South East Local Enterprise Partnership: Growing Places Fund

Introduction and background – Growing Places Fund Round 3

The Growing Places Fund (GPF) was established by the Ministry for Housing, Communities and Local Government (MHCLG) (formerly the Department for Communities and Local Government - DCLG) and the Department for Transport (DfT) in 2011 to unlock economic growth, create jobs, build houses and help 'kick start' development at stalled sites. GPF operates as a recyclable loans scheme. In the case of the South East Local Enterprise Partnership (SELEP) a total of £49.2m GPF was made available, of which £54.5m GPF has already been allocated through Rounds 1 and 2. Repayments are now being made on these original loan investments, creating the opportunity for reinvestment of GPF through Round 3. Through GPF Round 3, SELEP seeks to invest up to £20.724m (amount of GPF available over the next two years to 2021/22), in projects which require capital loan investment.

The process for the allocation and award of GPF includes three stages:

- *Stage 1 – Expression of Interest and Federated Area sifting and prioritisation of projects by Strategic Fit*
- *Stage 2 – Project prioritisation by SELEP Investment Panel*
- *Stage 3 – SELEP Accountability Board funding decision*

In Stage 2, schemes prioritised by the Federated Areas (during Stage 1 of the process) will be required to develop and submit a Strategic Outline Business Case which provides the strategic, economic, financial and deliverability evidence in support of the proposal. Applicants are invited to complete all sections of this document which will inform the prioritisation process undertaken by the SELEP Investment Panel.

Loan agreements

SELEP will allocate the GPF through loan agreements with the lead County Council/Unitary Authorities, who will then enter into agreements with scheme promoters.

Primary Loan Agreements will be entered into between Essex County Council (as Accountable Body for SELEP), the 'Lender' and the relevant Upper Tier authority, the 'Borrower' (County or Unitary Authorities).

The Primary Loan Agreement will include:

• A capped facility for capital expenditure	• A definition of the works (infrastructure)
• Drawdown conditions based on certification of works	• A loan term
• Drawdown profile	• Repayment profile
• Interest rate – Interest will be charged at a fixed rate of 2% below the Public Works Loan Board rate or zero (whichever is higher) at the point of the loan agreement being entered in	• Missed repayment fine – A late repayment fine will be incurred if the project fails to make loan repayments as per the schedule agreed within the Loan Agreement. The fine will be equivalent to the charging of interest at market rate from the point of default on the loan repayment
• Clawback conditions	• Monitoring requirements

Where appropriate Primary Loan Agreements will be conditional upon a subsidiary agreement being entered into between the Borrower and a third party.

<u>The Primary Loan Agreement will provide a contractual obligation for the Borrower to repay the loan according to the repayment profile</u>.

Growing Places Fund Business Case Template

*Please enter your answers in the white space beneath the question (and/or complete the table). All questions **must** be answered.*

1. Scheme Summary

Scheme Promoter: East Malling Trust / NIAB EMR

Project Name: Wine Innovation Centre

Federated Board: Kent and Medway Economic Partnership

Lead County Council/Unitary Authority: Kent County Council

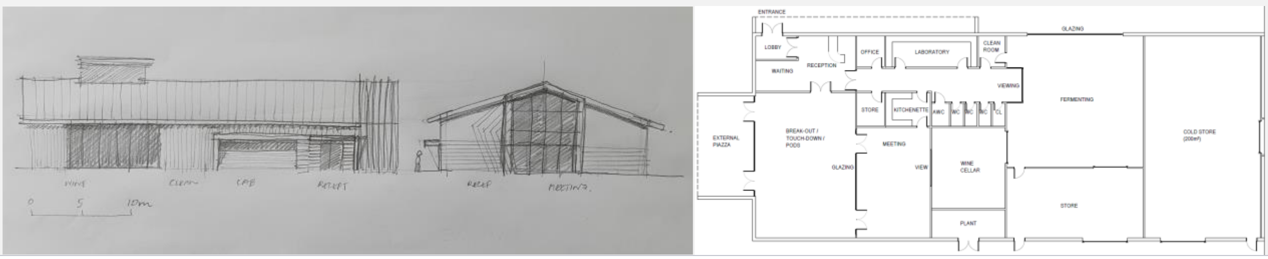
Development Location: East Malling Estate, New Road, East Malling, Kent ME19 6BJ

Project Description:
[Please provide a brief description of the overall proposed scheme, referring to any other SELEP funding which has been previously allocated to the project; maximum 1 page]

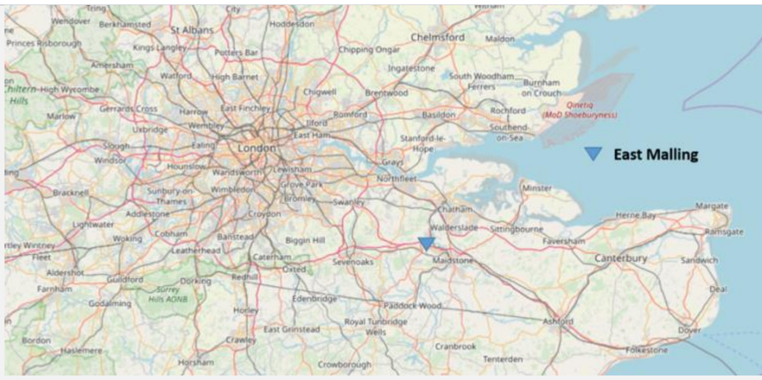
The **East Malling Trust (EMT)** in partnership with **NIAB EMR** propose to build a facility to host a Wine Innovation Centre at the **East Malling Estate**. The vision of this project complements NIAB EMR's investment in the only UK research vineyard to support Kent's wine sector to develop as global leaders in innovation. With 3,500 ha viticulture is the fastest growing agriculture sector in the UK. Despite the growing trend the industry is not profitable yet, due to adverse climate conditions and the lack of suitable bespoke agronomy approaches which have a direct impact on crop yields. The Wine Innovation Centre will build on the success of Kent's wine industry and the development of the East Malling Viticulture Consortium which includes members that collectively account for more than 60% of the wine production of the UK. The majority of the UK's vineyards are located in Kent and the SELEP area; making this sector one of the most promising for growth and economic development in the next 10 years.

