



## Levelling Up Fund Application Form

This form is for bidding entities, applying for funding from the Levelling Up Fund (LUF) across the UK. Prior to completing the application form, applicants should read the [LUF Technical Note](#).

The Levelling Up Fund Prospectus is available [here](#).

The level of detail you provide in the Application Form should be in proportion to the amount of funding that you are requesting. For example, bids for more than £10m should provide considerably more information than bids for less than £10m.

Specifically, for larger transport projects requesting between £20m and £50m, bidding entities should submit the Application Form. If available, a more detailed business case may be submitted for larger transport project bids in addition to the application form. Further detail on requirements for larger transport projects is provided in the [Technical Note](#).

One application form should be completed per bid.

### **Applicant & Bid Information**

**Local authority name / Applicant name(s)\*:** [Stockton-on-Tees Borough Council](#)

*\*If the bid is a joint bid, please enter the names of all participating local authorities / organisations and specify the lead authority*

**Bid Manager Name and position:** [Iain Robinson – Town Centres Development Manager](#)

*Name and position of officer with day-to-day responsibility for delivering the proposed scheme.*

**Contact telephone number:** [01642 526017](#)      **Email address:** [iain.robinson@stockton.gov.uk](mailto:iain.robinson@stockton.gov.uk)

**Postal address:** [Dunedin House, Columbia Drive, Teesdale Business Park](#)

**Nominated Local Authority Single Point of Contact:** [Iain Robinson](#)

**Senior Responsible Officer contact details:** [Richard McGuckin Director Town Centres Investment Richard.McGuckin@stockton.gov.uk](#)

**Chief Finance Officer contact details:** [Garry Cummings S151 Officer](#)

[Garry.Cummings@stockton.gov.uk](mailto:Garry.Cummings@stockton.gov.uk)

**Country:**

- England**
- Scotland**
- Wales**
- Northern Ireland**

Please provide the name of any consultancy companies involved in the preparation of the bid:

[Jacobs](#)

For bids from **Northern Ireland applicants** please confirm type of organisation

- |   |   |
|---|---|
| <input type="checkbox"/> Northern Ireland Executive | <input type="checkbox"/> Third Sector   |
| <input type="checkbox"/> Public Sector Body         | <input type="checkbox"/> Private Sector |
| <input type="checkbox"/> District Council           | <b>Other (please state)</b>             |

PART 1 GATEWAY CRITERIA	
Failure to meet the criteria below will result in an application not being taken forward in this funding round	
<p><b>1a Gateway Criteria for <u>all</u> bids</b></p> <p>Please tick the box to confirm that your bid includes plans for some LUF expenditure in 2021-22</p> <p><i>Please ensure that you evidenced this in the financial case / profile.</i></p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p><b>1b Gateway Criteria for private and third sector organisations in Northern Ireland bids only</b></p> <p>(i) Please confirm that you have attached last two years of audited accounts.</p>	<p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>(ii) <b>Northern Ireland bids only</b> Please provide evidence of the delivery team having experience of delivering two capital projects of similar size and scale in the last five years. (Limit 250 words)</p>	

## PART 2 EQUALITY AND DIVERSITY ANALYSIS

2a Please describe how equalities impacts of your proposal have been considered, the relevant affected groups based on protected characteristics, and any measures you propose to implement in response to these impacts. (500 words)

Stockton Borough Council has a duty under the Equalities Act 2010 to:

- Consider the needs of diverse groups when designing and delivering services so that people can access fairer opportunities and equal services
- Consider all the protected characteristics
- Tackle socio-economic inequalities.

Stockton Borough Council is committed to the promotion of equality, diversity as well as fostering stronger and cohesive communities. Throughout the project we will work to mitigate any form of direct or indirect discrimination by:

- Keeping stakeholder groups fully informed about issues that affect them
- Giving them the opportunity to express their views and ensure that these are taken into account
- Providing appropriate support, including advice, assistance and financial compensation where appropriate.

### Local residents

The proposals are intended to benefit people of all ages and backgrounds, regardless of any disabilities, impairments or socio-economic status.

