

Appendix 9

Business Case - Cinderford Regeneration Cinderford Northern Quarter Site Preparation Works



The proposal submitted by the project promoter is based on information and consultation available at this early stage. Further research, consultation and development will follow before funds are allocated. NB There is no guaranteed funding for the project until this has been secured from Government by GFirst LEP and the project has been through an appraisal and due diligence process.



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The Proposal

A £2.08m site remediation and biodiversity mitigation enabling project seeking £1.93m Growth Deal to create viable, investment ready housing, hotel & employment sites in a unique forest setting that will attract an estimated £42m investment to deliver community aspirations that are firmly rooted in the Cinderford Area Action Plan (CAAP). This project represents excellent value for money for the Government and will provide a 20:1 return on investment.

CAAP was approved as a statutory planning document by Forest of Dean District Council (FoDDC) in Feb 2012. Its distinctive vision for the Cinderford Northern Quarter AAP is to create a new destination in the Forest of Dean the delivery of which will change perceptions of what can be achieved. The CAAP vision statement has been defined as follows:

“The Northern Quarter will become an attractive destination for local people in Cinderford and surrounding communities. It will make the most of the beautiful landscape and will set high standards for design and sustainability. Set within a green campus environment, the Northern Quarter will feature a range of new facilities including an educational facility. The development will also bring new benefits to the area including a new road that will reduce traffic impact on Steam Mills and Newtown.”

The CAAP seeks to regenerate a former deep and surface coal mining area. The mining legacy of the site is a known site constraint and the CAAP’s planning policies prescribe site investigation work and Coal Authority and Environment Agency approval as part of the development process. A programme of detailed ground investigation and land remediation will provide geo-technical information for the development plots with outline planning consent. This information will aid land disposal conversations and will guide the design and

implementation of below ground remediation work and treatment for contamination or voids where needed. Similarly, the CAAP’s Biodiversity Strategy is seeking to mitigate and enhance biodiversity where possible on this environmentally sensitive site. A programme of phased ecological survey work and EU Protected Species Licence Applications will be undertaken to help implement this Strategy. Together the site preparation and biodiversity mitigation works will greatly enhance plot viability and allow FoDDC (as site owner) to market investment ready sites to the local and regional market.

This value for money project will specifically include:

- geo-technical and environmental survey, plot boundary marking, constraint mapping, ground investigation (bore holes/trial pits/soil analysis), topographic survey, archaeological survey, ecological assessment/supervision and licence applications,
- groundworks to remedy abnormal ground conditions (e.g. capping mine shafts, stabilisation) to tackle mining legacy issues to satisfy Coal Authority and Environment Agency requirements,
- Ecological works: survey, licensing, vegetation clearance, species trapping/relocation works.

The project will take place in two distinct phases. Phase 1 will comprise the technical GI survey, licence application and planning condition discharge activity – this is currently timetabled to take place during 2017/18. Phase 2 will comprise the remediation works on site and will follow a competitive procurement exercise that is currently timetabled to commence in April 2018, to allow an 18 month works programme that could run from July 2018 – Jan 2020.

This growth enabling proposal is at an advanced stage and enjoys the benefit of: outline planning approval; inclusion within the Gloucestershire Infrastructure Investment Plan; and, endorsement

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from the Gloucestershire Economic Growth Joint Committee; the whole scheme is recognised in the Strategic Economic Plan for Gloucestershire. This project complements £3.8M approved Growth Funding to construct Phase 1 CNQ Spine Road which in turn will enable £15M investment from Gloucestershire College to construct their new further education and sixth form facility. FoDDC has a conditional LEP £3.5m GIIF loan offer towards the completion of CNQ spine road. It is important to note that this project which is the subject of this bid is intrinsically linked to the successful completion of the spine road. The planned disposal of remediated CNQ development plots will increase their capital value and support the proposed GIIF loan repayment mechanism.

This £2.08m project will remove barriers to growth by making the CAAP site more attractive to the commercial market by mitigating below ground development constraints, ensure that the preparatory works are conducted in an ecologically sensitive way to make individual plots investment ready. Remediated sites will attract a mix of new investment to include the following: new housing investment to provide 195 new homes (plot G= 50 units & plot H =145 units); a new 3,000 sq.m hotel (plot c); and up to 18,800 sq.m employment uses (Class B1, B2, B8 and D1) (plot A1, A2, A3, B, D, F1, F2).

