

ANNEX 1

LUF Round 2: CLEETHORPES MASTERPLAN BUSINESS CASE (North East Lincolnshire)

Explanatory Note – 25 January 2023

This application was submitted on 2 August 2023 and therefore reflects each project's position at that specific point in time. Although accurate at the time of submission, the application may be subject to potential changes to programme delivery timescales and assumptions relating to non-LUF projects which are referenced in the bid. This is the application format used for the submission, and therefore may not meet all accessibility criteria.

Part 1/2 – Introduction and Gateway Eligibility

Allowance checks in England, Scotland and Wales only.
Please confirm which bid allowance you are using: - Constituency allowance
Bids from a single applicant, excluding large transport and large culture bids
Please confirm that the bid does not exceed £20 million. Y <input checked="" type="checkbox"/>
Package bids
Do you have more than three component projects? N <input checked="" type="checkbox"/>
For bids in England, Scotland, and/or Wales , where you (the applicant) do not have statutory responsibility to deliver all of the transport elements of your bid, please confirm that you have the support of all the authorities with the relevant statutory responsibility before proceeding. Y <input checked="" type="checkbox"/> Please note that this also a requirement for all bids using a transport allowance. Please complete pro forma 1 NOT APPLICABLE
ALL BIDS
1.1 Gateway Criteria for all bids . Please tick the box to confirm that some LUF grant funding will be defrayed in the 2022/23 financial year. Y <input checked="" type="checkbox"/> Eligible expenditure in 2022-23 could include capital development costs.

Applicant Details

Legal name of lead applicant organisation:

Bid Manager:

Officer with day-to-day responsibility for delivering the proposed scheme and nominated contact for the bid.

Name: Helen Thompson

Position: Project Manager

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Senior Responsible Officer contact details:

Name: Sharon Wroot

Position: Executive Director Place, Environment, Economy & Resources, North East Lincolnshire Council

Contact telephone number: 01472 324423

Email address: sharon.wroot@nelincs.gov.uk

Chief Finance Officer contact details:

Name: Sharon Wroot

Contact telephone number: 01472 324423

Email address: sharon.wroot@nelincs.gov.uk

Local Authority leader contact details:

Name: Councillor Philip Jackson

Position: Council Leader

Contact telephone number: 01472 823740

Email address: philip.jackson@nelincs.gov.uk

Please provide the name of any consultancy companies involved in the preparation of the bid:

Hemingway Design Ltd and GL Hearn Ltd – main application.

FREETHS LLP – Subsidy Control.

Where is your bid being delivered?

England

Scotland

Wales

Northern Ireland

For all bids. If VAT is applicable to your organisation, please provide VAT number:

GB 657846778

Part 3 – Bid summary

If your bid is a package bid you should also complete Application Form [Annexes A – C](#) (Attached at the end of this Business Case).

3.1 Bid Name:

Cleethorpes Masterplan

3.2 Please provide a short description of your bid, including the visible infrastructure that will be delivered/upgraded and the benefits that will be felt in the area (100 words max)

North East Lincolnshire Council (NELC) commissioned Hemingway Design (led by Wayne Hemingway MBE) to produce a Masterplan for Cleethorpes (the Masterplan) which, following extensive public consultation, proposes transformational interventions to revitalise the seafront and town centre to become a year-round 'go to' destination. Three projects will kickstart the delivery of the Masterplan:

- Rejuvenating Cleethorpes' historic **Market Square** adds space for social interaction, reconnecting our busy seafront and town centre, creating jobs, and boosting the economy.
- **Sea Road** delivers a multi-use, tourism-focused landmark building.
- Regeneration of **Pier Gardens** boosts the tourism offer, something for everyone, by providing play/leisure/biodiversity attractions.

3.3 Please provide a more detailed overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions. (500 words)

ANNEX 1 – Cleethorpes Masterplan Business Case.

Evidencing NELC's commitment to have a clear vision for Cleethorpes and encourage the wider regeneration of the town centre and resort, the Masterplan, ANNEX 2, was recently adopted. This was informed by an extensive period of public consultation, with circa 3,000 people responding to a survey, the analysis of which is included in ANNEX 3. The priorities for change identified by the community, national trends, and societal direction of travel, has led to the Masterplan's vision for Cleethorpes with six core values: **ENTERPRISING; HEALTHY; PROGRESSIVE; SOCIAL; INCLUSIVE & WELCOMING; and DISTINCT.**

The three projects identified from the Masterplan, meet Levelling Up Fund's (LUF) criteria and missions, whilst addressing the vision and values for Cleethorpes. Significantly, they mark the start of the delivery phase of the Masterplan.

In parallel with the Cleethorpes' LUF bid, NELC is also committed to progressing and funding a phased regeneration project for the North Promenade which aims to deliver an aspirational, leisure attraction for young people, and complements other private sector schemes planned in the area. The delivery of the three LUF projects will help catalyse the North Promenade proposal.

The LUF projects are geographically interconnected within a 19,552sqm footprint as shown in the map, ANNEX 4. ANNEX 5 provides some photos of the project areas.

Market Place proposes to remove existing car parking and reintroduce a functioning historic marketplace with associated improvements to the surrounding streetscape / public realm. Car parking will be re-provided nearby through a separate Council scheme, at Grant Street car park. This project will:

- Deliver 800sqm additional retail space.
- Create up to 40 new jobs created, bringing in approximately £11.3m of economic benefits (whole appraisal period).
- Provide a safer, healthier, more pleasant environment for pedestrians, encouraging a circular route from the seafront through the Market Place, to the town centre.
- Enhance the retail infrastructure within the town centre and increase the opportunity for social activity to take place.

An artist's impression of Market Place, taken from the Masterplan, is included, ANNEX 6.

Sea Road will support the construction of a landmark, high quality building directly opposite the entrance to the historic Pier – a full design and access statement is included, ANNEX 7. Comprising potentially a Resort Hub and public amenities on the ground floor, alongside commercial space on the upper floors, the development has planning permission in place until May 2023, ANNEX 8, and will:

- Deliver 1,300sqm+ floorspace including a second-floor entrance level from Pier Gardens.
- Create up to 71 new jobs, bringing in approximately £16m of economic benefits (whole appraisal period).
- Provide a new social and/or cultural venue to help extend the tourism season.

Sea Road integrates seamlessly with **Pier Gardens** which seeks to transform a Victorian linear park into a series of “outdoor rooms” which will:

- Deliver 13,700sqm new outdoor leisure space.
- Create up to 55 new jobs created, bringing in approximately £18.7m of economic benefits (whole appraisal period).
- Provide a variety of recreational uses including exciting new family-focused activities.
- Introduce more wildlife friendly plant species, enhancing biodiversity.

An artist's impression for Pier Gardens, taken from the Masterplan, is included in ANNEX 9.

All three projects have complementary and aligned interventions, overall providing: a cohesive wayfinding strategy to support pedestrian movements; improved connectivity between the promenades and town centre, boosting the retail economy; sustainable jobs created; infrastructure implemented to increase active travel (walking & cycling); reduction in carbon emissions / congestion; improved air quality; local health & wellbeing issues addressed; and the enhancement of the range and quality of the visitor offer to extend the traditional season.

3.4 Please provide a short description of the area where the investment will take place. If complex (i.e. containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place. (500 words)

The map, ANNEX 10, identifies the location of Cleethorpes within the county of North East Lincolnshire (NEL). NEL lies on the East Coast, at the mouth of the Humber Estuary with the three main urban areas being Cleethorpes, Grimsby, and Immingham.

Located on the South Bank of the Humber 'Energy Estuary', concerted efforts for re-purposing NEL have meant the borough is now well-underway with building a new economic future, focussed on its strengths (a) as one of Europe's leading centres for offshore wind, (b) the continued transition to a low carbon economy, (c) export-led growth in port-related logistics and manufacturing, (d) chemicals/petrochemicals and (e) a food processing legacy (f) a strong quality of life and tourism offer with areas of outstanding natural beauty and beaches with important environmental protections.

NEL is home to 159,000 residents. Population growth has been slow and there has been a decline in working-age residents locally, with demographic projections forecasting a loss in NEL residents over the coming years. As well as serving the local population, which is approximately 39,000, pre-pandemic, Cleethorpes welcomes approximately 3.5 million visitors a year, according to the Scarborough Tourism Economic Assessment Report for 2019 (STEAM) and in 2021 this figure was 2.7 million. Covering a 3.36sq mile radius, the resort and town includes the Cleethorpes Central Seafront Conservation Area and is also located within the Humber Estuary Site of Special Scientific Interest (SSSI) site and has Ramsar Protection. The Masterplan, and the three identified LUF projects, are therefore set within the context of Cleethorpes' ambition to develop and grow the tourism offer including increasing footfall, creating sustainable jobs, encouraging more overnight stays, and extending the traditional tourism season. Furthermore, the Masterplan supports the creation of a green economy and environment which maximises low carbon and healthy initiatives in NEL, improves infrastructure, and maintains compliance with the Natural England approved Habitat Management Plan.

The Masterplan proposes a series of transformational interventions covering an area of focus for investment from the seafront North Promenade, through the Central Promenade, down to South Beach, and the town centre, ANNEX 11.

The three selected LUF projects are within this geographical footprint and closely interconnected, as shown in the uploaded map, ANNEX 4. The GIS maps uploaded in the next question, ANNEXES 12, 13, 14, define the three project areas earmarked for investment in Cleethorpes.

Located within the Sea Front Conservation Area, **Market Place** can be found within Cleethorpes town centre and is dominated by parking, pubs, restaurants, takeaways, and vacant units. Enveloped by some characterful 19th Century buildings, the square acts as a link between the town's main retail street, St Peter's Avenue, and the resort's promenades.

The **Sea Road** project is a strategically important development site which offers an opportunity to be an extension of the promenades, encouraging discovery of the Pier Gardens and the town centre, and supporting the natural movement of residents and visitors along Alexandra Road to the Sea View Quarter.

Pier Gardens, which is a Victorian linear traffic-free park raised above Central Promenade and runs along the length of the town centre, is situated adjacent to Sea Road, between Central Promenade and the historic Alexandra Road.

3.5 Please confirm where the investment is taking place (where the funding is being spent, **not** the applicant location or where the bid beneficiaries are located).

If the bid covers multiple locations please provide a GIS file. If this is unavailable please list all the postcodes / coordinates that are relevant to the investment.

For all bids, please confirm in which constituencies and local authorities the bid is located. Please confirm the % investment in each location.

This is a package bid of three projects for the Cleethorpes constituency. The Local Authority is North East Lincolnshire Council.

GIS maps uploaded in ANNEX 12, 13, 14 show where the three project locations are and where the investments are taking place.

1. Market Place

Postcodes in the area:

DN35 8HQ (This one was uploaded)

DN35 8LZ

DN35 8LY

DN35 8NA

DN35 8LE

DN35 8HF

DN35 8JZ

Grid reference/Co-ordinates:

530549, 408855

Redacted investment

2. Sea Road new building

UPRN 000011079877

DN35 8SE (This one was uploaded)

DN35 8SG

Grid reference/Co-ordinates:

530720, 408933

Redacted investment

3. Pier Gardens

Postcodes:

DN35 8SG (This one was uploaded)

DN35 8SE

DN35 8LE

DN35 8LG

DN35 8LL

Grid reference/Co-ordinates:

530798, 408795

Redacted investment

3.6 Please confirm the total grant requested from LUF (£).

Total Project Costs = £20,396,244

LUF Grant = £18,412,039

Council Match Funding = £ 1,984,205

3.7 Please specify the proportion of funding requested for each of the Fund's three investment themes:

Regeneration and town centre (%) = 70%
Cultural (%) = 30%
Transport (%) = 0%

3.8 Please tick one or more sub-categories that are relevant to your investment:

Regeneration

Commercial X
Civic X
Residential
Other

Cultural

Arts & Culture X
Creative Industries
Visitor Economy X
Sports and athletics facilities
Heritage buildings and sites X
Other

Transport

Active Travel
Buses
Strategic Road
Rail
Aviation
Maritime
Light Rail
EV Infrastructure
Local Road
Other

3.9 Please provide details of any applications made to other funding schemes for this same bid that are currently pending an outcome. Where a successful outcome might lead to you no longer requiring the LUF grant please provide details and confirm when might you expect the outcome to be known. (150 words)

No further funding applications for the Cleethorpes' Masterplan projects have been made.

Part 4 – Equalities

4.1 Bidders are invited to outline how their bid will promote good community relations, help reduce disparities amongst different groups, or strengthen integration across the local community.

The bid forms a catalyst for the wider delivery of the Masterplan for Cleethorpes. The three projects will deliver a series of key enhancements for the community across Cleethorpes that include rejuvenating the historic market square, developing a landmark building at Sea Road, and regenerating Pier Gardens with a series of attractions. All locations are accessible to the whole community, and the projects will promote equality across Cleethorpes and NEL.

As outlined within this bid, ANNEX 3 contains the Survey Analysis for the Cleethorpes Masterplan. The “Think Cleethorpes” public survey was completed between November 3rd and December 12th, 2021, with over 2,700 responses. This included an extensive range of responders from under 17 years of age to over 70 years of age across the whole community. The public survey was launched by NELC and Hemingway Design to uncover how Cleethorpes is perceived by those who know it best, those who live, work and holiday in the town and to discover how respondents feel the town needs to improve and evolve, making it a more enjoyable place to live, work, and visit. It was vital that the vision is based on fact, local knowledge, and community aspiration to create a place that is inclusive, accessible and provides for the needs of all sectors of the community.

The feedback from the public survey informed the vision for the Masterplan that identifies 6 key values: enterprising; social; healthy; inclusive and welcoming; progressive and distinct. It should be noted that two stand-out in relation to enhancing equality and strengthening community:

- Social – A place that encourages social interactions, providing opportunities to meet, relax and have fun for residents and visitors of all ages.
- Inclusive & Welcoming – A place with a varied social, leisure, and entertainment offer with broad appeal. A place where all residents and visitors feel safe and comfortable visiting. A place that provides a diverse range of overnight stay opportunities.

As highlighted in the Theory of Change, ANNEX 19, there are many common issues and challenges in this area of the town and resort which overlap the three projects. The projects are informed by the community, and this supports the selection of the interventions to address health and social inequalities across the area. The projects are the catalyst for the wider delivery of the Masterplan and will deliver a range of expected outcomes and desired impacts as follows (see ANNEX 19 for full summary):

- **Promote good community relations** by increasing a sense of civic pride among residents through enhancing residents lived experience.
- **Help reduce disparities amongst different groups** through a resilient local economy that is less dependent on one industry, the tourist trade and improves job opportunities for a year-round resort and town. Supporting it retain its working population more effectively, leading to a more demographically balanced population.
- **Strengthen integration across the local community** through the growth of social capital supported by new social and cultural infrastructure. And bringing forward unique spaces, uniting green, and blue spaces, which aid physical and mental health and wellbeing.

In terms of the project delivery, all works across the schemes will ensure DDA compliance. In addition, during development of the scheme, all procurement will be subject to appropriate equality guidance and legislation. As highlighted within the deliverability section, NELC includes provision of social value within its procurement practices.

The Council is committed to ensuring Social Value in procurement of regeneration and development contracts. The specific priorities of this policy are to ensure it is considered and built into all activity that is part of the Council commissioning framework to maximise social, economic, and environmental benefits for NEL coupled with value for money.

1. To involve local people and organisations in how we meet the needs of local communities through the commissioning cycle.
2. To tackle disadvantage and address inequalities of health, wealth, and opportunity across the borough
3. To promote the local economy by supporting micro, small and medium sized enterprises, and the voluntary and community sector to thrive
4. To further our sustainable procurement objectives to protect and enhance the environment
5. Opportunities to explore novel ways to address some of these issues are tested through pre-market consultation.

As part of its due diligence, NELC will undertake an Equality Impact Assessment of the schemes but will also consult with appropriate elements of the local community, as outlined below.

The Council recognises that it has a low BME population and works with faith and other groups to try to ensure that inequality and access is not affected. Through the Safer Communities Partnership, the Council will monitor community cohesion and any reports of issues will be identified early and addressed through the work of that partnership.

The projects will also link into the work of the Safer Communities Partnership, faith groups and the voluntary sector forum to see if there is any work needed to encourage people of minority groups to use the developments.

In summary, the projects will enhance key community assets that supports the whole community and enhance it, creating more opportunities, and making it more attractive to a broader section of the local community. In addition, during delivery of the projects, the Council will adopt a procurement strategy that promotes equality and will engage with the local community to encourage use by minority groups in the area. Consequently, the projects will promote good community relations, reduce disparities, and strengthen integration across the local community.

Part 5 – Subsidy control and State aid analysis

<p>5.1. All applicants must establish if the direct of award of LUF funds from UK Government to you (as the applicant) could constitute a subsidy.</p> <p>Applicants must consider whether any of the planned activities meet each of the four key characteristics which indicate if it would be considered a subsidy.</p> <p>If any of the four responses is a ‘No’ then the award is not considered to be a subsidy.</p>
<p>5.1.1. Is the support provided by a ‘public authority’ and does the support constitute a financial (or in kind) contribution such as a grant, loan or guarantee?</p> <p>N X</p>
<p>5.1.2 Does the support measure confer an economic advantage on one or more economic actors?</p> <p>N X</p>
<p>5.1.3 Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?</p> <p>N X</p>
<p>5.1.4 Did you respond ‘Yes’ to all the above? If so, the planned activities meet all four key characteristics which indicates it would be considered a subsidy.</p> <p>N X</p>
<p>5.2 Please demonstrate how the direct award of LUF monies from UK Government to you (as the applicant) has been considered under each of the subsidy principles.</p> <p>This will involve consideration of the how the subsidy can be provided in accordance with the following Subsidy Control principles listed in the Subsidy Control Bill:</p> <p>If the proposed LUF activities do represent a subsidy and all principles have been met, the LUF application will be considered compliant.</p>
<p>5.2.1 Subsidies should pursue a specific public policy objective to remedy an identified market failure or to address an equity rationale such as social difficulties or distributional concerns (“the objective”). Please demonstrate how your bid meets this principle.</p>
<p>N/A as no subsidy. See Legal Subsidy advice, ANNEX 15</p>
<p>5.2.2 Subsidies should be proportionate and limited to what is necessary to achieve the objective. Please demonstrate how your bid meets this principle.</p>
<p>N/A as no subsidy. See Legal Subsidy advice, ANNEX 15</p>

5.2.3	Subsidies should be designed to bring about a change of economic behaviour of the beneficiary that is conducive to achieving the objective and that would not be achieved in the absence of subsidies being provided. Please demonstrate how your bid meets this principle.
	N/A as no subsidy. See Legal Subsidy advice, ANNEX 15
5.2.4	Subsidies should not normally compensate for the costs the beneficiary would have funded in the absence of any subsidy. Please demonstrate how your bid meets this principle.
	N/A as no subsidy. See Legal Subsidy advice, ANNEX 15
5.2.5	Subsidies should be an appropriate policy instrument to achieve a public policy objective and that objective cannot be achieved through other less distortive means. Please demonstrate how your bid meets this principle.
	N/A as no subsidy. See Legal Subsidy advice, ANNEX 15
5.2.6	Subsidies should be designed to achieve their specific policy objective while minimising any negative effects on competition or investment within the United Kingdom. Please demonstrate how your bid meets this principle.
	N/A as no subsidy. See Legal Subsidy advice, ANNEX 15
5.2.7	Subsidies' positive contributions to achieving the objective should outweigh any negative effects, in particular the negative effects on trade or investment between the Parties. Please demonstrate how your bid meets this principle.
	N/A as no subsidy. See Legal Subsidy advice, ANNEX 15
5.3 Public authorities only.	
Please confirm if you will be disbursing the funds as a potential subsidy to third parties.	
N <input checked="" type="checkbox"/> X	
5.4 Public authorities only.	
Confirm that you have completed pro forma 5 statement of compliance signed by your Chief Finance Officer.	
Y <input type="checkbox"/> X <input checked="" type="checkbox"/>	
Pro forma 5 (UPLOADED WITH ANNEXES)	

Part 6 – Strategic Fit

6.1 Member of Parliament Endorsement (England, Scotland and Wales ONLY)

6.1.1 Has an MP given formal priority support for this bid? Y/N

6.1.2 Please confirm which MP has provided formal priority support: (name)

6.1.3 Which constituency does this MP represent?

Please also complete **Pro forma 6**.

6.1.1 Has an MP given formal priority support for this bid?

YES

6.1.2 Please confirm which MP has provided formal priority support:

Martin Vickers MP

6.1.3 Which constituency does this MP represent? Please also complete pro forma 6

Cleethorpes Constituency

Pro forma 6 (UPLOADED).

6.2 Stakeholder Engagement and Support

6.2.1 Describe what engagement you have undertaken with local stakeholders and the community (communities, civic society, private sector and local businesses). How has this informed your bid and what support you have from them?

(500 words)

ANNEX 3 contains the Survey Analysis for the Cleethorpes Masterplan.

Between November 3rd and December 12th, 2021, over 2,700 residents, businesses owners, and visitors responded to the 'Think Cleethorpes' public survey. The public survey was launched by NELC and Hemingway Design to uncover how Cleethorpes is perceived by those who know it best, those who live, work and holiday in the town and to discover how respondents feel the town needs to improve and evolve, making it a more enjoyable place to live, work, and visit. It was vital that the vision is based on fact, local knowledge, and community aspiration to create a place that is inclusive, accessible and provides for the needs of all sectors of the community.

This was augmented by a series of group, and public drop-in sessions, documented in appendix A of the Survey Analysis. All the responses were analysed and used to build the vision for Cleethorpes and the Masterplan.

