

Gedling Borough Council

Full Business Case

**Project Title: Arnold Market Place – First Floor Enterprise
Centre and Market**

Lead Department: Property Services

Estimated Project Duration: 9 months

DOCUMENT CONTROL

BC Author	Emma Wimble
Project Sponsor (contact details)	Tanya Najuk
Project Manager (contact details)	Emma Wimble
Date	31 October 2023
Document / Project ID	

Version	Status	Revision Date	Summary of Changes	Sign-Off
1	Draft	16/10/2023	Additional detail added into all sections	
2	Draft	19/10/2023	Additional information added into option appraisal and details of the procurement process	
3	Draft	24/10/2023	Legal comments	
4	Draft	30/10/2023	Finance update	
	Approval	31/10/2023	Submitted to Cabinet	

CONTENT

	Page
1. Purpose of Document	3
2. Executive Summary	3
3. Strategic Fit	4
3.1 Background and Business Need	
3.2 Strategic Objectives and Outcomes	
3.3 Scope	
3.4 Constraints	
3.5 Assumptions and Dependencies	
3.6 Key Risks	
3.7 Benefits	
4. Economic Case (Value for Money) - Option Appraisal	11
5. Commercial Viability	12
6. Affordability	12
7. Achievability	16
8. Equalities Implications	18
9. Carbon reduction/Environmental Sustainability Implications	18
10. Terms of reference	19
11. Support Services sign off and final comments.	19
12. Senior Leadership Approval	21

1. PURPOSE OF DOCUMENT

This document sets out a revised Business Case for Arnold Market Place (the AMP). The purpose of this business case is to demonstrate the need to develop and fit out the First Floor of the AMP to make the top floor of the building a more lettable proposition.

2. EXECUTIVE SUMMARY

The proposed objective of this project is as follows (subject to approval):

Despite significant marketing of the first floor by the agents New West, the first floor of the AMP has remained vacant since the building's official opening in October 2022. The

view of the agents is that the change in working practices post Covid-19 has had an impact in terms of successfully identifying tenants to take on the whole of the space.

It is proposed, therefore, that the Council procures services for the fit out of the first floor using a framework contractor. To support the Business Case development, the Property Team has liaised with Procurement and Legal Services to identify appropriate frameworks.

The cost of the fit out would be funded through the UK Shared Prosperity Fund (UKSPF), through the funding under the theme of Communities and Place and Business Support. The funding would come from Year 2 and Year 3 capital funding.

The Property Team has undertaken soft market testing exercise, which will provide a full specification for the project, as well as confirming the estimated costs and viability of the programme to meet UKSPF funding requirements. Currently the high-level estimate for the refit and refurbishment of the upper floor of the AMP is included in the Exempt Financial Appendix.

To support the delivery of the project, a dedicated internal project team will be established lead by Property with support from EGR, Legal, Finance, and Procurement. External technical support will be required to oversee the contract that will form part of the Business Case.

It is recommended that a budget is established (virement from) the UKSPF Town Centre Improvement budget in the Capital Programme. Currently it is anticipated that the works will be fully funded by the UKSPF budget.

3. STRATEGIC FIT

3.1 Background of Business Need & Market Research

Original Business Case

The AMP Business Case 2020 included 7 small retail outlets designed to be attractive to small local independent businesses with a first-floor area earmarked for flexible commercial space/office accommodation.

The Business Case included an external appraisal by Cushman & Wakefield that a basic building shell (“first fit”) would be more attractive to commercial occupiers than fitted out/serviced offices. Their advice was to market the building for a period of up to 18 months before sub dividing the space into 2 or 3 offices or services offices. If further capital investment was required, it was understood that this would be subject to a separate Cabinet approval.

The Cushman & Wakefield appraisal included an assumed a first-floor rental of 12sqft providing an assumed income of £45,000 pa (£13sqft). The appraisal also included an

assumed lease period of 3 years with no break clause and a 3-month rent free period with operating costs recoverable through a service charge.

The lettings of the ground floor retail units have exceeded expectations, with all 7 units fully let, as the business case assumed that these units would not be fully let until 21 months of operation.

