,117,964	54%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber/ Green	Green	Green	Green	Amber/ Green
Stage 2b Updated assessment	Amber/ Green	Amber/ Green	Green	Green	Green	Amber/ Green

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Amber/Green)

No change from initial assessment.

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment, although the value for money assessment been updated (confirming a high BCR when the scheme is assessed over a 20-year period).

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Amber/Green)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in September 2019.

Tindal Square, Chelmsford – Initial Assessment

Primary Theme: *Public realm*

Development Stage	LGF Spend Completion	Project Completion
SOBC	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£500,000	£2,000,000	£2,500,000	80%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Green	Amber	Green	Amber	Green	Green

Project summary

- A scheme to remove traffic from Tindal Square, Chelmsford and to create a high-quality public space.
- The scheme will indirectly support 1,000 retail jobs and 100 new jobs in Shire Hall, and will indirectly support proposed city centre housing developments and the wider regeneration of the town centre.
- There is uncertainty around the methodology for calculating the economic impacts.

Key strengths

- Supports the regeneration of a town centre, indirectly supporting new jobs and houses.
- High match funding.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Scale of impact (Amber)

The primary benefit of the scheme is to support the development of Shire Hall, and housing developments in the City Centre by improving the public space. Since there are no direct impacts from the scheme there is some uncertainty around the economic impacts in terms of jobs and houses.

Value for money (Amber)

The economic appraisal has been carried out at a high level without a quantitative value for money assessment, or a compelling qualitative narrative. There is therefore some uncertainty around the value for money of the scheme.



Tindal Square, Chelmsford – Updated Assessment

Primary Theme: *Public realm*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	SOBC	2020/21	2020/21
Stage 2b Updated assessment	SOBC	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£500,000	£2,000,000	£2,500,000	80%
Stage 2b Updated assessment	£500,000	£2,000,000	£2,500,000	80%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Green	Amber	Green	Amber	Green	Green
Stage 2b Updated assessment	Green	Amber/ Green	Green	Amber	Green	Green

Reasons for changes to scores

Match / leverage (Green)

No change from initial assessment.

Scale of impact (Amber)

Additional narrative has been provided concerning the benefits of similar public realm schemes (e.g. A study of a similar scheme in Maidstone identified that for every £1 invested there was an economic uplift of £3 in the local economy) which has reduced the level of uncertainty regarding the scale of the impact of this scheme.

Need for intervention (Green)

No change from initial assessment.

Value for money (Amber)

No change from initial assessment.

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in September 2019.

University of Essex Parkside Phase 3 – Initial and Updated Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	SOBC	2020/21	2021/22

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
State 2b Updated assessment	£5m	£5m	£10m	50%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber/Green	Green	Green	Amber/Green	Green	Amber

Project summary

- This project is an extension of the Parkside Office Village on the Knowledge Gateway site and involves a new four storey building with a net floor area of 3,775m².

Key strengths

- The development can accommodate 14 businesses and 300 jobs.

- The Parkside Office Village has seen jobs created in a number of key areas including Engineering, Health, Care, Logistics, Digital and Creative and Finance. The Phase 3 development will build on this.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

Primary reason - Case for Public Sector Intervention

LGF funding is needed to speed up the development process and provide for tenants requiring more space - without LGF funding the focus would be largely on smaller start-ups. Thus, the funding will be used primarily to speed up the development rather than enable it.

Secondary reasons

There is insufficient evidence that alternative funding sources have been exhausted.

There is some concern about the back-ended timing of the delivery of the scheme within the LGF period.

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Red/Amber to Green)

Additional information provided has indicated that the University is unable to proceed without LGF funding.

Value for money (Amber/Green)

No change from initial assessment. Whilst the scheme is shown to have a very high value for money, there is a lack of clarity over the assumptions made concerning deadweight, leakage and displacement (i.e. the number of additional jobs).

Deliverability (Green)

No change from initial assessment.

Benefits Realisation (Amber)

No changes from initial assessment.

Flexibility of delivery

There is some flexibility, though funding is required by Sep 2019 to enable spend of the LGF component by March 2021.

USP College Centre of Excellence for Digital Technologies and Immersive Learning, South Essex – Initial Assessment

Primary Theme: *Skills*

Development Stage	LGF Spend Completion	Project Completion
Feasibility	2020/21	2020/21

LGF 3b Ask	Match funding	Project Cost	% match
£900,000	£1,116,000	£2,016,000	55%

Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Amber/ Green	Amber/ Green	Green	Green	Amber/ Green	Green

Project summary

- Development of a new Centre of Excellence for Digital Technologies and Immersive learning.
- The project will support 24 additional learners and 45 additional apprentices per annum.

Key strengths

- Develops skills in a key industry.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

A strong funding match has been committed, but there is no private sector funding and there are other schemes which have a higher level of local funding commitment.

Scale of impact (Amber/Green)

The expected economic impact of the scheme in terms of learners is relatively low in comparison to other skills schemes seeking funding.

Deliverability (Amber/Green)

Whilst there are no major concerns regarding cost risks, more assurance could be given around how potential cost overruns have been considered and how any cost overruns will be met.