This project will create infrastructure, services and high-tech facilities which will generate upwards of **£1m** million (over 5 years) in additional annual R&D spend in the region. It will create **4 new knowledge-based and highly skilled jobs** in addition to safeguarding 5 jobs at NIAB EMR. Wider benefits will also include a de-risked environment to unlock follow-on private sector investment that is needed to deliver further R&D facilities (estimated at **£300k** by 2025). This project will also facilitate the development of the strategy for the research agenda of NIAB EMR as a key focus for innovation in the food and drink sector in the SELEP region which has recently been boosted with the award of the UKRI's Strength in Places Fund. This offers a unique opportunity to integrate the Wine Innovation Centre with other developments at East Malling. This is closely aligned with the ambition to develop a wider Innovation Campus at the East Malling Estate and contribute to the economic growth and skills agenda of the Kent and Medway region. This will stimulate demand for the provision of high-quality training and **50+ new jobs** within the next 10 years in the wider horticulture, food and drink sectors. Accelerating investment at East Malling is a priority to ensure that NIAB EMR and its partners remain at the cutting edge of research and innovation and are able to secure future public and private sector funding. Access to the most advanced facilities is also essential to attract and retain high-calibre staff, provide the 'know-how' that is needed by industry to deliver sustainable growth and productivity gains, and ensure that Kent, and the SELEP area are established as world-class leader in wine making innovation.

Diagram of proposed building and location of East Malling Estate



SOUTH EAST
LOCAL ENTERPRISE
PARTNERSHIP



Project Development Stages:

[Please specify the current stage of development confirming the roles of developer, and other partners involved in delivering the scheme e.g. bank, contractor. Please specify the project development stage(s) to be funded through GPF as per the table below. Add additional rows as necessary]

Project development stages			GPF funding required (yes or no)
Stage	Partners	Status	
Pre-Application – • Appoint architect • Appoint planning consultant	EMT/ NIAB EMR Project Team	Completed	No
Pre-Application meeting with Tonbridge & Malling Borough Council	TMBC/ EMT/ NIAB EMR Project Team	Completed	No
Detailed design work & surveys to include utilities	EMT / Project Team	Completed	No
Procurement & contractor appointment	EMT/ NIAB EMR	Oct-Nov 2020	No
Ground & foundations work- Installation of utilities and services	Contractors	Mar- Aug 2021	Yes
Construction and fit out of building	Contractors	Aug-Dec 2021	Yes
Installation of specialist equipment	NIAB EMR/Contractors	Oct – Dec 2021	No

2. Strategic Fit

Policy and Strategic Context:

[Please specify how the overall scheme aligns with the policy and strategic context, including local policies, strategies and investment plans, the SELEP Economic Strategy Statement priorities and the SELEP Skills Strategy 2018-2023; maximum 1 page]

The implementation and delivery of the **Wine Innovation Centre** directly contributes to the five priorities of the SELEP's **Economic Strategy Statement.** More importantly it aims at establishing the region as global leaders for a sector that promises to grow at an accelerated pace in a **post-Brexit economy**.

Priority 1 – **Creating ideas and enterprise**. The proposed work is focused on NIAB EMR's leadership in the horticulture sector to ensure the long-term viability of an industry that depends on the production of high-quality crops to succeed. With the support of the East Malling Trust, NIAB EMR invested in the development of the only Research Vineyard in the UK which has grown to become an invaluable resource and point of reference for the industry, and has enabled the implementation of novel research and innovation projects. The Wine Innovation Centre is additive to this previous investment.

Priority 2 – **Developing tomorrow's workforce**. This facility will enable NIAB EMR to raise both its profile to attract students and researchers in a new and exciting area as well as promote the opportunity to work on innovation across the SELEP region. Within the SELEP area, NIAB EMR is already partnering with **Plumpton College** to support their training and education courses. The opportunity to cement the future of a new and exciting sector in the SELEP region will also support the creation of other employment opportunities in fields such as viticulture (vine growing and grape harvesting), crop protection, molecular biology, marketing and the development of oenology (wine and wine making). Specifically, this priority is also aligned to **SELEP Skills Strategy** by fostering and supporting entrepreneurial activities in an area shaped by innovation which in turn will directly contribute to increasing the productivity of an emerging sector.

Priority 3 – **Accelerating infrastructure**. This project will directly contribute to deliver on a technological development that will be the first of its kind and unique in the UK. It will establish the SELEP region as not only national leaders but also global innovators. The lack of suitable infrastructure has been identified as a key barrier to tackle the slow rate in the improvement of productivity in the UK. The investment in the facilities we are proposing in this project will help also to support an industry that is driven by innovation.

Priority 4 – **Creating places**. We propose to build the Wine Innovation Centre next to the only UK research vineyard at the heart of research campus at the East Malling Estate. This initiative is part of the more ambitious plan to develop the campus as a modern research facility.

Priority 5 – **Working together**. The work of NIAB EMR in the sector has been built by a partnership with industry and academic collaborators. The East Malling Viticulture Consortium has grown in strength with its increasing number of member companies now producing more than 60% of UK wine. The work of the consortium has built on the research excellence across NIAB EMR but has been business-led from its inception. It is from listening to the demands of this industry, that we now propose to build this Wine Innovation Centre.

The SELEP vision for its rural areas is one of a growing economy with a **highly-skilled workforce** and opportunities for business growth. This project will also contribute to the **SELEP's Rural Strategy** by:

- Providing access to rural businesses, critical infrastructure and professional advice and support (RE1);
- Developing the skills of the next generation of researchers, agronomists, growers and rural workforce (in partnership with the local land-based colleges, e.g. Plumpton) (RC2); and
- Supporting the development of sustainable strategies for the viticulture sector (REn1-3).

NIAB EMR will also commit to contribute to the development of a modern Rural Strategy for Kent County Council (KCC). The rural communities are intrinsic part of Kent's identity and the wine sector is emerging as one of the key areas for development. The objective of the new Rural Strategy will focus on supporting economic growth in the rural communities with wider objectives around sustainability which is fully aligned to the aims of the Wine Innovation Centre.

Planning policy

The UK Government has a vision for 'the UK to become a world leader in agricultural technology, innovation and sustainability; exploit opportunities to develop and adopt new and existing technologies, products and services to increase productivity; and contribute to global food security and international development'1. Public and private research and development investments are becoming more international in their collaborations and outlooks. The investment to be made at the East Malling research campus is for such research and development and should therefore be recognised as benefitting from such national policy support.
1 Industrial Strategy: Government and Industry in Partnership – A UK Strategy for Agricultural Technologies, HM Government, July 2013.

Paragraph 83 of the NPPF seeks to support the sustainable growth and expansion of all type of business in rural areas, both through conversion of existing buildings and well-designed new buildings. Decisions should enable the development and diversification of agricultural and other land based rural businesses. The NPPF aims specifically to support a prosperous rural economy.

There is strong planning policy at national and local level which supports development at East Malling Research Station for research and development facilities and any other uses that are related to, or support, the operation of the Research Station.