Appendix 1 illustrates the CAAP site area to provide spatial context of this location in Cinderford, Gloucestershire and the land uses that have been allocated within it. Appendices 2 & 3 illustrate the HCA development plots (A-H with plot sizes) that have the benefit of planning approval including an illustrative masterplan.

Demand

FoDDC led the marketing and promotion of the CNQ post Cinderford AAP approval in Feb 2012. A Cinderford Investment Prospectus was prepared and regional marketing events held Jul-Oct 2012 in Newport, Birmingham & Bristol. The Prospectus is available from: http://www.fdean.gov.uk/nqcontent.cfm?a_id=7849&tt=graphic

This marketing phase attracted a new £1.8M Forest Dialysis Centre in Newtown Road – a 10-bed health facility was developed within FoDDC owned premises by Gloucestershire NHS Hospitals Trust. This health sector investment was the first CAAP allocated site to be implemented. FoDDC maintains a CNQ enquiry log and following the opening of the health facility we received some 24 enquiries largely from organisations already based in Gloucestershire but more recently from Monmouthshire based companies. Individual property enquiries are confidential but include: a micro-brewery, high tech engineering, bio-energy business, tele-sales office, public sector office, research & development, pub/hotel, serviced offices and electrical supplies/retail.

FoDDC has retained Knight Frank to provide commercial valuation advice. Knight Frank is pursuing an enquiry from a national hotel chain. FoDDC has authorised £10,000 to refresh the Cinderford Investment Prospectus.

The impact of doing nothing has the potential to significantly slow down implementation of the CAAP and to stagnate the pace of change in the Forest of Dean. If FoDDC market non-remediated sites, this is likely to extend the period of time needed to successfully dispose of the sites and capture the planned economic growth. This is a major risk for FoDDC and the wider scheme, as early site disposal is needed to allow FoDDC to repay GIIF loan funding needed to complete the CNQ spine road.

Rationale for intervention

This project is an enabling project that will seek to prepare 10 investment sites (that already have the benefit of outline planning approval) for disposal to seed future investment. As this project has the potential for early delivery, this business case requests that an “exception” could be made to allow this advanced project to be approved to allow early Growth Deal 3 project expenditure to start in 2017/18.

This development has previously stalled but if it proceeds will enable the development of hotel, employment space and housing which is anticipated to transform the local economy. Due to the environmentally sensitive forest setting within and around the Cinderford Northern Quarter, there is intense scrutiny around the statutory approval processes and the HCA is setting an extremely high standard for the proposed development on the ground and how the environmental impact of the new infrastructure and buildings will be monitored over the long term. Growth Fund support will help FoDDC to maintain these high environmental standards by offering detailed technical data to assist future development partners prepare their own plans to implement the AAP’s Design Code standards and the AAP’s Biodiversity Strategy aims for this site.

This £1.93m Growth Fund request will enable the Cinderford Regeneration Board and its key partners (FoDDC, GCC, HCA, Forestry Commission, Gloucestershire College, Two Rivers Housing) to promote some of the CNQ development sites to new investors, improve investor confidence and attract some £42M private sector investment to flow into the CNQ, that will contribute towards the £100M investment target currently forecast during the AAP plan period through to 2026.

Options appraisal

LEP Growth Funding for this proposal is essential. Without any funding support the cost of ground investigation, remediation and habitat creation will fall wholly to private developers and these costs will in turn affect project viability. Without LEP Growth Deal support the project will not proceed even in a reduced form. FoDDC as land owner does not have the capital budget available to implement this project proposal. However, FoDDC has approved match funding of up to £40,280, to enable a technical specification to be prepared, a procurement process to be run and new marketing material to be prepared to advance this proposal and allow an early start on site subject to LEP Business Case approval.