Consultation was a key feature throughout the development of the Masterplan. The overall vision, development principles and focus areas for the town centre and resort were tested with NELC's administration, ward councillors, the public and other representative groups covering the business, creative and voluntary and community sectors. It represents the largest and most in depth engagement ever undertaken and achieved by NELC for Cleethorpes. In total, 5,342 people visited the 'Think Cleethorpes' survey site with 2,737 completing the feedback form which is a 61% completion rate. The average time spent by people completing the survey was over 22.5 minutes showing overwhelming interest and engagement in the Masterplan principles and project ideas suggested for the town centre

A public and business engagement session was held to test the principles presented in the draft Masterplan. This interactive online session did not flag up any major issues and there was overwhelming support for it.

The draft Masterplan was then circulated in the public domain as part of a report which went to NELC's Tourism and Visitor Economy Scrutiny and then to NELC's Cabinet in March 2022, where it was formally adopted.

In November 2019, the Sea Road building designs were subject to public and key stakeholder consultation through drop-in sessions. The engagement process provided meaningful feedback which was considered by the design team to inform the detailed design phase. See ANNEX 16: Sea Road Engagement Summary. The approved designs were then subject to further consultation through the formal planning process, with statutory responses from Historic England, Natural England, and others.

Before the announcement of the identified LUF projects, direct engagement took place with business owners and lease holders located in the Pier Gardens and Market Place areas. They received a call and a letter to notify them about the proposed projects and confirm that further consultation would happen as the projects are further developed. NELC's Administration and ward councillors were also consulted on the LUF projects, including a session held for Economy Scrutiny, before final approval being given by Cabinet in June 2022.

6.2.2 Has your proposal faced any opposition? Please provide a brief summary, including any campaigns or particular groups in support or opposition, and if applicable, how will you work with them to resolve any issues. (250 words)

Whilst there was honest and sometimes candid feedback about certain areas of Cleethorpes' town centre and resort, the Masterplan received overwhelming support from those who took part.

When recently engaging with business owners in the Market Place, some concern has been raised regarding the potential pedestrianisation of the area. This will involve removing approximately 40 car parking spaces, which we will mitigate by our commitment to ensuring that there will be no net loss of parking in the town centre and resort. NELC is currently developing a project to provide a single-storey car park at Grant Street (about eight minutes' walk away from the Market Place) which will re-provide for any parking spaces removed from this area. Additionally, there is an existing under-used surface car park within three minutes' walk and on-street parking in the immediate vicinity. NELC has given a commitment to its Administration to fully consult with businesses in the Market Place and the community, as and when the projects come forward. This will be another opportunity to hear any concerns and address them.

Having previously delivered other public realm schemes in Cleethorpes, we anticipate that there may be concern regarding any short-term disruption to businesses, visitors, and residents. Our experience of such issues will help us to address this, by ensuring, for example, that any impacts are kept to a minimum, by having open and clear lines of communication with everyone and planning the delivery of the works during the less busy times of the tourism season.

6.2.3 Do you have statutory responsibility for the delivery of all aspects of the bid?

If no:

- Please confirm those parts of the project for which you do not have statutory responsibility
- Please confirm who is the relevant responsible authority
- Please confirm that you have the support/consent of the relevant responsible authority

The Council possesses all the relevant statutory responsibilities it requires to deliver the Scheme, including ownership and public highway responsibilities.

Nevertheless, planning permission is in place for Sea Road until May 2023, ANNEX 8.

Planning pre-app advice has been received for Market Place, ANNEX 17, which indicates that based on the information provided, if the parameters are not exceeded and the works are on NELC land, then no formal application for planning permission will be required for the hard and soft landscaping. However, it is advised that a change of use of the land would be required for the use of Market Place as a permanent pedestrianised area for markets and social events.

Planning pre-app advice has been received for Pier Gardens, ANNEX 18. This indicates that based on the information provided, if the parameters are not exceeded and the works are on NELC land, then no formal application for planning permission will be required. Given the gardens are locally listed and within the Conservation Area, it is advised that there is liaison with the Heritage Officer on the detail of any proposals once they are known. Furthermore, given the landscape in which the gardens sit we are also advised to liaise with the Trees and Woodlands Officer.

6.3 The Case for Investment

6.3.1 Please provide evidence of the local challenges/barriers to growth and context that the bid is seeking to respond to.

(500 words)

Cleethorpes aspires to build its tourism industry to become a year-round economy, which optimises visitor spend and diversifies its economy to underpin lasting and sustainable civic vitality and viability. The Masterplan identifies 6 key values that should inform the town's future development. These are: enterprising; social; healthy; inclusive and welcoming; progressive and distinct¹.

Cleethorpes faces challenges to achieving strength in each of these domains. These are to:

- reverse the exodus of young people and overall population decline;
- increase the number of visitors, particularly those staying over-night;
- encourage visitors to experience as much of the town as possible;
- build an economy that is less dependent on the seasonal tourist trade;
- protect and make better use of the town's heritage assets;
- promote a green economy with improved cycle and pedestrian corridors, energy efficient lighting and water management; and

¹ Cleethorpes Masterplan, p45

- improve health and well-being.

That said, the town faces acute barriers in over-coming these challenges. For example, there are relatively few places to eat, drink and stay; there are limited number of family attractions; the design of public spaces does not encourage their active use; and some key public areas are traffic-dominated.

The evidence gathered to show the scale and significance of these challenges and barriers is set out in section 7.

NELC has therefore conceived a suite of place-making initiatives that will directly address the barriers that have been identified:

- A re-design of the public realm in **Market Place** to re-balance the relationship between traffic and pedestrians and facilitate its activation as a place of sociability and exchange. New carriageway treatments in surrounding streets will encourage wider circulation of people through the town.
- Provide a green corridor from the promenades through to the **Market Place** and main retail areas, creating a better-connected pedestrian route and green spaces. It will also encourage greater use of the town centre by young people, improve trading conditions for existing and new business, and encourage visitor dwell time.
- The delivery of a new building in **Sea Road** to provide an architecturally significant modern building, which local people can be proud of. It will have a mixed function, as a resort hub, and important social and cultural destination.
- Transformational regeneration of **Pier Gardens**, including the installation of new play/leisure attractions, to stimulate active use and improve access, particularly for families. With direct access to the new Sea Road building, it will become a social and cultural destination and help extend the town's appeal beyond the traditional tourism season.

Acting in concert, these interventions are designed to address the barriers in Cleethorpes, allowing the inherent strengths of the town to overcome the challenges, and set the town on a renewed pathway to growth and vitality. Each project has the capacity to strengthen the town's performance in each of the 6 key values.

6.3.2 Explain why Government investment is needed (what is the market failure)? (600 words)

A key role for Government is to create the conditions in which the private sector can thrive. The suite of projects for which LUF is sought address the barriers that stand in the way of Cleethorpes' pathway to growth and prosperity. Therefore, while NELC does not expect Government to address directly the shortage of places to eat or stay, the proposed interventions will be effective in creating places that support economic development in the town.

Place-making has been shown to deliver commercial value². In the right circumstances, it therefore represents a sound investment and a means of leveraging in private sector funds.

² RICS, Place-making and value, 2016, pp8

There is a strong case in Cleethorpes for the town's transport systems and the character and quality of its streets and open spaces to be re-thought. In many areas these features are worn out or designed in a way that is no longer aligned to current values and behaviours. For example, there has been a decisive shift away from reliance on the car for transportation because of the growth in the popularity of more sustainable forms of transportation, the awareness of the pollution cars generate and the need to combat climate change.

This movement towards walking, cycling, and placing the car within a design envelope that allows other activity to flourish has profound implications for the role of Cleethorpes' green and open spaces. If the town is to support sustainable forms of movement, as well as the proper enjoyment of these areas, these natural assets need to be better designed. This will encourage their activation through a range of uses and improve their access for residents and visitors alike.

These improvements can only be delivered through substantial public investment in the town's mobility infrastructure and open spaces. Given their economic status as public goods for which use is non-excludable, investment by the private sector for which a commercial return would be sought is not realistic. That said, their proper design is essential to attract further private sector investment. As such, a market failure exists that prevents the market mechanism from operating efficiently, leading to lower social and economic welfare for the town's residents.

Similarly, the heavy presence of cars and proliferation in the town of privately-run surface level car parks generates negative externalities in the form of pollution and an overall drag on the capacity of the town to capitalise on its architectural, cultural, and environmental assets. Government intervention is required to achieve a rebalancing in the relationship between the motorist and the pedestrian through the re-design of traffic movement in the town. This will help resolve this market failure by encouraging more people to walk and leave their car at home.

The delivery of the new building in Sea Road forms an important part of the town's strategy to unlock private sector investment. Once complete, it will house the Resort Hub providing information about events and activities taking place across Cleethorpes and operate beach safety services. It will also address the shortage of critical resort infrastructure by providing changing facilities and public conveniences. Furthermore, it will operate as a distinctive landmark that will draw visitors seeking a place to meet and socialise.

As public goods, the services provided in the Resort Hub are currently under-provided in Cleethorpes. Despite this, they are critical if the visitor economy in Cleethorpes is to thrive in future years. The project will therefore resolve a market failure, catalysing the wider regeneration of Sea Road and North Promenade by improving local infrastructure and the trading conditions within these currently poorly used areas of the town.

6.3.3 Please set out a clear explanation on what you are proposing to invest in and why the proposed interventions in the bid will address those challenges and barriers with evidence to support that explanation. As part of this, we would expect to understand the rationale for the location. (750 words)

NELC could have chosen to 'do nothing' and not to adopt a Masterplan for Cleethorpes. Without a forward-looking framework in place, however, the risk would be to limit its credibility with funders and investors. Furthermore, the future development of the town centre and resort would be fragmented and piecemeal with the result being that opportunities could be lost.

In line with their priorities, NELC chose to deliver the Masterplan, therefore giving a clear strategic direction for the regeneration of the town for the next 10 years and provide a framework for future development and a strong rationale and structure for funding bids such as LUF.

From the forty plus project proposals included in the Masterplan, two options were suggested for a package bid, including projects highlighted in the Masterplan's consultation survey as high priority development areas with the potential to make a visible difference/impact. These options were taken through NELC's governance procedure firstly through the Senior Management Team, then the Leadership Team, with the final decision being made by the Administration's Cabinet.

OPTION 1

1. Market Place

- + Land owned/controlled by NELC
- + Outline design and costing available
- + Planning Permission – Highways' scheme
- + Supports enhanced tourism offer

2. Sea Road building & Pier Gardens

- + Land owned/controlled by NELC
- + Planning Permission obtained and valid until May 2023 (Sea Road building)
- + Pier Gardens permitted development
- + Supports Natural Capital Plan, by improving green space.
- + Outline design and costings available

3. South Beach - upgrade coastal path

- + Land owned/controlled by NELC.
- No design development or cost analysis.
- Unlikely scheme will be developed to allow grant spend within 2022/23.
- Statutory consultation required.

OPTION 2

1. Market Place (as above)

2. Sea Road site & Pier Gardens (as above)

3. North Promenade

- + Opportunity to include Redacted.
- Land not in control of NELC.
- No design development or cost analysis.

Option 2 was selected as the preferred package. During the projects' development however, it became clear that it would not be possible to progress North Promenade within the required LUF timeframe and it was therefore withdrawn, splitting out Sea Road and Pier Gardens instead. NELC has committed to continue to progress the North Promenade as a strategically important project, in parallel with the LUF projects.

Being closely geographically connected, the Market Place, Sea Road and Pier Garden projects fully complement each other and will achieve significant impact. Furthermore, these projects will unlock investment and achieve the benefits outlined in Section 3 and as follows.

Market Place is a preferred project because it offers an opportunity to create a more human-centric environment. Within the Seafront Conservation area, it is enveloped by some fine 19thC buildings, but is dominated by parking, pubs, restaurants, and takeaways and does not currently respond effectively to the high demand for outdoor eating, drinking, and socialising.

The historic Market Place will be restored, encouraging greater use of the town centre by young people, thereby improving trading conditions for existing and new businesses, and increasing visitor dwell time.

To align with the LUF investment, one of the project's strengths is the opportunity to develop a heritage regeneration project to conserve the buildings. This will complement a National Lottery Heritage Fund (NLHF) Townscape Heritage scheme, currently being delivered on Alexandra Road (in parallel with Pier Gardens) to restore Victorian architecture. It is well documented that heritage has an important part to play in the wellbeing economy, bringing a sense of identity and stability in a changing world.

The new **Sea Road building** is a stand-out project in the heart of the resort which will deliver a new, architecturally significant landmark building offering a new tourism destination. The project also forms part of a wider strategy to extend the promenade to encourage visitors to discover the town centre more widely and enjoy Pier Gardens.

Pier Gardens is a key priority because it will provide the space to bring climate mitigation solutions right into the heart of our community, with everyone able to access exceptional facilities that link up walking, cycling, public transport, and public open space. The redesign provides the perfect opportunity to showcase our unique coastline, that has significant national and international designations for the protection of both species and habitats. This project has the potential to reduce some of the pressures placed on these areas from visitor numbers, by providing walking routes and viewing areas where wildlife can be experienced and appreciated without disturbance.

Furthermore, as NELC manages the Cleethorpes Coast Site of Special Scientific Interest, this project promotes appreciation of the area, assisting with our contribution to nature recovery. The area adjoins one of the key components of our Local Nature Recovery Strategy, featuring rare coastal plant communities and internationally important numbers of endangered birds. It can therefore help build our Nature Recovery network outwards into the resort core and on into open countryside.

6.3.4 Please explain how you will deliver the outputs and confirm how results are likely to flow from the interventions. (500 words)

This should be demonstrated through a well-evidenced Theory of Change.

The Theory of Change (ToC), ANNEX 19, shows how the **Market Place, Sea Road building and Pier Gardens** projects will play a key role in achieving the town's strategic objectives. The connecting threads link together the challenges, activities, outputs, outcomes, and longer-term impacts to offer a compelling vision for change. The underlying assumptions are also provided. The Masterplan and its supporting evidence base justify these assumptions and provides a convincing case for the value of place-making.

Market Place will help reverse the exodus of young people and overall population decline by delivering a focal point for renewed social and cultural activity. It will transform perceptions of the town and give people a strong reason both to visit and settle. It will also stimulate business growth by, firstly, strengthening the civic life that is vital for networking and economic agglomeration.

Secondly, the presence of greater numbers of younger people will underpin economic development through their role as entrepreneurs, consumers and workers.

It will also deliver dramatic improvements to the public realm. Businesses that depend on passing trade, need to be surrounded by high quality open space, which act as a draw and encourages people to linger.

The heritage regeneration project envisaged as part of the improvements to the area, and to be run in parallel with LUF, will restore the enveloping 19th Century buildings to their former glory and enable them to be better used. This will lift residents' and local businesses' civic pride and strengthen the appeal of the town to visitors.

The project will help the town achieve its climate change targets by promoting pedestrian movement.

Aligning with the Market Place project, the **Sea Road building** will, firstly, encourage young people and families to remain in the town by creating a new place social activity and cultural expression and, secondly, strengthen civic pride through the creation of a distinctive landmark.

The Resort Hub will operate beach safety services and provide a one stop shop for information relating to events and activities. It is anticipated this will extend the tourist season by acting as a new mouthpiece for local businesses.

The linking threads in the ToC show that the new building will underpin the prosperity of the town over the longer term, creating the right context for the growth. This, in turn, will be crucial in helping working-age people find employment and fulfil their life-style ambitions.

Focussing on one of the town's most important areas of green space and Victorian landscaping, **Pier Gardens** will fulfil its potential as a source of social, cultural, and environmental value. The ToC identifies its role in helping the town: meet its climate change targets; boost the visitor economy; improve the health and well-being of the population by facilitating the more active use of public space; and make proper use of a unique heritage asset.

These activities will deliver improvements in residents' mental and physical health, safeguard the town's heritage assets, extend the tourist season, creating the right context for business growth.

6.3.5 For package bids you should clearly explain how the component projects are aligned with each other and represent a coherent set of interventions. (250 words)

As described in section 3, the **Market Place**, **Sea Road building** and **Pier Gardens** projects all align with the vision and values of the Masterplan. The three projects are also located within a close geographical area which will result in a more significant visual change to the environment for local people, businesses and visitors.

As highlighted in the ToC, ANNEX 19, there are many common issues and challenges in this area of the town and resort which overlap the three projects. Indeed, by more effectively knitting together the seafront and town centre, the projects will collectively address these challenges and create significant impacts as follows:

- improve connectivity between the promenades and the retail areas, facilitating economic growth.
- activate new public spaces to help develop an active environment.

- introduce major new additions to the range of family attractions in the resort and town centre to further enhance, expand and extend the tourism offer.
- bring forward unique spaces, uniting green, and blue spaces, which aid physical and mental health and wellbeing.
- entice travellers away from personalised car transport and make contributions towards carbon sequestration through green space, and tree planting.
- improve job opportunities for a year-round resort and town.

6.3.6 Applicants should also briefly set out how other public and private funding will be leveraged as part of the intervention.(500 words)

NELC commits to providing £1,984,205 of financial co-funding from its capital programme, towards the delivery of the Cleethorpes Masterplan's catalyst projects. In February 2022, NELC's Cabinet approved the capital programme, which includes an allocation for Cleethorpes' Regeneration projects.

The Council has also committed to progress a couple of other key projects identified within the Masterplan's scope including: the first phase of the North Promenade project, with funding to be earmarked from its capital programme; and Grant Street car park (supporting both the North Promenade and Market Place projects) which has approximately £3.5m allocated from its capital programme.

The Sea Road building has been a long-standing Council ambition, with full support from NELC's Cabinet, as ratified through Cabinet approval in December 2019. This project is a good example of the Council acting as developer and taking the lead in terms of creating an enabling environment to de-risk and stimulate private sector investment in a commercial/leisure development in Cleethorpes. It is anticipated that a new operator for the upper floors of the building will provide additional investment for its fit out etc.

In terms of leveraging other private funding, whilst the projects combined will deliver wider public benefits, the private sector will not lead on the delivery of any of these elements as there is little or no scope to generate a commercial return on investment. The LUF interventions will create a safe and flexible retail centre offering hospitality/events/cultural activities/retail and tourism as part of COVID recovery and a flexible and accessible public space to improve public health outcomes. By delivering significant investment in infrastructure and place-making interventions and improving the quality of the public realm, improved pedestrian connectivity, reduced vehicle movements and congestion. Private investors will be encouraged to bring forward other private developments within the Masterplan's geographical scope.

As mentioned previously, NELC is in early, positive discussions with NLHF regarding the development of an area focussed heritage regeneration project in the Market Place, to help conserve the Victorian buildings. This will complement a NLHF Townscape Heritage scheme, currently being delivered close to the Market Place on Alexandra Road, to restore Victorian architecture. The securing of LUF funding for the Market Place will strengthen the business case for the NLHF and along with NEL's status as an 'Area of Focus' this will potentially help secure future public funding to further enhance and restore the historic Market Place. Public engagement with the heritage of Cleethorpes has substantially grown in recent years with the development of the NEL Heritage Network which has grown capacity in the heritage sector through a small grants programme known as the Heritage Starter Fund.

Aligned to NELC's recently adopted Creativity Strategy 2022, with new and improved public spaces created in Market Place and the Pier Gardens, there is potential for either the Council and/or partners to deliver cultural events and activities supported by Arts Council England funds as a Priority Place.

6.4 Alignment with the local and national context

6.4.1 Explain how your bid aligns to and supports relevant local strategies (such as Local Plans, local economic strategies or Local Transport Plans) and local objectives for investment, improving infrastructure and levelling up. (500 words)

Our **Council Plan** details the Stronger Economy/ Stronger Communities priorities and outcomes to which all Council investment/activity contributes. Vision: to promote the towns within NEL as great places to live, work, visit and stay. It specifically supports investment in priority projects for Cleethorpes' Town Centre and resort to enhance the future tourism offer.

After extensive public engagement, **the Masterplan**, proposes transformational interventions to revitalise the seafront and town centre to become a year-round 'go to' destination.

The NEL Local Plan (2018) supports the continued development and expansion of Cleethorpes as a visitor destination. Key policies within the Local Plan (Policies 12: Tourism and visitor economy; 23: Retail hierarchy and town centre development; 25: Key opportunity sites; 43: Green space and recreate) all support the future direction of the Masterplan.

Key points that our proposed LUF projects will address:

- Development of a year-round visitor economy which enhances growth and promotes local distinctiveness and cultural diversity - all projects contribute to this
- Promote development that supports the viability / vitality of the town centre - public realm improvements and enhancing connections between the sea front and the town centre. Reintroduction of the Market Place will encourage town-centre footfall.
- Identifying development sites for the future that could accommodate a range of uses - Sea Road project will specifically offer a new high-profile site
- Safeguarding against the loss of green space - Pier Gardens project will enhance and improve biodiversity and promote use of the outdoor space.

NEL Economic Strategy (2021) seeks to transform the council's town centres into vibrant, dynamic destinations for visitors, so residents and businesses are proud of where they live and work. It recognises the visitor economy as a key economic sector and explores diversification to create new opportunities. Our LUF projects aim to increase the resort's appeal by enhancing visitor experience, promoting civic pride, creating a year-round tourism offer, and helping to implement a diverse event and cultural programme.

NELC has adopted a **zero-carbon roadmap** and a **natural assets plan**, emphasising the links between the need for lower carbon emission transport solutions and an environment that supports both biodiversity and human wellbeing. Our council plans to reduce its own emissions by 2040 and are well on the way to achieving this. The Cleethorpes projects will be a cornerstone project in this, potentially enticing travellers away from cars but also to make contributions towards carbon sequestration through green space, and tree planting.

The projects align with the Greater Lincolnshire Strategic Economic Plan's objective (2014-2030) to support investment in the visitor economy and double the value of tourism to the economy, through:

- public sector intervention
- creating visible improvements across the town centre to increase investor confidence and encourage private sector investment
- raise economic performance.

A focus on heritage and landscape assets and investment in local visitor infrastructure will create an enhanced offer attracting a more diverse mix of visitors, helping to address seasonality, and ensuring the long-term sustainability of the visitor economy.