Development of the new research facility complies with adopted Policy E1 which seeks designates the site as an employment mixed use site. Policy E1 section (s) relates specifically to the East Malling Research Station site and deems the location suitable for offices, research and development and light industrial manufacturing including other uses related to, or supportive of, the operation of the Research Station.

The proposed development is of high quality contemporary design and seeks to secure the delivery of world class research, innovation and knowledge exchange for the UK's wine industry. The development is appropriately located within the research campus adjacent to the exiting East Malling Research Station. It will not have an effect on highways and transportation, residential or rural amenity. The proposed building and its location is acceptable in terms of heritage, archaeology, flood risk and drainage. The development is considered to accord and comply with all pertinent national and local planning policies.

Need for Intervention:

[Please articulate the underlying issues driving the need for intervention, with reference to the specific market failure that the GPF will address. The request should consider whether the problem reflects a market failure or evidence that the market demand for the proposed project has weakened; maximum 0.5 pages]

It is widely recognised that there is a **"market failure"** in the consumption of R&D goods and services by business, whereby purchase of R&D services is more restricted than under usual market circumstances. The intervention being proposed here is to invest in improving the R&D infrastructure to encourage the further uptake of innovation services by the wine industry. In this specific case, the GPF investment is required to improve the R&D capacity and capability in wine making facilities at East Malling to unlock future follow-on investment in the region.

East Malling is located in the heartland of the UK's emerging wine industry and provides an internationally recognised focus for **independent research** and innovation to support the sector. However, its ability to deliver this support in the long-term is **severely constrained** by lack of the infrastructure needed for the cutting-edge technologies that are being developed to increase productivity and the adoption of sustainable production methods. Implications are:

- Attracting industry investment will become increasingly difficult. It will also diminish NIAB EMR's ability to provide the R&D and Knowledge Exchange support that will allow the UK wine industry to emerge as a world-class, competitive and environmentally 'responsible'.
- Capacity for other businesses to conduct R&D, innovation and commercialisation activities will also be limited as the sector depends on the support of centres such as NIAB EMR to successfully adopt new technologies.

The majority of the UK's vineyards are located in Kent and the SELEP area; making this sector one of the most promising for growth and economic development in the next 10 years. In a post Covid-19 economy this sector will be affected by the challenges of accessing experienced labour and the requirement for social distancing that are expected to increase costs and potential fluctuations on demands. Social distancing will require us to take an innovative approach to vineyard management and more generally farming operations and will incentivise the deployment of robotics. NIAB EMR is at the innovation forefront and through the Wine Innovation Centre will support the sector in the adoption of new technologies.

Impact of Non-Intervention (Do nothing):

[Describe the expected outcome of non-intervention. Promoters should clearly articulate the impacts of not receiving GPF funding and how this is reflected against the SELEP objectives to support the creation of jobs, homes, skills and strategic connectivity, as well as the environment, economy and society, if applicable. This section should also highlight whether the project is expected to still go ahead without GPF and whether it is likely to have a reduced impact or a slower impact due to non-intervention; ***maximum 0.5 pages****]*

Failure to secure the necessary funding will negatively impact and significantly delay the ability to deliver the objectives of this project and to invest in the infrastructure and facilities required to:

a) unlock the infrastructure and land required for follow-on investment
b) ensure East Malling is well placed to serve the R&D, innovation and skills development needs of the regional economy.

More importantly, the lack of support for the emerging UK's wine sector will severely threaten its potential for success.

The continuous lack of investment would result in a steady erosion of NIAB EMR's capability to attract highly skilled workers and researchers, to bid for future public and private sector work and to translate that knowledge and skills to the wider horticultural industry. Over time this will impact on the competitiveness of the region and the UK's wine sector, as they would be constrained in their ability to test, evaluate and commercialise innovative new technology and products for a sector that **still needs to demonstrate its viability.**

In addition to the economic arguments presented, failure to deliver this project will have a significant impact on both the environment and society. The successful planting of a new vineyard needs to be followed by a substantial investment in the management of the crop and also developing a rational understanding of the resources required for its development. The Wine Innovation Centre will complement the work that the East Malling Viticulture Cub is currently delivering in supporting vineyard managers which in turn results in a more sustainable use of resources. The expansion of the wine sector will also diversify options for employment to the new generations in the region and will also attract new talent from across the globe.

In summary, the adoption of innovation and improving productivity are key opportunities for the UK and regional economy to address. The importance of investment on R&D sites across the Kent & Medway region has already demonstrated that appropriate investment in the innovation ecosystem can catalyse and support economic activity. The role that the wine sector can play in this area is significant and represents a key opportunity for the SELEP area, particularly where there is the potential for high cross over of innovation from other (recently supported) high-tech industries into the horticultural sector.

Funding Options:

[Please demonstrate the need for GPF by providing evidence that all reasonable private sector funding options have been exhausted and no other public funding streams are available for or fit the type of scheme that is being proposed. If the project was previously submitted for consideration under Local Growth Fund round 3b, please indicate why GPF loan funding is now considered suitable for this project; ***maximum 1 page****]*

The GPF funds will be the primary source of funding for this project. Other options that have been considered:

(a) **Private sector**. Although the wine industry itself represents a promising sector, there is not yet examples of successful growth and are not in the position to fund this type of project.

(b) **Reinvestment of profits generated from the East Malling Trust and NIAB EMR trading activities**. There are limitations to the amount of turnover and profit that can be generated from these trading activities. This is in part due to the nature of their income streams – often 50% from government funding and 50% from commercial sources. Whilst profit can be charged on the latter, the former is often subject to strict conditions about the non-generation of profit. Operating profits are usually sufficient for reinvestment in people and equipment rather than the more considerable sums required for capital investment.

(c) **Public sector –grants designated for capital projects from Research Councils & other research based funding streams**. The opportunity to bid for grants of this nature within the sector are few and far between. Priority investments over the past few years have been directed towards projects focus on food security and to support the four Agri-tech Centres of Innovation which are larger multi-organisation consortia rather than individual organisations.

(d) **Public sector – grants designated for capital projects from local government/ business support initiatives.** This form of funding remains the only viable alternative to option c) above and has been used successfully by comparable organisations in the wider research and innovation sector. NIAB EMR bidding for LGF funding has been focused on the needs to develop modern plant growing facilities (and it addresses a different need to this project).

In summary, EMT has fully explored all the funding options available to them and are currently looking to use a number of them to finance this project. Land is being sold to raise cash for reinvestment. Wine making equipment will be financed by NIAB EMR using profits generated through their own trading activities. External grant funding is the main funding opportunity that is being explored to address the short-fall in funding for the project.