Current Position

The AMP development was handed over to the Council in October 2022. During the construction programme, the design specification was reengineered to reduce costs with the result that the 3,500 sqft of first floor space was handed over as a shell and core. The flooring, WCs, cleaner's store, and meeting/conference room having all been removed from the cost plan.

The agents, New West, have marketed the first-floor space for flexible commercial use with on-site parking (12 parking spaces, including 2 disabled parking spaces and an EV charging point). The shell and core finish requires a prospective tenant to commit to a considerable investment in a challenging market. This financial commitment alongside the significant size of the first-floor space has limited the number of enquires. However, during the previous 12 months, the agent has reported interest from several businesses enquiring for units of not more than 1,000 sqft.

The approved AMP Business Case included income assumptions for the expansion of a market located on the development's public square. During the construction the market was relocated to Eagle Square. Although this was intended to be a temporary move, traders have indicated a preference to remain on this site. The current market location at the entrance of the Town has been positive, with the stalls enlivening this area of the retail centre. The traders have indicated a need for public realm works to be undertaken to Eagle Square to level the area by removing steps. As the market has provided an active frontage into the main gateway to the town UKSPF Investment Plan monies have been earmarked to fund these works. The permanent location of the Arnold Market is to be formally consulted on and whilst this is undertaken the Council is working to ensure that a programme of events and specialist markets are held on the AMP public space. However, it is noted that the regular market has not attracted new traders over the course of the last few years and increased revenue income is considered to be unrealistic.

Although the Council is looking to utilise the AMP public area for speciality markets and events, this is unlikely to generate significant income and the Council is looking to ensure a cost neutral position in the short term. With this in mind, the Economic Growth and Regeneration Service have secured a professional market operator for a 12-month period that will be reviewed. The primary focus of the markets and events is to draw footfall and spend to the Town to support the new start up and existing retail businesses.

UK Shared Prosperity Fund

To support a viable plan for the first-floor area the Council submitted a funding proposal within the UK SPF Investment Plan. This proposal included the creation of a serviced flexible office facility, an enterprise centre, on the first floor of the AMP that would be subject to a business case and approval.

The UK SPF Investment Plan includes a financial provision to support the creation of an enterprise centre which is detailed Appendix 2 (Exempt Financial Position). The enterprise centre contributing to the following UKSPF interventions and outcomes.

Intervention	Measure	Target
E1: Improvements to town centres and high streets	Number of commercial buildings improved.	1
E22: Enterprise infrastructure and employment/innovation sites	Amount of commercial buildings developed or improved m2	343
E24: Training hubs, business support offers, incubators and accelerators.	Number of potential entrepreneurs provided assistance to be business ready	25

Commercial Letting Appraisal

To test the viability of an enterprise centre/serviced office facility and other office options, the Council has sought independent commercial advice from both the current agent, New West and HEB.

The agents considered a number of options that included:

- i. Continue Marketing of the First Floor – single let
- ii. Serviced Office Accommodation
- iii. Smaller Commercial Suites

(i) Continue Marketing of the First Floor

Both commercial agents identified that a major barrier to securing a tenant is the current shell and core finish of the first-floor area. The agents' assessment confirmed that the size of the first-floor space would be prohibitive to prospective tenants in view of the significant up-front investment. The agents' view being that there is a trend for shorter lease arrangements and, therefore, even with rent free periods, the investment required, and duration of occupancy, is unlikely to be attractive to the market.

The agents have drawn attention to the fact that post covid there has been a shift to hybrid working and learning, leading to a subsequent fall in demand for large office spaces. Also, the "suburban" location of the AMP is a factor that would impact on the

appeal of the space. The AMP is seen as being a more attractive offer for local smaller businesses as it is unable to compete with similar spaces within the city centre which benefit from transport hubs and other services and amenities.