6.4.2 Explain how the bid aligns to and supports the UK Government policy objectives. (500 words)

Repurposing and diversifying towns centres has been a growing national policy objective, particularly as a mechanism for levelling up 'left behind' northern towns. Covid-19 has confirmed the need for increased town centre resilience and looking forward, there is a need for ensuring urban cores are self-serving and sustainable. This is specifically important for Cleethorpes, which as a coastal community, has a reliance on the tourism trade and was significantly impacted during the pandemic.

The Levelling Up White Paper (February 2022) outlines a set of Levelling Up missions, which the projects address. The paper seeks to improve the 'health' of local communities, particularly in places where they are weakest, alongside improving 'wellbeing'. As evidenced by the Indices of Multiple Deprivation, in terms of health, Cleethorpes performs poorly against the England average. Pier Gardens will support these two policy objectives, with the delivery of active play zones for children and the creation of improved spaces for all to explore supporting healthy lifestyles and the physical and mental wellbeing of the community. Improving the street design between the seafront and town centre in favour of walking and cycling will increase the uptake of more active modes of travel, in turn supporting healthy, active lifestyles.

The projects will increase the community's 'pride of place', a further government mission, by creating spaces suitable for the entire community. The delivery of an architecturally significant, landmark building at Sea Road, as well as facilitating the activation of Market Place as an area of social interaction and exchange, supporting local markets, cultural events, and independent retail, will develop Cleethorpes' unique 'sense of place' that the community will celebrate. By providing the conditions for local independent businesses to thrive, whilst increasing visitor footfall through the town, the government's mission to improve 'living standards' will be achieved through additional job creation, increased business revenue and helping the recovery of the local economy.

In line with the Government's five foundations of productivity, in its Industrial Strategy 2017, the Cleethorpes LUF application recognises the importance of modern, accessible infrastructure to ensure future growth and prosperity as well as the vital role that culture and heritage can play in extending the traditional season.

For the National Infrastructure Strategy 2020, the projects will ensure widespread economic, social, and environmental benefits through investment in energy efficiency measures, sustainable materials, and modern methods of construction with an emphasis on good design to reduce carbon emissions and adapt to climate change. The projects have been reviewed with a focus on green infrastructure as a key driver of public health outcomes, an emphasis on active travel (walking and cycling) and measures to reduce congestion and improve air quality and health.

The projects accord with the Government's Ten Point Plan for a Green Industrial Revolution 2020; (5) the promotion of different modes of travel including enhanced pedestrian and cycle routes; (7) the construction of the new multi-functional building at Sea Road will embrace the latest energy efficient methods and (9) the protection and restoration of the natural environment through the creation of high quality public open space with increased tree planting/soft landscaping at Pier Gardens and Market Place.

6.4.3 Where applicable explain how the bid complements / or aligns to and supports existing and / or planned investments in the same locality. (100 words max per fund)

NELC has developed and adopted a **Masterplan for Cleethorpes 2022** which gives a clear vision for the regeneration and development of Cleethorpes during the next 10 years. Transformation must create a coherent, revitalised and distinctive offer that attracts local residents and visitors and gives businesses the confidence to further invest. The Masterplan provides the necessary framework for a truly strategic approach, providing concepts for a wide range of future projects, but also considering projects that are currently being delivered or have recently been completed in Cleethorpes through other funding sources as follows:

Cleethorpes became a destination when the railway arrived in the 1860's, when three small hamlets merged. Building work was prolific in the late 19thC, early 20thC and these buildings form the structure and heart of the resort as we know it today. **The NLHF Townscape Heritage Project (2018 – 2024)**, is delivering reinstatement of the heritage details of buildings and balconies opposite Sea Road/Pier Gardens. NELC hopes to apply to the NLHF for an Area Focussed scheme into Market Place to extend and align this important work, preserving the built heritage of the resort, maintaining its unique character for future generations.

Cleethorpes was awarded **£3.8M Coastal Communities Funding (2017 – 2021)** to help deliver key projects in Cleethorpes to enhance public areas, provide new facilities and deliver events in the resort. Aligning with the Townscape Heritage programme, funding was spent on improving the public realm, for example, along Alexandra Road which runs parallel to Pier Gardens, and introducing public art at key arrival sites, the promenades and in the historic town centre streets. Designs for the LUF project will include complementary materials and palettes to create, where appropriate, a consistent appearance and style across the public realm.

The former Humber LEP awarded NELC funding through the **Local Growth Fund (2018 – 2021)** to carry out public realm and highways improvements in Sea Road and the entrance to the Market Place area in Cleethorpes. These works fully complement those delivered through the Coastal Communities Fund and Townscape Heritage Programme and in turn the LUF project designs will include complementary materials and palettes to create, where appropriate, a consistent and coherent style.

NEL's Economic Strategy 2021 highlights the 'quality of life' benefits of Cleethorpes, with a focus on attracting people to live in and visit the area, supporting the inward investment and development opportunities offered in neighbouring Grimsby. Located in Grimsby Town Centre, **the Freshney Leisure Scheme for Round 2 LUF**, is critical to the successful delivery of the vision set out in the Grimsby Town Centre Masterplan. The Scheme represents the most visible transformational change, and consequently is key to maximising the success of all major initiatives underway, including **Town Deal, Future High Street Fund, Heritage Action Zone and Freepoint** ambitions.

The Cleethorpes' LUF 2 bid also aligns with **Grimsby's LUF 2 bid for a Transportation Hub and Electrification of buses**. With Cleethorpes and Grimsby being seamlessly connected by road and rail, an improved transportation hub will support an increase in visitor numbers to the area, potentially improving the options to travel into the resort. Electrified buses will also operate in Cleethorpes which will help improve air quality and reduce pollution.

NEL's **UK Shared prosperity Fund** will contribute activities and interventions to specifically complement and enhance LUF investments, with the primary focus of improving local pride in place, increasing life chances, and creating a sense of community. The scheme will support the following:

- Campaigns to encourage visits, and promotion of the visitor economy.
- Local arts, cultural, heritage and creative activities, strengthening local entrepreneurial ecosystems, and business support to drive employment growth, improve pride in place and reduce crime.
- Activities supporting the town centre retail/service sector, attracting new business and visitors, creating a safe environment that improves dwell time.

6.4.4 Please explain how the bid aligns to and supports the Government's expectation that all local road projects will deliver or improve cycling and walking infrastructure and include bus priority measures (unless it can be shown that there is little or no need to do so). Cycling elements of proposals should follow the Government's cycling design guidance which sets out the standards required. (250 words)

The proposals for Pier Gardens and Market Place support the government's agenda to improve infrastructure for cyclists and pedestrians as part of wider regeneration schemes. Pedestrian accessibility between the beachfront and main retail area (St Peters Avenue) in Cleethorpes will be improved with wider footways and an enhanced public square, less dominated by vehicles and with more space for people to walk and enjoy themselves. This will encourage movement between the beach and shopping areas which will create a more attractive visitor experience as well as supporting the economic viability of local traders, securing local jobs, and bringing additional revenue into the resort. Pedestrian improvements will be designed and delivered in line with the Manual for Streets principles.

The proposals include the delivery of high-quality secure cycle parking facilities throughout which will be delivered in line with the guidelines set out in Local Transport Note 1/20. This acknowledges that destination parking can encourage visitors to choose more sustainable modes of transport for their journeys, especially where destination parking is close to attractions and where good levels of passive surveillance can be achieved from passing pedestrians. The Market Place scheme also includes elements that will reduce traffic volumes and speeds, this in turn helps create an environment that supports active travel even were dedicated infrastructure is not deliverable.

There are also plans to better integrate existing bus stop infrastructure on Sea Road and Alexandra Road into the public realm of Pier Gardens to support bus usage access the resort.

6.4.5 Please tick to confirm which of the following [Levelling Up White Paper](#) Missions (p.120-21) your project contributes to:

- Living Standards
- Research and Development (R&D)
- Transport Infrastructure
- Digital Connectivity
- Education
- Skills
- Health
- Wellbeing
- Pride in Place
- Housing
- Crime
- Local Leadership

And write a short sentence to demonstrate how your bid contributes to the Mission(s).

The Market Place project contributes to the Living Standards Mission and also aligns with the values identified in the Masterplan, namely, to be: enterprising; social; inclusive and welcoming; and progressive and distinct. Market Place will help to create an environment that supports entrepreneurialism and local independent businesses and retailers. All three projects will help improve connectivity, increase visitor footfall throughout the town, and improve the prominence of businesses which in turn will help to increase their revenue, create sustainable jobs, and support the local economy in its recovery following the pandemic.

All three projects contribute to the Health Mission and align with the 'social' and 'healthy' values identified in the Masterplan. Combined, they will deliver better connections between the seafront and the town centre by active modes of travel, particularly walking and cycling. Transforming Pier Gardens through the creation of active play zones for children, introducing more biodiversity in its planting and providing a place of tranquility for older users, will support the health of the community and visitors.

The Pier Gardens and Market Place projects, contribute to the Wellbeing Mission and align with the 'social', 'healthy' and 'inclusive and welcoming' values identified in the Masterplan. These projects seek to prioritise the mental and physical wellbeing of visitors and the local community by improving the outdoor facilities and public spaces at Pier Gardens and delivering new landscaped green spaces to enhance biodiversity. The new public space at Market Place, with newly introduced soft landscaping, will create a much more inviting and visitor friendly route from the seafront and the town centre for pedestrians. It will also be used to create a sociable space to increase dwell time.

With transformational regeneration at their heart, all three projects contribute to the Pride in Place Mission and align with all six of the key values identified in the Masterplan: enterprising; social; healthy; inclusive and welcoming; progressive and distinct. By delivering a landmark, exemplar building at Sea Road, introducing new play attractions and activities at Pier Gardens, and rejuvenating the Market Place to support local markets, events, and independent retailers, this all helps to develop Cleethorpes unique 'sense of place', character and historical heritage and will help to foster a strong sense of community pride.

Part 7 – Economic Case

7.1 Appropriateness of data sources and evidence

7.1.1 Please provide up-to-date evidence to demonstrate the scale and area; comparisons should be made between the significance of local problems and issues. (500 words)

In Section 6, the range of challenges Cleethorpes faces together with barriers to overcoming them were identified. This section provides further evidence to show their scale and significance.

Data from the Office for National Statistics (ONS) shows that Cleethorpes' population fell by 3.5% between 2011-2020. This compares with a decline of 0.2% and growth of 6.5% for NEL and England respectively. Moreover, Cleethorpes is losing young people more rapidly compared with both these comparator geographies. The number of people aged 16-24 and 25-49 has declined in Cleethorpes by 29% and 11% between 2011-2020 respectively. This compares with 23% and 7% and NEL and 5% and 0.2% for England.

Visitor days spent in Cleethorpes were down by 19% in 2021 compared with their (most recent) peak in 2019. This has reduced the economic impact visitors make on the local economy over the same period by around 17%³.

This change is reflected in the take-up of retail space. Data from CoStar shows that take-up has fallen from 2,232sqm in 2015 to 290 sqm in 2021.⁴ This has been accompanied by a fall in rents from £20.86/sq ft in 2020 to £13.17/sq ft in 2022, a fall of 37% (rounded).

The reduction in visitor spending is compounded by severance issues. Domination by traffic and the insensitive location of surface car-parking prevents connections between key destinations and hubs that would encourage exploration by visitors of a wider area.⁵ Similarly, the town's heritage assets could be better used, for example the listed signal box⁶.

The need for economic diversification is apparent from the level of concentration of employment in a small number of largely tourism-dependent sectors. These are accommodation and food (23%); health (24%); retail (12%); and arts, entertainment, and recreation (12%). In 2020, these sectors represented 70% of total employment in the town. This compares with 37% and 34% for NEL and England respectively. Moreover, these sectors are relatively low paying⁷. This results in household average disposable income in the town that is around 23% lower than the UK average.

As part of the evidence that informed the masterplan of the town, an extensive community survey was carried out⁸. This highlighted a lack of leisure facilities, restaurants, and places to socialise. Also, only 40% of visitors who took part in the survey suggested there was a good range of overnight stay options in the town⁹.

³ Scarborough Tourism Economic Assessment Monitor (STEAM)

⁴ This includes food and beverage premises

⁵ Cleethorpes Masterplan, p37

⁶ Cleethorpes Masterplan, p73

⁷ [Median annual earnings for full-time employees in the United Kingdom in 2021, by industry sector](#)

⁸ Cleethorpes Masterplan, p41

⁹ Cleethorpes Masterplan, p43

The Masterplan also identifies that the current design of the public realm, for example, Market Place, stands in the way of the growth of the hospitality economy¹⁰. Regarding family attractions and green space, the survey also found that the town needs more child-friendly spaces and improved access to green space¹¹. These deficiencies erode the health of the population for which Cleethorpes performs poorly against the England average¹².

7.1.2 Please demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues. Please demonstrate how any data, surveys and evidence is robust, up to date and unbiased. (500 words)

The previous response demonstrates a series of key indicators that highlight the local challenges as set out in the case for investment. All the supporting evidence is analysed based on reliable and credible sources, as follows.

Demographic

The recent changes in Cleethorpes' population are analysed using two ONS datasets of "Population estimates¹³¹⁴". Both datasets are published annually, and the latest publications are available for the year 2020. Since the data is broken down by every single age, this allows the analysis to be aggregated by age group¹⁵ and assess the percentage changes throughout 2011 to 2020. In comparison with wider comparators (NEL and England), the age structure trend between 2011 and 2020 reflects the up-to-date demographic evidence and supports the ToC's objectives to "Reverse population decline and the exodus of young people".

Tourism and Visitors

The visitors' day spent data are presented based on NEL's annual STEAM economic impact report for 2021. Since STEAM inputs can be adjusted monthly, the robustness of this source is ensured by continuously reviewing and reflecting seasonal variations in supply and demand. The visitors' statistics have been analysed that cover the pre-pandemic period (2019) and the post-pandemic period (2021), which reveals the economic impacts on Cleethorpes brought by the pandemic.

Retail floorspaces and rents

The recent trend (2015 to 2022) of take-up and rents for retail property is analysed based on the transaction data of the CoStar commercial property database. CoStar is an international company that has more than 6.4 million property records tracked in the US, UK, and Canada. The data is up-to-date and reflects the market dynamics in Cleethorpes since it is regularly updated by both leasing and sales agents.

¹⁰ Cleethorpes Masterplan, p20

¹¹ Cleethorpes Masterplan, p43

¹² [Indices of Multiple Deprivation](#), 2019

¹³ ONS (2020). [Population estimates - local authority based by single year of age](#)

¹⁴ ONS (2020). [Population estimates - small area based by single year of age - England and Wales](#)

¹⁵ Aged 0 to 15, 16 to 24, 25-49, 50 to 64 and 65+

Employment sectors

The concentration of employment sectors in Cleethorpes and wider comparators (NEL and England) is analysed based on the latest employee records (by industry) of the Business Register and Employment Survey (BRES)¹⁶. The BRES data is updated annually while the latest publication is available for the year 2020. The employee counts of sectors that are relevant to the tourism industry are aggregated and the Median Annual Earning¹⁷ data has evidenced the income gap between Cleethorpes and wider comparators. This reflects the local challenges and supports the Masterplan's objectives to build an economy that is less dependent on seasonal tourism.

Cleethorpes Masterplan survey

A wide range of evidence is gathered to inform the place-making of Cleethorpes Masterplan, including the public consultation survey. There are 2,737 surveys completed, of which 44% of the respondent live in Cleethorpes and 60% of respondents travel to the town centre and/or seafront by car. The survey is first-hand evidence that reflects the local knowledge and community's aspiration for Cleethorpes.

7.1.3 Please demonstrate that the data and evidence supplied are appropriate to the area of influence of the interventions. (250 words)

The evidence presented in the first response reflects the local context and the data is gathered based on the appropriate geographical scope for Cleethorpes which is set out below.

Demographic and Employment sectors

Both population and employment data of Cleethorpes are gathered at the ward level. According to the Masterplan, the scope covers four wards including Haverstoe, Sidney Sussex, Croft Baker, and Humberston & New Waltham. This allows the analysis of population (age structure) and employment (employees in different industries) trends to focus on the Cleethorpes town centre and reflects the local challenges within the Masterplan boundary.

Tourism and Visitors

The STEAM model quantifies the local economic impact of tourism, from both overnight and day visitors from a variety of sources such as hotels, attractions, tourist information centres, events, and other accommodations to estimate the number of visitors, revenue generated, and employment supported by tourism. This ensures the economic impacts are assessed at the town level of Cleethorpes and reveal the tourism trends based on a bottom-up approach.

Retail floorspaces and rents

The lowest level of CoStar property records is available at the town level. The submarket of the subject area is categorised as NEL, which includes the towns of Cleethorpes, Grimsby and Immingham. This allows the analysis to reflect the local retail market dynamics of Cleethorpes in recent years (2015 to 2022) and compare with the wider geography of NEL.

¹⁶ ONS (2020). [Business Register and Employment Survey \(BRES\): open access](#)

¹⁷ Statista (2021). [Median annual earnings for full-time employees in the UK in 2021, by industry sector](#)

Cleethorpes Masterplan survey

By engaging with Cleethorpes' local community and carrying out consultations, an in-depth understanding of both residents and visitors is set out.

7.2 Effectiveness of proposal in addressing problems

7.2.1 Please provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems. Quantifiable impacts should be forecasted using a suitable model. Theory of Change evidence should be identified and referenced. (750 words)

Improve Cleethorpes' economy by land value uplift in the town centre and other areas in town

For both Market Place and Pier Gardens, the improved connectivity of public space and the active event strategy will improve trading conditions for local businesses in Cleethorpes. This will encourage the growth of the non-tourism businesses in the town centre with better property yields and increases the occupancy rate of the commercial properties. Also, Cleethorpes' GVA can be expanded from the traditional tourism season to all year and improve the local income level.

The Sea Road building will provide multifunctional retail and gathering spaces that serve both residents and visitors. This new social and cultural infrastructure will diversify the local economy away from concentrating on the tourist trade and create a year-round resilient economy that increases Cleethorpes' GVA. Also, due to the direct land value uplift, this will improve the tax base of NELC to spend more money on key public services.

To estimate the gross impact of the interventions, the increased economic value will be reflected in the land value uplift of the local business and the housing market in Cleethorpes. According to the proposals of the three projects, by public place-making and connectivity improvements, the land premium in the town centre and the seafront area is expected to shift the property yield from around 0.5% and give rise to the occupancy rate of approximately 5%. For other areas in Cleethorpes, the property yield will shift by 0.15% and a 1.5% uplift in occupancy rate. For the housing market, the scheme is expected to increase both residential land value and house prices in Cleethorpes by 1.25%. These benchmarks are suggested by NELC's monitoring data on both commercial and residential properties based on the local context and the development scale.

Amenity benefits

The provision of new public spaces and open greenspaces/parks of Market Place and Pier Garden projects will bring amenity benefits to Cleethorpes during the whole project lifespan. The additional public realm spaces for Market Place and Pier Garden are approximately 1.72 ha and 1.37 ha respectively. According to the DCLG guide¹⁸, the amenity benefit of an intervention in an urban core area such as Cleethorpes town centre is £123,897 per hectare (real values in 2022/23 prices).

Greater employment opportunities

The redevelopment of Market Place will potentially provide additional retail space in Cleethorpes town centre that activates the historical outdoor market. The proposal creates opportunities to attract all ages of residents or visitors to enjoy the shops, eateries, or bars in the area. Also, this revives the town centre and helps new businesses to emerge.

¹⁸ Department for Communities and Local Government (2016). [The DCLG Appraisal Guide. Page 91](#)

Sea Road building will provide additional commercial floorspaces on the upper floors, for mixed-use, including restaurants, bars, or cultural venues. Moreover, this landmark building will increase the sense of civic pride among the residents that retain the local labour to work in the resort area of Cleethorpes.

Pier Gardens will potentially create outdoor leisure spaces for family-friendly activities and connects the town centre and the seafront. The improved connectivity will stimulate the retail business of both areas to grow and prosper.

The three projects are expected to create direct jobs for retail or leisure activities. Particularly, the new opportunities for hospitality-related businesses will attract younger people to work locally in Cleethorpes and reverse population decline. The employment effects will be quantified by an employment impact model that estimates the additional full-time equivalent (FTE) jobs, the method will be explained in the explanatory notes.

Tourism benefits

By making the streetscape visually attractive and legible, including the Market Place and Pier Gardens, visitors will be encouraged to circulate through the town. Investment in Cleethorpes' public green spaces will attract more visitors and encourage them to stay longer, resulting in higher levels of spend. Also, the landmark Sea Road building will raise the profile of Cleethorpes and attract more visitors, especially in the seafront and the Town Centre areas.

According to STEAM reports¹⁹, the average visitor number in Cleethorpes is 2.94 million per annum with an economic impact value of 254.13 million per annum over the period of 2017 to 2021. Considering the most recent five-year trend, the economic impact of Cleethorpes' tourism industry is £86.35 per visitor.

The tourism benefits of all three projects will be quantified as an indicative monetised value. Based on the average visitor data of Cleethorpes between 2017 to 2021, a 1% growth of total visitors will bring around £2.54 million in economic benefits per annum to Cleethorpes.

7.2.2 Please describe the robustness of the analysis and evidence supplied such as the forecasting assumptions, methodology and model outputs. Key factors to be covered include the quality of the analysis, the quality of the evidence and the accuracy and functionality of the models used. (500 words)

Quality of analysis

The approach to value the project costs and benefits are compliant with the Green Book (GB) guidance²⁰. A Social Cost-Benefit Analysis (CBA) will be carried out by quantifying the benefits of additional employment, land value uplift, amenity improvements, and tourism impacts and reflecting the economic costs to arrive at the Benefit-Cost Ratio (BCR) for each project. Key assumptions are:

- the assumed project opening year of all three projects is 2025/26;
- the appraisal period is 30 years starting from 2022/23 (DCLG environmental intervention scheme²¹); and
- the CBA will appraise the impacts until the year 2051/52.

