

Appendix 3 - Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Weston Business Quarter	Strategic Case	<p>The Weston Business Quarter (WBQ), and is an established commercial location, with most plots on neighbouring land built out and occupied and the recent opening of The Food Works, food and drink innovation centre, generating a spike in investor interest.</p> <p>The site is part of the J21 Enterprise Area, one of six Enterprise Zones and Areas agreed as priority locations for commercial growth across the West of England.</p> <p>Funding is sought to fund infrastructure and utilities to service the remaining some 30 acres of land which is yet undeveloped and in the ownership of North Somerset Council.</p> <p>The plots benefit from the previous public funded RIF flood protection scheme, but ground raising will still be required in line with the adopted flood protection strategy for the area.</p>	Funding Source(s)	Revolving Infrastructure Fund
Scheme Promoter	North Somerset Council	Subsidy Control	<p>Advice has been provided which concludes that the Council will not be an economic actor when delivering the enabling scheme on the basis that it will be doing so in its capacity as a public authority discharging a statutory function. In addition, a significant proportion of the funding will be used to fund the construction or improvement of roads which will be adopted by the Council as highway authority as open access infrastructure. This is accepted by the Combined Authority, noting that the risk sits with the Council.</p>	Approval Requested	Outline Business Case

Date of Submission	26/4/21	Economic Case and Value for Money	<p>The City Deal monitoring and forecasting refresh (2019) modelled that by 2036 the totality of WBQ would see the creation of 914,000 ft² of commercial floor space, creating 1,700 direct jobs and GVA of £140m.</p> <p>The Council's development land enabled by this proposal, comprises some 40% of the developable land within WBQ, proportionately equating to 760 jobs and £62.6m GVA across some 408,500 ft² of floor space. This equates to GVA per £ of investment of £5.65.</p> <p>A more detailed economic appraisal should be provided with the Full Business Case including the acceleration delivered by this proposal and the attribution of benefits between this and the previously funded flood relief proposal.</p> <p>Confirmation has been provided by NSC's s151 officer that the business case has been approved and endorsing the value for money statement.</p>	Grant Award	£674k to develop the Full Business Case
Funding Requested	£674k				
Total Scheme Cost	<p>£11.078m (£674k FBC Development; £10.404m Works, Fees and Risk; £150k Site Management, Marketing and Disposal)</p>	Risk	<p>An allowance of £1.326m has been made for risk and contingency being some 13% of the capital cost.</p> <p>A risk register has been provided which identifies 12 key risks.</p> <p>RIF funding is repayable (including the funding to develop the Full Business Case) and repayment will need to be underwritten by the Council. The proposed profile of repayment is £1.88m 24/25, £2.924m 25/26, £1.796m 26/27, £1.284m 27/28 and £3.194m 28/29.</p>	Grant Recipient	NSC
Match Funding %	0% (but revolving)	Delivery	<p>All land for this project is in the freehold ownership of the Council. Planning consent for infrastructure and services will be required, anticipated to be secured in Dec 2021, with start on site in Apr 2022 and completion in Sep 2023.</p> <p>The procurement strategy for the works is to be developed further as part of the Full Business Case.</p> <p>On completion of roads and utilities, it is expected that the infrastructure will be adopted and maintained as a standard part of the Council's estate. Revenue funding is sought to cover the marketing and management costs until all plots are occupied.</p>	Payment Basis	Quarterly in arrears on defrayed expenditure

<i>Scheme Description</i>	<i>Recommendation to Chief Executives</i>	Approval of the Outline Business Case
<p>The project will provide the infrastructure and utilities to service the remaining as yet undeveloped land, enabling this to be split into smaller, more desirable plots through provision of the following:</p> <ul style="list-style-type: none"> • Utility servicing, • Upgrading the existing access road, • A new road to connect the access road to the existing access to other plots, • Road spurs to each plot, • Opening of existing rhyne (drainage channel), and relocation of a rhyne that subdivides one of the largest plots, • Realignment of services into combined utilities corridor (subject to feasibility studies), • Improve site security and management, • Surcharge ground level to mitigate future flood level. 	<i>Conditions of Approval</i>	None

Record of Approval

<i>WECA S73 Officer</i>		<i>Chief Executives</i>	
<i>Name</i>	Malcolm Coe	<i>Date of Meeting</i>	5 August 2021
<i>Date</i>	23 July 2021	<i>Decision</i>	
<i>Signature</i>			