

Section 1: Introduction questions

What is the legal name of the lead applicant organisation?

Tendring District Council

Where is your bid being delivered?

England

Select your local authority

Tendring

Enter the name of your bid

Clacton Civic Quarter

Does your bid contain any projects previously submitted in round 1?

No

Bid manager contact details

Full name

Lee Heley

Position

Corporate Director - Projects Delivery, Economic Growth and Leisure

Telephone number

██████████

Email address

████████████████████

Postal address

Clacton Town Hall
Station Road
Clacton

Essex
CO15 1SE

Senior Responsible Officer contact details

Full name

Lee Heley

Position

Corporate Director - Projects Delivery, Economic Growth and Leisure

Telephone number

[REDACTED]

Email address

[REDACTED]

Chief Finance Officer contact details

Full name

Richard Barrett

Telephone number

[REDACTED]

Email address

[REDACTED]

Local Authority Leader contact details

Full name

Cllr Neil Stock OBE

Position

Leader of the Council

Telephone number

[REDACTED]

Email address

Enter the name of any consultancy companies involved in the preparation of the bid

Enter the total grant requested from the Levelling Up Fund

£19958224

Investment themes

Regeneration and town centre

Cultural

Transport

0%

Section 2: Eligibility and gateway criteria

Which bid allowance are you using?

Full constituency allowance

How many component projects are there in your bid?

2

Are you submitting a joint bid?

No

Grant value declaration

I am submitting a bid as a single applicant and can confirm that the bid overall does not exceed £20 million grant value

Gateway criteria: costings, planning and defrayment

I confirm that some LUF grant funding will be defrayed in the 2022/23 financial year

Section 3: Bid Summary

Provide bid name

Clacton Civic Quarter

Provide a short description of your bid

This package bid comprises two projects which together form a mixed use development on two adjacent sites; delivering 28 new homes, a community hub including a new library, adult community learning space for upskilling residents and space for public sector partners including a proposed University of Essex Centre for Coastal communities.

The projects will provide affordable homes on a currently derelict site in a sought-after location in Tendring, community space for upskilling residents, and commercial space for public sector partners in a convenient location. Provision of electric charging spaces will future proof Clacton's transport offer while meeting needs of residents.

Provide a more detailed overview of your bid proposal

Package bid:

There are two projects to be included in the package bid for Clacton. The two projects are next to each other forming a single footprint, and together will serve to create a landmark gateway to the town centre. This scheme will replace the outdated structures with high quality architecture and rejuvenate the currently uninspiring public realm and help to meet housing needs whilst delivering a modern facility for local people to find information, to learn and to find work and make use of community space.

These projects will not only deliver value themselves, but will also likely lead to substantial wider land value uplift across the town centre as they kickstart the regeneration and diversification process.

Carnarvon Terrace

This project will involve demolition and redevelopment of an existing derelict Tendring District Council owned site, Carnarvon House, to provide; 14,000 sq ft of new space for community and commercial use, including eight street food and maker space kiosk with space for a further 20, provision of 28 residential units, and enhancements to the existing multi storey carpark, to provide 300 car parking spaces, and electric charging points for up to 30 cars.

Clacton Hub

This project involves the redevelopment of the existing ECC owned Library site, to house library space, Adult Community Learning, flexible space for partner use, and an onsite café.

Discussions are underway with public sector partners on a skills hub. The University of Essex have expressed an interest in teaching space in the building, alongside Adult Community Learning and the Library. The Carnarvon House site is adjacent to the library site so the hub could be located in the expanded library, or on the ground floor of the Carnarvon House development.

Outputs and benefits

These proposals represent the first phases in the delivery of the 'Love Clacton' vision; an ambitious long-term plan for Clacton and its Town Centre that has been developed through positive engagement with businesses, communities, partners and other stakeholders. They also represent interventions that, in themselves, will deliver visible and tangible changes in the shorter-term that will be critical in restoring pride amongst residents and confidence amongst businesses and investors that can help boost economic activity, tackle deprivation and pave the way for better times to come – entirely within the spirit of this fund.

Specifically, the projects will help address issues with the high levels of unemployment and low levels of educational attainment and skills in the district, through provision of a centralised learning offer, and provide much needed affordable housing in proximity to the town centre. The provision of additional community services at the Clacton Hub, as well as improved visual amenity at Carnarvon Terrace, will contribute to the reduction of crime through increased natural surveillance and improved community cohesion, additional economic activity and vibrancy. Not only would this deliver land value uplift on the sites themselves, but also for residential and commercial property in the surrounding area.

Provide a short description of the area where the investment will take place

Clacton is located on the edge of the Tendring peninsula in North East Essex, 75km northeast of London and 18km southeast of Colchester, with a population of 59,000. It is the largest town in the Tendring district. Clacton is served by rail services but is at the end of the Greater Anglia line. This, along with the reduced connectivity that comes with being located on a peninsula, can hinder investment and constrain economic growth.

As a seaside resort it saw peak tourism seasonally between the 1950s and late 1970s. Clacton Pier opened in 1871, initially as a docking point for steamships. The growth in affordable foreign holidays severely impacted tourism in Clacton. Butlin's holiday camp, which was built just before the Second World War, closed in 1983.

Clacton is Tendring's biggest settlement and contains more jobs and businesses than any other location in the district. Clacton, as defined by the 2010 parliamentary constituency, had employment of 22,500 in 2020, over half (54%) of Tendring's total employment.

Clacton's employment composition differs compared to the national picture. The wholesale and retail sector provides 21.1% of total Clacton employment, compared to 15.6% nationally [REDACTED]. Other sectors such as accommodation and food (13.3% vs 7.5%) arts, entertainment, recreation (3.1% to 2.4%) and other service activities (3.1% to 2.1%) both too have a higher proportion of employment in Clacton than nationally (ONS, 2020. Business Register and Employment Survey). These sectors make up a large portion of the visitor economy which plays a crucial part in the Clacton economy.

Despite recent investment and improvement, Clacton and surrounding areas have continued to experience persistent deprivation over the last two decades. The local area surrounding the project is one of the most deprived areas in the country. In particular, the LSOA (a small geographical area, typically consisting of 1,000 – 1,500 residents) where Clacton Library and Carnarvon Road are located towards the east ranks as the 14th most deprived area in England. Many other LSOAs surrounding the sites also sit in the top 10% most deprived areas. Figure 1 shows that the local area surrounding the two sites is surrounded by areas of deprivation.

However, Clacton is a bustling and affordable seaside resort with great potential. It boasts an array of entertainment facilities, including a pleasure pier, arcades, the Princes and the West Cliff Theatres, a golf course, seafront walks, water sports and an airfield offering pleasure flights. It was recently ranked the 10th sunniest staycation spot in the UK.

The town's principle strength is its proximity to the seafront and beaches, natural assets attracting locals and visitors (especially during the summer months). This immediacy has enabled a number of small local businesses to thrive during peak season.

As is the case for many UK town centres and high streets, Clacton town centre's future is unlikely to be purely led by retail and therefore bold action to increase footfall to this area is required.

Does your bid include any transport projects?

No

Provide location information

Location 1

Enter location postcode

CO15 1SF

Enter location grid reference

TM 17641 15095

Percentage of bid invested at the location

██████

Optional GIS file upload for the location

Location 2

Enter location postcode

CO15 6QD

Enter location grid reference

TM 17659 15072

Percentage of bid invested at the location

██████

Optional GIS file upload for the location

Select the constituencies covered in the bid

Constituency 1

Constituency name

Clacton

Estimate the percentage of the bid invested in this constituency

100%

Select the local authorities covered in the bid

Local Authority 1

Local authority name

Tendring

Estimate the percentage of the bid invested in this local authority

100%

Sub-categories that are relevant to your investment

Select one or more regeneration sub-categories that are relevant to your investment

Commercial
Civic
Residential

Select one or more cultural sub-categories that are relevant to your investment

Creative Industries
Other Cultural

Describe other cultural sub-category

Libraries

Provide details of any applications made to other funding schemes for this same bid that are currently pending an outcome

No other funding applications are in progress for the projects contained in this bid.

Provide VAT number if applicable to your organisation

104 1697 92

Section 4: Equalities

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

Tendring District Council Public Sector Equality Duty (PSED) and Equality Impact Assessment (EIA) Policy in May 2022 sets out the Council's approach to EIA and its commitment to ensuring it meets its PSED as set out in section 149 of the Equality Act 2010, to include 9 protected characteristics. Projects outlined in Clacton are not expected to negatively impact any protected characteristic.

Plans for the co-location and shared space for ACL and library will make both more accessible via public transport and therefore likely increase the amount of people who access the services through cross promotion. People of all ages will use this facility, with a number of events/activities aimed at certain groups by age but never to the detriment of specific groups overall. The impact of any potential short-term closures of libraries has been considered but mitigations will be prepared to negate these and maintain provision - with current library audiences tending to be older people and young families, locally.

Positive impact is expected for people on low incomes, working families and people unemployed/ economically inactive as interventions in the bid look to provide better access to education, skills and training through co-located library and ACL services with improved digital capabilities to benefit all. This could particularly benefit people with subsidised access to low cost/free public transport, including those of pension age, but overall not detrimentally affect any protected characteristic.

Carnarvon Terrace, through the new provision of a mix of private and social housing, will have a positive impact on single people, couples, and small families made up of all ages through increasing current housing provision of both types. Single men of any age, and young couples, will likely benefit most from the increased provision of one bedroom homes. Each apartment will have the flexibility to be adapted with disability assistance aids if required by the tenant/s, either privately or via TDC, and the building as a whole will incorporate accessibility and DDA compliance requirements. TDC's Draft Housing Strategy 2019-2024 shows demand for housing is weighted towards 1 bedroom accommodation. Of the 774 households registered for 1 bedroom accommodation, 411 (53%) are households over the age of 60, demonstrating the need to provide housing for our older population, especially as the trend will be for people to live longer, therefore accommodation should be accessible and designed to meet long-term disabilities/changes in mobility.

The improvements to the car park at Carnarvon Terrace will build on improvements to the existing car park which have already provided more spaces to rest at the entrance and exit, which will continue to particularly benefit characteristics of age, disability, and pregnancy/maternity as footfall increases.

Further improvements with increased activity (maker spaces) and rationalised access points to the car park will encourage natural surveillance and crime reduction, ensuring people feel safer walking through the space in the evening, especially women, who can feel particularly vulnerable. Maintaining the provision of disabled parking bays has also been taken into account.

Section 5: Subsidy control and state aid analysis

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?

Yes

Does the support measure confer an economic advantage on one or more economic actors?

No

Provide further information supporting your answer

This question is relevant to one project within the package bid:

ACL provision within Clacton Library:

Based on : Draft Statutory Guidance on the United Kingdom Subsidy Control Regime Subsidy Control Act 2022 (publishing.service.gov.uk) on p 149 it states:

‘where the costs of education services are principally funded, whether directly or indirectly, through public resources, those services will not be considered to be an economic activity’ – therefore if Tendring District Council or Essex County Council are funding the ACL, which is funded through the Education and Skills Funding Agency, this is not an economic activity therefore ACL are not an economic actor.

In addition, ACL are already operational within Clacton.

Is the support measure specific insofar as it benefits, as a matter of law or fact, certain economic actors over others in relation to the production of certain goods or services?

No

Provide further information supporting your answer

As set in the previous question, for the ACL provision within the proposed Clacton Hub scheme:

Based on : Draft Statutory Guidance on the United Kingdom Subsidy Control Regime Subsidy Control Act 2022 (publishing.service.gov.uk) on p 149 it states:

‘where the costs of education services are principally funded, whether directly or indirectly, through public resources, those services will not be considered to be

an economic activity' – therefore if TDC or Essex County Council are funding the ACL, which is funded through the Education and Skills Funding Agency, this is not an economic activity therefore ACL are not an economic actor.