Strategic Growth

This project fits and supports the Strategic Economic Plan for Gloucestershire and the Growth Deal for Gloucestershire as follows:

1.4 Plans for Growth – A40 Regeneration Areas – Improving Connectivity & Resilience

The Cinderford Northern Quarter (CNQ) is referenced in the SEP’s “Plans for Growth” as an enabler for growth within the Forest A40 regeneration area and will contribute towards the SEP’s aspiration of “maintaining the attractiveness of Gloucestershire as a place in which to live, work, visit and invest”. FoDDC and partners on the Cinderford Regeneration Board continue to work together to deliver the CNQ as a place-making exemplar in Gloucestershire and the South West.

2.1 Areas of High Growth Potential – Tourism

Tourism is the fastest growing sector in the Forest of Dean district having experienced 6.5% growth in 2011/12 with some 48% growth over a ten year period from 2002/12. This growth sector supports 9% of employment and contributes some £141 million to the Forest economy. This project supports this growth with outline planning

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approval for an hotel (3,000 sq m)

4.2.1 Other Growth Enabling Transport and Related Projects

In order to unlock their economic potential and support regeneration, the SEP has already secured Growth Deal funding to support the delivery of the CNQ Spine Road (£3.8) and the Lydney Transport Strategy (£1M).

Context: Local

Delivery of CNQ education led regeneration is a corporate priority for both FoDDC and GCC. This proposal will help implement FoDDC Core Strategy/Allocations Plan/ Cinderford Area Action Plan and the Gloucestershire SEP A40 Regeneration Corridor. The regeneration plan has been in development since 2009. It has the support of the HCA who have secured £14.75m to progress the transformative growth ambitions for Cinderford. The ongoing work with the HCA resulted planning permission to develop a new spine road, new 7,750 sq metres college building , 195 new homes, 21,800 sq metres of employment space including a 3,000 sq metres hotel.

A variety of statutory consultees have been engaged during the planning determination period and their support has been secured to permit education led regeneration within CNQ. Other strategic partners include the Gloucestershire Economic Growth Joint Committee (GEGJC), GCC, Gloucestershire College (GC) and the Forestry Commission as adjacent land owners. CNQ infrastructure and regeneration projects are priorities within the Gloucestershire Infrastructure Investment Plan. GCC is leading the £3.8m construction of Phase 1 CNQ Spine Road project. GC is leading the £15m construction of their new CNQ campus.

Growth Deal funding for this enabling project will help deliver the planning approval, advance economic growth on this site and anchor some £42m public and private sector investment.

The HCA recently acquired a housing site in this location for an additional 60 Starter Homes. The HCA is working to find a developer. This project will therefore leverage in further investment. The Cinderford Regeneration Board is seeking to support the wider regeneration activity within Cinderford including a town centre rejuvenation focus. The aim is to drive complementary retail and service sector investment into the town centre, boost footfall, improve shopping choice and reduce the need for people to travel to satisfy their shopping needs. FoDDC is monitoring the health of the town centre on an annual basis and there are already early signs that the investments planned for the CNQ may be having a positive effect on town centre vacancy rates. Over the last 12 months there have been several new business arrivals and two vacant High Street properties have been refurbished and occupied by Costcutter and The Fern Ticket public house.

Context : Regional / National

FoDDC will require that the site preparation works accord with the aims and objectives of Planning Policy Statement (PPS) 14: Development on Unstable Land (1990); PPS 23: Planning and Pollution Control and the procedures set out in The Model Procedures for the Management of Contaminated Land (CLR 11, 2004) in relation to site investigation and the remediation of development areas. Intrusive site investigation and development works which intersect, disturb or enter coal seams, coal mine workings or coal mine entries are likely to require prior written permission of the Coal Authority.

This proposal will help to deliver FoDDC Core Strategy, Allocation Plan and Area Action Plan policy. It will also enable the implementation of the planning approval P0663/14/OUT and attract investment into Cinderford for the wider benefit of the Forest of Dean economy.

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The adopted Cinderford Area Action Plan (AAP) has an aspiration for the CNQ landscape to maintain its rural-natural character. Together FoDDC's adopted AAP, Masterplan & Design Code and Biodiversity Strategy seek to mitigate and where possible enhance the biodiversity and the extent of existing habitats, specifically for the species typical in the area. Five European designated sites lie within a 15km radius of the AAP area. The closest of these, the Wye Valley and Forest of Dean Special Area of Conservation (SAC) is just 1.5km away. The SAC supports the greatest concentration of lesser horseshoe bats in Britain, totalling 26% of the national population. These five ecological protection areas, established under the 1991 Habitats Directive, are subject to environmental protection in the UK under the Conservation of Habitats and Species Regulations 2010. Any development proposals within the CNQ area are required to set out any necessary ecological mitigation measures (or other measures deemed appropriate) by relevant local and statutory bodies including Natural England and the Environment Agency to prevent impacts on the European Nature Conservation Designations.