(ii) Serviced Office Accommodation

Both agents were of the view that the option of securing a serviced office operator, such as Regus and Bizspace (who operate Arnold Business Centre, Brookfield Road), would be challenging in the current market. They also commented that one of the major players in the market, “We Work”, had fallen victims of the change to working practices and gone out of business. The agents have made the case that the AMP first floor area although significant does not offer the scale that a larger operator would consider viable alongside its location. The agents also considered that, in view of the risks involved in the financial set up of the service office operator, it would be unlikely that the Council would be able to secure a tenant.

New West have specifically made the case that local serviced office operators, such as Exeid, have not come forward since the premises have been marketed and are dealing with voids in their current premises. In view of the costs and risks involved in setting up a service office operation it is not considered to be viable for the Council to take on this risk.

(iii) Smaller Commercial Suites

The agents’ recommendations in view of enquiries received, location and costs are that the Council creates smaller commercial suites with shared WC and kitchenette facilities. Smaller units with an annual rental value of less than £12,000 or less per year are more attractive to small local businesses in the Borough, particularly if they are let on 3-year or 6-year term. These could also incorporate break options giving the prospective tenants flexibility, along the same lines as the tenancies that have been secured on the ground floor retail units in the development. This option would still necessitate the need for management of the space, and this would be incorporated into a service charge fee.

The option to provide smaller commercial suits would support local businesses and be aligned to the physical interventions included in the UKSPF Investment Plan.

The UKSPF Investment Plan includes provision for the fit out of the first-floor area to provide an Enterprise Centre that comprises of

- Individual offices of between (482 – 915 sqft)
- Conference room
- Reception area
- Kitchenette
- WCs
- Shower

Market Stalls

Within the original business case it was assumed that the new market area of the AMP would support 24 markets stalls generating additional income of £15,000 per annum. As previously mentioned during construction of the AMP building, the market was relocated to Eagle Square. Feedback from the traders (formal and informal) shows that, despite the current economic conditions for high streets and markets remaining challenging, the traders would prefer to remain at the Eagle Square location. The market has not expanded over the past 3 years and with the challenges for the high street it is unlikely to achieve the £15,000 net income anticipated.

The Council's approach has been to source a professional market operator to organise a regular programme of markets/events to draw footfall to supplement the regular market currently held at Eagle Square; however, this will again will not generate the original income projections, and the Council has opted for an operator to cover the complete costs of the market, including the Markets Charter. This is intended to provide a cost neutral position for the Council whilst promoting and supporting local retail businesses. The arrangement is to be reviewed on an annual basis, but significant income generation is unlikely in the current climate.

The model of procuring a professional market organiser for the Eagle Square Market could be considered in the future if this proves to be successful with the option of a single market operator managing both sites.

3.2 Strategic Objectives and Outcomes

The Arnold Market Place business case remain aligned to the strategic priorities of the Council as outlined in the Gedling Plan 2023. The Gedling Plan references the importance of the Borough's town and local centres particularly in respect to their contribution to the local economy and employment. The revised Business Case includes the creation of an enterprise centre providing business units for start-ups and SMEs to encourage businesses to grow. The revised Business Case also looks to practical measures to ensure footfall into the Boroughs town providing markets and events that attract shoppers and visitors throughout the day.

In seeking approval for this Project, the strategic deliverables include:

- Developing a new business/enterprise centre, supporting startups and existing business and creating new jobs, which will meet the requirements of the UKSP funding
- Creating 238sqm of commercial office accommodation
- Raising the profile and offer of the town centre and supporting local businesses.
- Creating a viable model for the delivery of markets in Arnold Town Centre

The outcomes from this development are far wider ranging and include:

- Improving the footfall within this part of primary shopping core of Arnold;
- Supporting the wider regeneration of the town centre;

- Installing more confidence in investment within the locality.

3.3 Scope

- To fit out of the first floor of the AMP using a framework contractor.
- To use the UKSPF Town Centre Improvement budget in the Capital Programme to fund the cost of the works.

3.4 Constraints

Timescales

It is a condition of the UKSPF that all funding must be spent by 31st March 2025, as covered in the original Investment Plan; therefore, the timescales for procuring and carrying out the necessary works are tight. As result, it is recommended that procurement is through an approved compliant framework and that the Council award to an appropriate contractor in compliance with the Council's Contract and Procurement Rules.