In the short term the disruption caused by the redevelopment will have a negative impact on households living in close proximity to the town centre. To mitigate this, the Council will hold individual meetings with residents living in close proximity to the town centre as well as a series of public meetings with the wider community in order to provide information and answer any concerns they may have on the proposals and programme. The method of communication may vary according to the needs of individuals.

The temporary adverse effects of the scheme will be outweighed by the widespread betterment associated with town centre regeneration such as new retail, commercial and community facilities in a better designed environment.

### Existing businesses

The Council will actively work with local businesses through targeted engagement and provide all necessary practical and financial support to assist with relocation opportunities in the new town centre.

### Impact of the scheme on the wider community

It is recognised that the interventions as a whole will cause disruption in the short term due to the phased demolition and construction works required. Specific mitigation measures will be put in place across the town centre during delivery of the scheme to ensure that the impact of construction works is well managed and

that, for example, businesses are able to continue operating effectively and the community can still access key facilities and services within the centre. The scheme as a whole will improve connectivity and accessibility through improved public realm and new public spaces, for all residents and visitors.

#### Mitigating the impact of the scheme

During the lifetime of the project the Council will work effectively with all stakeholder groups to ensure that all communications and consultations are targeted at the right stakeholder groups, including anyone with a protected characteristic, so they are effective and use resources in the best possible way. Where proposals, events or services affect specific individuals or groups, these stakeholders will be made aware of the activity so they can find out more, have their say or become involved. Consultation activity will be tailored to meet the needs and preferences of different groups of people across the Borough and we will also ensure information such as large print formats, audio or translation services is accessible for those with additional needs.

A detailed communication plan has been developed for the project, which will be carefully considered to ensure no form of direct or indirect discrimination.

When authorities submit a bid for funding to the UKG, as part of the Government's commitment to greater openness in the public sector under the Freedom of Information Act 2000 and the Environmental Information Regulations 2004, they must also publish a version excluding any commercially sensitive information on their own website within five working days of the announcement of successful bids by UKG. UKG reserves the right to deem the bid as non-compliant if this is not adhered to.

Please specify the weblink where this bid will be published: [www.stockton.gov.uk](http://www.stockton.gov.uk)

**PART 3 BID SUMMARY**

<p>3a Please specify the type of bid you are submitting</p>	<p><input type="checkbox"/> Single Bid (one project)</p> <p><input checked="" type="checkbox"/> Package Bid (up to 3 multiple complimentary projects)</p>
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3b Please provide an overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component elements are aligned with each other and represent a coherent set of interventions (Limit 500 words).

Levelling Up Stockton South

The town of Yarm sits within the Borough of Stockton-on-Tees which is located in the North East of England at the centre of the Tees Valley conurbation (See Appendix A).

These interventions seek to secure the long term sustainability and vitality of Yarm and Eaglescliffe as an attractive, accessible and diverse location for residents and visitors from across the local area, sub region and further afield.

**Yarm High Street**  
 Investment in enhancements to public realm to support opportunities for outdoor seating/dining to promote diversification of uses on the High Street, reducing reliance on retail as a driver for footfall as well as reintroduction of more greenery and spaces for young people and dedicated cycle storage. Redevelopment of a listed 18<sup>th</sup> Century town hall into a circa 900ft<sup>2</sup> visitor centre and community learning space incorporating gallery and display space, educational installations and new public toilets

**Preston Park and Museum**  
 Located in Eaglescliffe, 2 miles from Yarm High Street, Preston Park and Museum is a 19<sup>th</sup> century stately home converted into a Museum and Park Grounds which attracts around 500,000 visits per annum, making it the leading tourist attraction in Tees Valley. It is proposed that investment is made in the creation of a regionally significant exhibition and gallery extension to the museum which will allow people in the region, access to the same cultural opportunities as those living in other parts of the country by creating a facility capable of hosting and storing precious pieces and nationally and internationally significant exhibits. The delivery of the exhibition space will be supplemented by improvements to access and amenity infrastructure within the park.