Accordingly, FoDDC is working with Natural England (NE), Environment Agency (EA) and Gloucestershire Wildlife Trust (GWT). GWT is Vice-Chair of the Cinderford Regeneration Board (CRB) Environmental Forum. Although not popular with all their membership, GWT is working with the CRB Environment Forum members to seek net biodiversity gains as an outcome of the CNQ project delivery. NE and EA are statutory bodies and are participating as members of the CRB's CNQ Delivery Group. NE and EA are statutory consultees to FoDDC as the local planning authority.

This project seeks to undertake further ecological survey and habitat assessment work. This approach aims to support the principles contained within the AAP's Biodiversity Strategy, so that robust ecological data can underpin EPS Licence Applications

and Environmental Statements that will be needed to advance the development plots highlighted in this proposal. Survey information will also be needed to support the EPS Licence Application process that NE will require in advance of any construction work on site.

In summary, Growth Deal support would allow significant pre-development activity and remove this burden from any future land sale for individual plots. Remediation will make the mixed-use development plots investment ready and more commercially attractive to developers. In the national context, FoDDC and the Cinderford Regeneration Board are aiming for the CNQ to be recognised as an exemplar of coalfield regeneration in an ecologically sensitive area. The ecological survey work required for this Site Preparation project will continue to demonstrate local commitment to protecting and enhancing environmental biodiversity as the sustainable development process moves forward to successful practical completion.

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Outputs

Category	Description	Year	Year	Year	Year	Year
		1	2	3	4	5
Jobs (direct)	Temporary construction/consultancy	10	20	20		
	Apprenticeships	1	2	2		
Site acquisition (in Ha)	Potential for new employment space adjacent to CAAP	0.66				
Land (in Ha)	Land remediated:					
	. Housing (plot G & H)		5.75			
	. Hotel (plot C)		0.92			
	. Central Zone office (plot D)		0.79			
	. Employment (plot F1 & F2)		0.63			
	. Employment (plot A1-3, B)		2.41			
			10.5			
Demolition	3 buildings demolished (plot A2)			3		
Best practice	One cross-border (FoDDC/BGCBC) professional development skills initiative	1				

This project is an enabling scheme and will generate direct outputs in its own right. Site preparation forms the pre-construction end of a lengthier regeneration process that will see private developers undertaking construction to generate the wider outputs and outcomes forecast for this location.

Target outputs are as follows:

- 50 temporary contractor jobs over a 3 year period to implement the site preparation & ecological works
- 5 construction apprenticeships linked to 18 month site investigation & remediation Works
- 1 site acquisition to secure a 0.66 Ha site in public ownership
- 5.75 Hectares brownfield land remediated to enable up to 195 dwellings
- 0.92 Hectares brownfield land remediated to enable 3,000 sq m hotel floorspace (general 80 bed)
- 3.83 Hectares brownfield land remediated to enable 18,800 sq m employment space
- 10.5 Hectares of land surveyed and licenced to allow new mixed-use development
- 6 Developer Packs
- 1 cross-border best practise/skills & learning exercise – FoDDC & Blaenau Gwent County Borough Council
- £42M private sector investment (Leverage ratio 21:1)

Please see attached development plot plan to provide some spatial context. Plots A1-3, B, C, D, G, H, F1, F2 are included within this site preparation proposal.