3. Infrastructure requirements

Infrastructure Requirements:

*[Please outline the infrastructure requirements for which GPF funding is sought, and provide evidence and supporting information in the form of location, layout and site plans; **maximum 3 pages included as an Appendix to this document**]*

- Mains water supply
- Connection to foul sewage
- Electricity connection
- New or amended access road to the building
- Sustainable Urban Drainage System (SUDS)
- Internet connection

Location Plan and Layout attached Appendix A

4. Cost and funding

Funding breakdown:

[Please specify the total project funding requirement and provide a breakdown by funding source, as per the table below (add additional rows as necessary). Please specify the capital funding sought through the GPF. Please note that it is recommended that projects should seek GPF of between £250,000 and £3,500,000. Projects outside this threshold may be considered by exception where there is an overwhelming strategic case and a high level of support from the respective Federated Board.

To ensure a proportionate approach to the scale of funding available, no Federated Area should nominate projects to SELEP for progression to Stage 2 which, in total, exceed the amount of funding available (£20.724m)

Also provide comment on the status and risk of all funding contributions to the project, e.g. received, committed, identified but not secured, unsecure. Costs associated with monitoring and evaluation represent revenue spend, and therefore a suitable local funding source must be identified to cover these costs]

Funding source	Funding security	Funding profile						
		20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000	25/26 £000	Total
Capital Funding sources								
SELEP – GPF	Unsecured	100	500					**600**
NIAB EMR	Committed		20	40	20	20		**100**
Revenue Funding sources								
EMT	Committed	50						**50**
NIAB EMR Staff costs	Identified but not secured	80	160	240	320			**800**
Total funding requirement		**230**	**680**	**280**	**340**	**20**		**1,550**

NIAB EMR capital funding is part of the capex annual allocation of the business unit within the NIAB Group that currently represents a fund of ca. £120k.

The EMT has already covered the costs associated to the planning approval (granted in July 2020).

NIAB EMR staff costs will be covered by two main funding sources: commission of industry work and a projects fund associated to the recently awarded Strength in Places Fund. The costs for the non-capital component correspond to the appointment of four new roles at a typical FEC of £80K (including NI and pension contributions).

GPF flexibility

*[Please comment on the level of flexibility to reduce the total amount of GPF sought and/or flexibility to amend the GPF spend profile; **maximum 0.5 pages**]*

We are requesting a modest GPF loan that will be matched by a substantial contribution from the NIAB EMR/East Malling Trust partnership to cover the operational and equipment costs therefore the flexibility to reconsider the funding request will be very limited. There is limited opportunity to adjust the spend profile, as the loan is being used to fund a significant proportion of the capital costs of construction of the facility.

Cost breakdown:

[For the stages of development where GPF funding is sought please provide a breakdown of the associated costs, including any overheads, contingency, quantified risk allowances etc., as per the table below. Add a row for each cost]

	Expenditure profile						
Cost type	20/21 £000	21/22 £000	22/23 £000	23/24 £000	24/25 £000	25/26 £000	Total
Preparation/submission of planning application Procurement & surveys	50						**50**
Levelling land	100						**100**
Construction of main building		270					**270**
Connection of services		130					**130**
Purchase of laboratory / Processing equipment		20	40	20	20		**100**
Staffing	70	160	240	320			**790**
Laboratory fitting		60					**60**
Quantified Risk Assessment (QRA)	5	5					**10**
Monitoring and Evaluation*	5	5					**10**
Contingency		30					**30**
Total cost	**230**	**680**	**280**	**340**	**20**		**1,550**
Inflation (%) The figures in this table were calculated with the assumption of annual inflation rate of 2% (typical rate used in NIAB EMR's costing tools based on an expected annual average)							

* *Costs associated with monitoring and evaluation represent revenue spend and must therefore be funded locally.*

The construction of Wine Innovation Centre does not require special design and can be delivered within the clear boundaries of a pre-determined budget. If we apply an optimism bias adjustment of 10% to the total project cost £150k (estimated cost of £1.5m) we will still be able to secure from a sponsor to cover the potential shortfall. The proposed figure of 10% is based on the Green Book Supplementary Guidance for "Standard Buildings" – which is within the 2-24% range.

5. Deliverability

Planning, Approvals and Specialist Studies:

[Please provide evidence regarding the planning status of the project by stage, if applicable, and whether any other approvals or specialist studies such as an Environmental Impact Assessment are required. Schemes should be ready for delivery. Please include references to planning decisions and reports if available and describe the timescales associated with securing any additional approvals required; ***maximum 0.5 pages****]*

Pre-Application Submitted January 2020

Pre-Application meeting 21 January 2020

Surveys for full application to be carried out February - May 2020

- Topographical Survey
- Transport technical note
- Flood Risk Assessment
- Utility/ Engineering
- Environmental Survey

Submission of Planning Application May 2020

Planning Permission Granted J**uly** 2020

Property Ownership and Legal Requirements*:*

EMT is the freehold owner of the land where the new Wine Innovation Centre will be located. NIAB EMR will be granted a long lease which will be registered with the land registry.

We have reviewed the procurement options against East Malling Trust's requirements and objectives for the Wine Innovation Centre project and analysed the advantages and disadvantages of each route against these objectives. We recognise that the critical factors for this project are programme and cost and whilst control on design and quality are important to the successful completion of this scheme, completing on time and within budget are higher priorities.

For these reasons, we have decided our preferred procurement strategy to be a Design and Build (D&B) route. This will enable Works to commence on site as early as possible whilst gaining a fixed price lump sum in order to provide cost certainty.

A design team is currently being formed but is still in its infancy. Under the funding criteria, we note that firm prices are required to be confirmed by the end of November 2020.

Document with QRA is attached in a separate file. Following the escalation of the Covid-19 situation we have further considered the risk caused by Covid-19.

All contractors are now back on their sites and working productively whilst following the Construction Council's guidelines on social distancing and best practices. The vast majority of contractors are used to overcoming challenges and with each week they are developing and evolving their working methods to maintain productivity.

As this is now a known risk, the contractors will be expected to make allowance in their programme for any impact that the new working practices will have on their construction periods and therefore this will be accounted for in their tender/ contract.

In terms of the impact on the project, if a national shutdown does happen again, then at worst it will impact the completion date but not necessarily the cost. We will be implementing new contract conditions, which will be included in the tender documents, to clearly set-out the contractual process for such an event and set-out that costs are absorbed by the contractor. The contract will be let under a 2 stage JCT Design and Build contract. This means that even with Covid related issues, the risk sits with the contractor. This enables us to have a good level of confidence with regard to our risk management (QRA).

In terms of material procurement, again this will only really be impacted if there is a national shutdown. Manufacturing is being treated like construction, they can't work from home so are back to work. In the last 6 weeks we have seen some difficult in procuring certain products, such as plaster and cement but this was because the quarry's and furnaces shutdown. Things are slowly returning to normal on this front.