Resource

Resource is likely to be a constraint for this project due to limited staff capacity, and therefore, this business case includes provision for contract and project management services to ensure that this project is completed on time.

3.5 Key Assumptions and Dependencies

The following key assumptions have been made:

- The Council will support the use of the UKSPF to fit out the first floor of the AMP
- Fitting out the first floor of the AMP with smaller units and shared welfare facilities will be more attractive to prospective tenants, resulting in leases taken out and income generated for the Council.

The following key dependencies have been identified:

- Although not anticipated, any issues with materials supply could impact on the start/ completion of the project.

3.6 Key Risks

The table below illustrates the raw risk, with the associated impact of that risk and the probability.

ID	Description of Risk/Mitigation	Impact	Probability
1	The business case needs to be approved by Cabinet. This business case supersedes the previous business case as market conditions have changed.	HIGH	LOW
2	Procurement and Construction Delay. Proposal is to use a Framework (Medium Works) which will accelerate the timeframe for a start on site.	HIGH	LOW
3	Internal Capacity to deliver the project. The use of the Framework and the inclusion of contract and project management services will mitigate this risk	HIGH	LOW
4	Timescale does not meet the External Funder Requirements A condition of the funding is that the project must be completed by 31 st March 2025, failure to do so could result in potential clawback. This has been mitigated by the use of the Framework to appoint a contractor	HIGH	MED
5	Lack of tenants There is high demand for small units such as these for SMEs. It is not believed there will be a lack of demand. Once construction has started marketing of the units through various channels will be pursued.	MED	LOW
6	Construction cost escalation Cost consultants produced a cost plan, including construction inflation and risk/contingency	HIGH	MED

3.7 Benefits

There are a number of benefits anticipated through this project, including some of those that were included in the original business, and which still remain relevant:

- Supporting the wider regeneration of the town centre

- Economic improvements from increased attractiveness to businesses and shoppers
- Increased dwell time and spend
- Meets the local demand for commercial accommodation
- New employment opportunities
- Enhance the reputation of Gedling Borough Council

In addition, the Council will receive a long-term income from this new asset, on top of the existing units, as well as a capital asset.

The original business case assumed a level of income ranging from £65,000 to £85,000, dependent on the on the final use from the first floor. However, with the changes in working practices post Covid-19 and the division of the space into separate units meaning there is some loss of lettable space, an income of circa £36,000 would be more realistic.

4. ECONOMIC CASE (Value for Money)

1. Do nothing. This option would mean leaving the first floor as is, as a core and shell, and continue to market the space to interested parties. This risks the building continuing to remain empty, incurring ongoing security, maintenance, and business rates liabilities. The feedback from two local, knowledgeable agents with direct experience in the market have provided clear evidence that the building as it currently stands is not seen as a viable option for organisations due to both its size and the current lack of fit out. Whilst the building is still within the timescale in the original business case for time taken to let, with the changes in working patterns post Covid firmly embedded within the business community, there is a clear risk that the building will take even longer than the originally estimated 21 months to let. This leaves the Council bearing ongoing maintenance costs, rather than recovery through leases. The empty space would not increase the business base of the Council, nor would it provide critical space for small businesses. No outcomes would be achieved in terms of businesses supported or jobs created.

2. Residential Mix on the upper floors: The original business case included options for third floor, and for those floors to be a mix of residential dwellings and commercial units. However, these options were discounted on the basis of there being insufficient space at the development site to accommodate a third floor, as well the impact of residential space on the achievement of job creation, in line with funder requirements and risks associated with tenants Right to Buy (Right to Buy at a discounted market value).

3. Fund complete fit out from capital reserves/borrowing: This would entail the Council funding the entire scheme itself, through borrowing the entire amount (or through securing some capital funds). The option to borrow the whole amount would make it difficult to create a coherent case for investment as it would mean a debt to be repaid over a significant period making the development unviable. The opportunity to secure capital investment is limited and would be in competition with other capital

projects across the Council. This would provide new jobs and businesses at once and would see completion of the scheme most quickly.