Some discussions have been had with the University of Essex regarding occupying space in the proposed Clacton Hub, however no formal agreement is in place with the UoE at time of bid submission. TDC and ECC will ensure that any forthcoming agreement with UoE does take into account subsidy control requirements in necessary.

Does the support measure have the potential to cause a distortion in or harm to competition, trade or investment?

No

Provide further information supporting your answer

The Carnarvon Terrace scheme is not considered a subsidy, council procurement process will be followed for design and construction. The residences built will be social or affordable housing, or sold via the open market, so no distortion of open market will occur.

This question does not apply for the provision for ACL and potential for provision for University of Essex as set out in the previous questions.

Will you be disbursing the funds as a potential subsidy to third parties?

Yes

Section 6: Strategic Fit

Has an MP given formal priority support for this bid?

Yes

Full name of MP

Giles Watling

MP's constituency

Clacton

Describe what engagement you have undertaken with local relevant stakeholders. How has this informed your bid and what support do you have from them?

In June 2022, the projects proposed in this bid were presented to the Clacton Coastal Forum, and the Clacton Town Centre Partnership and attendees were given the opportunity to comment.

Specific queries were received around maintaining access to library services during the works, and ensuring that space was maintained for existing services within the museum. ECC intends to engage with all partners currently utilising the facilities at the existing locations to explore future opportunities.

Queries were also raised around the design of the car park and Carnarvon House, and whether the car park would become more secluded as a result of the proposals, risking creation of a hotspot for anti-social behaviour. Attentions were drawn to the proposed additional cut through from Station Road, which will result in the car park area being more open than it currently is.

Comments were also received querying the need for start-up units and maker spaces given the number of vacant premises on the High Street, it was clarified that start-up units with flexible rents provided a different offer to a more formal lease arrangement for a traditional retail premises.

The Clacton Town Centre Partnership expressed that the locations of the projects in this bid should have focused on the retail centre of the town. TDC's investment plan submission for the UK Shared Prosperity Fund includes an allocation for improvements to town centres and high streets which responds to these concerns, and we will continue to engage with this group.

The proposals were also reviewed at the Success Essex board meeting on 6th June 2022. Following comments from attendees, the proposals were revised to increase the number of electric car parking spaces within the bid.

In addition to priority MP support, letters of support for the bid have been received from;

North East Essex Clinical Commissioning Group
Essex County Council
University of Essex

The NEECCG particularly welcomed the bid, as the proposals within it align with the CCG's own priorities, including provision of quality accommodation, and community spaces which can reduce isolation and enhance mental wellbeing.

The University of Essex's letter of support highlighted the need for investment in the area, and commented how the Clacton location is a natural fit for the University's planned Centre for Coastal Communities.

All letters of support are contained as appendices.

The Council's proposals align with the overarching vision and objectives of the 'Love Clacton' Vision 2030 which was developed through engagement and partnership with local businesses, the wider community and other partners and stakeholders through a series of meetings and workshops between 2018 and 2020.

The projects contained in this bid are based on projects which were initially submitted in an application to the Future High Streets Fund (FHSF) in 2020. Prior to that submission, the Council undertook an online consultation exercise on the proposals, the results of which demonstrated particular enthusiasm around flexible start-up business space, improvements to car parks and electric vehicle charging facilities. These elements of the proposal have been maintained in this bid.

Has your proposal faced any opposition?

None of the proposals are, in themselves, particularly controversial and the online consultation undertaken in 2020 in the run up the previous Future High Streets Fund submission demonstrates general support for the measures that have been carried forward into this Levelling Up Fund bid.

Local businesses and residents have a general concern about removal of car parking spaces in close proximity to the town centre, however the amendments to the car park at Carnarvon Terrace ensure no loss of car parking spaces as a result of the provision of maker spaces and start up kiosks in the car park area.

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

No

Which parts of the project do you not have statutory responsibility for?

TDC do not have statutory responsibility for the Clacton Hub. Statutory responsibility for this scheme sits with Essex County Council, who will deliver the scheme. ECC have offered a letter of support for this bid, which is attached to this bid as Appendix 10, however Pro Forma 1 has not been completed as this package contains no transport elements.

Who is the relevant responsible authority?

Essex County Council

Provide evidence of the local challenges / barriers to growth and context that the bid is seeking to respond to

Clacton Town Centre is the sixth most deprived area in the country. Figure 3 shows that several of the Lower-layer Super Output Areas (LSOAs) surrounding the project locations are in the top 10% of most deprived areas in the country (see Figure 1 in appendix 1).

Clacton is out of step with the rest of Essex, and with the wider UK, in a number of indicators of economic growth:

COVID-19 hit the local economy hard. Clacton was found to have the 3rd most vulnerable economy to COVID-19 in UK, and 25% of all employed people in Clacton work in sectors which were shut during lockdown.

Qualifications are below the national average. In 2020, the percentage of residents in the Clacton constituency with qualifications of NVQ4 level and above was 23%, compared to 43.1% across the rest of the country.

Clacton faces high unemployment: 4,882 people in Clacton were unemployed and claiming universal credit in January 2022, which is 15.6% of the working age population.

Clacton town centre also faces a number of challenges and barriers to growth:

Lack of affordable housing provision in the area. Within the district, the biggest demand for affordable housing is for 1 or 2 bedroom properties in Clacton. As of 1st May 2020, there were 1958 households on the Tendring District Council housing register (up from 608 in 2017). 48% of these have indicated that the greater Clacton area is their preferred location.

Limited skills, opportunities and low-pay economy with a high dependence on part-time retail, seasonal, and service sector jobs. This also impacts on the surplus income available in surrounding communities that is needed to support

a vibrant and successful town centre.

Limited availability of quality workspace or office space, with a stock of property that is predominantly old, inflexible or impractical in size and in need of refurbishment to meet the needs of modern businesses. Because of the peripheral nature of the District and the limited transport infrastructure past Colchester, Clacton has not been a priority area for inward investment or siting commercial business.

An uncompetitive town centre offer with losses of big-name retailers such as Marks & Spencer (2018) against the convenience and attraction of out of town and online shopping. Declining footfall and leakage to other centres as evidenced by footfall monitoring data and retail surveys that demonstrate significant leakage to other towns, with the areas of Clacton closest to the highstreet, losing approximately 10% of their footfall to Colchester.

The proposed interventions will deliver:

Carnarvon Terrace

14,000 sq ft of new community and commercial space
Hospitality and retail space in the form of 8 street food and maker space kiosks
28 new residential units
Improved car parking spaces (300 spaces within enhanced multi storey car park)
New fuel charging points in the form of EV charging with capacity for 30 vehicles

Clacton Hub

New and enhanced library space
New educational space (ACL relocated to Hub)
New office space (flexible, for partner use)
Hospitality space (on site café)

Explain why Government investment is needed (what is the market failure)

Government investment is needed in Clacton in order to provide public goods in the form of affordable housing, an improved library and skills offer, and to enable the introduction of new anchor public and third sector occupiers, including a proposed space for the University of Essex. This range of investments will improve the quality of life of residents. Without Government investment, it is unlikely that these interventions could be delivered; private investment cannot be drawn to Clacton due to low land values and the lack of return on public goods such as libraries.

The Chief Medical Officer's Annual Report for Coastal Communities (2021) noted the following key challenges to address in Clacton:

New businesses, employers and inward investment are all required to provide the opportunities that meaningful regeneration needs.

Attracting quality jobs – not perceived as attractive to private sector businesses

Lack of diversification in the local economy – employment levels are low, unemployment rates are high. The average wage is below national average

Low educational attainment and skills – improved academic attainment would likely just accelerate outward migration in young people who would seek better jobs elsewhere.

Current national models for investment assume returns that coastal communities with low land values cannot achieve

Within the Tendring district, the biggest demand for affordable housing is for 1 or 2 bedroom properties in Clacton. As of 1st May 2020, there were 1958 households on the Tendring District Council housing register (up from 608 in 2017), and 48% of these have indicated that the greater Clacton area is their preferred location. Private investment cannot be drawn to Clacton for residential development because on a commercial basis, residential development is economically unviable. [REDACTED]

[REDACTED] The construction cost estimating process which has taken place as part of the bid has further illustrated the unviability of development looked at in a purely commercial sense. Low commercial and residential property values limits the incentive for landlords to take on financial risk. Lack of available housing also contributes to wider health and social inequalities.

Through refurbishing the existing library and widening its public service offer through hosting of partner public sector organisations, and centralising the provision of ACL, the social welfare efficiency of the library building will be increased, and the range of benefits offered to its users will be widened. The presence of the University of Essex and their offer will raise aspirations in local residents.

Reduced investor and private sector confidence has also impacted Clacton, as well known shops have left the high street, and shop vacancy rates in the town have accelerate. This has in turn negatively impacted consumer and business perceptions, reducing confidence, decreasing footfall and perpetuating decline. Provision of maker spaces will vary the existing employment offer and provide residents a differing route into work and employment, and stimulate diversification of the local economy.

Public sector intervention is therefore needed to bring about initial changes to this area of the town, which will in turn make the area attractive to private investors, drive commercial demand, and stimulate long term regeneration.

Explain what you are proposing to invest in and why the proposed interventions in the bid will address those challenges and barriers

The projects proposed in this bid will address the challenges laid out above. They will increase the housing offer in the area, increase access to skills provision and other public services for residents. The diversification of the employment offer broadens options available to residents and widens the offer of the town centre. Provision of flexible use space both on the ground floor of Carnarvon House, and in Clacton Hub, allows local authorities and partner organisations to respond for demand for different types of services, in order to best serve the needs of residents.

The potential co-location of the University of Essex would establish a research presence in Tendring, bringing further footfall into the area, and diversifying the demographic of visitors. The nationally significant academic activity involved will also help to build the profile of Clacton and help to create greater private sector confidence to invest in the area.

The challenges specifically addressed by this bid, and how they will be addressed, are summarised below.

Clacton's Economic Growth Challenges

Low resident qualification levels; an enhanced library and ACL offer will provide improved access to skills and learning, at a variety of levels, and in a central location.

High unemployment; ACL supports residents to access qualifications that equip them to better utilise career opportunities and prepare them for the workplace. The availability of evening classes at the Clacton Hub will enable a broader range of people to access learning. The presence of a Centre for Coastal Communities (University of Essex) within the Clacton Hub will raise aspirations amongst local residents. High quality housing at Carnarvon Terrace will provide people with secure housing, close to the train station and town centre, allowing good access to employment opportunities.

Barriers to Growth for Clacton Town Centre

Inadequate affordable housing provision to meet demand, particularly in the Clacton area; Carnarvon Terrace will provide 11 affordable housing units. Affordable housing covers a range of delivery options, from affordable home ownership to social rent.

Limited opportunities and a low pay economy; the introduction of University of Essex to Clacton will establish a research presence in Tendring, helping to build the profile of Clacton and create greater private sector confidence to invest in the area. The delivery of kiosks for local entrepreneurs and businesses will begin to diversify the town centre. The ACL and Library services located in the Clacton Hub will help to prepare local residents to access opportunities, where

they do exist.

Limited availability of quality workspace or office space; both Carnarvon Terrace and Clacton Hub include workspace elements, helping to address the current availability issues.

An uncompetitive town centre offer; the redevelopment and regeneration of the area outlined has the potential to catalyse further investment in Clacton Town Centre, by improving the perceptions. This will result in wider land value uplift, improved pride in place and increased footfall and dwell time. The inclusion of residential developments in the bid, including affordable housing, will help to diversify the town centre offer. A new access point to the car park, more conveniently located near to the main retail area will lead to increased footfall and year-round animation, as well as reduced neighbourhood crime and increased safety via replacing an existing curved alleyway exit.