¹⁹ Global Tourism Solutions (GTS) (2017 - 2021). North East Lincolnshire's STEAM economic impact report

²⁰ HM Treasury (2022). [The Green Book](#). Chapters 5 to 6

²¹ DCLG (2016). [DCLG Appraisal Guide](#). Section 4. Page 46-47.

Based on the DCLG guidance (2016)²² and the latest Additionality Guide (2014)²³, a place-based analysis will consider the displacement effects. In assumption, a limited extent of displacement might occur between the local businesses of Cleethorpes and Grimsby, the effect level is considered low, with a 25% decrease in project benefits.

To inform the adjusted BCRs, the distributional impacts are considered according to the DCLG guidance²⁴. According to the latest GDHI data²⁵, the median income level of NEL (£16,906) is below the level of England (£21,978), with a deficit of 30% (£5,072). A marginal utility is arrived at and will be applied to reflect the distributional effects with a multiplier of 1.4 to the gross economic impacts.

Quality of evidence

The employment effects are quantified, and the economic benefits of land value uplift will be monetised. Key evidence of model inputs include:

- NEL retail submarket reports (Property yields, Vacancy rate)²⁶;
- property rateable value of Cleethorpes town centre²⁷;
- proportion of NEL residential properties that fall in Cleethorpes²⁸;
- latest VOA residential land value²⁹; and
- median house price data by wards and types³⁰.

The NEL retail submarket reports reflect the most up-to-date market dynamics at the local level, with data on property yield and vacancy rates in the past 12 months (May 2021 to 2022). The rateable value of properties (a proxy of rents) and the number of residential properties in Cleethorpes are provided by the Council with records up to 2022. The robustness of this evidence is ensured by Council's actively monitoring practice.

Accuracy and functionality of the model

The land value uplift model estimates the one-off change of land value in the Cleethorpes town area by applying the assumptions of changes in commercial property yield, occupancy rate, and residential property/land price after the intervention of the projects. However, for the effects of commercial properties, the assumptions of the intervention effects are based on an average yield and occupancy change in NEL. The difference between the individual businesses might not be fully captured or reflected in the calculations.

²² Department for Communities and Local Government (2016). [The DCLG Appraisal Guide](#)

²³ HCA (2014). [Additionality Guide Fourth Edition](#). Section 4

²⁴ Department for Communities and Local Government (2016). [The DCLG Appraisal Guide](#). Annexe G. Page 92

²⁵ ONS (2021). [Regional gross disposable household income: local authorities by ITL1 region](#).

²⁶ CoStar (2022). [Markets & Submarkets](#).

²⁷ NELC (2022).

²⁸ NELC (2022).

²⁹ VOA (2019). [Land value estimates for policy appraisal](#)

³⁰ ONS (2022). [Median house prices by ward: HPSSA dataset 37](#). Table 1a to 1e.

7.3 Analysis of costs and benefits

In this section applicants should describe and explain the costs and benefits in the relevant **Costings and Planning Workbook – Tables A – Economic Benefits and Table A - Economic Costs**

Workbook uploaded in Section 2 (Eligibility).

7.3.1 Please explain how the economic costs of the bid have been calculated, including the whole life costs. (500 words)

The economic costs (nominal) for all three projects are estimated by the Council's Regeneration Partner, EQUANS. The costs include an elemental breakdown of demolition, alteration and new structure fees for each project, the economic costs in nominal prices are listed:

- Market Place: Redacted
- Sea Road building: Redacted
- Pier Garden: Redacted

The calculation of arriving at the economic costs from nominal prices into the real discount prices is described as follows.

Optimism Bias (OB)

The nominal costs for each project are then adjusted by Optimism Bias (OB) according to the Green Book 2022 supplementary guidance³¹.

Both Market Place and Pier Garden are considered early stages of standard civil engineering projects. However, given the local political will, and the Council's control of this site in the public realm, there are some cost certainties and a healthy allowance for contingency within the project budgets. Therefore, according to the DCLG 2016 guidance, a medium level of OB adjustment of 24% is applied to the economic costs.

The Sea Road project is considered a standard building project. Compared with the other two projects, it is at a more advanced stage since the demolition work of the existing building is completed. According to the DCLG 2016 guidance, a mid-point between the upper-level and lower-level of 15% OB adjustment is applied to the economic costs.

Discounted rate

After the OB adjustments, the discounted rate is applied to future economic costs to compare the appraised society value consistently. As set out in the Green Book³², the HM treasury suggested 'social time preference rate' (STPR) is 3.5%.

Inflation rate

To arrive at the real discounted prices for each project, the effects of general inflation should be removed. The expected inflation rate as suggested by the Bank of England is applied³³. In the short term (2022 to 2024), a high inflation level is expected due to various reasons (e.g., the Covid crisis, Ukraine issues, etc.). Therefore, due to economic uncertainties, the inflation rate is set as 7% in 2022/23 and 4% in 2023/24.

However, the Government has set up a long-term target for the inflation rate of 2%. Therefore, after 2024/25 (including), a lower inflation rate is applied to the economic costs.

³¹ HM Treasury (2022). [Green Book supplementary guidance: optimism bias](#). Table 1.

³² HM Treasury (2022). [The Green Book](#). Chapters 5.32 to 5.39

³³ Bank of England (2022). [How high will inflation go?](#)

After the above adjustments, the economic costs in the real-term price for each sub-project are summarised as:

- Market Place: Redacted
- Sea Road building: Redacted
- Pier Garden: Redacted

In summary, the real discounted price (including Optimism Bias adjustments) of the economic costs is around £22.3 million for the overall scheme (three projects).

7.3.2 Please describe how the economic benefits have been estimated, including a discussion and evidence to support your assumptions. (750 words)

Gross development benefits

The appraisal results of the Sea Road building project show that there will be a total of Redacted in net development revenue after the project is realised. The appraisal has accounted for the revenue of different rental areas of the Sea Road Building, including the commercial floorspaces on the 1st and 2nd floors.

Land Value Uplift (LVU)

For commercial properties, according to CoStar retail submarket reports, the average property yields and the occupancy rate of NEL in the past 12 months (May 2021 to 2022) are 5.7% and 94.6% respectively. Based on these indicators, the land value of existing properties of Cleethorpes and its town centre³⁴ is arrived at by capitalising the rateable value (RV)³⁵ with property yields. The effects after the intervention are estimated with a property yield shift of 0.5% and occupancy rate uplift of 5% in the town centre area (0.15% and 1.5% for the rest of the business units in Cleethorpes). Overall, the commercial units in the town centre and other areas in Cleethorpes will contribute around £17.3 million of benefits.

For residential lands, based on the proportion of NEL residential properties falling within Cleethorpes town level (28% of 472.2 ha), there is approximately 131.1 ha of residential land available. After the project intervention, it is expected that the overall will lead to a 1.25% of land value uplift in Cleethorpes' housing market, which equates to £1.23 million in benefits.

Regarding the effects of housing prices, according to Census 2011, by applying the household growth rate of 3.28%, the total housing stock of Cleethorpes in 2025 is projected to be 18,991 dwellings. After the project intervention, based on median house prices by dwelling types in NEL, it is expected the house prices in Cleethorpes for all dwelling types will increase by 1.25%, which equates to around £37.8 million in benefits. The gross value uplifts in different dwelling types are:

- detached houses: £11.1 million;
- semi-detached houses: £12.8 million;
- terraced houses: £10.3 million; and
- flatted properties: £3.6 million.

The economic benefits of LVU are apportioned to each project based on the distribution of overall investment costs, with Market Place accounting for Redacted, Sea Road for Redacted and Pier Garden with Redacted.

³⁴ Properties within the postcode district "DN35 8"

³⁵ NELC (2022).

Amenity benefits

According to the DCLG guide³⁶, the net amenity benefits are estimated at £92,923 per hectare of intervention (in 2022/23 price). Based on the additional areas of the new public realm spaces, the two projects (Market Place and Pier Garden) are expected to provide £7,754,037 of amenity benefits over the appraisal period.

Employment impacts

The employment impact model estimates the direct and wider employment effects, which takes the figures of retail/leisure floorspace (sqm) provision as input and translates them into FTE jobs based on the latest HCA employment density guide³⁷. The Market Place project is expected to generate 40 jobs while the Sea Road building will generate 71 jobs in the retail/leisure sectors directly on-site (16 sqm of retail floorspace per FTE). For the Pier Garden, the project is expected to generate 55 jobs directly (200 sqm of visitor attraction space per FTE).

The welfare benefits associated with the direct employment effects will partially inform the initial BCRs (40% of the GDP impacts). Based on the DCLG guide³⁸, the new/re-entrant rates of the workforce are assumed as 10% and the persistence of each job to re-entry is 3 years. Also, according to the latest Annual Business Survey (ABS)³⁹, the average GVA per FTE job is £32,912 in 2022/23 prices. By applying the UK GVA - GDP multiplier (1.16), the average GDP per FTE jobs for the relevant employment sectors is £38,351 in 2022/23 prices. Therefore, the total cumulative GDP associated with direct employment is estimated and apportioned to welfare impacts, which are:

- Market Place: Redacted;
- Sea Road building: Redacted; and
- Pier Garden: Redacted.

The welfare impacts relevant to wider employment effects for the town centre area are estimated by the same method and assumptions of the direct employment effects. According to the latest BRES data⁴⁰, the employment figure in the town centre is approximately 3,000. Reflecting the commercial land value uplifts, as an agglomeration impact, it is assumed that 6.5% of new FTE jobs will be further supported. The welfare benefits of wider employment effects are approximately £4.8 million.

³⁶ Department for Communities and Local Government (2016). [The DCLG Appraisal Guide. Page 91](#)

³⁷ HCA (2015). [Employment Density Guide 3rd Edition](#)

³⁸ DCLG (2016). [DCLG Appraisal Guide](#). Annex B. Page 57

³⁹ ONS (2022). Non-financial business economy, UK regional results: Sections A to S. Table TLE.

⁴⁰ Nomis (2020). [Business Register and Employment Survey: open access](#)

7.4 Value for money

Prior to completing this section the application should complete the relevant **Costings and Planning Workbook – Table A – VfM**.

7.4.1 Please provide a summary of the overall Value for Money of the proposal. This should include reporting of Benefit Cost Ratios (BCR). (500 words)

If a BCR has been estimated, please provide the BCR of the proposal below.

If you only have one BCR, please enter this against the 'initial' BCR.

'Initial' BCR (single bid) 'Adjusted' BCR (single bid)

The economic benefits of each element of impact are summarised below in nominal prices:

- Direct investment benefits: £928,725
- LVU of commercial units: £17,263,263
- LVU of residential land: £1,228,806
- LVU of residential properties: £41,651,153
- Amenity impacts: £7,754,037
- Labour supply impact of direct FTEs: £2,543,438
- Labour supply impact of wider agglomeration: £4,768,352

After the adjustments of optimism bias, the economic costs in the real-term price for each sub-project are:

- Market Place: Redacted
- Sea Road building: Redacted
- Pier Garden: Redacted
- Overall: £22,303,107

Considering the additionality (25% of displacement effects), the three projects are expected to bring approximately £46 million in economic benefits to NEL after arriving at the real-term discounted price. The 'initial' BCR represents the economic benefits before the distributional effects are adjusted, which the positions are:

- Market Place: Redacted
- Sea Road building: Redacted
- Pier Garden: Redacted
- Overall: £46,030,133 (Initial BCR: 2.06)

After distributional effects are adjusted, the three projects are expected to contribute approximately £64.7 million of economic benefits in NEL over the appraisal period (2022/23 to 2051/52). For each project, the 'adjusted' BCR positions are:

- Market Place: Redacted
- Sea Road building: Redacted
- Pier Garden: Redacted
- Overall: £64,740,153 (Adjusted BCR: 2.90)

According to the DCLG appraisal guidance (2016)⁴¹, the VfM category for the overall projects is “good” investments since both initial and adjusted BCRs are above 2. The switching value that will turn the overall projects into the “acceptable” VfM category is a £1.45 million decrease in overall economic benefits

In addition, it should be noted that a completed VfM category is an assessment of the overall VfM that takes account of both policy-based monetised and non-monetised impacts. Also, various types of economic benefits as set out in the ToC model are not monetised by the impact model. This includes the benefits that will increase the cultural, social and health capital in both Cleethorpes and NEL.

An Economic Case Explanatory Note has been uploaded, ANNEX 20.

7.4.2 Please describe the non- monetised impacts the bid will have and provide a summary of how these have been assessed, including the expected scale of these impacts. These will be factored into the overall Value for Money assessment of the bid. (500 words)

According to ToC model, ANNEX 19, some of the project impacts are not monetised, these include the benefits of increasing Cleethorpes’ cultural, social and health capital. Also, the employment effects and the potential GVA are not quantified for the operational phase of each project. Thus, the non-monetised impacts are highlighted as follows.

Cultural capital

The Market Place revives the historic identity in the town centre and unlocks the opportunities for festivals, events or markets to take place in the newly created public space. Also, the heritage buildings will be preserved and activated which will significantly bring more cultural diversity with enriching life experiences. Also, with the improved connectivity for active travel and the more visitors brought by the other two projects, the cultural benefits will be further increased.

Social capital

Both Market Place and Sea Road projects provide the additional social infrastructure that improves the gathering spaces in the town centre. Especially for Sea Road, the new resort hub and new commercial spaces not only function during the tourism season but also provides new social opportunities for the local community which will stimulate all ages of residents to lead happy, fulfilled lives. The two projects will enhance the social network of Cleethorpes’ residents and increase their sense of civic pride.

Health capital

Pier Gardens unlocks the public green space to connect the seafront and the town centre area. The horticultural outdoor rooms improve the biodiversity of wildlife and plant species. Also, this allows both residents and visitors to enjoy the carbon-free corridor from the promenades through to the town centre which will significantly contribute to human health and well-being benefits.

⁴¹ DCLG (2016). [DCLG Appraisal Guide](#). Section 2. Page 28

Direct labour supply and agglomeration

According to the HCA employment density matrix⁴² (16 sqm of retail floorspace per FTE), the Market Place project⁴³ is expected to generate 40 jobs while the Sea Road building⁴⁴ will generate 71 jobs in the retail/leisure sectors directly on-site. For Pier Gardens⁴⁵, based on HCA's suggested employment density (200 sqm of visitor attraction space per FTE), the project is expected to generate 55 jobs directly.

According to the STEAM tourism impact model, it is estimated that after the realisation of the overall scheme, there will be 10 to 15% of gross FTE jobs added to the wider economy. This will increase 40% of current local GDP impacts over the next ten years that contributes to the national economy. That is to say, the labour supply of the tourism economy will further improve the tax base and enable the Council or the Government to invest more in social welfare.

In summary, all three projects will contribute to net-zero targets, wider social welfare and fulfilling well-being agendas. That is to say, the non-monetised benefits will further increase the BCRs and VfM of all three projects and the overall regeneration scheme.

7.4.3 Please provide an assessment of the risks and uncertainties that could affect the overall Value for Money of the bid. (250 words)

The main economic risk that will potentially affect the VfM of the bid is the inflation rate. This is explained as follows.

According to the Bank of England⁴⁶, the inflation rate has started to rise since 2021 due to the spending on goods during the Pandemic. However, uncertainties continue to grow including Ukraine Crisis, and pressure on prices from developments at home (higher wages or higher product prices) will pose risks for the Government to achieve the 2% target.

If the inflation rate continues to be higher than the 2% target, in terms of reflecting the real price, the project costs will be underestimated, and the economic benefits will be over-optimistic. Also, it should be noted that the operational costs for all three projects during the appraisal period are not estimated at this stage. As a result, this will lower the BCRs and the VfM.

To test the robustness of the BCRs of the proposals, a sensitivity analysis is carried out by setting lower or higher impact of economic benefits. A range of 10% decrease or uplift on project benefits is applied. As a result, the overall project's adjusted BCR is 2.61 if applying a 10% decrease in economic benefits. If applying a 10% uplift on economic benefits, the overall adjusted BCR is 3.19. Both scenarios will not significantly affect the appraisal results and the VfM categories.

7.4.4 We would expect an Appraisal Summary Table, to be completed to enable a full range of impacts to be considered. This should be consistent with the relevant appraisal guidance for the bid.

For package bids, please provide an Appraisal Summary Table for each component project.

⁴² HCA (2015). [Employment Density Guide 3rd Edition](#). Page 29

⁴³ Potentially provide 800 sqm of additional retail spaces

⁴⁴ Potentially provide 1,330 sqm of additional commercial spaces (retail, leisure)

⁴⁵ Potentially provide 13,700 sqm of additional visitor attractions spaces

⁴⁶ Bank of England (2022). [How high will inflation go?](#)

Any additional evidence to support your responses to this section should be referenced within your responses (7.1.1 – 7.4.3) and attached as a single annex.

The Appraisal Summary Table (AST) for the overall scheme and each project is presented, ANNEX 21. This summarises the appraisal results of the package bid according to the DCLG appraisal guide.

Part 8 – Deliverability

8.1 Financial

Prior to completing this section applicants should complete the relevant **Costings and Planning Workbook – Table B – Funding Profile and Table C – Cost Estimates**

8.1.1 Please confirm the total value of your bid.
The total value of the bid is £20,396,244
8.1.2 Please confirm the value of the capital grant you are requesting from LUF.
The total amount of grant being requested from LUF is £18,412,039.
8.1.3 Please confirm the value of match funding secured.
Where match funding is still to be secured please set out details below. If there any funding gaps please set out your plans for addressing these. (250 words)
The total match funding (£1,984,205) has been secured. It has been allocated as 10% per project, as detailed in the planning and costing workbook, from NELC's capital programme as approved by Cabinet in February 2022, ANNEX 22. There are no funding gaps.
8.1.4 If you are intending to make a land contribution (via the use of existing owned land), please provide further details below and confirm who currently owns the land, details of any restrictions and the estimated monetary value. (250 words)
We are not intending to make a land contribution.
8.1.5 Please confirm if your budget includes unrecoverable VAT costs and describe what these are, providing further details below. (250 words)
<p>There is a potential for exempt income generation, once further information and/or lease details are established for the commercial areas of the Sea Road new building or the leisure-based activity areas in Pier Gardens and depending on whether the income generated would be exempt income, standard rate income, for example, resulting from a 'right to trade', or a mixture.</p> <p>VATable expenditure linked to land/buildings that generate exempt income could result in partial exemption pressures which ultimately could lead to irrecoverable VAT/cost to the authority. NELC could therefore opt to tax these sites which would remove the potential irrecoverable VAT pressures. Opting to Tax would result in standard rate VAT being applied to the supplies that NELC makes from the land/buildings, such as hire/lease fees.</p> <p>If the LUF application is successful, and given the level of funding involved, NELC will have the bid reviewed by the Council's external tax advisers.</p> <p>In conclusion, if the Council proceeds with Opting to Tax the development site areas that would otherwise be linked to exempt income, then the VAT associated with development will be recoverable.</p>

8.1.6 Please describe what benchmarking or research activity you have undertaken to help you determine the costs you have proposed in your budget. Please advise on any assumptions. (750 words)

NELC has based the scheme cost for each packaged project on a blended construction rate against designed gross floor area for buildings, and a gross elemental area for the public realm works. The construction rates used are based on actual rates generated by for similar projects tendered and procured utilizing the local supply chain during 2021 and 2022. An indexing factor has then been applied to bring the rates used to current rates found locally as of Q3 2022.

In addition to work package costs, an element of cost to cover contract preliminaries have been included at a rate of Redacted% of the work package costs. This is an industry standard rate which has been conformed through local tender analysis of recent projects procured in the area

Professional design fees associated with the multi-disciplinary design of the works have been included at a rate of Redacted% which reflects the fixed fee agreed with the NELC regeneration partner who provides these services. In addition, further specialist fee allowances of Redacted% have been included in line with current industry rates where applicable.

Further construction margin, design and construction contingency and inflation contingency have been included and are outlined in section 6.1.7 of this submission. Due to the design stage of each project (approximately RIBA Stage 1 and 2) an appropriate amount of design contingency has been allowed to cover future design development. Similarly, an appropriate amount of construction contingency has been allowed to cover unforeseen works that have been anticipated due to the sites condition and location and in advance of any intrusive site investigation works.

An allowance for inflation during the design and delivery period has also been included. This allowance is above the recommended BCIS Inflation index due to the extreme volatility within the construction market and is reflective of the current running UK inflation rate of 10%. It is anticipated that costs will remain inflated during the LUF delivery period up to March 2025 and will be 'locked in' during tender exercises and the negotiation of fixed price build contracts.

The overall costs for each project as outlined above have been compared against current UK project costs within similar project types and asset classes and assessment has been sought from external Cost Management consultants to ensure the included costs are fair and reasonable against the current market, reflecting value for money, but also robust and resilient to ensure the ongoing risk from current inflation issues do not adversely affect the viability of schemes moving forward.

Outside of the main cost areas (project delivery and construction) additional client costs have been included to cover Project management and capitalized resource to allow NELC to deliver the projects within the parameters set out by LUF. As above, these costs reflect current industry standards and are linked to current employment levels and salary rates.

8.1.7 Please provide information on margins and contingencies that have been allowed for and the rationale behind them. (500 words)

Several areas of margin and contingency have been included within the Cost Analysis for each project as follows:

Contractors Overhead and Profit

This has been included in a combined rate of Redacted% (of works package costs) which is reflective of the current local market rate within the area as substantiated by recent tender and procurement exercises during 2021 and 2022. The availability of suitably qualified contractors within the Northern Lincolnshire and Humber area, who are also able to deliver projects of this nature, scope and size is limited, and consequently OHP rates have steadily risen over the course of the last two years. Whilst negative project viability will have some impact on tender index prices for certain project types in the coming years. It is anticipated that demand will remain above the number of available contractors and the inflationary impact upon underlying costs, employment costs and subcontract labour will push margins higher. The included rate of 9% includes anticipated inflation growth across the course of the delivery period.