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Outcomes

Category	Description	Year 1	Year 2	Year 3	Year 4	Year 5
Jobs (indirect) *Safeguarded jobs not included in main submission	Temporary construction/consultancy			20	20	20
	FTE created/safeguarded*			83	40	332
	Apprenticeships			2	5	5
Housing units**	195 homes constructed			25	170	
Business Starts	New businesses			2	1	4
Commercial floorspace	New employment space constructed (sq.m)			2,800 (Plots F1, F2)	3,000 (Plot C)	4,000 (Plot D)
Site disposal *	Potential FoDDC capital receipts			£1.25m (plots F1, F2, G)	£1.75m (plots C, H)	£0.75m (plot D)

** Housing units total adjusted to 110 in main submission as there is potentially a degree of duplication with current SLGF project

Assumptions:

- Site preparation work will improve the viability and marketability of FoDDC owned CNQ development plots
- Improved development land values & capital receipts. *Site disposal figures included in the table above are first estimate. Further work needed by Knight Frank to test these figures.
- 50% of the capital receipts for the residential plots G & H will be equally shared by FoDDC & FC.
- Potential capital receipts from the disposal of Northern United Enterprise Park (plots A1-3 & B) are forecast outside Year 5 and so are not included in the table above.

Financial: Capital

Appendix 6 includes detailed cost estimates from Blaenau Gwent CBC for the site preparation programme. These are first estimates based upon a desk top review of all existing data & evidence base information contained used to support the CAAP & HCA hybrid planning application process. All costs are indicative and have been based on previous rates obtained from previous BGCBC procurement exercises.

The site investigation costs are based on several items including 5-10 bore holes per plot, geo-environmental sampling and testing, geotechnical sampling and testing, a geophysical survey to accurately locate the position of mine entries, ground gas sampling and reporting. The mining investigation is identified as a separate cost, as this will be subject to a coal mining risk assessment. Ground treatment has been estimated at £100,000 if shallow mine workings or large scale contamination is found. There is no real way of estimating the treatment costs any further at this stage until intrusive site investigations are undertaken. For this reason a 30% risk contingency has been added to the site preparation costs for each plot.

Funding request for Growth Deal 3

This project is seeking £1.93m Growth Deal 3 capital funding as follows:

Year 1	2017/18	£543,920
Year 2	2018/19	£521,028
Year 3	2019/20	£874,029

Total cost elements of this proposal:

- Due diligence - £10,000
- Site acquisition - £150,000

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- Site acquisition legal fees - £2,500 (assuming land value up to £150K & no SDLT incurred)
- Technical specification & procurement - £30,280
- Ecological licensing, on-site supervision & mitigation - £200,000
- Marketing materials - £10,000
- Site investigation & remediation works - £1,678,977

TOTAL = £2,081,757

Financial: Capital and / or Revenue leveraged in to the project

Capital funding sources:

- LEP Single Local Growth Fund = £1.94m (not secured)
- FoDDC = £40,280 (secured)
- Private Sector Investment – £42M investment in the allocated housing, hotel and employment development plots (not secured)
- Other Public Sector – Gloucestershire Environmental Trust grant funding to support this process, this would be up to a maximum of £100,000 and would require FoDDC to be accredited by ENTRUST (not secured)

Project viability with reduced funding

This project could be reduced without the proposed site acquisition element of £152,500. This would not affect project viability but could present a missed opportunity to control the type of development at this important gateway frontage to the CNQ.

This project could be reduced to take out the proposed Year 3 Growth Deal costs of £874,029 which would mean excluding the Northern United Enterprise Park from the site preparation programme and the bulk of the employment space. In this scenario the project would

focus on the development plots to the east side of Steam Mills lake and only include plots C, D, G, H, F1 7 F2. However, excluding plots A1-3 & B from the project would greatly reduce the amount of investment-ready employment space and reduce the potential for further capital receipts to support the wider project. The NU capital receipts are not included in Outcomes above as the focus will be to dispose of the sites adjacent to Phase 1 CNQ spine road and east of Steam Mills Lake.

Taking both the site acquisition costs out would reduce the project ask to £1,786,477.

Taking both the site acquisition costs and the Year 3 remediation costs would reduce the project ask to £912,448.

Sustainability

This capital works project will be led by FoDDC within existing staff resources and as such will not generate any additional revenue budget or staffing implications. If the LEP is happy to support the site acquisition element of this project, there will be legal costs (£2,500) associated with this process and potentially a Stamp Duty Land Tax payment if the site is acquired for +£150,000. The legal costs and any SDLT costs (1% purchase price) will be covered by FoDDC as an in-kind contribution to the project.