Different Options Considered

A solely library and ACL-led development was considered for the Clacton Hub site, which would have been somewhat less costly and resulted in a three-storey building (rather than the proposed four storeys). It was decided that the possibility of extra floorspace, allowing for flexible office space, would have a significantly bigger impact and lead to better outcomes. This additional space for partner organisations to co-locate alongside Essex County Council run services, offers the potential for greater partnership working and improved benefits for the overall town centre and therefore its residents, in particular the potentially transformative impact from the arrival of the University of Essex, should this be successful.

At Carnarvon Terrace, the option to refurbish the existing building into residential and community space was considered, however the life of the existing building is limited as the structure is degrading overtime, therefore this would be an inefficient approach. Previously a taller redevelopment of both the library and the existing Carnarvon House site was proposed, however the cost of this was prohibitive, and it would not have been in keeping with the heights of buildings in the surrounding area and may have been unpopular with local residents.

How will you deliver the outputs and confirm how results are likely to flow from the interventions?

The Theory of Change (ToC) for the Clacton Civic Quarter scheme is appended to this application. The projects identified in this bid are put forward based on local knowledge and engagement and have been designed with the desired outcomes and impacts in mind. This ToC has been created collaboratively by Tendring District Council and Essex County Council, drawing on their joint understanding of local issues, in both wider Essex and Tendring, and similar projects.

Overall, the impacts predicted to flow from these projects are greater social

wellbeing for residents, growth within Clacton which becomes a catalyst for private sector investment, a healthier and more sustainable economy, an enhanced and more resilient town centre, and a more diverse community and greater community cohesion, resulting in a more vibrant town centre.

The outputs detailed in the ToC include 14,000 square feet of new community and commercial space, 8 new street food and maker space kiosks, 28 new homes, an enhanced multi storey car park and new electric charging points for 30 cars. These are specific to the Carnarvon Terrace development. Outputs from the Clacton Hub development include a new and enhanced library space, new ACL space and the relocation of the current ACL service, new flexible office space including an allowance for the potential Centre for Coastal Communities and a new on-site café, which is not provided within the current Clacton library building.

These outputs will in turn deliver the following outcomes, generating improvements both for the town and for its residents:

- Change in perceptions of place (pride in place)
- Change in the number of students enrolling in FE courses
- Change in footfall
- New residential and community assets
- Increased local housing stock (private and affordable)
- Improved access to electric vehicle charging facilities within Clacton Town Centre
- Regionally and nationally significant data collection on the future of coastal towns
- Unlocking R&D funding via partners locating within newly developed spaces
- Raised aspirations as a result of access to skills & learning
- Change in perceptions of place (safety)
- Uplift in land values
- Increased business start-up provision
- New businesses/anchor institutions to the area
- Change in employment rate

These outcomes are what will lead to the impacts already summarised above.

There are some assumptions made in this theory, and those have been detailed in the ToC document.

Explain how the component projects in your package bid are aligned with each other and represent a coherent set of interventions

Please see Appendix 3 for images of the locations of the projects proposed in this bid. The sites of the two projects proposed in this bid are adjacent to one another and have been developed together to create a cohesive and complementary range of interventions to address the challenges identified. The proximity of the sites will allow their uses to interlink, and residents of the

housing element of the proposal to benefit from the nearby services, and support the nearby shops and businesses, creating a local circular economy within the new Civic Quarter.

The provision of flexible use space in both the Clacton Hub building and on the ground floor of Carnarvon Terrace, mean that the developments can be used in conjunction with one another, to separate services as appropriate or provide additional space for a given service as required.

The presence of the library and other services will generate footfall which will in turn support the emerging businesses occupying the maker spaces, and the establishment of a new cut through on Station Road will improve access to existing business and bring increased benefits from wider footfall.

The maker spaces provide a different employment offer to the existing retail offer in Clacton, therefore the offer will complement existing businesses and increase activity around this area of the town.

Set out how other public and private funding will be leveraged as part of the intervention

Electric Vehicle Charging

TDC are working in partnership with a specialist consultant to determine the district wide demand for electric vehicle charging, and to optimise grant funding opportunities as well as customer payment methodologies, as we are confident that demand is building for electric vehicle charging in Clacton, as the district's main town centre. We are looking to seek grant funding from: The Office for Zero Emission Vehicles, for sustainable electricity generation and related vehicle charging points. We have achieved this at a development elsewhere in the district where full funding for six electric vehicle charging points has been agreed.

Land Release Fund

Initial discussions with our partners at One Public Estate have indicated that the Carnarvon House project has significant up front release costs in terms of services, potential asbestos, demolition costs of the buildings and installation of sustainable drainage systems. We believe that a full £15,000/unit grant application for the Land Release Fund can be justified in line with the department's criteria. An application is being prepared for this fund simultaneously.

Partner Match Funding

In addition to TDC's match funding contribution, the Clacton Hub development is being led by Essex County Council, who have contributed £6.5m of match funding toward the bid.

Explain how your bid aligns to and supports relevant local strategies and local objectives for

investment, improving infrastructure and levelling up

The bid complements the following local strategies:

The projects contained in this bid will meet the following priorities in the TDC Corporate Plan (2020-2024)

Building Sustainable Communities for the Future
Vibrant Town Centres
Building and managing our own homes

A Growing and Inclusive Economy
Develop and attract new businesses
More and better jobs

Community Leadership Through Partnerships
Joined up public services for the benefit of our residents and businesses

Applying to the Levelling Up Fund is highlighted as an action which will support priority D2 – Supporting existing businesses of TDC's Corporate Priorities 2022/23.

Submission of this bid complements the following areas for Action set out in the TDC Economic Strategy 2020-24:
Supporting long term investment into local civil society, citizen engagement and participatory activities within Jaywick Sands and Clacton

Building the capacity of local civil society and third sector organisations to support the development of routes to employment in community businesses, social enterprise and alternative labour markets

Work with core Higher Education and Further Education partners (primarily the University of Essex and the Colchester Institute)

Accommodate the business needs of a growing population by developing new flexible spaces for start-up and micro business growth.

If successful, delivery of the projects outlined in this bid would align with the following strategic objectives set out in Section 1 of the Tendring District Council Local Plan 2013 - 2033, adopted on 26th January 2021:

- Providing sufficient new homes
- Fostering economic development

The projects within the Levelling Up Fund bids also align with the vision for Tendring District, set out in Section 2 of the Local Plan, adopted on 25th January 2022.

Levelling Up Essex

Essex County Council's corporate plan, Everyone's Essex, sets out the authority's plan for levelling up the county from 2021 – 2025.

The projects within this bid make a particularly strong contribution towards the following commitments:

Economy:

Good jobs: We will work hard to address the impacts of the Covid pandemic on unemployment by supporting business recovery and building a stronger economy for the future, enabling people to build the skills they need to be part of it, and working alongside Essex businesses to help reduce barriers to employment for disadvantaged groups.

Levelling up the economy: We will work to level up the economy by addressing the drivers of socioeconomic inequality (including income, education, employment, health and housing), based on the foundation of good jobs and a higher skilled and healthier workforce.

Health:

Levelling up health: We will seek to reduce health inequalities by bringing together partners and communities to address the socio-economic drivers that underpin poor health outcomes, such as poor housing, poverty, economic insecurity and low skills.

ECC has also produced its own Levelling Up 'White Paper'. Clacton is identified as one of the authority's priority places for levelling up, and the Clacton Hub and Carnarvon Terrace projects will make a significant early contribution to delivering the levelling up ambitions set out in the paper.

Explain how the bid aligns to and supports the UK Government policy objectives

Levelling Up White Paper:

The following missions in the Levelling Up White Paper align with the projects in this bid:

By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK. (ACL will not only deliver skills training directly but also act as a starting point for local residents on career pathways that involve higher level qualifications)

By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing. (This bid will result in town centre improvements and improved resident engagement in the local community via the Clacton Hub)

By 2030, renters will have a secure path to ownership with the number of first-time buyers increasing in all areas (This bid delivers affordable housing provision)

By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing. (resident wellbeing improved by access to housing and improved community cohesion fostered by the Clacton Hub)

By 2030, pay, employment and productivity will have risen in every area of the UK (both projects will result in employment outcomes and the Clacton Hub will contribute to higher skill levels amongst residents, leading to better pay and employment outcomes, whilst the proposed maker space within Carnarvon Terrace will provide high quality flexible space which is not currently available in the town, to accommodate new and dynamic, growing businesses)

Build Back Better High Streets:

This strategy sets out the government's plan for high streets and how high streets and town centres can adapt and thrive after the COVID-19 pandemic. This bid aligns with the priorities set out in the government's Build Back Better High Streets Strategy:

Mixed-use high streets - a 'diverse mix of activity and business'

Governments ambition to deliver new homes as part of town centres to support a diverse mix of activity and business.

Removal of derelict buildings - Carnarvon House currently vacant - bringing the site back into use

As mentioned in the strategy; libraries facilitate learning about local heritage, history and communities which is vital to nurturing pride in the local community. Providing a mix of residential, start up commercial units, adult learning and access to partner organisations will increase footfall and encourage a range of visitors.

Net Zero strategy: Build Back Greener: ACL Clacton will have the ability to deliver cutting-edge domestic retrofit training and accreditation to energy efficiency companies and individuals seeking to enter the industry. The retrofit programme will develop new skills, nurture new careers, and boost economic activity in the region, while improving energy efficiency and sustainability. This aspect of the scheme, along with the provision of electric vehicle charging spaces, align with the Government's Net Zero aspirations.

Alignment and support for existing investments

Where applicable explain how the bid complements or aligns to and supports existing and/or planned investments in the same locality

Jaywick Sands Commercial Workspace: In partnership with Essex County Council, with support from the SELEP Getting Building Fund of £1.972m,

construction is currently (June 2022) underway on a covered market and managed workspace in Jaywick, which will also offer targeted business support. Improving employment opportunities will improve the health and wellbeing of local people. The scheme will also improve the public realm with a community garden and space for outdoor events. Improved walkability and road safety will also improve the environmental conditions in the area and hopefully stimulate wider regeneration in Jaywick Sands.

Freeport East: Bathside Bay at Harwich has the potential to deliver 3,500 jobs and bring millions of pounds of private investment into the area by building out brownfield site of over 100 hectares as a clean energy hub. The delivery of Freeport East will contribute to the Council's priority of 'A Growing and Inclusive Economy' including:

- Developing and attracting new businesses
- Supporting existing businesses
- More and better jobs

Harwich and Dovercourt Levelling Up Fund bid: Dovercourt Town Centre Improvement Corridor

This bid proposes the first phase of a programme of regeneration of the town centre next to Freeport East, to deliver three projects along the peninsula corridor from Dovercourt seafront to the station. Interventions will upgrade Dovercourt town centre's public realm, provide a new accessible skills centre and co-location provision, and deliver new affordable housing in the heart of Dovercourt. The bid will lay the foundation for planned connectivity improvements, revitalise the town's gateway, level-up outcomes for residents and encourage investor confidence ahead of the planned arrival of the Freeport East Green Energy Hub at Bathside Bay.

ECC Transport Levelling Up Fund bid: Access to Jobs

ECC has also put in a bid to the Levelling Up Fund, which would deliver a range of targeted transport improvements that would improve connectivity both in Clacton, and between Clacton and Harwich & Dovercourt (and therefore Freeport East/Bathside Bay). These include highway improvements to the A133; bus infrastructure improvements around Clacton; and the introduction of Digibus, a new demand-led bus service with associated infrastructure across Tendring. These proposals complement this bid, providing improved connectivity that could be used by residents to access employment opportunities at Bathside Bay.