Design Development Contingency

A contingency to cover design has been included at Redacted% (of works package costs) for public realm works and Redacted% (of works package costs) for buildings. This level of contingency is based upon design stage for each project at the time of bid submission (RIBA Stage 1-2) and covers the unforeseen design and specification content for a project at this stage. The contingency level is viewed as an industry standard, and the opinion of external Cost Management resource was sought prior to agreeing the contingency level. For clarity, this contingency does not cover constriction or inflation risk.

Construction Contingency

A contingency to cover unforeseen construction risk has been included at a level of Redacted% (of works package costs). This level of contingency is based upon design stage for each project at the time of bid submission (RIBA Stage 1-2) and covers the unforeseen construction risk for a project at this stage in areas where risk mitigation has not been possible such as ground conditions, obstructions, flood risk, utility capacity etc. The contingency level is viewed as an industry standard, and the opinion of external Cost Management resource was sought prior to agreeing the contingency level. For clarity, this contingency does not cover constriction or inflation risk.

Inflation Contingency

The cost estimate for the projects is based on market data and scheme content as outlined above with costs indexed as current when the bid is submitted. At this time inflation generally and within the construction industry is running at 9% and is expected to rise further between bid submission and grant award, expected in Q3 2022. To allow for this level of inflation, a contingency figure of 10% of the building works has been included which is intended to cover the effects of inflation above the current given estimates. This figure is a blended rate as it is anticipated that some components and elements may rise whilst others may fall.

8.1.8 Please set out below, what the main financial risks are and how they will be mitigated, including how cost overruns will be dealt with and shared between non-UK Government funding partners. (You should cross refer to the Risk Register). (750 words)

Please refer to the main financial risks highlighted in the Risk Register which is uploaded, ANNEX 23.

NELC has requested grant funding from the Government's Levelling Up Fund. There is a risk that the Government does not grant funding to the level requested. This may mean the Council cannot deliver their scheme unless an alternative source of external funding is identified.

There are financial risks involved with the expected increase in the costs and sourcing of building materials. Over the past two years, there has been steep increases in the cost of building material especially timber and steel. This will further be exaggerated with the recent rise in oil prices. To mitigate against this, costs have been included within the budget and contingency costs to ensure there is allowance for any further increases. For example, an inflation contingency figure of 10% of the total cost of the build works has been included to cover impact of rising costs within labour and materials. The costs will also be monitored throughout, to ensure they are properly managed. A similar risk is the increase in costs in labour. The BCIS index stated in February this year that labour costs associated with semi-skilled, M and E trades, plant operatives and labourers have all increased over the past two years. As previously outlined the budget has allowed for this with added inflation contingency costs of 10% to ensure minimal impact of any unexpected additional costs.

Some aspects of the projects, such as the expected rents from the market stall or pop-up retail units within Market Place, commercial units within the Sea Road development, and concession opportunities in Pier Gardens, are expected to deliver a financial income. Whilst research has been conducted to gain an in depth understanding of the potential income revenues these could generate, there is a risk that external market pressures and other potential global events could cause a decrease in potential incomes. To mitigate against these, as previously outlined, research has been conducted to establish an expected income, therefore contingency costs have been included to allow for any significant differences. Similarly, continual assessment will be given to the proposed revenues to ensure that any expected impacts are accounted for. There is the risk that the units could be left unoccupied, this would have implications on the expected income. However, in assessing the viability this has been considered and mitigated against accordingly. Additionally, the proposals at Sea Road, Market Place and Pier Gardens are located within prominent locations within Cleethorpes' resort and town centre, benefiting from increased footfall, and consequently, demand for these premises is anticipated to be high. For Sea Road Redacted.

Due to the early design stage of the project, the underlying risks around unforeseen issues within the ground and around non-designed elements (such as the need for piling, ground obstructions and utility capacity) have not been mitigated, however a resilient level of contingency has been allocated within the design and construction contingencies outlined in the previous question.

There is an overall risk that the design development costs have been underestimated therefore impacting costs further along. However, allowances have been made within the budget for this, minimising the potential impact this could have. Similarly, there is a risk that any funding could be withdrawn. This could have significant implications on the delivery of the projects, however the continual monitoring of cost, will enable financial mitigation measures to be put in place should this occur.

Potential cost overrun items within the general context of each project have been identified within the Risk Register and given a suitable probability and impact assessment rating. Robust project management techniques in combination with resilient levels of contingency will allow for all reasonable risks to be mitigated.

Early risk identification and mitigation is key to ensuring project viability remains. Should the impact of these risks breach the total budget envelope, the scope and specification for the project will be assessed and value engineering measures implemented to bring the budgets back in line. The secondary method (and if required complementary method) to deal with this situation would be further capital injected by non-HMG project stakeholders.

8.1.9 If you are intending to award a share of your LUF grant to a partner via a contract or sub-grant, please advise below. (750 words)

N/A - NELC is not intending to award a share of the LUF grant to a partner.

8.1.10 What legal / governance structure do you intend to put in place with any bid partners who have a financial interest in the project? (750 words)

N/A – No project partners are included as a part of the LUF application.

8.2 Commercial

8.2.1 Please summarise your commercial structure, risk allocation and procurement strategy which sets out the rationale for the strategy selected and other options considered and discounted. (1500 words)

Commercial Structure / Delivery Model

NELC will lead on the delivery of the Cleethorpes Masterplan projects with its Regeneration partner, EQUANS. EQUANS was named NELC's regeneration partner in 2010 and has been providing specialist advice and delivering services on the council's behalf ever since.

During this time, EQUANS is responsible for delivering the regeneration and infrastructure services for NELC within the North East Lincolnshire borders, including:

- property management and facilities management, including security
- architectural, building surveying and civil engineering
- highways infrastructure and maintenance
- planning and building control

EQUANS is therefore responsible for coordinating the delivery process, including design development and for future oversight on appointed contractor's performance.

NELC already has planning permission in place for the Sea Road building. Pre-App advice, ANNEX 18, for the Pier Gardens project indicates that it is likely to be permitted development and for the Market Place, ANNEX 17, NELC is the statutory authority, and it is likely that only 'change of use' will be required. Nevertheless, EQUANS will progress early survey and design development and if required the intention will be for NELC to take the two projects through planning and secure statutory consents.

Through EQUANS, NELC will appoint a main contractor to deliver the projects, with selection via a compliant procurement process, to enter into a development agreement with the successful contractor (outlined below).

Risk for the successful delivery of the projects will ultimately be held by NELC, though appropriate risk transfer will be made to procured contractors to minimise risks.

Upon practical completion, the intention is for NELC to lease out the upper floors of the new building, possibly some activity areas in Pier Gardens and potentially tender a concession contract for the running of the new market in the Market Place. NELC will retain control and management of all other elements of the three projects.

Contractor Procurement

All compliant procurement routes have been considered and typically, for transformative schemes of this scale, an open or restricted procedure will be the preferred procurement route. This would see the contractor procured through a competitive process which meets Public Contract Regulations. This could be an open or restricted tender process or via a Public Buying Organisation Framework such as PAGABO, YORBuild, CCS etc. Should a framework be accessed, a further competition will be run to demonstrate value for money.

The Procurement Strategy will be further developed and owned by NELC's Procurement Team in the coming months, including mechanisms for Preliminary Market Consultation to engage with the market regarding our requirements prior to commencing the procurement.

The Procurement Team itself has a vast amount of knowledge and experience of procuring a wide range of goods, services, works, and concession contracts ranging from routine to high value complex contracts, using a variety of procurement routes.

All NELC's procurement is governed by its constitutional Contract Procedures Rules (CPRs) and as a matter of course, NELC will procure goods, services and works in relation to the project applying procurement principles of Equality of Treatment, Transparency, Mutual Recognition and Proportionality, alongside the Best Value Duty and compliance with the Public Contracts Regulations 2015 and 2020 amendments. This will ensure statutory and local obligations are met.

The evaluation of tender proposals will be based on a Price/Quality ratio and make allowance for innovation by the contractors.

NELC is also committed to ensuring Social Value in procurements with social value well-embedded in NELC's procurement process. The Council's Social Value Policy aims to tackle disadvantage, grow wealth, promote the local economy, reduce waste, and carbon emissions and this policy is embedded in the Council's commissioning framework to maximise social, economic, and environmental benefits for NEL coupled with Value for Money.

As a standard Council requirement, social value will form part of the qualitative assessment when procuring a contractor and all Social Value outcomes will be included in the final contract which will be monitored through contract management to ensure social value outcomes are delivered during the life of the contract.

Payment Mechanisms and Financial Management

NELC will make the necessary arrangements to comply with the LUF grant agreement once the terms and conditions are known. As a large organisation, NELC regularly utilises a cashflow management process that forecasts current and future cash requirements and the nature of its funding allows the use of balances, reserves, and other financing arrangements to ensure that commitments are covered, including the short-term financing of projects where funding is in arrears.

NELC's Contract's Officer will be responsible for monitoring financial compliance within public sector rules and regulations in relation to the LUF grant and the Contracts Officer will manage grant administration, preparing claims and evidence for DLUHC's as required. Financial monitoring will be assigned to a finance role within NELC's Project Management Team.

Record keeping and auditing systems are already in place for the Cleethorpes projects (and other similar grant funded capital schemes), and these can easily be adapted to ensure records are retained and LUF compliant. Collated data will be securely kept on NELC's on-line programme management and financial systems and will be subject to quality control and sample checks as standard.

Risk Management Strategy

The approach to Scheme delivery will focus on de-risking, through (a) ensuring control of the land and (b) bringing together the resources required to mobilise and manage the required external design and construction expertise. This will ensure that all the Cleethorpes' projects are completed by the target date of March 2025.

The key risks for the successful delivery of the projects and the current mitigation strategy are detailed in the Risk Register, ANNEX 23, structured around financial/funding, and all other risks (Political/economic, delivery/management and reputational risks), alongside reported elsewhere in the business case. The Risk Register will form the basis for risk management going forward and the register will itself be a 'live tool' to be regularly updated and refreshed.

Risk management will be a core responsibility of EQUANS throughout and Project Risks will be a standing item on Cleethorpes' Board (cross Council group) with regular reporting upwards where escalation is needed for robust management and mitigating action.

Risk management is a core component of our Programme Management and regular tracking and reporting of project risks, with systems in place for risk escalation through the project governance structures will enable us to detect and mitigate risks where possible at an early stage.

Exit and Disposal Strategy

The exit arrangements for NELC would see the Council lease the commercial areas of the new building and relevant areas in Pier Gardens. whilst retaining control of all other areas of the projects.

The disposal strategy will be reviewed based on the leasing progress which will dictate the timing of any disposals.

NELC is expected to retain operational control of the ground floor of the new building, the Pier Gardens, and the Market Place once complete.

8.2.2 Who will lead on the procurement and contractor management on this bid and explain what expertise and skills do they have in managing procurements and contracts of this nature? If the procurement is being led by a third party and not the lead applicant, please provide details below. (500 words)

NELC will be contractually responsible for the delivery of the project and will lead procurement and contractor management activities associated with it.

NELC's procurement team has extensive experience in procuring a wide variety of products and services, including those associated with regeneration schemes and external funding, such as Future High Street Fund (FHSF), Towns Fund, ERDF, etc.

NELC's procurement team are all MCIPS qualified and have been involved in this project since the original FHSF bid. NELC will utilise technical expertise provided by EQUANS, the Council's regeneration delivery partner, who support day to day operational activities.

NELC will select goods and suppliers of goods, works and services in relation to the programme through an open, transparent, and non-discriminatory competitive process in accordance with the Public Contracts Regulations 2015. EQUANS appointment as the NELC's outsourced regeneration partner was made in accordance with public procurement regulations following a full OJEU tender process including competitive dialogue.

Members of the project team will form a Procurement Sub-group to specifically ensure that all regulatory requirements are fully addressed in delivering this project. All procurements would be carried out in line with the NELC's Contract Procedure Rules and the Public Contracts Regulations 2015. The Local Authorities in the Yorkshire & Humber Region have a single strategic procurement strategy, which aims to ensure best practice in procurement across the Region. A key element of the strategy is the YORtender procurement portal which allows authorities to share, co-ordinate and collaborate on procurement exercises and suppliers to register their capabilities and interests in opportunities.

The project construction works would be procured via an NEC contract. The main contract for the works would be procured through YORtender in accordance with public procurement regulations. This would be evaluated based on NELC's Tender Award Criteria.

In terms of contract management, again NELC and EQUANS have extensive experience of managing a variety of contracts, including multi-million-pound construction contracts. NELC has developed a contract management toolkit, which provides a framework for all staff managing contracts, a framework to operate via, including help and advice.

NELC also ensures its regeneration schemes are delivered to support the prosperity and wellbeing of the community, and social value is considered as intrinsic to any scheme delivered as part of this agenda. Consideration is given to providing employment opportunities to SME's and voluntary sector organisations as well as supporting active travel and carbon reduction. Social value is embedded in the procurement process and the NELC's social value policy aims to tackle disadvantage, grow wealth, promote the local economy, reduce waste, and carbon emissions.

8.2.3 Are you intending to outsource or sub-contract any other work on this bid to third parties? For example, where you have identified a capability or capacity gaps. (750 words)

NELC has procured and engaged a professional delivery team to support the application. This includes specialist property and legal support, which will supplement NELC's project team.

The specialist providers procured are outlined below.

Hemingway Design Ltd and GL Hearn were appointed to produce the Cleethorpes Masterplan and support the development of a LUF application. They bring extensive experience in project development and business case production, alongside impact assessment work.

Commercial law firm, FREETHs LLP have been procured to provide legal advice to NELC for the Cleethorpes' projects, including assessing any associated Subsidy Control issues.

NELC's regeneration partner, EQUANS will be responsible for managing the delivery of the Cleethorpes' projects on behalf of and as instructed by NELC, with reporting to NELC as per an agreed terms of reference. EQUANS is responsible for site assembly, as well as day-to-day delivery of each project.

This includes responsibility for a suitably qualified delivery team to include an architect, planning consultant, cost consultant, structural engineer, services and mechanical and electrical engineers and any other necessary consultants to inform the detailed design and cost of the development and to support a planning application.

For the Pier Gardens project, a specialist landscaping consultant may be brought in to work up the detailed designs, including scoping out the flow of hard and soft landscaping and conducting key stakeholder consultation to determine appropriate activity areas within the footprint of the scheme.

EQUANS' resourcing model has been explicitly tied into programme and partner boards, including regular tracking and reporting processes. This has/will include pre-prepared board reports and verbal updates, alongside 'plan on a page' visual representations of gateways and milestones, internal more detailed day-to-day project delivery management and planning. This will illustrate periods of intense activity to inform resource planning, including assigning of team-wide actions.

Regular periodic gateway reviews, internally and at board level, throughout the LUF Scheme lifecycle will provide assurance in terms of:

- **Viability** - Tracking benefits realisation and ongoing business case review throughout
- **Financial Management** - Reconciling costs incurred and inclusion within reporting and budgeting, with dedicated Contracts Officer and NELC Finance Officer assurance
- **Overall Health** – Reviewing and sign-off of project documents, including the Project Initiation Documents
- **Progress** - Highlight and Exception reports, checking progress throughout and escalating issues
- **Risks** – Reviewing day-to-day management, monthly review and quantified risk appraisals

All of the above have been or will be procured in line with Public Contract Regulations and the NELC's Contract Procedure Rules and will be subject to its contract management procedures. Collectively with the Council's internal project team, there is sufficient expertise and capacity to deliver the project.

8.2.4 How will you engage with key suppliers to effectively manage their contracts so that they deliver your desired outcomes. What measures will you put in place to mitigate supplier/contractor risks and what controls will you implement to ensure they deliver on quality.(1000 words)

As highlighted above, members of the project team will form a Procurement Sub-group to specifically ensure that all regulatory procurement and contract requirements are fully addressed in delivering this project. Equally, NELC will select goods and suppliers of goods, works and services in relation to the project through an open, transparent, and non-discriminatory competitive process in accordance with the Public Contracts Regulations 2015.

To support the project and facilitate a successful relationship with contractors, NELC will seek to undertake preliminary market engagement prior to commencement of the formal procurement process. This will ensure that early engagement is in place from the outset, facilitating clear understanding of the project requirements and constraints so that contractors are clear on these.

As also highlighted above, all procurements would be carried out in line with the NELC's Contract Procedure Rules and the Public Contracts Regulations 2015, utilising the YORtender procurement portal, which ensures consistency across the Yorkshire & Humber region, which contractors will be aware of and used to working with, whilst also allowing suppliers to register their capabilities and interests in opportunities.

Once appointed, NELC will utilise its Contract Management Toolkit, which is used across the Council to support contract management. The toolkit identifies a series of processes that have been developed via best practice across North East and North Lincolnshire Councils and can be applied to across all commercial relationships to ensure the Council obtains best value out of contracts, whilst ensuring that all relevant legal elements are adhered to.

The toolkit provides a suite of guidance/best practice templates for Council officers to access including, stakeholder management, social value, risk management, relationship management, audit, performance management, termination, dispute resolution, financial management, benchmarking, and many others.

In addition, the toolkit provides a suite of template documents that can be used for contract management purposes, for example, performance scorecards, agreements to vary a contract, notice to terminate, amongst others.

This provides a comprehensive suite of guidance to be utilised for this project.

NELC's regular best practice regarding contract management includes regular contract review meetings to monitor performance against contract KPI's and to identify and resolve potential risks and issues.

In addition to the above, NELC also carries out regular supplier health checks to check continued supplier viability for duration of contracts entered into, including financial checks. This provides confidence that suppliers are able to deliver the contract requirements.

Alongside reviewing risks, financial performance, etc, NELC also seeks to ensure social value is generated from its procurement and contract management processes, as outlined below.

Regeneration schemes are delivered to support the prosperity and wellbeing of the community, and social value is considered as intrinsic to any scheme delivered as part of the Regeneration agenda. Consideration is given to providing employment opportunities to SME's and voluntary sector organisations as well as supporting active travel and carbon reduction. Social value is embedded in the procurement process and the Council's social value policy aims to tackle disadvantage, grow wealth, promote the local economy, reduce waste, and carbon emissions.

NELC operates a framework which sets out the five high level outcomes that we and our partners aspire to achieve to ensure prosperity and wellbeing for the residents of NEL. Delivery linked to the framework is underpinned by a commissioning plan which outlines our approach to commissioning through evidence-based decision making.

The five outcomes are that all people in NEL will:

- Reach their full potential through skills and learning;
- Benefit from a green economy and a high-quality environment;
- Enjoy good health and wellbeing;
- Benefit from a strong local economy; and,
- Live in a safe environment, can have their say about things that are important to them and participate fully in their communities

Social value requires commissioners to think about how they achieve outcomes in a more integrated way. Rather than thinking about services in isolation or in the short term, this approach requires commissioners to consider long term costs, sustainability and how the inclusion of Social Value outcomes can potentially reduce pressures and realise opportunities in other areas.

Social Enterprise UK puts forward the following definition **“Outcomes and activities that will improve the quality of life and life chances of our residents and enhance the economic, social and environmental sustainability of the local area.”**

NELC is committed to ensuring Social Value in procurement of regeneration and development contracts. The specific priorities of this policy are to ensure it is considered and built into all activity that is part of the Council commissioning framework to maximise social, economic, and environmental benefits for NEL coupled with value for money.

Please refer to the Full Business Case in ANNEX 1, Q 8.2.4, for relevant diagram.



Opportunities to explore novel ways to address some of these issues are tested through pre-market consultation.

In summary, NELC has extensive experience and support mechanisms in place to ensure effective procurement and contract management practices are put in place for all projects, which would be implemented for this project.

In addition, as highlighted above, NELC has already appointed a team of professional advisers to support the project who are well versed in procuring and managing large and complex regeneration schemes such as this.

Collectively the project team has the experience and knowledge to manage contracts related to this scheme and ensure both delivery of these, but also that a wide range of quality and social value measures are implemented.

8.3 Management

Prior to completing this section applicants should complete the relevant **Costings and Planning Workbook - Table D – Milestones Delivery**

8	<p>8.3.2 Please set out how you plan to deliver the bid (this should be a summary of your Delivery Plan). (1000 words)</p> <p>A Project Outline Delivery Plan is included, ANNEX 24.</p> <p>Scheme Overview</p> <p>There are three projects within this bid, which are Market Place, Sea Road, and Pier Gardens. These projects have been identified following extensive engagement with local stakeholders in 2021 as part of the development of the Masterplan. The projects form the early and crucially important first phase of the delivery of the Masterplan. A delivery strategy has been completed which sets out the short, medium, and long-term deliverables within each of the projects.</p> <p>The following elements have been identified to be delivered:</p> <ul style="list-style-type: none"> • Public realm improvements to Market Square to provide improved pedestrian permeability, reduced reliance on private car parking within the town centre to tackle congestion and air quality, and improved facilities for open air market traders. • Development of a new three storey building on the Sea Road site to deliver a ground floor consisting of public toilets, a beach safety facility and council storage, with two
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upper levels to be used for commercial leases delivering leisure, food and beverage, or cultural facilities.

- Public realm improvements to Pier Gardens to deliver increased public leisure uses and increased permeability between the town centre, the central promenade, and the beach.

The facilities will meet NELC’s net zero carbon agenda, both in terms of its own environmental performance, but also via the provision of infrastructure that will support the wider aspirations of the council. The design process will identify the best way of delivering the Masterplan and its constituent parts and provide a springboard for the further development and investment.

Delivery Programme and Phasing

The delivery timescale for each project is set out in the programme contained within ANNEX 24, Appendices A-C and the milestones are summarised in the following table.