Where certain elements, such as the glasshouse frames, are manufactured/fabricated off-site and simply erected on site, the contractor will again need to allow in their programme and procurement strategy for any additional time that is now required because of Covid-19 restrictions.

Equality:

*[Please state whether an Equality Impact Assessment has been completed for the overall project and state the main outcomes of this assessment. Please include the Equality Impact Assessment as an Appendix to this document. If an Equality Impact Assessment has not yet been completed, then please state the expected timescale for completion and how the outcomes of this assessment will be considered during the project's development; **maximum 0.5 pages**]*

The Equality Impact Assessment is attached in a separate document.

Project milestones:

[Please complete the table below to show the key project milestones. This should include the expected project completion date]

Project milestone	Description	Indicative date
Pre-Application –	Appoint architect Appoint planning consultant	Completed
Design work completed and planning application submitted	Surveys to include Utilities	May 2020
Planning approval		September 2020
Procurement & contractor appointment	Following established procurement guidelines	November 2020
Ground & foundations work	Levelling of land, building foundation, installation of utilities and services, setting up initial site configuration.	April -June 2021
Construction of building	Erection of the structure, roofing and building of the main facility.	August 2021
Completion of internal structure	Fit out of building, offices & laboratories	August – December 2021
Installation of specialist equipment	Fermentation tanks, fruit press and laboratory equipment.	October – December 2021
Opening		April 2022

6. Expected benefits

Overall Project Impacts:

[Please specify the expected impacts of the overall project in terms of 'direct' outcomes (jobs, homes and other outcomes arising from the project) and 'indirect' outcomes.

Outcomes should be presented in 'gross' terms and 'net' terms after making adjustments for additionality factors[1] (e.g. deadweight, displacement, leakage, substitution), as per the table below. Particular focus should be given to the assessment of deadweight. For example, deadweight will rarely be 'zero' as GPF allocation typically accelerates delivery or enables higher volumes of development/outcomes, rather than enabling development/outcomes in their entirety. The table should demonstrate the direct impact of the project in terms of creating new jobs and/or homes through enabling specific named developments (which have been identified as part of local development policies, plans or investment strategies). Add additional lines as required]

	Outcomes	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27 onwards	Total
Direct outcomes (gross terms)	Jobs created	1	2	2	2			**7**
	Jobs safeguarded	5	2	3	3			**13**
	Homes built							
	Commercial floorspace delivered		600m2					**600m2**
	R&D Projects (£'000)			100	150	150	150	**400**
	Additional learners			10	10	10	10	**40**
Direct outcomes (net terms, after considering additionality)	Jobs created	1	2		1			**4**
	Jobs safeguarded	5	1	1	2			**9**
	Homes built							
	Commercial floorspace delivered		500m2					**500m2**
	Additional learners			10	10	10	10	**40**
Indirect outcomes (gross terms)	Jobs created			10	20	20	20	**70**
	Homes built							
	Commercial floorspace delivered					500m2	500m2	**1000m2**
	Additional learners			10	10	10	10	**40**
Indirect outcomes (net terms, after considering additionality)	Jobs created			10	10	10	10	**50**
	Homes built							
	Commercial floorspace delivered					250m2	250m2	**500m2**
	Vine yield gains		5%	3%	5%	5%	12%	**30%**
	Additional learners			10	10	10	10	**40**

[1] Additionality is the extent to which something happens as a result of an intervention that would not have occurred in the absence of the intervention (see Homes and Communities Agency, Additionality Guidance, 2014)

Calculation of Project Impacts:

[Please provide the basis for the calculation of the project impacts stated above, making reference to specific named developments (which have been identified as part of local development policies, plans or investment strategies) which are enabled by the project.

In addition, specify if the realisation of benefits is contingent on further investment not yet secured; ***maximum 1 page****]*

On the specific benefit associated to job creation, the proposed development will directly contribute to the net creation of 4 jobs at NIAB EMR and 50 new jobs in the wider industry. There is only a small risk of leakage occurring, as approximately 40% of UK's viticulture activity takes place in the SELEP region. If we consider aspects of additionality NIAB EMR will effectively create 7 jobs but three of them will be reallocated from other activities. Similarly, for the indirect job creation we expect that a number (approx. 20) will be reallocations from other current roles in industry, FE colleges and academia. As this is sector that is currently growing at a fast pace with job offers that are not matched by the available skills we do not expect any job displacement.

The Wine Innovation Centre will replace a small facility that currently hosts a fruit press and a number of small fermentation tanks.

As the Wine Innovation Centre is a facility that will establish a fundamentally new capability for the UK this analysis does not model a possible **deadweight**.

The contributions of the NIAB EMR research and innovation platforms applied to the soft fruit sector have resulted in a tangible and sustained yield increases estimated to be ca. **100% in the last 15 years** (from 10tn/ha to 20 tn/ha). This was achieved with a marked reduction inputs and water usage (20% increased efficiency). Based on these results we predict a similar progression for yields in the viticulture crops. This will have a dramatic impact on the local economy and supports. A multiplier factor of 1.25 was also consider as it is recognised that 1 additional job will be created per 4 new jobs added by this project.

The Wine Innovation Centre will also support new knowledge transfer and training programmes in partnership with FE colleges and Universities. NIAB EMR currently has active skills development programmes with University of Greenwich, University of Kent, University of Brighton and Plumpton College.

We are also partnering with Locate in Kent to attract business to work on the East Malling Estate with NIAB EMR. This initiative will be promoted by the access to state-of-the-art facilities at the Wine Innovation Centre.

The Role of GPF in Benefit Realisation:

[Provide evidence that without GPF support the project would not proceed, would proceed at a slower rate or would have fewer impacts and benefits than estimated; ***maximum 0.5 pages****]*

The benefits realisation plan will be established within 6 months of the project start, although the monitoring of the plan will sit outside the routine delivery of the project. As such, a member of staff at NIAB EMR reporting to the Senior Responsible User will be responsible for the management of this long-term monitoring plan, which will continue past 2025, for a period of up to 4 years.

The development of a Wine Innovation Centre at East Malling will be the critical catalyst for much needed investment in the research and innovation environment that underpins the region's emerging viticulture sector. Without this project, NIAB EMR's ability to deliver significant benefits to the region's economic growth, rural employment and skills agenda will be curtailed. The implementation of this project will:

1) Create a de-risked environment that unlocks future follow-on investment in the site in partnership with industry.
2) Furthers the development of the EMT Innovation Campus at East Malling.
3) Increase the ability to attract public grants and funding for research, innovation and KE activities.
4) Increase private sector work commissioned in state-of the-art facilities, as a result of the increased capacity available for other businesses to conduct research, innovation and commercialisation activities. This is estimated at £100k per annum or £400k over four years.
5) Expand and enhance facilities that will allow NIAB EMR to undertake cutting edge research, innovation and Knowledge Exchange in support of the UK's viticulture sector.
6) Increase dissemination of best practice and skills development for the wider horticultural industry leading to growth of the sector (supporting c. 20 businesses per year).
7) Increase the demand for the provision of high-quality training in the region to support the growth of new high-tech industries and wine production jobs.