All development plots will be clearly delineated on site and a Developer Pack produced in each case to map site constraints, future ecological requirements and detail the extent of any site preparation & remediation works undertaken. Once completed the plots will be marketed and site disposals led by FoDDC Legal, Land & Property Services.

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FoDDC will also lead the long term biodiversity monitoring and management of this area. This role is undertaken within FoDDC’s Sustainability Team. For example, the detailed HCA planning permission for CNQ spine road and college site attracted a S106 contribution from the HCA to monitor and manage ecological mitigation sites over a 20 year period. FoDDC will continue to offer this approach to other developers as a practical solution to meet this type of planning obligation. The monitoring role is met through a combination of in house and external ecological consultancy input.

Financial Summary

Key: C - Capital R - Revenue

	2017/18		2018/19		2019/20		2020/21		Total
	C	R	C	R	C	R	C	R	
Growth Deal 3	10,000 150,000 283,920 100,000 <hr/> 543920	n/a	521,028	n/a	874,029	n/a		n/a	1,938,977
Total follow on Private Leverage	-		-		5000000		20000000		25000000
FoDDC public match funding	42780								42780
Glos Environmental Trust	100000								100000
Totals	686,700		521,028		5,874,029		20,000,000		27,081,757

Future funding beyond Growth Deal period, where applicable:

	2021 /22		2022 /23		2023 /24		2024 /25		Total
	Capital	R	Capital	R	C	R	C	R	
Potential Future Private funding	£17m								£17m
Total other public funding									
Other									
Totals	£17m								£17m

Financial: Follow on investment

- Further private retail/service investment in town centre
- New supermarket development located between CAAP & town centre – current planning application pending from Trilogy Developments Limited.
- Additional housing investment attracted to Cinderford in line with CAAP & Allocations Plan.
- Relocation of Gloucestershire College to CNQ will enable the redevelopment of their existing site to meet local community ambitions eg. West Dean Parish Council’s emerging Neighbourhood Development Plan.
- HCA direct delivery of CAAP housing site to create 60-80 additional new homes. HCA acquired privately owned site within CAAP area in Mar 2016. This site does not have planning approval and forms part of the HCA’s Starter Homes Programme. In March 2016, the HCA acquired an allocated Boseley housing site within the CAAP

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and plans to directly deliver an additional 60 Starter Homes in this location. This site (illustrated in Appendix 2) does not have planning approval yet but the HCA is working to identify a developer partner to complete this latest housing investment before March 2019. This will provide additional investment within CAAP boundary above the £42m identified within this business case.

Timeline

	Start	End
Refining Business Case	2015 Q3	2016 Q1
Project Planning & Development	2015 Q1	2016 Q1
Due Diligence and LEP Board Approval	2016 Q1	2016 Q4
Capital Investment	2017 Q1	2019 Q4
Implementation / Delivery	2017 Q1	2019 Q4
Project Completed	-	2019 Q4

FoDDC commissioned Blaenau Gwent County Borough Council (BGCBC) in May 2016 to prepare a technical specification on a plot-by-plot basis to provide cost estimates for this Business Case submission and to enable a procurement exercise to take place to identify a suitable contractor to undertake the first stage Ground Investigation works subject to funding approval. The results of the GI will inform the technical brief needed for further procurement activity to allow the remediation work to proceed subject to funding availability. BGCBC have proven regeneration expertise having transformed The Works former steelworks site in Ebbw Vale. BGCBC joined the Cinderford Regeneration Board in 2015 as a critical friend. This cross-border relationship is an excellent opportunity for local authority officers to learn from one another, share experience and so professionally develop staff in both organisations.

FoDDC will also be funding an update of the Cinderford Investment Prospectus as a key marketing tool to facilitate onward disposal. FoDDC match funding of up to £40,280 is secured to cover BGCBC’s input and the marketing refresh activity that both link to this project.

It is important for the LEP Board to note that there would be scope to advance the start of this project in Qtr 2 2016/17 and instruct BGCBC to commence procurement for the Ground Investigation works at this point if this project is approved for GF3 funding support.