4. Use the UKSPF to fund the fit of the first floor. Although time limited, the UKSPF Fund provides the opportunity to develop the first floor of the AMP into a more attractive space for smaller businesses. This would increase the number of businesses operating in the Borough, and specifically within Arnold, as well as supporting the creation of jobs.

5. COMMERCIAL VIABILITY (Planning and management of procurement)

In order to deliver this project within the timescales of UKSP Funding, a framework would be the preferred option. Some market testing has taken place in order to gain certainty of costs.

There were a number of factors influencing the decision, including:

- The Council does not have the skills, experience or capacity to develop a full specification which would be needed for a full open tender exercise.
- A minimum timescale for a full, open tender exercise would be approximately 12 weeks – which is regarded as a tight timescale – post specification development. This timescale does not take account of the time the contractor will need to mobilise following contract award.
- Whilst there is a Framework fee of 1.2% of contract value, included in the total cost of the project, this is offset by the saving of Officer time.

Any contract entered into would be subject to Cabinet approval of this business case.

6. AFFORDABILITY (Financial Case)

Financial Implications

The anticipated costs of the AMP fit out and budget is outlined in the attached Exempt Financial Position Appendix.

It is anticipated the fit-out costs will be fully funded from the UKSPF Grant; therefore, no additional borrowing will be required.

Failure to utilise the UKSPF Grant would result in significant increase in borrowing costs unless alternative funding is identified.

It should be noted that the actual costs are to be confirmed prior to contract award.

Assumptions Refresh

The refresh of the Business Case is illustrated below and based on soft market testing and includes the following assumptions:

- Enterprise Centre: 4 offices (482 – 915 sqm each), shared welfare facilities and conference room
- Rental income assumed to be circa £14 sqft, providing an annual income of £36,500+pa however should the actual costs exceed the UKSPF funding available, the rental levels could be reviewed unless other sources of funding could be identified.

NB: High rental levels may be prohibitive to potential tenants and therefore counterproductive.

- The original business case projected the First Floor would be tenanted by around July to September (Q2) 2023/24. However, the revised projection for completion of the Enterprise Centre would be around Q2 in 2024/25.
- Year 1 has been refreshed to reflect actual position for 2022/23, with the exception of financing see note below.
- The running costs have been refreshed to reflect actual Year 1 (2022/23) expenditure.
- The First Floor would incur additional management and maintenance charges however it is proposed that these would be recouped through a service charge to tenants and is not included in the table below.
- The financial model assumes in year 3 (across 2025/26 and 2026/27) that there will be a reduction of income for the ground floor units. The model allows for a 9-month void and 3 month rent free incentive for new lettings.
- First Floor occupancy and income in 2024/25 assumed to be 50%.

Business Case Refresh

Table 1 illustrates the forecasted position from the original business case

Table 1 . Original Business Case						
	2022/23	2023/24	2024/25	2025/26	2026/27	Total
Expenditure						
Running Costs	£93,000	£47,500	£3,000	£18,500	£66,500	£228,500
Financing	£61,500	£61,500	£61,500	£61,500	£61,500	£307,500
Income						
Ground Floor (GF)	(£20,500)	(£44,700)	(£50,600)	(£30,100)	(£26,400)	(£172,300)
First Floor (FF)	£0	(£33,300)	(£44,400)	(£44,400)	(£11,100)	(£133,200)
Market Rents	(£7,500)	(£15,000)	(£15,000)	(£15,000)	(£15,000)	(£67,500)
(Surplus)/ Deficit	£126,500	£16,000	(£45,500)	(£9,500)	£75,500	£163,000

The business case has been refreshed for current incomes levels and revised income projections for the First Floor. For comparison purposes, the interest rate from the original case has been used. The reason for this is because no additional borrowing is anticipated for the fit-out as this will be entirely grant funded through the UKSPF. Therefore any adverse impact on rising interests is not a result of the first floor fit-out.