Cleethorpes – Key Actions		Delivery Milestones	
		Start	End
Market Place	Design Development (RIBA Stage 3)	November 2022	January 2023
	Planning Consent	January 2023	March 2023
	Contract procurement	March 2023	July 2023
	Construction Delivery	October 2023	February 2025
	Practical Completion	February 2025	
Sea Road	Design Development (RIBA Stage 3)	November 2022	January 2023
	Revised Planning Consent / Condition Discharge	November 2022	December 2022
	Contract Procurement	January 2023	July 2023
	Construction Delivery	July 2023	February 2025
	Practical Completion	February 2025	
Pier Gardens	Design Development (RIBA Stage 3)	November 2022	January 2023
	Planning Consent	January 2023	March 2023
	Contract Procurement	March 2023	July 2023
	Construction Delivery	July 2023	February 2025
	Practical Completion	February 2025	

Roles and Responsibilities / Specialist skills

NELC has an excellent record of capital project delivery, including with external funding. Since 2010, NELC has been supported by its outsourced regeneration partner EQUANS (previously ENGIE), with dedicated resource enabling a streamlined and flexible response to ensure projects meet target and budget expectations. This appointment formed the current Regeneration Partnership between both parties and EQUANS provides a multi-disciplinary skills and services package to NELC which includes project management, including management of multi-million-pound grant funded strategic infrastructure programmes, planning, architectural consultancy, highways, asset management, procurement, communications and stakeholder management. The team has extensive expertise and competences in Public Procurement Regulations and in managing contractors and specialist external support when required.

Professional design services, including architectural design, structural design, M&E, Highways Design and further associated services, will be provided by the Technical Design team that sits within EQUANS. These services will be procured through the existing Partnership Contract. EQUANS can procure and scale resources accordingly to ensure design delivery timescales are met. Where necessary, external resources and speciality services will be brought in by EQUANS.

Stakeholder and Engagement Management

Engagement with an extensive number of stakeholders has already taken place through the development of the masterplan. A consultation period, in which circa 3,000 people engaged in a public survey, occurred during the Masterplan process, where positive feedback was given by a considerable proportion of the stakeholders that engaged, and it is this feedback which has informed the development of the interventions, including the three proposals outlined within this bid. Further consultation will take place when the detailed designs of these schemes are worked up, as specified by the Council's Cabinet in June 2022. There will also be an opportunity to consult when planning applications for Market Place and Pier Gardens (if required) are submitted to the Local Planning Authority, and these will be appropriately managed and considered.

Planning Approvals / Consents

Outlined below are all the relevant consents to deliver each of the projects. All the land needed for the projects is owned by NELC, therefore there is no requirement for any action regarding the acquisition of land to enable the delivery of these projects.

Project	Consent(s) Required	Dated Received/ Expected
Market Place	As a highways' scheme this may not need planning permission, but it could require a change of use permission. Planning Permission: <ul style="list-style-type: none">• NELC	<ul style="list-style-type: none">• Expected 2023
Sea Road	Planning Permission: <ul style="list-style-type: none">• NELC- DM/0066/20/Ful	<ul style="list-style-type: none">• Granted 22/05/2020
Pier Gardens	Depending on the specific plans this is likely to be a permitted development. Planning Permission: <ul style="list-style-type: none">• NELC	<ul style="list-style-type: none">• Expected 2023

Procurement Strategy

Three procurement options are available to NELC in relation to project delivery, comprising:

- (a) Existing Framework.
- (b) Competitive Tender.
- (c) In House Delivery.

Typically, for transformative schemes of this scale would see an external contractor procured through a competitive process which meets Public Contract Regulations. This could be an open or restricted tender process or via a Public Buying Organisation Framework such as PAGABO, YORBuild, CCS, etc. Should a framework be accessed, a further competition will be run to demonstrate value for money.

Risk Management

The project Risk Register, ANNEX 23, has been developed to an outline level, identifying the main anticipated risks within the development of the projects, covering financial, planning, design, procurement, and site delivery risks. The register will be updated throughout the design and procurement process with identified risks graded by probability and impact, along with a potential project cost and programme impact.

Managing risk is a key objective within the management of the scheme and solutions will be sought to ensure delivery of the project can commence and be completed without incident, delay or by allowing a situation to arise where the project cannot be ultimately delivered.

8.3.2 Please demonstrate that some bid activity can be delivered in 2022-23.
(250 words)

Within each of the projects there are elements which can be delivered over the 2022-2023 period, however in line with the LUF Bid Guidance this will be limited to either design level works, procurement or site investigation. Outlined below are the three projects and the different elements which are expected to be delivered.

Market Place:

The Market Place site is situated within an urban zone which has been developed over a number of years and therefore a significant element of site investigation will be required to ascertain the location of critical utility services.

Sea Road:

This scheme already has a current planning permission, however further work will be required to possibly vary this permission or discharge conditions.

Pier Gardens:

Due to the site topography and current occupancy of the site (soft landscaping, lighting, utility connections etc) a significant element of site investigation will be required.

Alongside the specific works to each project outlined above, all three projects will require the current design to be advanced to RIBA stage 4 to allow procurement of a delivery contractor. The specific elements above and this design advancement generally has been included as costs within the bid and associated monies will be defrayed immediately following grant award and up to 31 March 2023 to take all three projects forward.

8.3.3 Risk Management: Applicants are asked to set out a detailed risk assessment.
(500 words)

The management and mitigation of risk will sit at the very heart of the projects, with risk forming a key agenda item at all levels. All key risks throughout the duration of the delivery of the projects are logged in the Risk Register, ANNEX 23, which will be a live document throughout. Project Risks will be a standing item on NELC's Cleethorpes Town Centre Improvement Board (CTCIB) meeting and wider board meeting agendas, with regular reporting upwards where escalation is needed for robust management and mitigating action.

Risk management is a core component of NELC's Programme Management procedures and regular tracking and reporting of project risks, with systems in place for risk escalation through the project governance structures will enable us to detect and mitigate risks where possible at an early stage.

The approach to the project's delivery will focus on de-risking, through bringing together the resources required to mobilise delivery and manage the required external design and construction expertise.

Some key risks, selected from the Risk Register, include the following:

There is the potential for the public and local community to have a negative perception of the projects. This could result in negative publicity and have reputational consequences for the Council. Whilst extensive stakeholder consultation has been undertaken during the Masterplan's development, further consultations will take place at the detailed design stage to ensure any further public comments can be addressed.

There are risks associated with each of the projects, but these have been assessed as being low risk and mitigation measures have been put in place. The location of the proposed development means that some stakeholders could be impacted. This includes both local people and those businesses in and around the project sites. These risks can be appropriately mitigated by continuing with the effective consultation which took place on the Masterplan, alongside ensuring good construction practices. Technical reports detailing any amenity impacts on local businesses will be submitted alongside the relevant planning applications seeking approval for the projects (where required). These reports will detail and recommend mitigation measures, which will minimise the effect on operation of local business close to any development. Whilst there is an expectation that there will be an impact, this will only be short term and will only cause minimal impact.

There is the possibility of planning permissions not being received on time. This could be due to technical, physical, or political reasons. Delaying permissions could delay the delivery of the Market Place and Pier Garden projects (Sea Road has planning permission in place). To provide mitigation, pre-application meetings have taken place, ANNEXES 17 & 18, to minimise the risk of planning permission not being granted, if required.

The delivery of the projects requires staff from NELC and EQUANS. There is a risk that staff illness/absence/shortages could result in those personnel being off, and the work being left with less experienced staff. To mitigate against this, there are senior staff involved from both sides, ensuring that should someone be off, there are others who are aware of the projects and able to continue to deliver them.

8.3.4 Please provide details of your core project team and provide evidence of their track record and experience of delivering schemes of this nature.

Please explain if you are intending to sub-contract any of this work or if a third party is managing the project and not the organisation applying. (750 words)

NELC will be responsible for funding dispersal and project delivery, but it will be supported by its professional regeneration partner, EQUANS.

The project will be led by NELC's dedicated internal project management team, which has over the years overseen the successful delivery of regeneration initiatives across NEL, including an extensive proven track record of developing and delivering major capital schemes locally. Relevant examples include the delivery of the South Humber Industrial Investment Programme (£42m), Cleethorpes Town Centre Regeneration Programme (£9m), Grimsby Town Centre Regeneration Programme (£6m), Cartergate Office and Retail development (£7m) and Urgent Works contract at Victoria Mill Silo (£2m).

NELC has recently also delivered works at Garth Lane, including the successful delivery of the Garth Lane public realm and bridge works, and is also in the process of delivering investment in a new OnSide Youth Zone to be located at the south western end of the Garth Lane site.

The internal project management team (Project Team) and the CTCIB are already established to make project level decisions for Cleethorpes' capital projects and a dedicated Project Manager (PM) will take required decisions from the delivery team up through to Governance and oversight boards to ensure relevant and timely decision-making throughout.

The PM will spearhead day-to-day delivery of the Cleethorpes' projects, with responsibility for the overall management and delivery of them on behalf of the CTCIB. The PM will coordinate project activities and will be responsible for financial monitoring and management. The PM will ensure that the projects are delivered to the timescales, budget, and quality and will be managed in accordance with PRINCE2 Project Management Methodology.

The PM will ensure that liaison is maintained between businesses, users, and suppliers throughout the project, and that internal and external communications are working.

Workstream Managers will be responsible for ensuring production of products defined by the PM in the workstream brief and will undertake all tasks required for the successful completion of that workstream, and in agreement with the PM. Highlight and progress reports will be completed in accordance with their role.

The PM will be specifically responsible for:

- Running the project on a day-to-day basis with the constraints laid down by the project Board, and ultimately the SRO.
- Ensuring the project produces the required products within the specified tolerances of time, cost, quality, scope, benefit, and risk.
- Preparing baseline management products (in conjunction with any project assurance roles):
 - Project brief, including project product description.
 - Benefits management approach.
 - Stage/exception plans and their product descriptions.
 - Work packages.
- Prepare the following reports as required:
 - Board Highlight reports.
 - Status reports.

<ul style="list-style-type: none"> ○ Issue reports. ○ End stage reports. ○ Exception reports. ○ End project reports. <ul style="list-style-type: none"> ○ Portfolio Holder and member briefings. <ul style="list-style-type: none"> ● Maintain all project logs and registers – including monitoring and management of risks and issues. ● Liaise with corporate, programme management of the customer to ensure that work is neither overlooked nor duplicated by related projects. ● Liaise with external supplier or account managers. ● Lead and motivate the project management team. ● Establish behavioural expectations of team members. ● Manage information flows between the directing and delivering levels of the project. ● Manage the production of the required products, taking responsibility for overall progress and use of resources, initiating corrective action where necessary. ● Establish and manage the project controls and procedures. ● Authorise work packages. ● Advise the project and programme boards of any deviations from the plan. ● Schedule audits to check that the physical products are consistent with the brief and requirements and initiate any necessary corrective action.
<p>8.3.5 Please set out what governance procedures will be put in place to manage the grant and project.</p> <p>We will require Chief Financial Officer confirmation that adequate assurance systems will be in place. (750 words)</p>
<p>The CTCIB has overarching responsibility for steering and overseeing Cleethorpes economic growth plans.</p> <p>The Board is made up of senior managers with oversight of the Cleethorpes Town Centre capital projects with responsibility for ensuring they align to the wider business of the Council, its policies, and procedures. There is representation from specialist areas including legal, finance, and communications who will regularly scrutinise the performance of the projects to ensure appropriate compliance to Council, DLUHC's, and LUF's policies and processes.</p> <p>NELC will be responsible for the delivery of the project with oversight from the CTCIB. The PM will take required decisions from the project delivery team to this Board. Other strategic and/or relevant decisions required at a programme board level will be first taken to NELC's Economy & Growth Senior Management Team, which the SRO is the lead officer, and then the Council's Leadership Team, of which the SRO is a member.</p> <p>A project team has also been established consisting of representatives from various disciplines from NELC and EQUANS, which includes Workstream Managers to deal with and report on relevant aspects of the projects.</p> <p>The PM will be responsible for the day-to-day running of the projects within the constraints of the governance structure and will ensure that liaison is maintained between businesses, users, and suppliers throughout the project, and that internal and external communications are working.</p> <p>The Workstream Managers will be responsible for ensuring production of products defined by the PM in the workstream brief and will undertake all tasks required for the successful completion of that workstream, and in agreement with the PM. Highlight and progress reports will be completed in accordance with their role.</p>

Project Assurance

Risk management is an important part of how NELC achieves its priorities. The Council proactively manages its risks, and this allows us not only to manage current priorities but meet future challenges. The Audit and Assurance Service are responsible for updating the framework. The purpose of this framework is to define how risks will be managed by the Council. It provides guidance on the processes, procedures, roles, and responsibilities for risk. It sets the context on how risks are managed. The Risk and Opportunities Management Policy was approved by the Audit Committee on 20 April 2017. NELC also has in place a Local Code of Corporate Governance Approved by its Audit & Governance Committee 18 January 2018.

The CTCIB will be headed up by a Programme Manager working with the PM, and Workstream Managers responsible for day-to-day operations. This work will be overseen by senior managers and the SRO who leads the Senior Management Team. The SRO will have responsibility for the overall delivery of the programme. The CTCIB will adopt a programme wide approach to consultation and engagement that will be supported through a dedicated space on the Council’s website and regular updates on the progress of the projects.

The CTCIB will adopt the role of a senior strategy advisory body working in partnership with NELC. It will steer and provide strategic advice to the development and implementation of regeneration, place-making, and economic development of Cleethorpes.

Additional scrutiny will be carried out by the relevant Council Scrutiny Panel, internal audit reviews and where appropriate, external auditing and evaluation. The Programme Manager and the SRO will be responsible for monitoring and reporting progress to the CTCIB and DLUHC.

8.3.6 If applicable, please explain how you will cover the operational costs for the day-to-day management of the new asset / facility once it is complete to ensure project benefits are realised. You should also consider any ongoing maintenance and servicing costs.

Please note that these costs are not covered by the LUF grant. (750 words)

In terms of public realm, all three projects fall within the area of Cleethorpes that has already been allocated for daily inspection, cleansing and maintenance through NELC’s Environment Team. The GIS maps, previously uploaded in section 3, ANNEXES 12, 13, 14, indicate the areas covered. This means that the Council has already committed staffing, equipment, and maintenance resource to carry out all required day-to-day maintenance. Pier Gardens is staffed Monday-Friday by grounds maintenance staff, with the street cleansing team stepping in to do any urgent work required on Saturdays and Sundays. The Resort Safety Officers are at work 9-6pm 7 days a week. They will also intervene to cleanse if there are any issues directly affecting public safety such as broken glass in playgrounds.

Regarding the new Sea Road building, one option is for the Resort Safety and Tourist Information Officers to occupy the ground floor, becoming the new base for the Resort Hub. These officers are currently occupying a building next door to the Sea Road development site and adequate facilities maintenance is in place. When the new building is built, it is anticipated that these maintenance arrangements will be carried over to the new facilities therefore ensuring that budget is in place to cover these costs. We believe that the utility costs in the new building will be lower than we currently pay, as the new building will be more efficient to run. It is also the intention to commercially let out the current Resort Hub, and this will create sufficient income to help cover any maintenance/operational costs required to run the new facility.

Regarding the new public toilet provision, earmarked to be included on the ground floor of the Sea Road building, the following approach will be taken for the maintenance of these specific facilities. Within the Council's internal governance process, Business Development Framework, a Business Case submission would identify that once the asset (i.e. the new Sea Road building) is complete, it will become part of NELC's property portfolio and managed as per the arrangements for the Council's commercial or operational portfolios. The existing public conveniences are subject to an agreed annual revenue budget and it is anticipated that with new facilities, there will be a saving to the current operating costs which could support other Council-led services potentially accommodated within the asset (i.e. the Resort Hub). The public conveniences are currently managed by DANFO as part of a contract arrangement. The ongoing contract includes all costs associated with management and maintenance and is overseen via a contract with the Council's regeneration partner EQUANS. It would be the intention that the new toilets are managed in the same way. Equally, any element of the asset that could be utilised for commercial benefit, for example the upper floors of the building, would be subject to market rent(s), income which could offset some of the other operational costs.

8.4 Monitoring and Evaluation

Prior to completing this section applicants should complete the relevant **Costings and Planning Workbook - Table E – Monitoring and Evaluation**

8.4.1 Monitoring and Evaluation Plan: Please set out proportionate plans for monitoring and evaluation. (1000 words)

Cleethorpes LUF Delivery- KPIs, Monitoring and Oversight

Monitoring against a detailed delivery schedule and programme will ensure that an appropriate pace of progress is maintained for delivery on time, to scope and on budget, including the procurement strategy. The PM alongside NELC's Project Management Team will develop our overall Project Execution Plan (PEP) which will set out the expected standards of quality and timescales and cover approvals, gateways, our approach to communication (including a Communications Plan) and mechanisms for escalations of risks. The PEP will be agreed and signed off by the CTCIB, thus ensuring that all parties are in agreement on delivery.

The table referenced in ANNEX 1 Q8.4.1, outlines the challenges, KPI's and monitoring approach throughout the delivery phase of the Cleethorpes LUF.

Cleethorpes LUF - Delivery Monitoring Approach			
Key Challenge	KPI Tools	Monitoring Approach	Monitoring Lead
Is delivery on track?	LUF Project vs Budget and Risk Register	Monthly progress meetings with each supplier will review performance against costs, the LUF programme and risk register, with mitigation strategies collectively agreed.	NELC PM
Is delivery within budget?	LUF Programme vs Budget	Monitoring of spend by the PM and Programme Lead will use best practice and value management tools from an early stage to ensure the programme element remain within budget.	
Is delivery to expected quality?	Detailed Designs vs Final Approvals	From the outset, procurement processes will ensure suppliers have a clear written brief detailing expectations and ongoing monitoring and sign off, of detailed designs will ensure delivery to scope.	

Throughout delivery the dedicated PM will monitor and report against programme delivery. Whilst the PM will take lead responsibility, there will be a 'whole team' approach to collective monitoring that will drive forward the Cleethorpes LUF scheme delivery and ensure day-to-day operational performance is to expectation.

The core tasks by the PM and NELC's Project Management team will include:

- Programme workshops held at the commencement of each stage to develop, review and agree the programme.
- Regular monitoring through site inspection and regular board level reporting.
- Action tracking used for daily / weekly activities management as a proactive way of managing actions and an Information Required Schedule setting out what information is needed, when and by whom.
- Monthly budget planning and regular risk register reviewing and updating linked to the programme.

In keeping with NELC's ethos on all projects, the approach will promote self-correction and continuous improvement. For one-off performance issues, NELC will identify these at an early state, explore background issues and agree a time-framed rectification plan. If, after agreed actions, performance has not improved, the issues will be escalated and dealt with at senior management level.

Outcome Evaluation and Benefits Realisation

The ToC, ANNEX 19, outlines the logic chain and critical path towards a transformation of Cleethorpes, with improved outcomes expected not only in terms of town centre performance, but also in improved socio-economic outcomes among communities.

The Benefits Realisation Plan (BRP) referenced in the Full Business Case, ANNEX 1 Q8.4.1, sets out the measures and targets for monitoring and measuring successful outcomes for the Cleethorpes LUF projects.

Cleethorpes – Benefits Realisation Plan		
Measures of success / Indicators	Outcome Targets	Monitoring Timescales
<ul style="list-style-type: none"> ➤ Scheme delivery ➤ Trips, dwell times and pedestrian flows ➤ Events Programme ➤ Secure operators for activity areas in Pier Gardens ➤ Town centre commercial vacancy rates ➤ New floorspace brought into use ➤ Labour market impacts ➤ Commercial property market impacts ➤ House price performance ➤ Business diversity / sector mix ➤ Town centre performance (occupancy rates) ➤ Provision of improved cycle and green pedestrian corridors ➤ Retention of young people ➤ Improve health and wellbeing ➤ Use and protection of Heritage assets 	<ul style="list-style-type: none"> ➤ Positive visitor feedback ➤ Uptake in town centre day and evening visits ➤ Take up of events ➤ Securing operators ➤ Residents' lived experience will be richer and more culturally diverse ➤ Increased number of overnight stays ➤ Growth of social capital supported by new social and cultural infrastructure. ➤ Extension of the traditional tourism season. ➤ Uptake in retail and leisure spending ➤ Reduction in vacant units ➤ Increase in jobs ➤ Reduce economic inactivity rates ➤ Uplift in commercial property prices ➤ Uplift in town house prices A resilient local economy that is less dependent on one industry, the tourist trade ➤ Improved town centre resilience and vitality 	<p>Baseline: August 2021 to June 2022</p> <p>Ongoing monitoring: July 2022 to August 2030 (delivery and 5-years post completion)</p> <p>Full Evaluation: By August 2030 (5-years post completion)</p>

	<ul style="list-style-type: none"> ➤ Increase in health and well-being activities ➤ Increase in high quality natural assets ➤ Reduction in carbon emissions ➤ Extension of the traditional tourism season ➤ Increasing a sense of civic pride among residents 	
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The PM will be responsible for monitoring and evaluation of the LUF projects' success and for reporting to DLUHC. Some indicators of success are already monitored by NELC such as market occupancy rates, car parking use, footfall etc.

Footfall monitoring will be undertaken annually by Springboard, who have previously been secured, and NELC already procure town centre spending and vacancy data, the costs for which will be subsumed within wider committed NELC budgets. For other proxy indicators (house prices, labour market performance, sector mix, crime rates etc.) a mix of NELC collected and publicly available ONS data will be used.

A full evaluation will also be undertaken by a suitable independent consultant that is procured through existing frameworks. A four-stage evaluation is proposed, with baselining completed in advance of construction, followed by mid-construction, on completion evaluations. A final evaluation will be completed up to five years post-completion, as required. Evaluation costs are included within our monitoring and evaluation budget.

Part 9 – Declarations

9.1 Senior Responsible Owner Declaration

Please complete pro forma 7 Senior Responsible Owner Declaration
PRO FORMA 7 UPLOADED

9.2 Chief Finance Officer Declaration

Please complete pro forma 8 Chief Finance Officer Declaration
PRO FORMA 8 UPLOADED

9.3 Data Protection

Please note that the Department for Levelling Up, Housing and Communities (DLUHC) is a data controller for all Levelling Up Fund related personal data collected with the relevant forms submitted to DLUHC.