In addition to ensuring that NIAB EMR remains a focus of world class research, innovation and knowledge exchange; the outcomes identified above would have a more wide-reaching Impact. This broader impact would include:

- more sustainable resource use in research, innovation and production
- growth in the regions horticultural supply chains
- economic uplift in the region's economy
- productivity gains in UK horticulture and
- assuming increased consumption of fruit and vegetables in diets, improved health and well-being.

The measurement of the wider benefits (outcomes & impacts) provided by this project will be monitored through the Benefits Realisation plan.

Value for Money (VfM) assessment:

[The VfM category should be presented as a summary of the project benefits in relation to project costs. Where the overall project has already had a VfM assessment undertaken the scheme promoter should include this and provide evidence on the potential for GPF to support or, if applicable, enhance the VfM of the overall project. Where no previous VfM assessment has been undertaken, promoters should follow the relevant appraisal guidance (DCLG Appraisal Guidance – page 28 or the DfT Value for Money Framework) and define both the overall VfM and the GPF contribution. This should be proportionate to the size of the overall project and the GPF ask.

Consideration should also be given to the Steer note on the calculation of costs for loan-based funds. As this is a capital loan, rather than a grant, the public cost to be included in the VfM calculations should be based on the value of interest foregone. This is explained in the guidance note and a spreadsheet has been provided to help calculate the public cost to be used in the VfM assessment; ***maximum 1 page****.*

Please note the following:

- *for projects requesting funding of £2m or more, a quantified Value for Money assessment is required in accordance with the SELEP Assurance Framework;*
- *the VfM should be based on the overall assessment of both monetised and non-monetised impacts]*

The UK wine industry only covers 1% of the national market that is dominated by imports from continental Europe and New World production. Although the sector is not profitable yet, it is recognised the opportunity for growth, and if current trends are maintained, it could reach a sales value of **£1bn** by 2040.

The Strategic Case for the GPF investment is made on the principle of **market failure.** The wider benefits (outcomes/ impacts) would be transformational for the site and region. The Economic Case is concerned with assessing the economic value of the proposed scheme to society, taking account of a wide range of social and environmental considerations. The proposal arising from this process, not only delivers the best value to EMT in support of its charitable objectives but also delivers the best value to wider society considering some of the current challenges facing the world.

As the loan requested is under £2 million, we have not undertaken a fully quantified economic appraisal with a Benefit to Cost ratio analysis. However, using the principles from the DCLG Appraisal Guidance and the H.M. Treasury Green Book we have carried out a qualitative assessment of two scenarios – Business As Usual (BAU, the counterfactual scenario) and the “preferred option”– to enable us to make a statement concerning the Value for Money rationale. These scenarios are as follows:

- Under the BAU scenario we consider the impact of the existing wine research facilities (circa 100m2 in a research winery). No further expansion is planned at the current infrastructure on site cannot support them.

- Under the “preferred option” scenario we maintain the existing modest facility and we construct the 500m2 Wine Innovation Centre. This represents the situation that would exist in April 2022 at the end of proposed project. This includes the follow-on investment by industry and NIAB EMR in additional equipment and staff recruitment.

In carrying out this assessment, we are persuaded the BAU scenario represents a realistic situation if the proposed project does not go ahead. The "preferred option" scenario represents the project that we are seeking investment towards.

DCLG costs and benefits	Option 1 - Do nothing. BAU. 100m2 existing research winery	Option 2 – Preferred option Wine Innovation Centre
Productivity	Ongoing as operations continue to use small facility	Improved access to project funding – full realisation of benefits.
Economic transfers (tax and NI)	Small contribution from current staff.	Increased capacity leads to more work, more staff employed, more tax and NI paid
Biotic/abiotic risks	Limited	Enhanced!
Land value	No change other than adjustment due to market forces	Installation of services has increased value relative to option 1.
Asset maintenance costs	Costs expected to increase as facilities age over time	New facility has lower maintenance costs (<£20K p.a)
Infrastructure	No change to existing supplies	Requires new supplies to be installed. A negative impact on the network is unlikely.
Energy efficiency	Energy use is currently oil	Energy use will be electricity
Natural capital	Current facility is built on an existing building	Comparable to option 1
Biodiversity	Assumed to be low at present	Comparable to option 1
Noise pollution	Very little noise pollution at present	Comparable to option 1
Water use	Water usage could be measured	Comparable to option 1 with improved use efficiency.
Travel time for staff	This could be measured	Comparable to option 1
Risks to life & health	none	none

Unmonetised costs & benefits	None identified	Opportunity to promote public awareness about research and innovation.

7. Contribution to the Establishment of a Revolving Fund

GPF Repayment Mechanism:

[Please specify how the GPF will be repaid e.g. through developer contributions, and include supporting documentation where appropriate (e.g. draft S106 agreements) as an Appendix to this document; ***maximum 0.5 pages****]*

The East Malling Trust proposes to repay the loan over a three year period once the Wine Innovation Centre is completed. Repayments are phased to increase over the final three years of the project period, as the Centre increases the delivery of its research and commercialisation activity and generates additional income streams. Surpluses from these activities and other organisation revenue generating activities will be used for repayment of the loan.

GPF Repayment Schedule:

[Please outline the proposed timetable for GPF repayment, committing to repaying the loan before 31st March 2026. The repayment schedule should match that in the Financial Viability section]

	2020/21 £	2021/22 £	2022/23 £	2023/24 £	2024/25 £	2025/26 £	Total £
GPF Repayment (Capital)				100	250	250	

GPF Repayment Risk:

[Provide details of any risks which may impact on the repayment of the GPF funding and how these risks can be mitigated.]

The risk of non-repayment or delay in repayment of the loan is low. Where operational surpluses from revenue generating activities cannot meet repayment requirements, the organisations would be required to use other sources of funds to repay the loan. EMT would be able to utilise their charitable reserves or borrow money commercially in such extreme circumstances.