The Ground Floor rental income is an improvement on the original business case due to the units being occupied quicker than anticipated, in addition the original business allowed for 20% irrecoverable VAT in which we have now been able to charge and recoup.

The First Floor income has been revised down from the original projections of £44,400 due to reduced lettable space and market rental levels.

Pending the outcome of the relocation of Arnold Market Stalls, the planned income from original expansion of the stalls has been removed from the updated business case.

Overall the revised business is showing an improved position on the original business.

Table 2. Updated Business Case (no adjustment for interest rate rise)						
	2022/23	2023/24	2024/25	2025/26	2026/27	Total
Expenditure						
Running Costs	£44,600	£40,500	£15,200	£15,200	£40,200	£155,700
Financing	£66,100	£66,100	£66,100	£66,100	£66,100	£330,500
Income						
Ground Floor	(£19,300)	(£75,000)	(£77,500)	(£58,200)	(£21,600)	(£251,600)
First Floor	£0	£0	(£18,300)	(£36,500)	(£36,500)	(£91,300)
Service Charge	£0	(£2,600)	(£2,600)	(£2,600)	(£2,600)	(£10,400)
Market Rents	£0	£0	£0	£0	£0	£0
(Surplus)/ Deficit	£91,400	£29,000	(£17,100)	(£16,000)	£45,600	£132,900
Variance to Original Business Case						
(Surplus)/ Deficit	(£35,100)	£13,000	£28,400	(£6,500)	£29,900	(£30,100)

Interest Rate Impact

Interest rates have increased significantly since the original business case, the impact of these have been omitted from the table above due to the fit-out having no direct impact on the amount borrowed.

Based on current rates as of 31st October, the latest rates are 5.64% over 40 years.

	Borrowing Requirement	Interest Rate (40 years)	Annual Repayment
Original Business Case	£1,556,100	2.47%	£ 61,500
Actual Requirement	£1,674,800	2.47%	£ 66,100
Interest Rate Refresh (31.10.23)	£1,674,800	5.64%	£105,900

The table 4 below illustrates the impact of current interest rates on the project.

Year	2022/23	2023/24	2024/25	2025/26	2026/27	Total
Expenditure						
Running Costs	£44,600	£40,500	£15,200	£15,200	£40,200	£155,700
Financing *	£105,900	£105,900	£105,900	£105,900	£105,900	£529,500
Income						
Ground Floor	(£19,300)	(£75,000)	(£77,500)	(£58,200)	(£21,600)	(£251,600)
First Floor**	£0	£0	(£18,300)	(£36,500)	(£36,500)	(£91,300)
Service Charge	£0	(£2,600)	(£2,600)	(£2,600)	(£2,600)	(£10,400)
Market Rents	£0	£0	£0	£0	£0	£0
(Surplus)/ Deficit	£131,200	£68,800	£22,700	£23,800	£85,400	£331,900

Market Stalls

The Original Business Case built in increased market income of £15,000 per annum following the build of the AMP. Some of this income is mitigated by increased income for the Ground Floor, due to the business case factoring in irrecoverable VAT, which subsequently is being charged in the lease. Below is a summary of the financial position for 2022/23. Therefore, the revised business does not assume income growth.

Arnold Market - Stall Traders	Annual
Running Costs	
Market Charter (Notts City Council)	£10,000
Toilet Rentals (Café)	£ 2,700
Business Rates (Eagle Sq.)	£ 2,500
Electricity (Eagle Sq. Pop.up)	£500
Refuse Collection (Internally charged)	£7,400
	£23,100
Income	
Trader Income (22-23 actuals)	(£16,100)
Current Subsidy/Deficit	£7,000

7. ACHIEVEABILITY (Project Management Case)

The Project Owner for this Project will be the Head of Welfare and Regeneration, with project oversight provided by CMT (Programme Board) and SLT and Cabinet being the approval bodies.

The Project Manager will be the Property Services Manager, supported by the Apprentice Property Surveyor. A dedicated Technical/Employer Agent will also be appointed, as part of the procurement processes.

In addition, an internal project team has been established and will be responsible for the day-to-day delivery of the project in line with PRINCEII principles to ensure clear lines of communication, appropriate client/design team relationship and management and control of timescale, quality, and cost.