The Department, and its contractors, where relevant, may process the Personal Data that it collects from you as part of your application to the Levelling Up Fund, in accordance with its privacy policies. The Department will use the Personal Data provided to contact you, if needed, as part of the assessment, selection and/or monitoring process.

For the same purposes, the Department may need to share your Personal Data with other government departments (OGDs), their Arm's Length Bodies and contractors, where relevant, and departments in the Devolved Administrations, and by submitting this form you are agreeing to your Personal Data being used in this way.

Any information you provide will be kept securely and destroyed within 7 years of the application process completing.

You can find more information about how the Department deals with your data [here](#).

9.4 Publishing

When authorities submit a bid for funding to the UK Government, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, if the bid is successful they must also publish a version excluding any commercially sensitive information on their own website within five working days of the announcement of the successful bids by UK Government. UK Government reserves the right to deem the bid as non-compliant if this is not adhered to.

Please tell us the website where this bid will be published:

www.nelincs.gov.uk

ANNEXES A – C: PROJECT SUMMARIES

These should be completed individually for each component within a **package bid**.

ANNEX A

A1. Project Name:
Market Place
A2. Please provide a short description of this project (100 words maximum)
<p>North East Lincolnshire Council (NELC) commissioned Hemingway Design (led by Wayne Hemingway MBE) to produce a Masterplan for Cleethorpes which, following extensive public consultation, proposes transformational interventions to revitalise the seafront and town centre to become a year-round 'go to' destination. The Market Place project is the first of three projects to kickstart the delivery phase of the Masterplan.</p> <p>The Market Place does not perform as a functioning public space and does not invite a flow through of pedestrians. By rejuvenating Cleethorpes' historic Market Square, the project will add space for social interaction, reconnect our busy seafront and town centre, boosting the retail economy.</p>
A3. Please provide a more detailed overview of the project and how this project aligns with the other projects in the package bid, representing a coherent set of interventions. (250 words)
<p>Market Place offers an opportunity to create a more human-centric environment. It is enveloped by some fine 19thC buildings, but is dominated by parking, pubs, restaurants/takeaways and does not currently respond to the high demand for outdoor eating, drinking, and socialising.</p> <p>Subject to consultation, the historic Market Place will be restored as per the artist's impression, ANNEX 6, as follows: This project will:</p> <ul style="list-style-type: none"> • Deliver 800sqm additional retail space. • Create up to 40 new jobs created, bringing in approximately £11.3m of economic benefits (whole appraisal period). • Encourage wider circulation of people through the town. Car parking will be re-provided nearby through a separate Council-led scheme. • Provide a safer, healthier, more pleasant environment for pedestrians, encouraging a circular route from the seafront through the Market Place, to the town centre. • Enhance the retail infrastructure within the town centre and increase the opportunity for social year-round activity to take place. • In parallel with LUF, develop a heritage regeneration project to conserve the historic buildings, complementing a current NLHF Townscape Heritage scheme, to restore Victorian architecture. <p>Market Place's interventions align with and complement the other two projects, overall providing: a cohesive wayfinding strategy to support pedestrian movements; improved connectivity between the promenades and town centre, boosting the retail economy; sustainable jobs created; infrastructure implemented to increase active travel; reduction in carbon emissions/congestion; improved air quality; local health & wellbeing issues addressed; and the enhancement of the range and quality of the visitor offer to extend the traditional season.</p>

A4. Please provide a short description of the area where the investment will take place. If complex (i.e., containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place. (250 words)

ANNEX 7, identifies the location of Cleethorpes within the county of NEL which lies on the East Coast, at the mouth of the Humber Estuary. Its three main urban areas are Cleethorpes, Grimsby, and Immingham.

As well as serving the local population, which is approximately 39,000, post-pandemic, Cleethorpes welcomed approximately 2.7 million visitors, according to the Scarborough Tourism Economic Assessment Report for 2019 (STEAM). Covering a 3.36sq mile radius, the resort and town includes the Cleethorpes Central Seafront Conservation Area and is also located within the Humber Estuary Site of Special Scientific Interest (SSSI) site and has Ramsar Protection. The Masterplan, and the Market Place project, is therefore set within the context of Cleethorpes' ambition to develop and grow the tourism offer including increasing footfall, creating sustainable jobs, encouraging more overnight stays, and extending the traditional tourism season. Furthermore, the Masterplan supports the creation of a green economy and environment which maximises low carbon and healthy initiatives in NEL, improves infrastructure, and maintains compliance with the Natural England approved Habitat Management Plan.

Market Place is one of three projects included in the LUF application, all of which are closely geographically interconnected, ANNEX 4. ANNEX 12, defines the Market Place project area earmarked for investment in Cleethorpes.

Located within the Sea Front Conservation Area, **Market Place** can be found within Cleethorpes town centre. Enveloped by some characterful 19th Century buildings, the square acts as a link and corridor between the town's main retail street, St Peter's Avenue, and the resort's promenades.

A5. Please confirm where the investment is taking place (where the funding is being spent not the applicant location or where the project beneficiaries are located).

If the project covers multiple locations please provide a GIS file. If this is unavailable please list all the postcodes/coordinates that are relevant to the investment.

For all projects, please confirm in which constituencies and local authorities the project is located. Please confirm the % investment in each location.

Market Place

This is the first of three projects for the Cleethorpes constituency. The Local Authority is North East Lincolnshire Council.

The GIS map included in ANNEX 12 shows where the Market Place project location is and where the investment is taking place.

Postcodes in the area:

DN35 8HQ

DN35 8LZ

DN35 8LY

DN35 8NA

DN35 8LE

DN35 8HF

DN35 8JZ

Grid reference/Co-ordinates:

530549, 408855	
Redacted investment in Market Place.	
A6. Please confirm the total grant requested from LUF for this individual project component (£)	Redacted
A7. Please specify the proportion of funding requested for each of the Fund's three investment themes (%)	Transport investment: 0% Regeneration and town centre investment: 70% Cultural investment: 30%
A8. Value of match funding secured for the component project (£): Where funding is still to be secured please set out details below. If there are any funding gaps please set out your plans for addressing these. (250 words)	Redacted
Match funding is secured through NELC's capital programme. There are no funding gaps.	
A9. Value for Money	
Please set out the full range of impacts – both beneficial and adverse – of the project. Where possible, impacts should be described, quantified and also reported in monetary terms. There should be a clear and detailed explanation of how all impacts reported have been identified, considered and analysed. When deciding what are the most significant impacts to consider, applicants should consider what impacts and outcomes the project is intended to achieve, taking into account the strategic case, but should also consider if there are other possible significant positive or negative impacts, to the economy, people, or environment. (500 words)	
<p>After Market Place is regenerated, the additional public space allows all ages of residents or visitors to enjoy the shops, eateries, or bars in the area and encourage the growth of local retail businesses. The employment impact model takes the figures of retail/leisure floorspace (sqm) provision as input and translates them into FTE jobs based on the latest HCA employment density guide⁴⁷. For both food and non-food retail, the employment density is suggested between 15 to 20 sqm per employee⁴⁸. Therefore, the Market Place project is expected to generate around 40 FTE jobs directly on-site.</p> <p>The welfare benefits associated with the direct employment effects will partially inform the initial BCR (40% of the GDP impacts). According to the latest Annual Business Survey (ABS)⁴⁹, the average GVA per FTE job is £32,912 in 2022/23 prices. By applying the UK GVA - GDP multiplier (1.16), the average GDP per FTE jobs for the relevant employment sectors is £38,351 in 2022/23 prices. Therefore, the total cumulative GDP associated with direct employment is estimated and apportioned to welfare impacts, which are £613,616 for the Market Place project. For wider agglomeration effects in the</p>	

⁴⁷ HCA (2015). [Employment Density Guide 3rd Edition](#)

⁴⁸ Ibid. Page 29.

⁴⁹ ONS (2022). Non-financial business economy, UK regional results: Sections A to S. Table TLE.

town centre, assuming 6.5% of new FTE jobs will be further supported. The welfare benefits relevant to wider employment effects are around £1.15 million.

In addition, the overall regeneration scheme (together with the other two projects) will increase Cleethorpes' economy due to the growth of non-tourism businesses in the town centre. The projects allow an expansion from the traditional tourism season to all year and improve the local income level. This will lead to better property yields with a 0.5% uplift and increases the occupancy rate by 5% for commercial properties. At the Cleethorpes town level, excluding the town centre area, the commercial property yield will increase by 0.15% and the occupancy rate with a 1.5% uplift. For the housing market, the project is expected to increase both residential land value and house prices in Cleethorpes by 1.25%.

Factoring the proportion of project costs for Market Place in the overall scheme (Redacted), the one-off economic benefits based on land value uplift are approximately Redacted after the estimated opening year of Market Place regeneration.

Also, the provision of new public spaces in Market Place will bring amenity benefits to Cleethorpes during the whole project lifespan. According to the DCLG guide⁵⁰, the net amenity benefits are estimated at £92,923 per hectare of intervention (in 2022/23 price). Based on the additional areas of the new public realm spaces, Market Place is expected to provide £4.3 million of amenity benefits over the appraisal period.

In summary, the total economic benefits of the Market Place project are approximately Redacted or Redacted with additionality factored in (nominal price).

A10. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be provided at Question 5.5 in the main application. If it is not possible to provide an overall BCR for your package bid, please explain why. (250 words)

The nominal price of the Market Place regeneration costs Redacted in 2022/23. The real-term and the discounted price is arrived at by the adjustments of:

- optimism bias: a 24% uplift on nominal price since the project is at the early stage of a standard civil engineering project according to the Green Book guidance⁵¹;
- discounted price: the HM treasury suggested rate of 3.5% is discounted; and
- inflation: a short-term rate of 7% in 2022/23 and 4% in 2023/24 is applied while the Government's long-term target rate of 2% is adopted for 2024/25 onwards.

Considering the additionality effects, the adjustments on economic benefits are applied to factor in the low displacement effects (25%). This assumes that a limited extent of influence will occur between the local businesses of Cleethorpes and Grimsby.

As a result, the economic costs are around Redacted in real price. This informs the initial BCR with around Redacted (Redacted of benefits in real price). Considering the distributional effects based on the income level of NEL, the project is expected to bring

⁵⁰ Department for Communities and Local Government (2016). [The DCLG Appraisal Guide. Page 91](#)

⁵¹ HM Treasury (2022). [Green Book supplementary guidance: optimism bias](#). Table 1.

approximately Redacted in economic benefits. This resulted in the adjusted BCR of Redacted.

According to the DCLG appraisal guidance (2016)⁵², the VfM category for the Market Place project is a “good” investment since both initial and adjusted BCRs are above 2. The switching value that will turn the project into the “acceptable” VfM category is a Redacted decrease in overall economic benefits.

A11. Where available, please provide the initial and adjusted BCR for this project.

Initial BCR:

Adjusted BCR:

Initial BCR	Redacted
Adjusted BCR	Redacted

A12. Does your proposal deliver non-monetised benefits? Please set out what these are and a summary of how these have been assessed. (250 words)

The Market Place revives the historic identity in the town centre and unlocks the opportunities for festivals, events or markets in the newly created public space. Also, the heritage buildings will be preserved and activated which will significantly bring more cultural diversity with enriching life experiences. This increases the cultural capital of the residents in Cleethorpes.

The project provides the additional social infrastructure that improves the gathering spaces in the town centre. The public space will improve connectivity for active travel and attract more visitors to Cleethorpes. This will extend the traditional tourism season, thrive in the local community, and stimulate all ages of residents to lead happy, fulfilled lives. Also, the Market Place regeneration will enhance the social network of Cleethorpes’ residents and increases their sense of civic pride.

In terms of the labour supply effects, the project creates business opportunities for shops, eateries, or bars in the area. This is expected to create 40 jobs for local businesses directly. That is to say, the labour supply of the improved local economy will increase the tax base and enable the Council to invest more in social welfare.

According to STEAM reports⁵³, the average visitor number in Cleethorpes is 2.94 million per annum with an economic impact value of 254.13 million per annum over the period of 2017 to 2021. Considering the most recent five-year trend, the economic impact of Cleethorpes’ tourism industry is £86.35 per visitor. As an indicative benefit, a 1% growth of total visitors will bring around £2.54 million in economic impacts per annum to Cleethorpes.

A13. Does this project include plans for some LUF expenditure in 2022-23.

Yes

⁵² DCLG (2016). [DCLG Appraisal Guide](#). Section 2. Page 28

⁵³ Global Tourism Solutions (GTS) (2017 - 2021). North East Lincolnshire’s STEAM economic impact report

	<p>Within this project there are elements which can be delivered over the 2022-2023 period, however in line with the LUF Bid Guidance this will be limited to either design level works, procurement or site investigation.</p> <p>Market Place: The Market Place site is situated within an urban zone which has been developed over a number of years and therefore a significant element of site investigation will be required to ascertain the location of critical utility services.</p> <p>Alongside the specific works to each project outlined above, this project will require the current design to be advanced to RIBA stage 4 to allow procurement of a delivery contractor. The specific elements above and this design advancement generally has been included as costs within the bid and associated monies will be defrayed immediately following grant award and up to 31 March 2023 to take this project forward.</p>
<p>A14. Could this project be delivered as a standalone project or do it require to be part of the overall bid?</p>	<p><input type="checkbox"/> Yes, it can be delivered as a standalone project, but the outputs and impacts are strengthened as part of a package bid approach.</p>
<p>A15. Deliverability: Please demonstrate that the project can be delivered in 2022-23?</p>	<p><input type="checkbox"/> No</p> <p>This project can commence in 2022-23 and will be completed by February 2025.</p>
<p>Statutory Powers and Consents</p>	
<p>A16. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.</p>	
<p>Market Place does not any consents in place, but NELC possesses all the relevant statutory responsibilities it requires to deliver the project, including ownership and public highway responsibilities.</p> <p>Planning pre-app advice has been received for Market Place in June 2022, ANNEX 17, which indicates that based on the information provided, if the parameters are not exceeded and the works are on NELC land, then no formal application for planning permission will be required for the hard and soft landscaping. However, it is advised that a change of use of the land would be required for the use of Market Place as a permanent pedestrianised area for markets and social events.</p>	

A17. Please list separately any outstanding statutory powers / consents etc, including the timetable for obtaining them.

Planning pre-app advice recommends that a change of use of land would be required for the use of Market Place as a permanent pedestrianized area for markets and social events.

If the LUF application is successful then planning would be applied for in the Autumn 2022, with a decision to be received 13 weeks later.

ANNEX B

B1. Project Name:
Sea Road new building
B2. Please provide a short description of this project (100 words maximum)
<p>North East Lincolnshire Council (NELC) commissioned Hemingway Design (led by Wayne Hemingway MBE) to produce a Masterplan for Cleethorpes which, following extensive public consultation, proposes transformational interventions to revitalise the seafront and town centre to become a year-round 'go to' destination. The Sea Road new building is the second of three projects to kickstart the delivery phase of the Masterplan.</p> <p>Currently a vacant site, in the heart of the resort, the Sea Road new building will deliver a multi-use, tourism-focused landmark building. Housing the Resort Hub on the ground floor and new public toilets, the upper floors will offer a commercial/cultural opportunity for a private operator.</p>
B3. Please provide a more detailed overview of the project and how this project aligns with the other projects in the package bid, representing a coherent set of interventions. (250 words)
<p>Sea Road, currently a vacant site in the heart of the resort, will support the construction of a landmark, architecturally significant modern building directly opposite the entrance to the historic Pier. A full design and access statement is included in ANNEX 7.</p> <p>Providing a new tourism destination, it will potentially comprise of a Resort Hub, housing the Council's beach safety and tourism information services, and state-of-the-art public amenities and changing facilities on the ground floor. This will be alongside commercial/cultural space on the upper floors, providing an important social and cultural destination for local people and visitors. The development has planning permission in place until May 2023, ANNEX 8, and will:</p> <ul style="list-style-type: none">• Deliver 1,300sqm+ floorspace including a second-floor entrance level from Pier Gardens.• Create up to 71 new jobs, bringing in approximately £16m of economic benefits (whole appraisal period).• Provide a new social and/or cultural venue to help extend the tourism season. <p>The project also forms part of a wider strategy to extend the promenade to encourage people to discover the town centre more widely and enjoy Pier Gardens.</p> <p>The Sea Road new building's interventions align with and complement the other two projects, overall providing: a cohesive wayfinding strategy to support pedestrian movements; improved connectivity between the promenades and town centre, boosting the retail economy; sustainable jobs created; infrastructure implemented to increase active travel; reduction in carbon emissions / congestion; improved air quality; local health & wellbeing issues addressed; and the enhancement of the range and quality of the visitor offer to extend the traditional season.</p>
B4. Please provide a short description of the area where the investment will take place. If complex (i.e., containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place. (250 words)
<p>ANNEX 7, identifies the location of Cleethorpes within the county of NEL which lies on the East Coast, at the mouth of the Humber Estuary. Its three main urban areas are Cleethorpes, Grimsby, and Immingham.</p>

As well as serving the local population, which is approximately 39,000, post-pandemic, Cleethorpes welcomed approximately 2.7 million visitors, according to the Scarborough Tourism Economic Assessment Report for 2019 (STEAM). Covering a 3.36sq mile radius, the resort and town includes the Cleethorpes Central Seafront Conservation Area and is located within the Humber Estuary Site of Special Scientific Interest (SSSI) site and has Ramsar Protection. The Sea Road project, is therefore set within the context of Cleethorpes' ambition to develop and grow the tourism offer including increasing footfall, creating sustainable jobs, encouraging more overnight stays, and extending the traditional tourism season. This project supports the creation of a green economy and environment which maximises low carbon and healthy initiatives in NEL and improves infrastructure.

The Sea Road new building is one of three projects included in the LUF application, all of which are closely geographically interconnected, ANNEX 4. ANNEX 13, defines the project area earmarked for investment in Cleethorpes.

Sea Road, which is a strategically important development site in the heart of the resort and located directly opposite the historic Pier, will deliver a new landmark building for the local community and visitors. It will become a key extension of the promenades, encouraging discovery of the Pier Gardens and the town centre, and supporting the natural movement of people along Alexandra Road to the Sea View Quarter.

B5. Please confirm where the investment is taking place (where the funding is being spent not the applicant location or where the project beneficiaries are located).

If the project is at a single location please confirm the postcode and grid reference for the location of the investment.

If the project covers multiple locations please provide a GIS file. If this is unavailable please list all the postcodes/coordinates that are relevant to the investment.

For all projects, please confirm in which constituencies and local authorities the project is located. Please confirm the % investment in each location.

This is the second of three projects for the Cleethorpes constituency. The Local Authority is North East Lincolnshire Council.

The GIS map included in ANNEX 13 shows where the Sea Road new building project location is and where the investment is taking place.

Sea Road new building

Postcodes:
DN35 8SE
DN35 8SG

Grid reference/Co-ordinates:
530720, 408933

Redacted investment for the Sea Road new building project.

B6. Please confirm the total grant requested from LUF for this individual project component (£)

Redacted

B7. Please specify the proportion of funding requested for each of the Fund's three investment themes (%)

Transport investment: 0%
Regeneration and town centre investment: 70%
Cultural investment: 30%

<p>B8. Value of match funding secured for the component project (£): Where funding is still to be secured please set out details below. If there are any funding gaps please set out your plans for addressing these. (250 words)</p>	<p>Redacted</p>
<p>Match funding is secured through NELC's capital programme. There are no funding gaps.</p>	
<p>B9. Value for Money</p> <p>Please set out the full range of impacts – both beneficial and adverse – of the project. Where possible, impacts should be described, quantified and also reported in monetary terms. There should be a clear and detailed explanation of how all impacts reported have been identified, considered and analysed. When deciding what are the most significant impacts to consider, applicants should consider what impacts and outcomes the project is intended to achieve, taking into account the strategic case, but should also consider if there are other possible significant positive or negative impacts, to the economy, people, or environment. (500 words)</p> <p>After the Sea Road building is constructed and starts operating, this new resort hub will provide multifunctional retail and gathering spaces that serve both residents and visitors. The appraisal results show that there will be a total of Redacted in net development revenue after the project is realised. The appraisal has accounted for the revenue of different rental areas of the building, including the commercial floorspaces on the 1st and 2nd floors.</p> <p>Also, the project will encourage the local businesses to grow and creates job opportunities. The employment impact model takes the figures of retail/leisure floorspace (sqm) provision as input and translates them into FTE jobs based on the latest HCA employment density guide⁵⁴. For both food and non-food retail, the employment density is suggested between 15 to 20 sqm per employee⁵⁵. Therefore, the Sea Road project is expected to generate around 71 FTE jobs directly on-site.</p> <p>The welfare benefits associated with the direct employment effects will partially inform the initial BCR (40% of the GDP impacts). According to the latest Annual Business Survey (ABS)⁵⁶, the average GVA per FTE job is £32,912 in 2022/23 prices. By applying the UK GVA - GDP multiplier (1.16), the average GDP per FTE jobs for the relevant employment sectors is £38,351 in 2022/23 prices. Therefore, the total cumulative GDP associated with direct employment is estimated and apportioned to welfare impacts, which are £1,089,168 for the Sea Road project. For wider agglomeration effects in the Town Centre, assuming 6.5% of new FTE jobs will be further supported. The welfare benefits relevant to wider employment effects are around £2.04 million.</p> <p>In addition, the overall regeneration scheme (together with the other two projects) will increase Cleethorpes' economy due to the growth of non-tourism businesses in the town centre.</p>	

⁵⁴ HCA (2015). [Employment Density Guide 3rd Edition](#)

⁵⁵ Ibid. Page 29.

⁵⁶ ONS (2022). Non-financial business economy, UK regional results: Sections A to S. Table TLE.

The projects allow an expansion from the traditional tourism season to all year and improve the local income level. This will lead to better property yields with a 0.5% uplift and increases the occupancy rate by 5% for commercial properties. At the Cleethorpes town level, excluding the town centre area, the commercial property yield will increase by 0.15% and the occupancy rate with a 1.5% uplift. For the housing market, the project is expected to increase both residential land value and house prices in Cleethorpes by 1.25%.