USP College Centre of Excellence for Digital Technologies and Immersive Learning – South Essex – Second Assessment

Primary Theme: *Skills*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2a	Feasibility	2020/21	2020/21
Stage 2b Updated assessment	Feasibility	2020/21	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match
Stage 2a	£900,000	£1,116,000	£2,016,000	55%
Stage 2b Updated assessment	£900,000	£1,116,000	£2,016,000	55%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2a	Amber/ Green	Amber/ Green	Green	Green	Amber/ Green	Green
Stage 2b Updated assessment	Amber/ Green	Green	Green	Green	Green	Green

Project summary

- Development of a new Centre of Excellence for Digital Technologies and Immersive learning.
- The project will support 5,000 additional learners and 450 additional apprentices over 5 years.

Key strengths

- Develops skills in a key industry.
- Low level of LGF required.

Reasons for Amber or Amber/Green scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Amber/Green to Green)

Additional benchmarking of the scale of impact of similar schemes has indicated that this scheme represents a substantial scale of impact relative to the spend (5,000 additional learners and 450 additional apprentices over 5 years).

Need for intervention (Green)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Amber/Green to Green)

Additional information has provided greater certainty that the risk of cost overruns has been mitigated.

Benefits realisation (Green)

No change from initial assessment.

Flexibility of delivery

There is some flexibility in delivery of the scheme, though LGF3b funds are needed by September 2019.

Reasons for changes to scores

Match / leverage (Green)

No change from initial assessment.

Scale of impact (Green)

No change from initial assessment.

Need for intervention (Amber)

No change from initial assessment.

Value for money (Green)

No change from initial assessment.

Deliverability (Amber to Amber/Green)

Further information has been provided concerning deliverability risks, reducing the uncertainty over deliverability.

Benefits Realisation (Amber/Green)

No change from initial assessment.

Flexibility of delivery

Information provided indicates that the scheme remains deliverable with LGF funding being released in September 2019.

Workspace Central Bexhill – Initial and Updated Assessment

Primary Theme: *Business support / Enterprise Park*

Stage of assessment	Development Stage	LGF Spend Completion	Project Completion
Stage 2b Updated assessment	Feasibility	2019/20	2020/21

Stage of assessment	LGF 3b Ask	Match funding	Project Cost	% match RAG
Stage 2b Updated assessment	£1,000,000	£1,500,000	£2,500,000	60%

Stage of assessment	Match / leverage	Scale of impact	Need for intervention	Value for Money	Deliverability	Benefits Realisation
Stage 2b Updated assessment	Amber/ Green	Amber/ Green	Amber/ Green	Green	Amber/ Green	Green

Project summary

- Redevelopment of an unsightly and dilapidated former garage and petrol station into a retail space for HFS (Hastings & Rother Furniture Services) and workspace hub of 1,834m²
- Provides workspace for 20 small enterprises and supports between 31 and 46.5 new permanent jobs.

Key strengths

- Utilises a brownfield site in a key location.
- Improves the urban realm on a route used by both businesses and tourists.

steer

- Supports a successful social enterprise (HFS).
- Has the potential to support additional jobs and support small / start-up businesses.



Reasons for the project originally being sifting out through the initial Stage 2a assessment

This scheme was not assessed fully, and additional information provided clarification of the scheme's planned impacts.

Reasons for changes to scores

Match / leverage (Amber/Green)

No change from initial assessment.

Scale of impact (Red/Amber to Amber/Green)

The scheme has the potential to support up to 47 permanent jobs and 20 small businesses.

Need for intervention (Amber/Green)

No change from initial assessment.

Value for money (Red/Amber to Green)

The value for money based on Land Value Uplift results in a low BCR, and then GVA benefits of jobs growth is added to generate an 'adjusted' BCR which shows the scheme represents high value for money.

Deliverability (Amber/Green)

No change to initial assessment.

Benefits Realisation (Green)

No change from initial assessment.

Flexibility of delivery

Additional information provided indicates that programme would not be deliverable were funding provided after April 2019.

3 Next Steps

SELEP Investment Panel - 8th March 2019

The Investment Panel has been rescheduled for the 8th March 2019, from 10:00 – 12:00 at High House Production Park. A copy of the Terms of Reference for the Panel is available [here](#).

The role of the Investment Panel is to prioritise the projects into a single LGF pipeline, with the outcome of this technical assessment helping to inform the decision making by the Panel. As LGF underspend becomes available, projects included within the LGF3b pipeline will be able to come forward to the Accountability Board for a final funding decision.

Once the Investment Panel has agreed the single pipeline of projects, this will enable a first tranche of LGF3b projects to come forward to the Accountability Board for a funding decision, based on the projects position on the ranked list.

Accountability Board – Final funding decisions

All final funding decisions remain the responsibility of the Accountability Board. Projects which are included on SELEP's single pipeline will be informed when sufficient LGF underspend is available to enable the project to progress.

Once informed, the Business Case will be submitted through the Gate 1 and 2 assessments prior to a final funding decision by the SELEP Accountability Board.

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