A collaborative approach with regular team meetings will draw on a range of property, economic development, and financial expertise to understand market failure issues affecting the SME group identified and to develop appropriate property and business support intervention.

This team will continue to be involved in the delivery of the project and ensure that the product is fit of purpose and that it meets identified objectives and is supported by appropriate property, financial, legal, and economic skills throughout the life of the project. The property handover and business as usual (lettings) will be managed by Property Services. See also the description of project roles below.

Property Services Manager

The Property Services Manager has the following responsibilities: to manage the work of the Property Services section (including the Building Services Team Leader and Apprentice Property Surveyor) ensuring that work is properly allocated, co-ordinated, prioritised, planned, and completed in accordance with the Council's policies and procedures, relevant legislation, and professional codes.

The post holder has over 10 years' experience in the management of commercial properties and overseeing property management teams. This post will develop the lettings policy for the site and oversee day to day property management activities.

Apprentice Property Surveyor

The Apprentice Property Surveyor has the following responsibilities:

- To assist in the management of the Council's land and buildings.
- To maintain, update and develop accurate records of all assets held by the Council.
- To assist in the management of the Council's operational and commercial sites.

- Assist and support the Property Services Manager in the negotiation and agreement of leases, rent reviews, surrender and renewal of leases, schedules of condition and dilapidations with both tenants and solicitors.
- To produce reports, returns, and information on data enquiries either directly or through team managers, for internal and external audiences.

The post holder currently manages the units and leases of the existing tenants. This post holder will assist with day-to-day property management including marketing and lettings.

Buildings Services Team Leader

The Building Services Team Leader is responsible for the control and supervision of schemes through to completion, for new buildings, alterations, improvements, and extensions.

The post holder has in excess of 20 years' experience of project managing building development schemes from design to implementation. Examples include the King George V Changing Places Toilet and Lambley Lane Sports Changing facilities. This post holder will take the lead role for the client throughout the construction of the project.

Economic Growth & Regeneration Manager

The EGR Manager and the wider team are responsible for employer engagement, business support, recruitment and apprenticeship support provide support services to maximise business growth.

This post holder will take the lead on delivering tailored business support activities and employer engagement and assist in recording and reporting outputs associated with business growth following completion of the construction phase.

Financial Services Manager

The principal finance business partner is responsible for overseeing the financial management of the project and ensuring the appropriate financial procedures and controls are in place and adhered to by team members. This post holder will review the financial business case and grant claims during the life of the project. Responsibilities include:

- Leadership and Management of the Finance Business Partnering Team
- Lead the Council's Revenue and Capital planning, forecasting, and budgeting processes and contribution to MTFP.
- Proactively engage with business and lead the value for money agenda.
- Be integral to departmental decision making.
- To work with colleagues to deliver seamless outcomes to the business.
- To work with business to understand key drivers.
- To complete appropriate commercial analysis and support for ongoing investment.
- Contribute to closer integration between financial and performance information.

The post holder is CIMA qualified and has 30 years' experience working in Local Authority Finance.

Principal Finance Business Partner:

The Finance Business Partner will provide day to day financial support for the project including cost plan, payments, and grant claims.

Responsibilities:

- Proactively engage with business and lead the value for money agenda.
- Be integral to departmental decision making.
- To work with colleagues to deliver seamless outcomes to the business.
- To work with business to understand key drivers.
- To complete appropriate commercial analysis and support for ongoing investment
- Contribute to closer integration between financial and performance information.

The post holder is CIPFA qualified and has over 10 years working in Local Authority Finance.

Legal Services Manager, Deputy Monitoring Officer & Data Protection Officer

The Legal Services Manager provides and procures advice to the Council on legal matters associated with land, funding application conditions and contract matters. This post holder will review any grant offers to ensure that the Council is able to comply with any conditions and provide a strategic overview of procurement and construction contracts.

A wider team including finance and legal staff will provide support to the project.