Essex Pedal Power

A £2.7m community-based partnership project piloted in Clacton and Jaywick Sands, delivering a bike-loan-to-give-away-scheme to eligible residents. The scheme is largely funded through the SELEP Getting Building Fund (£2.3m) with additional funding via Sport England Local Delivery Pilot. Cycle infrastructure between Clacton Pier along the seafront to Jaywick will be

enhanced including new lighting, upgraded surface works, and improved segregation between pedestrians and cyclists in line with Government strategy. This will facilitate travel between Jaywick and Clacton, and allow Jaywick residents to access wider opportunities, from upskilling and education to direct access to jobs.

Confirm which Levelling Up White Paper Missions your project contributes to

Select Levelling Up White Paper Missions (p.120-21)

Living Standards
Skills
Wellbeing
Pride in Place

Write a short sentence to demonstrate how your bid contributes to the Mission(s)

By 2030, the number of people successfully completing high-quality skills training will have significantly increased in every area of the UK; centralised ACL provision will improve access to skills and learning, at a variety of levels.

By 2030, pride in place, such as people's satisfaction with their town centre and engagement in local culture and community, will have risen in every area of the UK, with the gap between top performing and other areas closing; this bid proposes removal of a derelict building in a key location in the town centre, and increased investment in a diversified town centre offer, with the provision of commercial and maker spaces.

By 2030, the number of non-decent rented homes will have fallen by 50%; the housing element of Carnarvon Terrace will provide a number of decent rented properties in a popular location in Tendring.

By 2030, well-being will have improved in every area of the UK, with the gap between top performing and other areas closing; co-located services will provide greater access to skills and other public services as the flexible use library space allows organisations to respond dynamically.

By 2030, pay, employment and productivity will have risen in every area of the UK; greater access to skills and training will lead to better access to higher paid jobs for residents.

Section 7: Economic Case

Provide up to date evidence to demonstrate the scale and significance of local problems and issues

High deprivation

Within Tendring, Clacton-on-Sea (Clacton) is one of the most deprived areas. The Local Area surrounding the two proposed Clacton projects ranks in the top 10% most deprived areas under the IMD rankings [REDACTED]. In particular, the eastern LSOA (E01022027), which mostly encompasses the sites proposed for the Clacton Hub and Carnarvon Terrace, ranks as the 14th most deprived area in England. Of the three LSOAs in the Local Area, this is the most highly ranking (i.e. the most deprived), however they all feature in the first decile (within the most deprived 10% LSOAs across England). The three LSOAs referred to are E01022025, E01022026 and E01022027.

High rates of crime

Clacton suffers from one of the highest crime rates of all medium-sized towns in Essex. The overall crime rate in Clacton in 2021 was 123 crimes per 1,000 people, compared to the Essex and England rates of 81 and 78 respectively.

Housing need

Housing growth in Tendring has stalled in recent years, and the number of homes delivered has been below target. The number of homelessness applications in Tendring increased by 125% from 2014/15 to 2017/18, increasing the number of homeless people in the population from 0.1% to 0.21%. Within Tendring, the biggest demand for social housing is for 1- or 2-bedroom properties in Clacton. As of 1st May 2020, there were 1,958 households on the Tendring District Council housing register (up from 608 in 2017, equivalent to 222% growth in just three years). 48% of these have indicated the Clacton area as their preferred location.

High unemployment

Clacton suffers from a higher unemployment rate than its comparators. The unemployment rate in Clacton averaged 10.1% in 2021, compared to a national rate of 4.6% (Figure 5.1.1.D). Employment opportunities in Clacton are limited. Clacton has a jobs density of 0.62, lower than regional and national comparators (0.83 and 0.85). The LSOA where the projects are located towards the east ranks as the 3rd most deprived small area in England for employment (Figure 5.1.1.E).

Low land values

Tendring's median house price was £260,000 in 2021/22, substantially below the East of England average of £325,000. Meanwhile, Tendring's average rateable value (RV) per sqm on commercial floorspace was £61 in 2020/21, materially below the East of England (£76) and England (£88) rates. RVs are generally an accurate reflection of commercial rental (and hence land) values. Low land values in Clacton are suppressing commercial demand and reducing the opportunity for private sector investment.

Low skill levels

Residents in Clacton are less qualified than the England and East averages. 16.5% of residents in Clacton have no qualifications (Figure 5.1.1.F), higher than the Tendring average Tendring (11.3%) and regional and national comparators (5.7% and 6.5% respectively).

Demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues

A summary of the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues is provided below.

High rates of deprivation

The data presented are from the DLUHC Index of Multiple Deprivation Rankings (2019). This data is referred to in the LUF application guidance as an example of the credibility and robustness required for the application. Data are presented at LSOA level, with Figure 5.1.1.A mapping the deciles of deprivation by LSOA identified by DLUHC. This dataset allows for comparison across England at a localised level, to accurately assess the relative situation in the Local Area.

High rates of crime

The IMD is used to provide information on crime deprivation in the Clacton Town Centre. Further information on crime in 2022 is shown through CrimeRate.co.uk, which combines data sources including Police Force incident reports, FOI requests, social media signals, and first-party data collection operations, to estimate the area's crime rate. Crime data for 2021 has been collected from data.police.uk.

Housing need

Data on housing has been taken from the Tendring District Council (TDC) Housing Strategy 2020-25. This is an adopted, official local policy document.

High unemployment

ONS data on jobs density is available at parliamentary constituency level. The constituency of Clacton is used to provide a picture of the town's employment picture. Employment deprivation, obtained from DLUHC, is shown for the Local Area using the IMD.

Low land values

Data on median house prices is taken from the ONS' administrative dataset for small areas, whilst data on rateable values is taken from the VOA's tables of business floorspace, both for the latest year in which data are available (2021).

Skills benefits

Information on skill levels for the local area is obtained through the Annual Population Survey. It is a detailed publicly available data set prepared by the

ONS. The data used relates to the full year of 2021, meaning that results reflect the landscape post COVID-19, and therefore presents the most accurate picture of the skills picture in Clacton today.

Evidence used for modelling inputs, including land and development valuations at the project sites, has been taken from recent appraisals of the developments that have been undertaken by industry experts. Evidence of local land values has been collected from a combination of sources, [REDACTED] [REDACTED] Data informing the assessment of land values at the project sites, and local residential values, are taken from sources produced in the past 12 months. For example, data on commercial land values has been collected from the Valuation Office Agency's non-domestic rating list.

Other data used to inform the Value for Money assessment has been taken from nationally recognised sources listed in the LUF application guidance. For example, the Greater Manchester Combined Authority unit cost database is utilised for the monetisation of crime reduction.

Demonstrate that the data and evidence supplied is appropriate to the area of influence of the interventions

As a result of the varying statistical geographies for which data are available, there are a number of local geographies for which data are presented in this application.

These are described as follows:

The Local Area – defined as the three LSOAs (E01022025, E01022026, E01022027) that surround the project boundaries. This area is in close proximity to both LUF projects and stands in a good place to benefit from investment.

[REDACTED].
Clacton Town Centre – the area defined as the Clacton Town Centre in the Love Clacton Vision [REDACTED]. Both projects would be delivered within the town centre and would therefore have an impact on the overall picture of this localised area.

Clacton – the 2010 parliamentary constituency from Clacton is used as a reasonable proxy for the wider Clacton town area.

Tendring – this area is defined by the 2021 local authority district boundary.

Where national data at a below-local-authority level is available, this data is used as the basis of the modelling following sense checking. For some data, such as the income of local residents and workers, this data is for the whole of Tendring. This is thought to be a reasonable proxy for outcomes within the area of intervention.

Evidence presented relates to Clacton-specific data where possible. The East of

England region and England as a whole are utilised as study areas for comparison.

Provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems

The lack of employment opportunities, low community safety, low land values and the poor visual amenity of the sites proposed in the LUF bid combine to give Clacton Town Centre a lack of sense of place. This reduces Clacton's attractiveness as a seaside tourist destination. The projects seeking funding as part of this LUF bid would provide employment opportunities, education and skills programmes, as well as housing within the Civic Quarter. These projects are crucial to taking steps to tackle the high levels of deprivation seen in the local area. The specific interventions within the bid are:

Clacton Hub – redevelopment of the existing site to regenerate the library and provide additional facilities for an Adult Community Learning (ACL) centre, alongside additional commercial and community floorspace.

Carnarvon Terrace – the redevelopment of the site to provide 28 new homes (including 11 affordable; which covers a range of delivery options, from affordable home ownership to social rent), car parking, electric charging points, and eight street food and maker space kiosks, with further mixed use space.

The two projects complement each other and will help regenerate the Civic Quarter, a key area for delivering the Love Clacton Vision. The two projects together address the issues identified previously. [REDACTED]

[REDACTED]

The impacts monetised in present value terms are:

Direct Land Value Uplift (DLVU) – As identified in the Theory of Change (ToC), the projects themselves would result in changes in the Gross Development Value (GDV) at the development sites themselves. DLVU in this assessment is calculated for Carnarvon Terrace aspect of the bid. This will draw in new residents and workers through provision of commercial space, helping to increase local footfall within the town centre and reduce crime through natural surveillance.

Wider Land Value Uplift (WLVU) – The ToC highlights that the projects would contribute additional economic activity and vibrancy. This would lead to increases in land values for residential and commercial property in the surrounding area. This would help to raise the barrier of low land values that currently exists and holds back the area. [REDACTED]

[REDACTED]

Crime reduction – The baseline evidence highlights crime and community safety

as a key issue for Clacton Town Centre. In line with the ToC, the contribution of additional community services and improved visual amenity at the two projects would contribute to the reduction of crime through increased natural surveillance and improved community cohesion. Crime benefits are worth £3.78m across the package bid.

Labour supply impacts – Clacton is an area that suffers from substantial employment inequalities. This is demonstrated in high unemployment rates locally. This LUF bid would provide a range of employment opportunities, at varying skill levels. The jobs opportunities that go to new labour market entrants will have a welfare benefit for these residents; this is estimated to be worth £2.78m across both projects.

Skills benefits – the baseline evidence highlights the low skills levels of local residents in Clacton. There are limited facilities in the area delivering education programmes following school attendance, particularly in apprenticeship and workforce-related skills programmes for adults. As identified in the ToC, the re-provision of the Adult Community Learning (ACL) centre in Clacton Hub would provide increased opportunities for local residents (through expanded capacity) and assist in addressing local skills issues. The positive impact on upskilled adult residents' future earnings is valued at £7.36m.

Health benefits of affordable housing – The Local Area suffers from health deprivation, ranking in the top 10% of health deprived areas across the country. The affordable housing provided at Carnarvon Terrace will provide individuals with health benefits, including reduced stress for occupants and an increased access to amenities. The reduced public sector cost of providing additional affordable housing is valued at £0.03m. These houses will also help to address Tendring's existing housing need, especially the requirement for 1 bed accommodation in Clacton.

Distributional benefits – On average, household income in Clacton is 21% below the UK average. The positive impacts associated with the two projects would be accrued in areas of relatively low earnings. This would contribute to addressing the existing issues of deprivation, delivering benefits and contributing to levelling up an area in need of regeneration. The distributional benefits of the package bid amount to £14.45m.