Financial Viability:

*[Please provide an initial statement highlighting the underlying assumptions and expected viability of the GPF investment; **maximum 0.5 pages**. Following this, please include a cashflow that shows both the Drawdown and Repayment schedules for the GPF funding. All costs and revenues need to be sourced and clearly referenced. If the GPF is expected to unlock further funding that will be used, in part, to repay the GPF loan this should be clearly annotated]*

Cash flow:

£ ‘000	2020/21	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27 onwards
Incoming							
Growing Places Fund drawdown	100	500					
Commercial rent			50	90	90	90	90
EMT	50						
NIAB EMR	80	180	280				
EMT “Bridge”			50	110	210		
Total	**230**	**680**	**380**	**200**	**90**	**90**	**90**
Outgoing							
Growing Places Fund repayment			100	200	300		
Project costs	140	680	370				
Total	**140**	**680**	**470**		**300**		
Net income	**0**	**0**	**0**	**0**	**0**	**90**	**90**
Cumulative total						**90**	**180***

* Over 10 years the cumulative total will be **£450K**

8. Risks

Risk Register:

[Please complete a Risk Register, identifying overall and GPF related project risks, likelihood, impacts and mitigations as per the table in Appendix D. This should include a description of any scheme dependencies, risks and delivery constraints which may impact on the delivery of the project or the benefits achieved through GPF investment in the project. The Risk Register should detail all identified project risks.

*For the most significant project risks provide supporting commentary which considers the implementation risks associated with the project, such as risks associated with not securing GPF funding and risks to the repayment of the GPF; **maximum 0.5 pages**]*

A proactive risk management procedure will be operated, including a risk assessment approach, which ensures that risks are continuously identified, owners assigned and mitigation measures put in place. The Risk Register provided in Appendix B includes the risks identified to date, covering all aspects of the project. The Risk Register will be managed by the Project Director reporting to the Project Board.

Regular reviews will check the status of each risk and monitor their control and mitigation. All risks are currently owned by either NIAB EMR or EMT. As the project develops it is expected that some of these risks will be transferred to contractors constructing the infrastructure.

9. State aid

State Aid:

*[Please confirm that by supporting this project the GPF will not be contravening State Aid regulations; **maximum 0.5 pages**]*

EMT and NIAB EMR are non-profit organisations as defined in the Framework for State Aid for Research and Development and Innovation (R&D&I). Support for the non-economic part of their activities would not be considered state aid and can be given up to 100% intensity. On the other hand, support for any economic activities would be considered state aid and can be given at reduced intensity as set out in the R&D&I framework.

In the circumstances here, the aid component is not the loan itself (which must be repaid) but the advantage conferred on the borrower through not having to pay interest or having a preferential rate of interest on the loan.

Consequently, the amount of aid for this transaction, namely the present value of the interest that would be charged by a commercial lender over the loan period would be estimated. We would expect the De Minimis Regulation to apply here for any aid received. Alternatively, it would be our intention to use the General Block Exemption Regulation (GBER) for investment in infrastructure.

In addition, where commercial services might be offered to industry (e.g. contract research rather than public funded research) these facilities will be open to several users on a transparent and non-discriminatory basis. Potential users would be expected to pay a market rate for using these facilities, thus ensuring state-aid was not inadvertently being passed through to end beneficiaries.

10. Monitoring and evaluation

Monitoring and Evaluation:

[Please provide evidence of how you will monitor and evaluate the effectiveness of the GPF funding. This should include completion of the Monitoring and Evaluation Plan as shown in Appendix E. If GPF funding is sought to unlock a stage of development a monitoring and evaluation schedule should be in place to understand whether the GPF funding has addressed the need and generated the expected benefits.

The Monitoring and Evaluation Plan should include all outcomes stated in section 6 and should set out how the delivery of these outcomes will be measured. Updates on benefits realisation will be sought quarterly both during project delivery and post project completion.

Note: costs associated with monitoring and evaluation represent revenue spend, and cannot therefore be funded through the GPF allocation; ***maximum 1 page****]*

Monitoring these metrics will be the responsibility of the Project Directors. The specific outputs will include:

- Direct private sector leverage of £100k from NIAB EMR for research projects.
- Construction of infrastructure (utility services, ground works, drainage) that will enable the full development of the Wine Innovation Centre.
- Construction of state-of-the-art wine research infrastructure (500 m2) that will be capable of housing modern fruit press and fermentation tanks.
- Enhanced publicity and profile for the EMT Innovation Campus following construction of the new facilities.
- A number of jobs will be created through the delivery of this project.

The measurement of the wider benefits (outcomes & impacts) provided by this project will be monitored through a benefits realisation plan that will be managed and delivered by a member of the project team reporting to the Senior Responsible Officer.

11. Declaration (To be completed by applicant)

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

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

I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer, and other public sector bodies who may be involved in considering the Business Case.

I understand that a copy of the main Business Case document will be made available on the South East Local Enterprise Partnership website one month in advance of the funding decision by SELEP Accountability Board. The supporting appendices to the Business Case will not be uploaded onto the website. Redactions to the main Business Case document will only be acceptable where they fall within a category for exemption, as stated in Appendix G.

Where scheme promoters consider information to fall within the categories for exemption (stated in Appendix G) they should provide a separate version of the main Business Case document to SELEP 6 weeks in advance of the SELEP Accountability Board meeting at which the funding decision is being taken, which highlights the proposed Business Case redactions.

I understand that if I give information that is incorrect or incomplete, funding may be withheld or reclaimed and action taken against me. I declare that the information I have given on this form is correct and complete.

I confirm that the risk analysis included in this Business Case identifies all known project risks and I agree to follow public procurement regulations to the extent applicable during the delivery of the project. I declare that the GPF investment does not contravene State Aid regulations.

All spend of Growing Places Fund funding will be compliant with the Loan Agreement.

I understand that any offer may be publicised by means of a press release giving brief details of the project and the loan amount.

Signature of applicant	O Doubleday
Print full name	*Dr Oliver Doubleday*
Designation	*Chairman East Malling Trust*

The lead County Council/Unitary Authority should also provide a signed S151 Officer Letter to support the submission – see example letter in Appendix F

Appendices

Appendix A	Location, layout and site plans
Appendix B	Equality Impact Assessment
Appendix C	GPF repayment mechanism – supporting documentation
Appendix D	Risk register
Appendix E	Monitoring and Evaluation Plan
Appendix F	Example letter of support from S151 officer of relevant Upper Tier Authority
Appendix G	Categories for Exemption – redactions to main Business Case