None of the above posts is 100% funded by the project. Senior manager approval has been secured to ensure the above staff are able to allocate dedicated staff time to support the delivery of the project.

8. EQUALITIES IMPLICATIONS

The original Equalities Impact Assessment has been reviewed, updated and is appended to the Business Case. There are no specific equalities implications arising from this project

9. CARBON REDUCTION/ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS

The building was originally constructed with solar panels to the rear of the building, and there are no further carbon reduction/environmental sustainability implications for this project. However consideration will be given to minimising carbon emissions through the procurement specification.

10. TERMS OF REFERENCE (Project Tolerances)

The following terms of reference must be met by the Project:

1. To deliver the project within the agreed UK SPF enterprise centre budget as outlined in the Exempt Appendix (Finance) circa with an acceptable tolerance limit of 5% overspend.
2. To deliver the project within the agreed timescales, with a deadline of March 2025. Any anticipated slippage of the project timescales beyond one month of the deadline shall be reported to the Project Board as soon as possible.
3. The project shall deliver the following, as a minimum:
 - o A new enterprise centre, comprising 4 office suites.
4. All work shall be conducted in accordance with the preferred Framework and meet the needs of the UKSP funding requirements.

Project Reporting

Project highlight reports shall be provided to the Corporate Management Team, who function as the Project Board at the end of each calendar month, detailing the project progress and highlighting any risks. If there is a forecast that is outside of the tolerances above, then this will be escalated to the Senior Leadership Team.

An Exception Report should be provided to the Project Board whenever any of the terms of reference defined above are **forecast** to be exceeded. It is critical that the Project Board receive notification of any forecast deviation as early as possible.

An Exception Report should also be produced when any significant event, or anticipated event, could impact the project adversely, or when any critical decision needs to be addressed by the Project Board.

An Exception Report should be accompanied by a recommendation as to the best way forward and a plan to avoid or deal with the deviation.

11. SUPPORT SERVICES – Sign off and final comments

Customer Services and Communications

Comments
Not applicable.

[Name]

[Job role]

[Date]

Democratic Services

Comments		
----------	--	--

Not applicable.		
-----------------	--	--

[Name]	[Job role]	[Date]
--------	------------	--------

Financial Services		
---------------------------	--	--

Comments		
----------	--	--

Not applicable.		
-----------------	--	--

[Name]	[Job role]	[Date]
--------	------------	--------

Health and Safety		
--------------------------	--	--

Comments		
----------	--	--

Not applicable.		
-----------------	--	--

[Name]	[Job role]	[Date]
--------	------------	--------

Legal Services		
-----------------------	--	--

<p>The Council should ensure it complies with the Contract and Procurement Rules in part 22 of the Council's Constitution. Specifically, when considering the use of a compliant framework, consideration should be given to the terms of a framework agreement to ensure they are sufficiently precise to cover the call off. If those terms are not, then a mini competition would be necessary in line with the procure contained within the framework. This is detailed in the Council's constitution at paragraph 13.3 of part 22.</p>		
---	--	--

<p>A contract with a value of over £75,000.00 as would be in this case would require execution by seal.</p>		
---	--	--

<p>Lease agreements for any units to be let would need to be reviewed, checked and or prepared by Legal.</p>		
--	--	--

Natalie Osei	Legal Services Manager	24 th October 2023
--------------	------------------------	-------------------------------

Organisational Development		
-----------------------------------	--	--

Comments		
----------	--	--

Not applicable.		
-----------------	--	--

[Name]	[Job role]	[Date]
--------	------------	--------

Procurement Services		
-----------------------------	--	--

Comments		
----------	--	--

[Name]	[Job role]	[Date]

Property Services		
Comments This report is presented by the Head of Service.		
[Name]	[Job role]	[Date]

12. SENIOR LEADERSHIP TEAM APPROVAL

Please select one of three options:

SENIOR LEADERSHIP TEAM APPROVAL			
Approval / Rejection Options	Name	Role	Date
Programme definition approved.			
Programme definition approved, pending minor changes			
Programme definition not approved; major changes required – must be re-submitted			
Comments:			
Please state what you are asking approval for			