Describe the robustness of the analysis and evidence supplied such as the forecasting assumptions, methodology and model outputs

A methodology note has been appended to this submission, which transparently provides full detail on the forecasting assumptions and approach to economic modelling undertaken. The benefits estimated within the economic modelling are an accurate reflection of the issues identified in Clacton. Key assumptions for the economic modelling work are summarised below:

Appraisal period: an appraisal period of 30 years has been modelled,

incorporating a 3.5% discount rate for future costs and benefits in line with HMT Green Book guidance. This is the recommended DLUHC appraisal period for 'refurbishments of existing buildings'. For some specific benefits, such as WLVU, the benefits are appraised over a shorter period.

Additionality: the level of additionality assumed varies by project and benefit stream. [REDACTED]

Lower additionalities of 50% and 40% are utilised for the crime reduction and skills benefits respectively. The methodology note provides the justification to for these levels of assumed additionality.

[REDACTED]

Distributional weighting: households in Clacton face household income levels 21% below the England and Wales average levels. Using the ONS equivalised net income estimates and the elasticity for marginal utility of income (1.3), a distributional weight of 1.36 has been applied to benefits calculated in the appraisal.

[REDACTED]

Data relied upon in modelling has been taken from nationally recognised statistical sources where feasible. The DLVU assessment is informed by a market appraisal developed by a qualified chartered surveyor. The WLVU assessment relies on data detailing the value of local property estimated through a combination of Valuation Office Agency for commercial valuations and data collected from property market data websites for residential values. The land value uplift approach is in line with DLUHC appraisal guidance.

An inevitable limitation of the model is the sensitivity of Value for Money forecasts changing as a result of altering model assumptions. This is an unavoidable characteristic of Value for Money models. To account for this, sensitivity analysis has been undertaken on the key modelling assumptions, testing the robustness of modelling outputs to changes in parameters. The results of each of these sensitivity tests are presented below.

Explain how the economic costs of the bid have been calculated, including the whole life costs

Economic costs assessed for the LUF projects are consistent with those presented in the financial case, which have been calculated by qualified costs consultants. [REDACTED]

The economic cost of the LUF projects are driven by costs associated with the two projects for which funding is sought (Clacton Hub and Carnarvon Terrace). [REDACTED]

The economic costs account for the additional impact of inflation and discounting, alongside the inclusion of an optimism bias. Inflation is incorporated in cost figures in line with deflators taken from the most recent OBR forecasts, consistent with LUF guidance. [REDACTED]

Costs are discounted at a rate of 3.5% per annum, consistent with HM Treasury Green Book guidance. [REDACTED]

[REDACTED] No private sector co-funding is included in this submission.

The costs included within the economic case also include anticipated revenues generated by the sale of residential property developed at Carnarvon Terrace once operational, along with the continued rental of community and maker spaces. [REDACTED]

These revenues are treated as a negative cost in the economic case.

Describe how the economic benefits have been estimated

DLVU

DLVU is calculated as the difference between the future land price when the development is completed and the current value of the land.

Carnarvon Terrace is the only project in the Clacton LUF bid where DLVU is considered. Calculations of GDV have been taken from the market appraisal. Due to limitations regarding the existing and proposed market values, DLVU has not been monetised for Clacton Hub. This is considered to be conservative given the Clacton Hub will result in an increase in (valuable) commercial floorspace.

WLVU

The proposed interventions will help to regenerate the wider area of Clacton. In line with DLUHC appraisal guidance the positive benefits associated with this impact have been captured using WLVU. To calculate WLVU associated with the projects, data has been collected relating to the total quantity of residential and commercial property within a 200m catchment area of the proposed project site boundaries. Commercial property values have been derived from applying appropriate yields to Valuation Office Agency statistics. Residential property values have been collected from a publicly available residential property valuation website.

To estimate the WLVU benefit, an uplift has been applied to the base land value estimates, reflecting the scale and nature of the projects.

The literature demonstrates the positive effect that regeneration projects have on land values. For instance, North Worcestershire's Development Agency (2006) review demonstrated that regeneration of town centre floorspace can result in increases of 15% to 20%. WLVU effects have been claimed previously (LUF Round 1) up to a 500m radius.

This benefit is estimated over a five-year period following completion of each development.

Crime reduction

This benefit has been estimated through applying a reduction of 5% as a result of the Clacton LUF package. The number of existing crimes in Clacton Town Centre (using the area provided in the Love Clacton Vision) have been taken from figures for March 2021 to February 2022 reported at data.police.uk. The average fiscal, economic and social cost of crime as identified by the Greater

Manchester Combined Authority unit cost database has then been applied to the reduction in crime, in line with DLUHC appraisal guidance, and a multiplier applied to reported crimes applied in line with Green Book guidance. A 50% displacement rate is applied to the benefit.

Labour supply benefits

Additional employment opportunities would be generated through the various types of floorspace delivered by the two projects. To estimate the number of full-time equivalent (FTE) employment opportunities supported, the HCA Employment Density Guide (2015) has been applied to the employment-supporting floorspace. It is estimated that both sites combined would support 106 additional FTEs, equivalent to 138 additional jobs when considering part time working patterns.

Given Clacton's high unemployment, and the range of employment offered, it is estimated that 10% of all additional jobs will go to new labour market entrants or re-entrants. The methodology then applies ONS regional GVA statistics to employment generation and a welfare impact of 40% to identify labour supply impacts resulting from employment generation.

Skills benefits

The ACL facilities developed at the Clacton Library would enable additional learners to complete skills training at the site through expanded capacity. This has been monetised using an estimate of the number of additional learners supported by the facilities (840) and an estimate of the wage premia of skills improvements provided by the Department for Education.

Affordable housing health benefits

Carnarvon Terrace would provide 11 affordable units. DLUHC's Appraisal Guidance states that the delivery of affordable housing can confer external health impacts not captured through land value alone. This benefit is estimated using the per resident value provided in the DLUHC Appraisal Data Book (2016) and applying this to the projected residential yield of 14 in the affordable units.

Distribution

Household income in Clacton is estimated to fall 16% below the national average. To reflect the impact that the projects would have on different groups of society in H&D, a distributional weight has been estimated and applied to the economic benefits. Using the ONS equivalised net income estimates and the elasticity for marginal utility of income (1.3), a distributional weight of 1.36 has been applied to benefits calculated within this appraisal.

Provide a summary of the overall Value for Money of the proposal

The value for money (VfM) assessment has been performed using a bespoke economic model, following HMT Green Book and DLUHC appraisal guidance. It includes a robust analysis of the predicted economic benefits and costs. The main benefit that has been assessed arises from the land value uplift

generation, which is DLUHC's preferred methodology for valuing the economic efficiency benefits derived from converting land into a more productive use. In addition, crime reduction, labour supply impacts, skills impacts, affordable housing health benefits, and distributional benefits have been included in this economic appraisal. A methodology note has been appended to the submission providing detail on the VfM appraisal process.

A total of £54.16m of economic benefits (PV terms) are expected to be created through this LUF package. [REDACTED]

[REDACTED] Other large economic benefits include the distributional benefits (£14.45m at 27% of total) as a result of Clacton's low earning households being positively impacts, and skills benefits at Clacton Hub (£7.36m at 14%). The total value of these economic benefits is divided by the net total economic costs (£22.12m in PV terms) to get the package wide adjusted BCR.

Comparison to Round 1 LUF Bid

Land value uplift (LVU) was not considered in Clacton's Round 1 LUF bid. Instead, the additional GVA generated by the projects was estimated. DLUHC state a preference for the LVU approach. Therefore, we have adjusted the methodology, considering the round 1 feedback, and WLVU is now one of three benefits assessed in this bid that contribute to the initial BCR of 1.34, which then rises to 2.45 under the adjusted BCR (considered the most appropriate BCR for evaluation, and comparison with other bids).

[REDACTED] The economic appraisal identifies that the overall package has an initial BCR of 1.34 and an adjusted BCR of 2.45. VfM results are also presented for each of the two individual projects. [REDACTED]

This corresponds to a very positive VfM category across all projects in the submission and clearly demonstrates the justification for LUF investment.

Given the economic impacts provided by the package bid and individual elements, and the additional non-monetised benefits outlined previously, there is clear evidence to show the projects represent good Value for Money and are an effective use of public funds.

Have you estimated a Benefit Cost Ratio (BCR)?

Yes

Estimated Benefit Cost Ratios

Initial BCR

1.34

Adjusted BCR

2.45

Describe the non-monetised impacts the bid will have and provide a summary of how these have been assessed

An impact assessment of non-monetary impacts associated with the projects is presented below:

Regeneration (moderate beneficial): Through providing regenerated commercial, community and residential floorspace, the Clacton LUF bid will provide new economic and social opportunities for local residents. The projects will act as a catalyst and ensure that the Local Area is a place where people live, and new opportunities are created. Wellbeing will be inherently promoted through the nature of these projects, and inequalities reduced enabling people to achieve their potential.

Community services and community cohesion (large beneficial): The Clacton Hub project will lead to the redevelopment of the existing Clacton Library to modernise facilities, improve the offer of the library and prevent further deterioration of the existing building. There are a variety of studies highlighting that residents, workers and visitors have a willingness to pay for enhanced library services. This has not been incorporated into the economic appraisal as a result of a wide range of potential values that could be applied, and the difficulty in applying a value to the type of improvement brought forward at Clacton Library, but it is still considered to be a significant non-monetised benefit. Furthermore, the redevelopment of the Carnarvon Terrace site would provide community space and opportunities for local entrepreneurs to grow their businesses.

Benefits of affordable housing – addressing housing undersupply (large beneficial): For many residents, existing housing in Tendring is not affordable or accessible. Clacton residents face an average household income that is 16% lower than the national average. The provision of affordable housing in the Carnarvon Terrace project would provide social benefits beyond the health impacts monetised in the Value for Money appraisal. A report by the Centre for Housing Policy details several of these benefits, which include freeing up family resources for nutritious food and health care expenditures, and mental health benefits. The provision of this affordable housing will also help the Council to meet its housing delivery targets, which haven't been met in recent years.

Perceived and actual safety (moderate beneficial): Many elements of the Carnarvon Terrace redevelopment are designed to improve perceived and actual safety for users. For instance, a new access point to the car park, more conveniently located near to the main retail area will lead to increased footfall.

Year-round animation will be provided, as well as measures to reduce neighbourhood crime and increase safety through replacing an existing curved alleyway exit.

Reduced energy use (moderate beneficial): The Carnarvon Terrace scheme will contribute to the reduction of carbon and energy use, through the provision of 15 EV charging units linked to 30 spaces and a living wall. This will establish a clear local commitment to improved infrastructure that supports sustainable travel in line with Government Net Zero aims.

Provide an assessment of the risks and uncertainties that could affect the overall Value for Money of the bid

Sensitivity analysis has been undertaken to provide an assessment of the impact of the overall Value for Money of the bid under key risks. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Section 8: Deliverability

Confirm the total value of your bid

Total value of bid

£29346724

Confirm the value of the capital grant you are requesting from LUF

Value of capital grant

£19958224

Confirm the value of match funding secured

£9388500

Evidence of match funding (optional)

Where match funding is still to be secured please set out details below

Within project 2 of this package, the match funding of £2,888,500 is assumed as follows:

Tendring District Council capital programme: £2,078,500. Funder confirmation letter attached previously.

The following assumptions are also included:

Land Release Fund (LRF): £420,000 (a bid is being prepared for this, to be submitted prior to the deadline of August 12).

Electric Vehicle Fund: £390,000, assuming £13,000 per space across the 30 spaces. Funding is yet to be secured and subject to an application for grant funding from: The Office for Zero Emission Vehicles.

Land contribution

If you are intending to make a land contribution (via the use of existing owned land), provide further details below

TDC does not intend to make a land contribution as part of the project funding. However, it is important to note that the majority of the land required to deliver the project is owned by the local authority and this accounts for a substantial investment into the project.