Add or remove appendices as appropriate

Appendix D – Risk register

Description of Risk	Impact of risk	Risk Owner	Risk Manager	Likelihood*	Impact **	Risk Rating ***	Risk Mitigation	Residual Risk Rating
(1) SELEP GPF loan not secured.	5	EMT NIAB EMR		2	4	8	The project proposal has been prepared in line with SELEP guidance and the proposal is closely aligned to regional priorities for economic growth and skills development.	4
(2) Escalating costs during design phase resulting in project cannot be delivered to budget.	3	EMT	Project Manager	3	3	9	Clear communication between the project management team and the design team will ensure that the scope and budgetary constraints are clearly defined at an early stage.	2
(3) Project does not meet State Aid requirements	5	EMT	Management	1	3	3	(1) Guidance on State Aid Regulations has been followed in preparation of this project application. (2) Legal advice will be sought as part of the development of the full Project Proposal and business case to ensure that it does not breach State Aid requirements.	1
(4) Project does not secure the necessary business and public support (lack of	5	NIAB EMR	NIAB EMR Business leader	1	4	4	(1) The project draws on extensive research, part of which has engaged businesses.	2

adoption)							(2) Significant businesses in the sector have shown themselves to be highly supportive of the project concept, based, as it is, on identifying the needs of and opportunities for industries along the supply chain in the region. (see letters of support)	
(5) Failure or delays in obtaining relevant planning permission resulting in the project cannot be delivered to budget or to proposed programme of work.	5	EMT	Senior Management	1	4	4	The Project aligns closely with national and regional planning priorities. Design process and planning application are early in the project programme. Dialogue with the Local Planning Authority and other key stakeholders have been undertaken at an early stage.	1

(6) Project delayed due to technical constraints or legal and timetabling issues	2	NIAB EMR	Project Manager	1	3	3	(1) We will appoint a project manager to ensure progress is monitored (2) Dialogue with local authorities and contractors will flag up any issues so that necessary actions can be taken at an early opportunity.	1
(7) Delivery and scale of outputs and outcomes are influenced by external policy developments	3	NIAB EMR	NIAB EMR delivery/research project leader	1	4	4	(1) Regular monitoring of external factors is managed by the NIAB EMR risk register – we will fully engage the Boards, Senior Management Team and other governance units in the organisation.	2
(8) Impact of Covid-19 outbreak on construction phase.	2	NIAB EMR	NIAB EMR delivery/research project leader	1	4	4	Following the escalation of the Covid-19 outbreak in March 2020 and the UK lockdown. We have further considered the risk caused by this outbreak. Since June 2020 most contractors are back working, therefore the risk likelihood is considered to be low. We expect that the Construction Council's guidelines on social distancing and best practices will support the sector.	2

							The main contract will be agreed under 2 stage Design and Build JCT contract. Once in place, the cost, programme, quality and risk are all passed to the contractor and agreed and detailed in the Contractors Proposals.	
(9) Impact of Covid-19 outbreak on the realisation of the benefits of the project.	Common re-occurrence of Covid-19 outbreaks (secondary, tertiary peaks) to impact on NIAB EMR' ability to deliver on project benefits.	NIAB EMR	NIAB EMR	1	4	4	The horticulture sector, and specially viticulture, has remained very active during the pandemic. There is an increase demand for innovation due to the current labour shortages. It can be argued that this factor alone will ensure the benefits of this project can be delivered. We expect that the application of innovative technologies will have a major impact to increase the competitiveness for the sector	2

** Likelihood of occurrence scale: Very Low (1) more than 1 chance in 1000; Low (2) more than 1 chance in 100; Medium (3) more than 1 chance in 50; High (4) more than 1 chance in 25; Very High (5) more than 1 chance in 10.*

*** Impact scale: Very Low (1) likely that impact could be resolved within 2 days; Low (2) potential for a few days' delay; Medium (3) potential for significant delay; High (4) potential for many weeks' delay; Very High (5) potential for many months' delay.*

*** *Risk rating = Likelihood x Impact*

Appendix E – Monitoring and Evaluation Plan

Outcome/benefit to be measured	Expected outcome	Monitoring approach	Benefit realisation timetable
e.g. Delivery of new industrial workspace	*e.g. 1,000 sqm of new industrial workspace*	*e.g. Delivery of workspace to be monitored through tracking planning applications for the site and through engagement with relevant businesses*	*e.g. Workspace to be delivered by December 2021*
Direct job creation	4 new high skilled jobs	NIAB EMR will implement a recruitment process to attract the relevant talent. Annual budgets to include the new roles	2024/25
Commercial floor space	500m2 Wine Innovation Centre	Delivery of the Wine Innovation Centre is the key outcome of this project (see risk register and delivery plans)	2022
R&D Projects	£400K by 2025	NIAB EMR will implement a schedule of project development and submissions with industry (KPI 2 new projects per year)	2025
Training and learners (direct)	40	NIAB EMR will engage with the local FE college to deliver a new programme	2022
Indirect job creation	50	NIAB EMR will engage with collaborators and ancillary industries to record the creation of new posts	2025
Indirect new learners	40	In collaboration with two local FE colleges. Monitor student admission	2025

The Monitoring and Evaluation Plan should include all outcomes stated in section 6 and should set out how the delivery of these outcomes will be measured. Updates on benefits realisation will be sought quarterly both during project delivery and post project completion.

Appendix F – Example S151 Officer Letter to support Business Case submission – Growing Places Fund

Dear Colleague,

In submitting this project Business Case, I confirm on behalf of *[Insert name of County or Unitary Authority]* that:

- The information presented in this Business Case is accurate and complete.
- The funding has been identified to deliver the project and project benefits, as specified within the Business Case. Where insufficient funding has been identified to deliver the project, this risk has been identified within the Business Case.
- The identified project expenditure represents capital spend. GPF cannot be used to cover revenue costs.
- The risk assessment included in the project Business Case identifies all substantial project risks known at the time of Business Case submission.
- The delivery body has considered the public sector equality duty and has had regard to the requirements under s.149 of the Equality Act 2010 throughout their decision-making process. This should include the development of an Equality Impact Assessment which will remain as a live document through the project's development and delivery stages.
- The delivery body has access to the skills, expertise and resource to support the delivery of the project.
- Adequate revenue budget has been or will be allocated to support the post scheme completion monitoring and benefit realisation reporting.
- The project will be delivered under the conditions of the Loan Agreement which will be agreed with the SELEP Accountable Body, including the repayment of the Growing Places Fund loan in accordance with an approved repayment schedule.
- The requested GPF investment does not contravene State Aid regulations.
- The appropriate checks have been undertaken and it has been confirmed that this funding application is from a creditable source which has the means to repay the loan.

I note that the Business Case will be made available on the SELEP website one month in advance of the funding decision being taken, subject to the removal of those parts of the Business Case which are commercially sensitive and confidential as agreed with the SELEP Accountable Body.

Yours Sincerely,

SRO (Director Level) …………………………………………….

S151 Officer ……………………………………………………….

Appendix G – Categories of exempt information

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

The law recognises this and allows for information to be placed in a confidential appendix if:

a) it falls within any of paragraphs 1 to 7 below; and

b) in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

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