Risks

Probability	1	Unlikely <2%
	2	Low 2 – 10%
	3	Medium 10-30%
	4	Probable >30%

Impact		Impact cost		Impact delay
		1	Negligible	<1%
2	Low	0.1% - 2%	1 day – 1 week	
3	Medium	2%-10%	1 week – 2 months	
4	Critical	>10%	> 2 months	

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Risks Description	Owner	Probability	Impact	Mitigation
GI work reveals the need for more extensive remediation.	FoDDC	Medium	Critical	Scope to reduce the remediation proposals to prioritise the plots east of Steam Mills Lake eg. Plots C, D, G H, F1 & F2.
Risk contingency costs of 30% exceeded resulting in further funding needed	FoDDC	Low	Critical	Project manager to manage and report on project costs, prepare monthly financial reports and initiate early warnings.
Delay in funding approval results in delay in appointing contractor to undertake Phase 1 site investigation works.	LEP	Low	Critical	Target December 2016 for LEP Board approval to meet project programme
Delay to European Protected Species Licence application approval.	FoDDC	Unlikely	Critical	Extensive pre-submission screening held with Natural England.
Legal challenge to EPS licences for GI & remediation works result in delay and increased cost.	FoDDC	Low	Critical	No legal challenge to EPS licences issued to date, although complaints have been received by Natural England.
Archaeological finds or other unforeseen buried structures encountered, disrupting site investigation and remediation activity resulting in delay and increased cost.	FoDDC/ GCC	Low	Medium	Archaeological watching brief included in site investigation and remediation contracts.
Unexpected contamination, ground water, carbon dioxide/methane gas encountered resulting in delays and increased costs to treat.	FoDDC	Low	Critical	GI/geo-technical assessment completed, factual report completed to enable further consultation with Statutory Bodies – environment Agency, Coal Authority to agree remediation methodology.
Failure to acquire the privately owned site	FoDDC	Medium	Medium	FoDDC to prepare cost benefit analysis. If this promotes a positive outcome, FoDDC to seek acquisition to purchase. However, site is on open market and may be acquired by a third party at any time.
Protestor action damages GI locations with potential for delay.	FoDDC	Low	Medium	FoDDC to install security fencing to plot boundaries and to regularly inspect boundaries.

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Procurement and State Aid

The Forest of Dean District Council has a detailed set of contract and financial procedures rules which apply to all procurement. These are fully compliant with the Public Contract Regulations 2015 and all associated legislation and will be rigorously applied to the project. Advice and guidance on all aspects of procurement will be available from the Council's Legal and Procurement advisers.

With regard to State Aid the Council will fully comply with the regulations, using the Government guidance documents for assistance. In cases where the de Minimis exemption may apply the attached declaration will be used. In all other cases, consideration will be given to whether a block exemption applies or not and notifications will be made where appropriate. The Council's State Aid Declaration is attached within the appendices of this Business Case submission.

Governance and delivery arrangements

A project management role will be established within the Regeneration Team at FoDDC and a specific project programme and risk register prepared. The Project Manager will report internally to the Strategic Group Manager who will act as Project Sponsor. The Regeneration Team are proven project managers and well experienced at securing and managing external funding to deliver regeneration activity in line with approved local plans. The team will arrange monthly project meetings to allow for effective project delivery and to report on progress being made against the programme. Draft monitoring reports will be presented to the project team for approval and submitted to all external funding bodies to help track progress. Progress will also be reported to the monthly Cinderford Northern Quarter Delivery Group and the bi-monthly Cinderford Regeneration Board (CRB).

The CRB is an informal partnership body co-ordinated by FoDDC with membership that includes: Gloucestershire County Council, Forestry Commission, Homes & Communities Agency, Gloucestershire College and private sector representation. The Board has been established for 10 years now and provides the overarching governance role for Cinderford regeneration matters. CRB has a Memorandum of Understanding that is reviewed annually, a Risk Register, a Register of Interests and Media Protocol to enable successful implementation of partnership activity within both the Cinderford Northern Quarter and the town centre. The Gloucestershire Economic Growth Joint Committee (GEGJC) also tracks progress on the CNQ projects at their regular meetings to update the Gloucestershire Infrastructure Investment Plan.

Appendices

Where there are appendices referenced but not included in this document, they are available on request from GFirst LEP.