Project One: Clacton Hub – All of the Clacton Library site is owned in freehold by the Local Authority, Essex County Council.

Project Two: Carnarvon Terrace – The majority of the site is owned by the Local Authority, Tendring District Council. [REDACTED]

Confirm if your budget includes unrecoverable VAT costs and describe what these are, providing further details below

There are no unrecoverable VAT costs.

Describe what benchmarking or research activity you have undertaken to help you determine the costs you have proposed in your budget

Project One: Clacton Hub

The project cost plan was prepared by Essex County Council (ECC) in June 2022 to reflect the proposals.

ECC has access to national benchmarking data such as BCIS, Wessex as well as to published material commercially available such as Spons and Laxtons. The cost plan has also been informed by local benchmarks and relevant project examples delivered by the Council elsewhere, specifically the Harlow Library and Shenfield Library. In addition to these resources the direct personal involvement of construction project managers gives access to market insights and trend as well as a depth of experience that is pertinent to understanding the full nature of the projects, site conditions and contracting capacity and correctly interpreting data in order to yield reliable contract intelligence and pre tender estimating.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Project Two: Carnarvon Terrace

The project cost plan was prepared in Q2 2020 by Oxbury Chartered Surveyors to reflect the proposals. Designs and schedules of accommodation were prepared by Chetwoods Architects, in support of a bid to the Future High Streets Fund.

Oxbury has access to national benchmarking data such as BCIS, Wessex as well as to published material commercially available such as Spons and Laxtons. More importantly they have a wealth of contractual and pricing information from projects past and in hand that are firmly in touch on local market conditions and the types of work and contractors prevalent in the area. In addition to these resources the direct personal involvement of professional advisers in the firm gives access to market insights and trend as well as a depth of experience that is pertinent to understanding the full nature of the projects, site conditions and contracting capacity and correctly interpreting data in order to yield reliable contract intelligence and pre-tender estimating.

[REDACTED]

Provide information on margins and contingencies that have been allowed for and the rationale behind them

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The contingency allowance shown in each project reflects an acceptable allowance to cover potential events that are not specifically accounted for in the cost estimate at this stage of the project. The purpose is to compensate for the uncertainty inherent in cost and time estimates, as well as unpredictable risk exposure. The construction risk profile of the proposals is standard for a development of this type, based on the assumption that there is no additional element risk such as restricted access or potentially contaminated ground.

Build cost inflation has been set after careful consideration of the Building Cost Information Service all in BCI price inflationary forecast. This source is widely used across the building consultancy industry. As described above, an additional percentage has been applied to account for the high levels of inflation and uncertainty/ risk currently seen in the current market.

[REDACTED]
[REDACTED]
[REDACTED]

Describe the main financial risks and how they will be mitigated

The total financial ask of the LUF fills the funding gap and will unlock delivery of the projects. Should LUF not be available, there are no current proposals to suggest that the projects identified in this application will happen given the extensive costs required to bring them forward. This would result in stagnation/ decay of these critical Local Centres and a requirement for further investment in the future. As a result, the challenges described will not be addressed.

No further work needs to be done to secure the local contribution. This has been allocated and funds will be made available if the LUF bid is successful. Applications/ status of funding from other programmes remains at risk.

The package will be delivered and managed by TDC. TDC expects to manage the risks on the project ECC is delivering (Clacton Hub) by passing on the cost and delivery risk to ECC via a grant agreement.

. The main financial risks may be summarised as follows:

- Failure to attract sufficient interest from contractors for the scheme development or bid costs higher than expected.
- Increased construction costs impacting the viability of the project.
- Cost overrun if works/ consent take longer than anticipated.
- Cost increase due to additional inflationary pressure.
- Applications to other grant funding programmes are not successful.

- Match funding reallocated/ no longer available.

The risk register, attached, provides further information on specific financial risks. It also sets out the probability of the risk occurring and the impact, if the risk occurs. Management controls and contingencies have been put in place and are described in the risk register. Interdependencies with other sources of risk are also identified.

If you are intending to award a share of your LUF grant to a partner via a contract or sub-grant, please advise below

TDC is not intending to partner with the private sector to deliver any of the projects identified in the package. While TDC will not carry the direct financial risks for the delivery of schemes led by Essex County Council, a system will be developed for passing on grant to the County Council to deliver the library and public realm schemes.

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

There are no bid partners that would have a financial interest in the project

Summarise your commercial structure, risk allocation and procurement strategy which sets out the rationale for the strategy selected and other options considered and discounted

Commercial structure

Tendring District Council (TDC) will hold the funds and employ a project team to manage the overall Levelling Up Programme. If the Council is successful with the two bids submitted, this team will oversee both bids.

The Council adheres to its agreed Constitution, which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people. Some of these processes are required by the Law, while others were a matter for the Council to choose.

The Carnarvon House project will be delivered by TDC, through a procurement route.

The Library scheme will be delivered by Essex County Council (ECC), underpinned by a funding agreement with TDC. ECC will use Essex Housing, its housing and regeneration delivery team, to complete the project.

Risk allocation

The funding agreement between TDC and ECC will set out the allocation of risks. It is expected that the financial and delivery risks will be borne in the first instance by the organisation delivering the project. As such TDC would bear the initial delivery risk for the Carnarvon House scheme, and ECC, for the hub / library scheme.

A programme specific risk register has been developed which will be treated as a living document and updated and reviewed periodically as each project progresses.

Procurement strategy

TDC will procure from the open market contractors to deliver the Carnarvon house scheme and enter into a funding agreement with Essex County Council to deliver the Clacton hub based on the library. ECC will procure contractors through Essex Housing.

TDC is entering into a Service Level Agreement (SLA) with ECC to formalise its procurement process, with TDC contributing a fee to ECC to deliver key procurement activities and enable TDC access the wider knowledge of the ECC in-house team. Under the new SLA, ECC will deliver procurement for projects detailed in a regularly updated project pipeline, engage with TDC Assistant Directors, Heads of Service and other colleagues to develop an agile contracts register and procurement forward plan.

Analysis of spend and other monitoring of financial data, including benchmarking against comparable contracts to ensure value for money, will also be undertaken to manage attitude towards uncontracted spend, and protect TDC from unauthorised/non-compliant expenditure and risk.

TDC's SLA with ECC ensures the council's procurement follows a compliant contracting process, including requirements for post EU exit regulations and modern slavery, by buying into ECC's team of dedicated procurement professionals.

ECC will also be engaged to identify and promote the strategic procurement requirements of TDC and ensure that these meet the corporate aims and objectives laid down in the various policy statements and strategies.

ECC's procurement function provides a central resource for TDC on procurement issues, manages the liaison with external stakeholders such as suppliers, procurement framework organisations including Central Government, provide ad-hoc procurement modelling and appraisals as required, maintain TDC's registration to national e-procurement registers and coordinate the use of Procurement Portals such as Construction line and 'Market Place'.

ECC's procurement team have the ability to score potential suppliers both on quality and cost, thus ensuring both value for money and a high standard of delivery.

ECC (ECC) also have an Infrastructure Delivery Team which have established procurement routes for the delivery of a wide range of capital infrastructure projects. These extend to ECC's own Essex Construction Framework for constructions projects, Eastern Highways Alliance (highway improvements). ECC have also called upon National Procurement Frameworks such as Fusion 21, Crown Commercial Service (CCS) and ESPO where required.

Given the scale of cost inflation in recent months, the fixed budget for the work and the importance of delivery to the programme, it is not expected to use innovative procurement methods to deliver the scheme, which have the potential to put pressure on cost or time.

Social value will come through the procurement process as the availability of construction jobs on site will increase local work opportunities, and we will ask for local labour provisions through the contract, for example advertising vacancies locally. Essex Housing ask bidders to complete a response that "demonstrates suitable relevant experience, showing a track record in delivering similar services and demonstrates how the Bidder's delivery of these services demonstrates improvements to the economic, social or environmental wellbeing of the relevant areas". Bidder responses to this question form part of the bid evaluation.

The key contracts to be procured for Carnarvon House include:

Demolition services for Carnarvon house
Architect to design and manage the project
Employers agent
Construction contract for the flats, commercial space and car park, including electric vehicles

Management of affordable homes
Letting of commercial space

The key contracts to be procured for Clacton Library include:

Funding agreement with Essex County Council
Demolition contract
Design contract
Construction contract
Agreements with partners for use of the space.

Pre-market engagement/research activity undertaken and planned:

TDC has recently procured the construction of the Jaywick Works Business Units and Covered Market, tendering for an architect to develop the specification and tender documentation, and then contracting the employers agent and construction firm to deliver the project. [REDACTED]
This has demonstrated the availability and pricing of contractors.

ECC has engaged with potential users of the public sector hub, including the University of Essex, but no contracts are yet in place.

Health check of the market

There is an active contractor base for building in Tendring. The recent procurement of the Jaywick Works business unit scheme had four bids come forward. This demonstrates there is a contractor market, but the size is smaller given Tendring's coastal nature than more densely populated areas. TDC will go out to open tender on the ECC portal to gain access to the widest number of contractors.

Essex Housing have operated across the county for the last six years, engaging with the professional construction market contractors required to procure building services.

Contractors are local and are very unlikely to be known to the Cabinet Office for resolution planning purposes.

Route to market

TDC route to market will be to first expand the in-house professional team with a surveyor and project manager to oversee programme delivery and support the procurement process. TDC will go out to market via open tender to source an architect as lead contractor to bring together a professional team to design the scheme, support the planning application, and develop the tender documents. The council will then go out to open tender for a building contractor on the basis and tender documents.

TDC expect to go through an open tender process for a building contractor rather than use the Essex Framework, to increase the number of potential bidders. By making use of ECC's Procurement Portal and processes, TDC open tenders are able to reach a wider audience of potential bidders, make use of standardised query/answer processes with bidders and engage with colleagues assigned to the tender.

During the build phase, the project team will go out to tender for the sale of private properties via a tender from local estate agents. TDC will retain the social homes within its own stock, and will let out the ground floor space using in-house expertise, given the limited scale of the floor space to let, and our wider portfolio of assets.

For the Clacton Hub scheme, we will enter into a grant agreement with Essex County Council, who will use their Essex Housing team to deliver. Essex Housing operate by a mix of procurement routes depending on the nature of the appointment and fee level. Appointments are made following a formal tender by invitation bidding process measuring both price and quality and where below formal tender thresholds direct selection following market assessment. Essex Housing use this approach to appoint an architect, quantity surveyor, project manager, town planner, structural engineer, mechanical and electrical engineer,

and sourced other surveys such as ecology consultants to deliver schemes.

Manage contracts to quality and mitigate supply chain risks.

TDC will use ECC's procurement professionals to source its professional team and construction contractor, who will ensure contractors have the financial capability, track record and capacity to deliver the project. TDC will recruit to an expanded team to oversee the programme, including a project manager and surveyor to ensure the programme is kept on track and that the architect, professional team, and construction firm deliver to time and manage the budget. The employers agent will support the construction phase of the project working between TDC as client that construction firm. It is recognised that in the last period there has been significant construction cost inflation and delays.

Alignment with Net Zero ambitions

The project will replace out of date 1960s buildings with more energy efficient structures which will have lower running costs.

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?

The existing TDC Assets and Economic Growth teams have procured capital projects previously and TDC will appoint new resource to increase capacity to project manage the LUF programme, (Project Manager and Surveyor) who will also require procurement experience.

The detailed procurement process will be completed through the new Service Level Agreement (SLA) with ECCs procurement function. TDC is in the process of rationalising its procurement procedure in line with ECC's, which will lead to a streamlined process across the Council and consistency in the approach to procurement and contract management.