Factoring the proportion of project costs for Sea Road building in the overall scheme (Redacted), the one-off economic benefits based on land value uplift are approximately Redacted after the estimated opening year of Sea Road building.

In summary, the total economic benefits of the Sea Road building project are approximately Redacted or Redacted with additionality factored in (nominal price).

B10. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be provided at Question 5.5 in the main application. If it is not possible to provide an overall BCR for your package bid, please explain why. (250 words)

The nominal price of the Sea Road building costs Redacted in 2022/23. The real-term and the discounted price is arrived at by the adjustments of:

- optimism bias: a 15% uplift on nominal price since the project is at a more advanced stage (demolition work of the existing building is completed) for a standard building engineering project according to the Green Book guidance⁵⁷;
- discounted price: the HM treasury suggested rate of 3.5% is discounted; and
- inflation: a short-term rate of 7% in 2022/23 and 4% in 2023/24 is applied while the Government's long-term target rate of 2% is adopted for 2024/25 onwards.

Considering the additionality effects, the adjustments on economic benefits are applied to factor in the low displacement effects (25%). This assumes that a limited extent of influence will occur between the local businesses of Cleethorpes and Grimsby.

As a result, the economic costs are around Redacted in real price. This informs the initial BCR with around Redacted (Redacted of benefits in real price). Considering the distributional effects based on the income level of NEL, the project is expected to bring approximately Redacted. This resulted in the adjusted BCR of Redacted.

According to the DCLG appraisal guidance (2016)⁵⁸, the VfM category for the Sea Road building project is a “good” investment since both initial and adjusted BCRs are above 2. The switching value that will turn the projects into the “acceptable” VfM category is a Redacted decrease in overall economic benefits.

⁵⁷ HM Treasury (2022). [Green Book supplementary guidance: optimism bias](#). Table 1.

⁵⁸ DCLG (2016). [DCLG Appraisal Guide](#). Section 2. Page 28

B11. Where available, please provide the initial and adjusted BCR for this project.

Initial BCR:

Adjusted BCR:

Initial BCR	Redacted
Adjusted BCR	Redacted

B12. Does your proposal deliver non-monetised benefits? Please set out what these are and a summary of how these have been assessed. (250 words)

The Sea Road building will provide multifunctional retail and gathering spaces that serve both residents and visitors. This creates a landmark building which will increase the sense of civic pride among the local people. As a result, this will retain the local labour to work in the resort area of Cleethorpes and enhance the social network between the residents.

The new social infrastructure will diversify the local economy away from concentrating on the tourist trade. The additional retail units and commercial spaces provision will create a year-round resilient economy that increases Cleethorpes' GVA. Also, the landmark Sea Road building will raise the profile of Cleethorpes and attract a higher number of visitors, especially in both seafront and the Town Centre areas. This is expected to increase the labour supply with new opportunities for businesses in the hospitality, leisure and retail sectors. It is expected to create 71 jobs for local businesses directly. That is to say, the labour supply of the improved local economy will increase the tax base and enable the Council to invest more in social welfare.

According to STEAM reports⁵⁹, the average visitor number in Cleethorpes is 2.94 million per annum with an economic impact value of 254.13 million per annum over the period of 2017 to 2021. Considering the most recent five-year trend, the economic impact of Cleethorpes' tourism industry is £86.35 per visitor. As an indicative benefit, a 1% growth of total visitors will bring around £2.54 million in economic impacts per annum to Cleethorpes.

B13. Does this project include plans for some LUF expenditure in 2022-23

Yes

Within this project there are elements which can be delivered over the 2022-2023 period, however in line with the LUF Bid Guidance this will be limited to either design level works, procurement or site investigation.

Sea Road:

This scheme already has a current planning permission, however further work will be required to possibly vary this permission or discharge conditions.

⁵⁹ Global Tourism Solutions (GTS) (2017 - 2021). North East Lincolnshire's STEAM economic impact report

	Alongside the specific works outlined above, all this project will require the current design to be advanced to RIBA stage 4 to allow procurement of a delivery contractor. The specific elements above and this design advancement generally has been included as costs within the bid and associated monies will be defrayed immediately following grant award and up to 31 March 2023 to take the project forward.
B14. Could this project be delivered as a standalone project or do it require to be part of the overall bid?	<input type="checkbox"/> Yes, it can be delivered as a standalone project, but the outputs and impacts are strengthened as part of a package bid approach.
B15. Deliverability: Please demonstrate that the project can be delivered in 2022-23?	<input type="checkbox"/> No This project can commence in 2022-23 and will complete by February 2025.
Statutory Powers and Consents	
B16. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.	
Planning permission is in place for the Sea Road new building until May 2023, ANNEX 8.	
B17. Please list separately any <u>outstanding</u> statutory powers / consents etc, including the timetable for obtaining them.	
N/A	

ANNEX C

C1. Project Name:
Pier Gardens
C2. Please provide a short description of this project (100 words maximum)
<p>North East Lincolnshire Council (NELC) commissioned Hemingway Design (led by Wayne Hemingway MBE) to produce a Masterplan for Cleethorpes which, following extensive public consultation, proposes transformational interventions to revitalise the seafront and town centre to become a year-round 'go to' destination. The Pier Gardens is the third of three projects to kickstart the delivery phase of the Masterplan.</p> <p>The Pier Gardens project will transform a currently underutilised and uninspiring Victorian linear park, regenerating the area to become a new tourism destination for Cleethorpes. It will offer something for everyone, including play, leisure activities and attractions in a beautiful and biodiverse environment.</p>
C3. Please provide a more detailed overview of the project and how this project aligns with the other projects in the package bid, representing a coherent set of interventions. (250 words)
<p>Focussing on one of the town's most important areas of green space and Victorian landscaping, Pier Gardens will fulfil its potential as a source of social, cultural, and environmental value. The Sea Road new building integrates seamlessly with Pier Gardens which seeks to transform a currently underutilised and tired Victorian linear park, into a series of "outdoor rooms" which will:</p> <ul style="list-style-type: none"> • Deliver 13,700sqm new outdoor leisure space. • Create up to 55 new jobs created, bringing in approximately £18.7m of economic benefits (whole appraisal period). • Provide a variety of recreational uses including exciting new family-focused activities. • Introduce more wildlife friendly plant species, enhancing biodiversity. <p>An artist's impression for Pier Gardens, taken from the Masterplan, is included in ANNEX 9.</p> <p>The Pier Gardens' project will not only stimulate active use and improve access, particularly for families, but with direct access to the new Sea Road building, it will become a social and cultural destination and help extend the town's appeal beyond the traditional tourism season.</p> <p>Pier Garden's interventions are aligned with and complementary to the other two projects, overall providing: a cohesive wayfinding strategy to support pedestrian movements; improved connectivity between the promenades and town centre, boosting the retail economy; sustainable jobs created; infrastructure implemented to increase active travel (walking & cycling); reduction in carbon emissions / congestion; improved air quality; local health & wellbeing issues addressed; and the enhancement of the range and quality of the visitor offer to extend the traditional season.</p>
C4. Please provide a short description of the area where the investment will take place. If complex (i.e., containing multiple locations/references) please include a map defining the area with references to any areas where the LUF investment will take place. (250 words)

ANNEX 7, identifies the location of Cleethorpes within the county of NEL which lies on the East Coast, at the mouth of the Humber Estuary. Its three main urban areas are Cleethorpes, Grimsby, and Immingham.

As well as serving the local population, which is approximately 39,000, post-pandemic, Cleethorpes welcomed approximately 2.7 million visitors, according to the Scarborough Tourism Economic Assessment Report for 2019 (STEAM). Covering a 3.36sq mile radius, the resort and town includes the Cleethorpes Central Seafront Conservation Area and is located within the Humber Estuary Site of Special Scientific Interest (SSSI) site and has Ramsar Protection. The Pier Gardens project, is therefore set within the context of Cleethorpes' ambition to develop and grow the tourism offer including increasing footfall, creating sustainable jobs, encouraging more overnight stays, and extending the traditional tourism season. This project supports the creation of a green economy and environment which maximises low carbon and healthy initiatives in NEL and improves infrastructure.

Pier Gardens is one of three projects included in the LUF application, all of which are closely geographically interconnected, ANNEX 4. ANNEX 14, defines the project area earmarked for investment in Cleethorpes.

C5. Please confirm where the investment is taking place (where the funding is being spent not the applicant location or where the project beneficiaries are located).

If the project is at a single location please confirm the postcode and grid reference for the location of the investment.

If the project covers multiple locations please provide a GIS file. If this is unavailable please list all the postcodes/coordinates that are relevant to the investment.

For all projects, please confirm in which constituencies and local authorities the project is located. Please confirm the % investment in each location.

Pier Gardens

This is the third of three projects for the Cleethorpes constituency. The Local Authority is North East Lincolnshire Council.

The GIS map included in ANNEX 14 shows where the Pier Gardens project location is and where the investment is taking place.

Postcodes:

DN35 8SG

DN35 8SE

DN35 8LE

DN35 8LG

DN35 8LL

Grid reference/Co-ordinates:

530798, 408795

Redacted investment.

C6. Please confirm the total grant requested from LUF for this individual project component (£)	Redacted
C7. Please specify the proportion of funding requested for each of the Fund's three investment themes (%)	Transport investment: 0% Regeneration and town centre investment: 70% Cultural investment: 30%
C8. Value of match funding secured for the component project (£): Where funding is still to be secured please set out details below. If there are any funding gaps please set out your plans for addressing these. (250 words)	Redacted
Match funding is secured through NELC's capital programme. There are no funding gaps.	
C9. Value for Money	
<p>Please set out the full range of impacts – both beneficial and adverse – of the project. Where possible, impacts should be described, quantified and also reported in monetary terms. There should be a clear and detailed explanation of how all impacts reported have been identified, considered and analysed. When deciding what are the most significant impacts to consider, applicants should consider what impacts and outcomes the project is intended to achieve, taking into account the strategic case, but should also consider if there are other possible significant positive or negative impacts, to the economy, people, or environment. (500 words)</p>	
<p>Pier Gardens will knit the seafront of the town centre area together by upgrading the existing linear Victorian park and providing outdoor leisure spaces for both visitors and local people. The connectivity between the promenades to the retail areas will be improved, which stimulates the growth of both tourism and non-tourism businesses in the town centre. The employment density is suggested between 30 to 300 sqm per employee for visitors & cultural attractions.⁶⁰ Therefore, the Pier Garden which introduces activity areas for water/leisure attractions will create around 55 relevant jobs directly on-site.</p> <p>The welfare benefits associated with the direct employment effects will partially inform the initial BCR (40% of the GDP impacts). According to the latest Annual Business Survey (ABS)⁶¹, the average GVA per FTE job is £32,912 in 2022/23 prices. By applying the UK GVA - GDP multiplier (1.16), the average GDP per FTE jobs for the relevant employment sectors is £38,351 in 2022/23 prices. Therefore, the total cumulative GDP associated with direct employment is estimated and apportioned to welfare impacts, which are £840,654 for the Pier Gardens project. For wider agglomeration effects in the town centre, assuming 6.5% of new FTE jobs will be further supported. The welfare benefits relevant to wider employment effects are around £1.58 million.</p>	

⁶⁰ Ibid. Page 29.

⁶¹ ONS (2022). Non-financial business economy, UK regional results: Sections A to S. Table TLE.

In addition, the overall regeneration scheme (together with the other two projects) will increase Cleethorpes' economy due to the growth of non-tourism businesses in the Town Centre. The projects allow an expansion from the traditional tourism season to all year and improve the local income level. This will lead to better property yields with a 0.5% uplift and increases the occupancy rate by 5% for commercial properties. At the Cleethorpes town level, excluding the Town Centre area, the commercial property yield will increase by 0.15% and the occupancy rate with a 1.5% uplift. For the housing market, the project is expected to increase both residential land value and house prices in Cleethorpes by 1.25%.

Factoring the proportion of project costs for Pier Garden in the overall scheme (Redacted), the one-off economic benefits based on land value uplift are approximately Redacted after the estimated opening year of Pier Gardens' regeneration.

Also, the provision of new open green spaces and parks in Pier Gardens will bring amenity benefits to Cleethorpes during the whole project lifespan. According to the DCLG guide⁶², the net amenity benefits are estimated at £92,923 per hectare of intervention (in 2022/23 price). Based on the additional areas of the new public realm spaces, Pier Gardens is expected to provide £3.4 million of amenity benefits over the appraisal period.

In summary, the total economic benefits of the Pier Garden project are approximately Redacted or Redacted with additionality factored in (nominal price).

C10. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be provided at Question 5.5 in the main application. If it is not possible to provide an overall BCR for your package bid, please explain why. (250 words)

The nominal price of the Pier Gardens project costs Redacted in 2022/23. The real-term and the discounted price is arrived at by the adjustments of:

- optimism bias: a 24% uplift on nominal price since the project is at the early stage of a standard civil engineering project according to the Green Book guidance⁶³;
- discounted price: the HM treasury suggested rate of 3.5% is discounted; and
- inflation: a short-term rate of 7% in 2022/23 and 4% in 2023/24 is applied while the Government's long-term target rate of 2% is adopted for 2024/25 onwards.

Considering the additionality effects, the adjustments on economic benefits are applied to factor in the low displacement effects (25%). This assumes that a limited extent of influence will occur between the local businesses of Cleethorpes and Grimsby.

As a result, the economic costs are around Redacted in real price. This informs the initial BCR with around Redacted (Redacted of benefits in real price). Considering the distributional effects based on the income level of NEL, the project is expected to bring approximately Redacted in economic benefits. This resulted in the adjusted BCR of Redacted.

⁶² Department for Communities and Local Government (2016). [The DCLG Appraisal Guide. Page 91](#)

⁶³ HM Treasury (2022). [Green Book supplementary guidance: optimism bias](#). Table 1.

According to the DCLG appraisal guidance (2016)⁶⁴, the VfM category for the Pier Garden project is a “good” investment since the adjusted BCR is above 2. The project is considered an acceptable investment if the VfM category is based on the initial BCR.

The switching value that will turn the project’s initial BCR into the “acceptable” VfM category is a Redacted decrease in economic benefits.

C11. Where available, please provide the initial and adjusted BCR for this project.

Initial BCR:

Adjusted BCR:

Initial BCR	Redacted
Adjusted BCR	Redacted

C12. Does your proposal deliver non-monetised benefits? Please set out what these are and a summary of how these have been assessed. (250 words)

The Pier Gardens project will unlock the leisure green space to connect the seafront and the town centre area. The improved connectivity will stimulate the retail business of both areas to grow and prosper, which contributes to the increase of local GVA and employment. It is expected to create 55 jobs for local businesses directly. That is to say, the labour supply of the improved local economy will increase the tax base and enable the Council to invest more in social welfare

The horticultural outdoor rooms improve the biodiversity of wildlife and plant species. This will encourage both residents and visitors to active travel and enjoy the carbon-free corridor in the Town Centre. As a result, the health capital will be significantly increased by better human well-being and an environment with fewer greenhouse gas emissions. Also, this helps the Council to achieve the net-zero climate change target by 2050.

According to STEAM reports⁶⁵, the average visitor number in Cleethorpes is 2.94 million per annum with an economic impact value of 254.13 million per annum over the period of 2017 to 2021. Considering the most recent five-year trend, the economic impact of Cleethorpes’ tourism industry is £86.35 per visitor. As an indicative benefit, a 1% growth of total visitors will bring around £2.54 million in economic impacts per annum to Cleethorpes.

C13. Does this project include plans for some LUF expenditure in 2022-23

Yes

Within this project there are elements which can be delivered over the 2022-2023 period, however in line with the LUF Bid Guidance this will be limited to either design level works, procurement or site investigation.

⁶⁴ DLGG (2016). [DCLG Appraisal Guide](#). Section 2. Page 28

⁶⁵ Global Tourism Solutions (GTS) (2017 - 2021). North East Lincolnshire’s STEAM economic impact report

	<p>Pier Gardens: Due to the site topography and current occupancy of the site (soft landscaping, lighting, utility connections etc) a significant element of site investigation will be required.</p> <p>Alongside the specific works outlined above, this project will require the current design to be advanced to RIBA stage 4 to allow procurement of a delivery contractor. The specific elements above and this design advancement generally has been included as costs within the bid and associated monies will be defrayed immediately following grant award and up to 31 March 2023 to take this project forward.</p>
<p>C14. Could this project be delivered as a standalone project or do it require to be part of the overall bid?</p>	<p><input type="checkbox"/> Yes, it could be delivered as a standalone project but will have more impact as a package bid.</p>
<p>C15. Deliverability: Please demonstrate that the project can be delivered in 2022-23?</p>	<p><input type="checkbox"/> Yes</p> <p>This project will commence in 2022-23 and will be completed by February 2025.</p>
<p>Statutory Powers and Consents</p>	
<p>C16. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.</p>	
<p>Pier Gardens does not have any consents in place, but NELC possesses all the relevant statutory responsibilities it requires to deliver the project, including ownership and public highway responsibilities.</p> <p>Planning pre-app advice has been received for Pier Gardens, ANNEX 18. This indicates that based on the information provided, if the parameters are not exceeded and the works are on NELC land, then no formal application for planning permission will be required. Given the gardens are locally listed and within the Conservation Area, it is advised that there is liaison with the Heritage Officer on the detail of any proposals once they are known. Furthermore, given the landscape in which the gardens sit we are also advised to liaise with the Trees and Woodlands Officer.</p>	
<p>C17. Please list separately any <u>outstanding</u> statutory powers / consents etc, including the timetable for obtaining them.</p>	
<p>Planning pre-app advice recommends that there is liaison with the Heritage Officer on the detail of any proposals once they are known. Furthermore, given the landscape in which the gardens sit we are also advised to liaise with the Trees and Woodlands Officer.</p> <p>If the LUF application is successful, then consultation with the Heritage Officer and the Trees and Woodlands Officer will commence in the Autumn 2022.</p>	

Attachment checklist

Where possible, please zip attachments under the headings provided to reduce the number of attachments being uploaded. Applicants will not be able to submit more than 25 annexes in total. Zipped files will however be accepted. We cannot accept embedded links or file sharing, and information submitted in this way will not be considered.

1: Workbook	
Have you completed the Costings and Planning Workbook? <i>For package projects please complete the Costings and Planning Workbook for package bids</i> <i>If N, your bid will not be assessed as LUF grant spend in 2022/23 needs to be demonstrated via the workbook.</i>	Y <input type="checkbox"/> X
UPLOADED	
5: Evidence of MP formal priority support	
For bids in England, Scotland, and/or Wales only: Have you attached pro forma 6: MP formal priority support for this bid?	Y <input type="checkbox"/> X
PRO FORMA 6 UPLOADED	
6: State Aid/Subsidy	
For all non-public sector applicants delivering in Northern Ireland: Have you attached independent legal advice that is aligned to your response in this section and verifies that the award of funds considered to be UK subsidy control regime compliant?	Y <input type="checkbox"/> X
UPLOADED ANNEX 15	
For all public authorities in England, Scotland and Wales only, disbursing funds as a potential subsidy to third parties. Have you attached pro forma 5 : statement of compliance relating to subsidy signed by your Chief Finance Officer?	Y <input type="checkbox"/> X
PRO FORMA 5 UPLOADED WITH ADDITIONAL ANNEXES	
7: GIS Files	
Have you attached a GIS file (this is recommended for projects that cover multiple locations)?	Y <input type="checkbox"/> X
UPLOADED ANNEXES 12, 13, 14	
8: Maps and Drawings	
Have you attached a map defining the area with references to any areas where the LUF investment will take place?	Y <input type="checkbox"/> X
UPLOADED ANNEX 4	

Have you attached any drawings/plans to support your bid? UPLOADED ANNEXES 6 & 9	Y <input type="checkbox"/> X
9: Strategic Fit	
Have you attached evidence of stakeholder engagement (E.g. letters of support)? UPLOADED ANNEXES 3 & 16	Y <input type="checkbox"/> X
Have you provided an Option Assessment Report (OAR)?	N/A
Have you attached a Theory of Change? UPLOADED ANNEX 19	Y <input type="checkbox"/> X
10: Economic Case for Investment	
Have you attached an explanatory note explaining how the BCR has been calculated? UPLOADED ANNEX 20 ASTs UPLOADED ANNEX 21	Y <input type="checkbox"/> X
Have you provided additional documents to support the Economic Case (section 5)? <i>For transport bids, applicants should provide specific appraisal output spreadsheets where available. Including: Active Mode Appraisal Toolkit, Local Highways Maintenance Appraisal toolkit, Small Scheme Appraisal toolkit or transport user benefit appraisal (TUBA) outputs.</i> NOTHING ADDITIONAL	N <input type="checkbox"/> X
11: Deliverability	
Have you appended copies of confirmed match funding? UPLOADED ANNEX 22	Y <input type="checkbox"/> X
Have you attached evidence in the form of a letter from an independent valuer to verify the true market value of the land? NOT APPLICABLE	N/A
Have you attached a Delivery Plan? UPLOADED ANNEX 24	Y <input type="checkbox"/> X

Have you attached evidence relating to statutory consents/land ownership and/or acquisition? UPLOADED ANNEXES 8, 17, 18	Y <input type="checkbox"/> X <input type="checkbox"/>
Have you attached an integrated Assurance and Approval Plan? NOT APPLICABLE	N/A
Have you attached a copy of your Risk Register? UPLOADED ANNEX 23	Y <input type="checkbox"/> X <input type="checkbox"/>
12: SRO and CFO Bid Declarations	
Have you attached pro forma 7: SRO declaration? PRO FORMA 7 UPLOADED	Y <input type="checkbox"/> X <input type="checkbox"/>
Have you attached pro forma 8: CFO declaration? PRO FORMA 8 UPLOADED	Y <input type="checkbox"/> X <input type="checkbox"/>
13: Business Case	
Have you attached an outline or full business case? UPLOADED ANNEX 1	Y <input type="checkbox"/> X <input type="checkbox"/>