

Appendix 1 - Business Case Assessment Summary Table

Scheme Details		Appraisal Summary		Recommendation/ Conditions	
Project Name	Weston General Stores	Strategic Case	<p>Research with local commercial agents suggests that current retail vacancy in the wider Weston town centre area is approximately 18 percent or some 30 retail units.</p> <p>The project seeks to support the regeneration of the town centre through diversification of use and creating an attractive multi-use space. It will involve the repurposing of space in the Sovereign centre to provide space for people to ‘work, meet, create, collaborate, study, learn, play and consume’.</p> <p>The project will support the objectives of the North Somerset Corporate Plan 2020-24 and Economic Plan 2017-2036, and the Weston Placemaking Strategy recognises the future role of Weston General Stores through repurposing vacant space.</p> <p>It is proposed to deliver the workspace, cafe and cycle hub in partnership with an established local operator, enabling a viable operational model that will not require public sector subsidy in the longer-term.</p>	Funding Source(s)	Getting Building Fund (GBF)
Scheme Promoter	North Somerset Council	Subsidy Control	<p>Confirmation has been provided by North Somerset Council that this funding does not represent subsidy on the basis that the Council will not be an economic actor when delivering the conversion and re-purposing works, but will be doing so in their capacity as a public authority discharging a statutory function, being promoting economic development, rather than as a commercial venture involving the provision of goods or services to market. This is accepted by the Combined Authority recognising that the risk lies with the Council.</p>	Approval Requested	Full Business Case

Date of Submission	27/8/21	Economic Case and Value for Money	<p>It is forecast that 16 jobs will be directly created by the intervention through the management and operation of the facilities.</p> <p>It is assumed that initially 49 people will use the co-working space, and that business growth will create 29 new jobs. This gives a total of 45 new jobs which when applying additionality factors and a multiplier presents a total of 57 jobs.</p> <p>Based on the 45 jobs and using the average GVA for the relevant sectors (some £42k) provides a GVA uplift of £1.86m.</p> <p>The business case also presents, and quantifies, a range of wider benefits derived from the increased employment and local spending including crime reduction and reduced benefits over 10 years. Accepting these benefits yields an overall Net Present Value of benefits of £4.87 per £ spent.</p> <p>A letter has been provided by NSC's s151 officer confirming approval of the business case and the value for money statement.</p>	Grant Award	£1.7m
Funding Requested	£1.7m (profiled in 21/22)		<p>A risk register has been provided which identifies the key risks and a contingency budget of £113k (7%) has been included.</p> <p>A cost plan has been provided which shows costs at £55k above the current budget. Should costs come in over budget when tenders are returned the Council will look to deal with this through value engineering/scope change or additional funding. This is accepted, noting the expectation that the benefits set out in the business case are delivered and the cost risk sits with the Council.</p> <p>There are also risks around delivery to meet the GBF spend deadline which may necessitate a request to add a further project to the GBF programme, which would require Government approval.</p>		
Total Scheme Cost	<p>£1.82m (design/project management £303k; construction, fit out and FF&E £1.24m, Provisional sums £135k; contingency £113k; inflation £28k)</p>	Risk		Grant Recipient	NSC

Match Funding %	4%	Delivery	<p>The Council already holds the headlease for the Sovereign Centre, and no further land assembly is required.</p> <p>Advertising planning consent for the external works to the building has been submitted. Landlord's consent is being sought aligned to the planning permission.</p> <p>Match funding of £65,000 through the Department for Transport's Access Fund has been secured as a contribution to the Weston Bike Hub.</p> <p>It is intended to then engage a contractor in November with completion of the works in April and operation in May 2022.</p>	Payment Basis	Quarterly in arrears on defrayed expenditure
Scheme Description			Recommendation to Chief Executives	Conditional approval of the Full Business Case	
<p>The vacant space in the Sovereign Centre will be repurposed to the following uses:</p> <ul style="list-style-type: none"> • New workspace (studios, co-working areas, maker spaces, meeting rooms and event space) • New cycle hub (envisaged to include shop for buying/rental and workshop for repairs/servicing) • Transforming the food court into a new Café (envisaged daytime and evening service run by local, food & beverage independent operator) with access onto Salisbury Terrace and the seafront 			Conditions of Approval	Subject to securing planning consent and the Landlords consent for the works	

Record of Approval

WECA S73 Officer		Chief Executives	
Name	Malcolm Coe	Date of Meeting	21 October 2021
Date	7 October 2021	Decision	
Signature			