The SLA, which is nearing readiness for signature, formalises the new process, with TDC contributing a fee to ECC which will fund resource employed by ECC to deliver Key procurement activities and enable TDC access to increased knowledge through the wider ECC in-house team.

Under the new SLA, ECC will deliver procurement for projects detailed in a regularly updated project pipeline, engage with TDC Assistant Directors, Heads of Service and other colleagues to develop an agile contracts register and procurement forward plan. Analysis of spend and other monitoring of financial data, including benchmarking against comparable contracts to ensure value for money, will also be undertaken to manage attitude towards uncontracted spend, and protect TDC from unauthorised/non-compliant expenditure and risk. ECC will also be engaged to identify and promote the strategic procurement requirements of TDC and ensure that these meet the corporate aims and

objectives laid down in the various policy statements and strategies.

For the development of the Carnarvon House site, management of the project will sit with TDC. A project board will oversee delivery of the scheme, including senior officers from Building & Public Realm, Economic Growth, Finance, Legal, and Planning. Scheme delivery will be managed day to day by the project team procured through the Levelling Up Fund grant, including project manager, surveyor, and architect. The overall project will have an Assistant Director senior responsible officer with TDC, and a Corporate Director sponsor.

The Clacton Hub will be delivered by Essex Housing, the delivery team for Essex County Council, under a grant agreement with TDC. Essex Housing has significant capital procurement experience. Launched in April 2016 with the objectives to help meet general and specialist housing need, and to use vacant assets to generate capital receipts and revenue savings whilst also driving economic growth and regeneration. Since then, Essex Housing has delivered four schemes (Goldlay Square, Moulsham Lodge, Norton Road & College Gardens) with a total of 78 private and affordable homes, and specialist housing units. The team has secured planning consent on a further 345 units.

Are you intending to outsource or sub-contract any other work on this bid to third parties?

TDC recognises that a project of this scale will require substantial staff and contractor resources with specialist expertise, in addition to the staff currently employed within the Council. The bid includes professional fees to cover requirements including design and project management, employer's agent services.

For the delivery of the Carnarvon House scheme, time and costs for the recruitment of specialist staff includes an architect, a quantity surveyor, and a project manager, has been factored into the project cost and built into the delivery plan. This professional team will give TDC the additional capacity and capability it needs to manage a project on this scale. The professional fees will also be used to support the legal and finance capacity to the project.

Essex Housing (the delivery team within ECC) will also contract in delivery experts, as set out previously, including Surveyor, Project Manager, and engineering services.

An additional bid within the TDC local authority area has been submitted. If both bids are successful, delivery of the other schemes identified in both areas (libraries and public realm) would be led by colleagues within ECC, including Essex Highways, and MITIE, ECC's facilities contractor.

How will you engage with key suppliers to effectively manage their contracts so that they deliver your desired outcomes

The key supplier for the Clacton Hub project is Essex Housing, ECC's delivery team. Essex Housing has experience built up over 6 years in procuring and constructing dwellings on behalf of local authority partnerships, and has built up a significant portfolio of high quality consultants and suppliers accessed through ECC's procurement team and frameworks as appropriate and therefore stands in a strong position to commence detailed work promptly on confirmation of funding.

Essex Housing have a strong track record of delivery and as part of ECC are subject to ECC's own procurement rules and contractual procedures. This helps to minimise risk associated with contractors and suppliers. TDC will enter into a grant agreement with ECC to set out the expectation of quality and delivery, including a schedule setting out costs and a delivery plan setting out deadlines and timing. The TDC project team will hold regular project monitoring meetings to track progress, and will escalate as necessary within ECC if there are concerns with delivery. Expenditure will be monitored monthly, and it is likely that there will be monthly payment schedule in arrears.

ECC's procurement team who will operate for TDC and ECC manage due diligence, financial and economic standing of suppliers, and contract and payment structures, on behalf of a number of local authorities. ECC Procurement team procures £100ms of services from suppliers across a range of domains and is experienced in monitoring financial risks to suppliers. For example ECC had to manage the supplier risk in the adult social care market through the Covid 19 pandemic.

TDC uses standard contracts with suppliers, for example the JCT with construction contractors, with agreed payment schedules to a cost plan. Expenditure against budget will be reviewed monthly by the project team, and during the construction phase, supported by the employers' agent. TDC's finance system ensures probity in payments.

Set out how you plan to deliver the bid



Time scales

Key milestones detailed in the plan are summarised below. Milestones for both projects assume a funding award of December 2022.

Clacton Hub

Project start: December 2022

Concept design completion: March 2023

Construction tender publication: January 2024

Site clearance completion: June 2024

Construction start: August 2024

Construction finish: August 2025

Move back in: September 2025

Carnarvon House:

Delivery of this scheme assumes demolition of the existing Carnarvon House site has taken place prior to fund award.

Project start: January 2023

Site investigations and testing: April 2023

Detailed design and planning submissions: start January 2023

Planning permission secured: July 2023

Technical design complete: November 2023

Procurement of construction complete: December 2023

Construction start: January 2024

Construction finish: March 2025

Fit out and hand over: March 2025

Occupation: from April 2025

There remain delivery risks that could affect the programme, including planning and contractor availability. The risk section sets out mitigations.

Key dependencies and interfaces, statutory and ownership

Key dependencies for both construction projects include gaining planning permission, developing tender documentation, successfully procuring contractors, and build completion before occupation. Key interfaces will be between local residents and contractors and wider council services, and between the project team, the employers agent and contractors.

Planning consent will be required for both projects, and is included in the project plan. There will be other regulatory consents, such as highways, water, ecology, which will be dealt with through the planning and construction phases.

Roles and responsibilities in the project:

In summary the Corporate Director Place and Economy, TDC takes overall responsibility for delivery of the programme. Essex Housing, through a funding agreement between TDC and ECC, will be delivering the Clacton Hub project.

Essex Housing will provide a Development Surveyor and a Development Operations Manager who will manage scheme delivery. They will procure and manage a professional design team comprising Architect, Engineers, Planning consultant, Project Manager, Quantity Surveyor and procure contractors for site clearance and construction. A range of other consultants will also be engaged for any other due diligence, survey and design activity (such as ecology, topographical, arboriculture or landscape architect) as required. Active contract management through monthly meetings is part of Essex Housing's usual activity.

The Assistant Director of Building Public Realm at TDC is responsible for delivering the Carnarvon Road scheme, and will follow the same approach as Essex Housing for the Clacton Hub set out above. The affordable housing will be taken on by TDC's housing department, the private flats sold by a procured estate agent, and the ground floor space leased by TDC assets team. TDC car park team will run the carpark once complete.

It is expected that boards for both projects will be set up with representatives of the relevant services (Library, ACL,) and functions (property, technology, infrastructure delivery, finance) and they will meet regularly to review the scope of works and progress.

Any key decisions throughout the delivery of the schemes would need to be taken by the relevant Cabinet member either as a Cabinet member action or as a Cabinet decision, as set out in the councils' constitutions.

Capabilities and skills

Resource within TDC and Essex Housing working in the projects have capital delivery experience of housing, employment space, car parks, and cliff stabilisation. Both councils have property, legal and finance teams, and share a procurement function. It is recognised that additional capacity and wider skills will need to be procured to deliver each project, set out above.

Communications

Communications will align with project plans. A project communications strategy will be drawn up using OASIS (Objectives; Audience/Insight; Strategy/Ideas; Implementation; Scoring/Evaluation) principles, with individual plans for each project. A stakeholder engagement matrix will be completed. Communications points would likely include:

- Governance check points around funding and proposal decisions (e.g. Cabinet reports)
- Design work and consultation (including planning applications)
- Work beginning (e.g. ground breaking)
- Appropriate mid-way point (e.g. topping out)
- Related community activities (e.g. decoration of hoardings, school visits to sites)
- Completion of work
- Official opening

Councillors will be updated on the projects through all member briefings and Cabinet, as needed. A Regeneration Board meets at least quarterly that brings together the Leaders of TDC and ECC with relevant Portfolio Holders, senior staff and partners, which enables progress updates to be shared.

Powers and consents

Clacton Hub:

The Library is owned by ECC. Details of powers and consents will be identified at the detailed design stage. A further breakdown of the construction works will not be available until RIBA stage 2 and RIBA stage 3 designs are complete. Possible powers and consents required for the project identified before commencement of the scheme include:

- Possible Planning Permission required (8-12 weeks from point of submission) depending on the final design for M&E plant;
- Building Control Approval would definitely be required (4-6 weeks from points of submission).
- Due to the nature of the structural works, a possible Party Wall Agreement

may be required if any part of the library structure adjoins another property.

Carnarvon House:

The current Carnarvon House and its site is owned by TDC, as is the carpark adjacent to it. A proposed cut through from the site will require the purchase of a property. Details of powers and consents required will be identified at the preliminary design stage. Possible consents include planning permission, building regulations consent, utilities connections, party wall consents, liaison with an adjacent site owner for variation of access, building acquisitions, and highways crossover points.

Monitoring and evaluation

The approach to monitoring and evaluation will be carried out in line with schemes delivered previously by ECC. Quality metrics will be created that allow performance and quality to be measured. Frequent review and updating of the risk register will also be key to manage any issues in a timely fashion. The approach to monitoring and evaluation is set out in more detail in the monitoring and evaluation section.

Demonstrate that some bid activity can be delivered in 2022-23

TDC has completed contract documents and is currently seeking tenders for the demolition and clearance of the Carnarvon House site as a preparatory measure to facilitate the early commencement of project works. It is anticipated subject to tender processes that this work can be completed by Quarter 1 2023.

When agreement is reached with government on funding, TDC is ready to implement the delivery plan as outlined, for example procurement of the professional team and grant agreement with ECC for the delivery of the Clacton Hub.

Risk Management: Set out your detailed risk assessment

Please note a Risk Register is appended as requested.

A number of the risks are common to both the Clacton Hub and the Carnarvon Terrace scheme, as they are both construction projects. The detail of risks is set out in the risk register. Key risks which has the highest risk rating are summarised from that document.

Risk: Failure to attract sufficient interest from contractors for the scheme development. Bid costs higher than expected.

Mitigation: Procurement advice obtained in advance of tender, following soft market testing. Additional inflation projections added to cost plan. [REDACTED]

[REDACTED] Contract terms to ensure any delays and LADs are secure, reducing the risk to TDC / ECC.

Risk: Increased construction costs impacting the viability of the project.

Mitigation: Detailed costs produced at the inception stage to be monitored and adjusted throughout. Cost value engineering where appropriate. Soft market testing to be undertaken through the Procurement Framework, in advance of the market approach. Inflation projections added to cost plan. [REDACTED]
[REDACTED] Contract terms to ensure any delays and LADs are secure, reducing the risk to TDC / ECC.

Risk: Planning - the scheme fails to achieve a planning application within the required timescales impacting on the remainder of the programme and the delivery of the LUF objectives.

Mitigation: Public and key stakeholder and statutory consultation strategy to be produced at the inceptions phase. PPA will be put in place once the application has been submitted.

Risk: The construction programme is delayed, impacting on the wider programme completion.

Mitigation: Development Manager and Employers Agent instructed to monitor the progress of the development and report any diversion to the programme at early stage so that mitigation measures can be put into place.

Risks will be identified, recorded and actively managed throughout the project. TDC as a clear process for risk management and reporting set out in the Risk Management Framework, with a corporate risk register, and a standard format for project and service risk registers with risk ratings from one to five judged by impact on finance, delivery, safety and reputation. The approach is supported by the Fraud and Risk Manager and her team and by TDC Internal Audit.

The project's operational risks will be owned by the senior responsible officer (Corporate Director Place and Economy at TDC), who will review the risk register monthly with the project team. Where appropriate, risk owners will be allocated and tasked with removing risks where possible or identifying mitigating measures to minimise residual risks.

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

The levelling up programme will be governed by a project board including senior officer representatives from TDC and ECC, including finance, legal, economic growth, building and public realm, and housing.

The Senior Responsible Officer is the Corporate Director Place and Economy at TDC, who has capital delivery experience leading delivery of 12 specialist housing schemes for older people across Essex (when at ECC) and is currently

leading the delivery of [REDACTED] Jaywick Works Schemes at TDC.

The team delivering the Carnarvon House scheme includes the Assistant Director of Building and Public Realm at TDC, a qualified surveyor and property professional experienced in new build capital delivery, and leasing property. The Project delivery team will be brought in, including a project manager and surveyor, and will be expected to have significant capital delivery experience and an architect, who will manage the operational delivery of the Carnarvon Road scheme.

The delivery of projects with Essex County Council will be led by the Head of Essex Housing, who has led the service since 2015, and has led on the delivery of four housing schemes for 78 units, and a project team including project management and surveyor experience will drive the project forward.

TDC and ECC have a strong track record of project delivery. They are currently working on the delivery of two Getting Building Fund projects in the district, working in partnership and to tight timescales:

- Jaywick market and commercial space: this [REDACTED] project is being led by TDC and will deliver 25 new commercial managed workspaces to rent to small and fledgling businesses at low cost, and create a new covered market with external market and event space.
- Essex Pedal Power Programme: this £2.3m project will deliver improved cycle infrastructure (including segregated cycling); and tackle accessibility inequalities through a free bike loan scheme. It is being delivered by ECC in partnership with TDC, Active Essex, Local Delivery Pilot and The Active Wellbeing Society.

Other previous experience includes:

- First 10 homes (TDC): in 2020 TDC completed a £3m pilot housing development in Jaywick Sands comprising 10 new-build homes, split between affordable rent and market sale homes. The scheme included use of modern methods of construction and delivered high levels of thermal efficiency;
- Clacton and Holland Coastal Defence (TDC and ECC): a technically challenging £35m scheme was delivered jointly by TDC and ECC in 2014-15, ahead of schedule and below the allocated budget. Funding for the project included circa £30m from the Environment Agency.

ECC also has experience of delivering projects of a similar scale and type across the county, including major social infrastructure, housing and transport schemes: further details can be provided on request.

To date Essex Housing has delivered 4 schemes (Goldlay Square, Moulsham Lodge, Norton Road and College Gardens) with a total of 78 general needs (private and affordable) and specialist housing units and has c.£19.5m of completed sales with a further £3.5m forecast. In addition, the team has a live development programme of over 1,000 units (371 units where planning has already been secured) - including 49% specialist/affordable units (Extra Care and Learning Disability). The delivery programme, in addition to residential development, also includes the development of three new community assets

(Including new libraries at Loughton and Shenfield) and retained carers spaces used to facilitate the delivery of our independent living schemes.

Work to demolish the current library in Shenfield is underway, and the new building will deliver a new, modern library and meeting rooms with more floorspace than the current facilities, a new public garden and outdoor learning and activity space, flexible commercial space designed to host a business use complementary to the library, and a high level of environmental sustainability including air source heat pumps, photovoltaic cells, electric vehicle charging points for every apartment and a green wall.

The Essex Housing team have also received national recognition including;

- Shortlisted for 2 years running at the Inside Housing Development Awards 2018 and 2019 for the 'Development Team of the Year'
- Goldlay Square scheme shortlisted for 'Best Development (under 50 units) 2018' at the Inside Housing Development Awards 2018
- ECC shortlisted for the team's work under the 'Council of the Year' category at the UK Housing Awards 2019
- Goldlay Square scheme Highly Commended for 'Housing Schemes Under 50 homes' at the Housing Essex Excellence Awards 2019
- Essex One Public Estate Partnership (led by Essex Housing) shortlisted for the 'one team' at the inaugural Government Property Awards

Set out what governance procedures will be put in place to manage the grant and project

Tendring District Council (TDC) will be the lead authority in delivering the projects. TDC is governed by its Constitution, which sets out how the Council operates, how decisions are made and the procedures which are followed to ensure that these are efficient, transparent and accountable to local people.

Decisions are taken on a day-to-day basis by the Cabinet, which is made up of the Leader of the Council (Councillor Neil Stock OBE) and the Portfolio Holders appointed by the Leader. Key decisions to be made are published insofar as they can be anticipated. Meetings of Cabinet are generally open to the public to attend, except where personal or confidential matters are being discussed. The Cabinet has to make decisions in accordance with the Council's overall policies and budget.

The District Council operates a project management framework overseen by a Project Board.

The Council operates a gateway approvals process for the management of projects with approval levels set at appropriate levels for the scale of projects in consideration. The Project Board considers project initiation, progress and outcomes against targets and reports to and through the Management Team to Portfolio Holders, Cabinet or Full Council depending on the scale and nature of projects.

The principles of project management through the board are provided for in the Council's Capital Strategy, financial plans and delegated powers.

The gateways and review processes are analogous to Prince II methodology, but the Council has not adopted the process in full because it is disproportionate to the scale of most projects. In the case of this project the budgeting carried out by Oxbury quantity surveyors and Savills agents includes for the engagement of a full design and professional team to deliver the projects.

TDC has a stringent set of policies to ensure legal and financial compliance in governing project delivery. This includes a strong set of financial protocols, with delegation limits set out in the constitution. The Council uses systems and procedures that incorporate internal controls. These controls include separation of duties, independent checks and authorisation restrictions to ensure that errors as well as impropriety are prevented. Financial Regulations require that all Heads of Department maintain systems and controls to a standard acceptable to the Chief Finance Officer.

TDC has a sophisticated network of systems and procedures in place to assist with the prevention and detection of fraud and corruption, set out in its Anti Fraud and Corruption Strategy (March 2020), which sets out the role of council officers and members, contractors, internal audit, external audit and the corporate fraud and risk team in identifying and responding to fraud. Staff have mandatory training in anti fraud and corruption, departments are required to have procedures in place, and there is a hotline to tip off the fraud team.

Potential conflicts of interest need to be declared and recorded by officers and members when taking decisions, and may require an individual to be recused from a decision.

TDC takes a proactive approach to responding to threats to its cyber security. Staff are trained in cyber security, there are robust systems in place within the network to ensure that computers are secure

TDC manages data effectively, taking data protection and GDPR into account in setting up and operating its management systems for projects and programmes. There is a data protection officer to provide advice to officers to ensure legal compliance.

The levelling up programme will implement a system of reporting to ensure progress, budget and risks are managed effectively, and senior managers, councillors and partners understand progress.

Board and senior management involvement.

The client functions will be carried out by Levelling Up Programme board chaired by the Corporate Director Place and Economy at TDC, and including representation from Tendring District Council, ECC, Essex Housing LLP. Board

membership, terms of reference and procedures will be established to reflect any scaling of the award of grant relative to the project components.

If applicable, 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

Clacton Hub Operational costs:

The majority of ACL funding is provided by the Education and Skills Funding Agency together with income from course fees and other income streams. The ACL service delivers against its ESFA contract value and due to the types of cohort it works with, needs access to suitably equipped premises in the right localities.

ACL income sources for 2021/22 and their values are summarised below:

ESFA Grant Value £7,900,000
Apprenticeship income £768,000
Advanced Loan Income £268,000
Additional income - nurseries, sale of products, canteen etc £398,000
Projects £552,000
Tuition fee income (non-Covid year) £800,000
Total £10,686,000

Operational costs for the library (including day to day management and utilities) will come from the County Council and will be re-charged proportionately to Adult Community Learning's (ACL) and the Library Services' budget.

Operational costs for the new skills and co-location facility are to be met by these Services in line with similar schemes carried out, most recently, for example in Harlow. The library service and ACL have a proven track record of bringing together their services within one co-located facility and managing costs accordingly to ensure the facility is economically viable, and sustainable.

The Library will continue to operate from the Clacton Hub alongside ACL, with running costs to support the ongoing operation. For the additional hub space, ECC is in negotiation with the University of Essex on occupying space to bring a centre for coastal communities to Clacton, which has the potential to support a significant proportion of the remaining space.

Carnarvon House and maker spaces

The Carnarvon house scheme is a mix of social and private housing. It is anticipated that the social housing will enter TDC's stock, and so the service charge and rental stream will cover the management costs of the building. TDC is an experienced social landlord with over 3,000 properties. There is a small number of maker spaces which has a low overhead cost, and it is expected that occupancy will cover costs incurred, which allows TDC to manage the

associated cost risk.

TDC expects to lease the ground floor uses of the Carnarvon Scheme which to cover the costs associated with running the space. The carpark will generate a revenue stream which will enable its maintenance and operation.

Set out proportionate plans for monitoring and evaluation

[REDACTED]

[REDACTED]

The bid aims to catalyse regeneration and stimulate inclusive economic growth in Clacton, leading to improved outcomes for residents.

In short, the aim is to understand the scale of the impact of the projects on the challenges identified for Clacton as set out in the theory of change. The evaluation will create a base line report, monitoring data reported as part of wider progress reporting through the build phase, and then a final evaluation after project completion.

Baseline

First, TDC will work with partners to base line the current position. The determination of impacts at a local level will be identified by carrying out an initial study to assess the outcomes identified in the theory of change and the capacity to deliver on the impacts both councils are seeking to deliver for residents and businesses.

During delivery

Progress towards the delivery of outputs, outcomes and impacts will be monitored regularly throughout project delivery. [REDACTED]

[REDACTED] Monitoring and reporting will be the responsibility of the SRO for LUF, the Corporate Director Place and Economy at TDC, and carried out by the professional project team that will be appointed to manage delivery for Carnarvon and Essex Housing for the Clacton Hub. TDC is giving consideration to bringing an external specialist expertise as part of the professional team. Reporting and regular communications will operate through the project governance arrangements, alongside a discussion of risks and mitigations, ongoing costs, and providing programme updates to ensure key milestones identified [REDACTED] [REDACTED] are on track against the anticipated delivery timescales.

Disseminating learning from the is monitoring to those involved in the core project teams and within in summary form the senior officers on TDC's management team will ensure the council can maximise learning and build on

the expertise both councils have in delivering schemes of this scale.

After project completion:

Once delivery of the scheme is complete, focus of the Programme will shift to reviewing process and impact evaluations and final reports. The projects will be monitored post-completion [REDACTED] and evaluated on the bid's delivery against the outcomes and impacts identified. Determination of the impacts at a local level, and the success of the bid delivery, will be measured by the aggregation of data sources [REDACTED] by comparing, for example, the number of students enrolling into FE courses, change in DWP data, and changes in the collected Geo-Sense footfall data, amongst other data/sources.

Measurement

The outputs and outcomes have been taken from the standard list identified in DLUHC's annex B, where appropriate. To measure any non-standard outcomes, and for the impacts, which are all bespoke, the councils will aggregate other data sources and review these against the LUF missions, which have underpinned the bid. Where data is to be obtained from third-party sources, they will be subject to value for money against ECC's established procurement framework.

The frequency of each measurement will in some instances be dependent upon the availability of up-to-date data (for example, where the source of the data is a third party, e.g. ONS or DWP). The success of the projects to meet outputs will be assessed at the end of the delivery for each project. Outcomes are expected to flow from the outputs, and therefore cannot be measured until after the projects are completed. TDC will agree a post completion monitoring plan so that the outcomes can be measured once the projects are finished and operational.

Section 9: Declarations

Publishing

URL of website where this bid will be published

www.tendringdc.gov.uk/clactonluf