Developments at Preston Park will also contribute significantly to the image and identity of the Borough and wider Tees Valley conurbation, shaping and changing

outward perceptions of the Tees Valley. The development has specifically been created to set the attraction apart from other regional facilities, creating a unique and special experience that opens up previously hard to access cultural opportunities for residents in the region.

**Connecting Yarm**

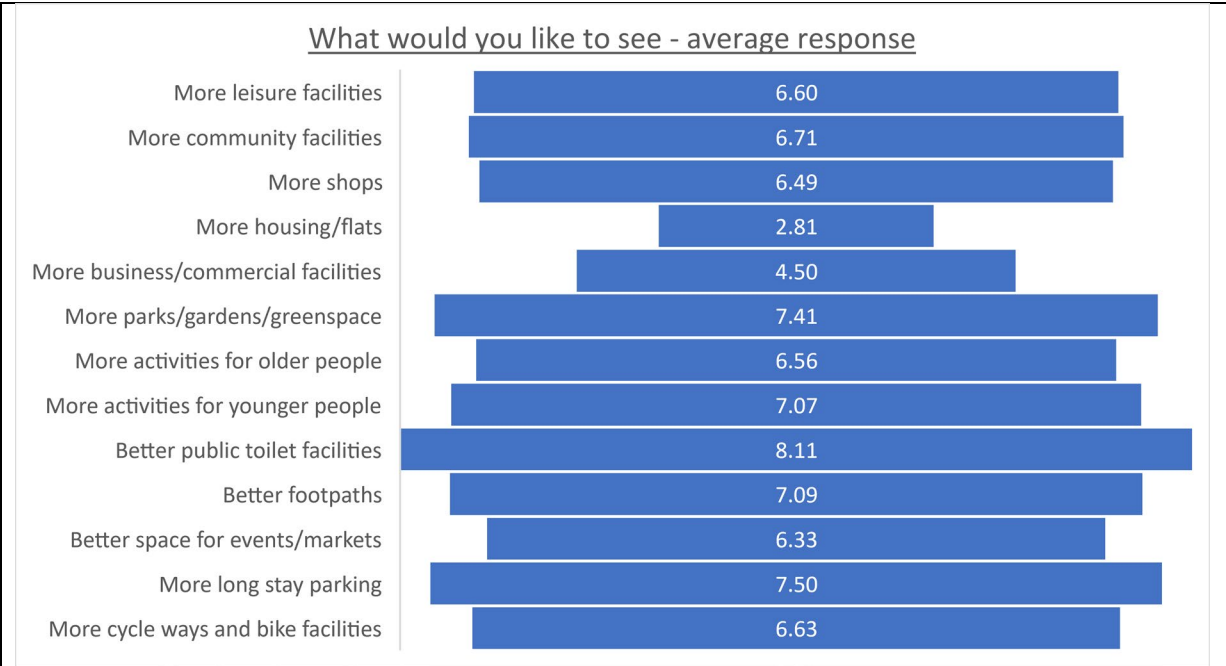
Delivery of modern standard cycle infrastructure that will connect key employment sites and growth residential areas with Yarm High Street and Preston Hall as well as an improved cycle link between Preston Hall and Yarm High Street enabling encouraging greater use of cycling as a mode share, reducing reliance on travel by car, reduce congestion and make it easier for nearby communities to reach key cultural, employment and leisure assets. Proposal amounts to circa 9km of new cycle infrastructure

When combined, these interventions will strengthen Yarm’s unique role and reputation within the sub region and beyond, safeguarding its vitality and diversity of offer whilst ensuring that an already well established attraction of sub regional importance at Preston Hall will be enhanced to a facility of regional and national importance, ensuring access to cultural facilities for residents of Tees Valley that would previously have been unattainable

3c Please set out the value of capital grant being requested from UK Government (UKG) (£). This should align with the financial case:	£20,000,000	
3d Please specify the proportion of funding requested for each of the Fund’s three investment themes	Regeneration and town centre	32.5%
	Cultural	45%
	Transport	22.5%

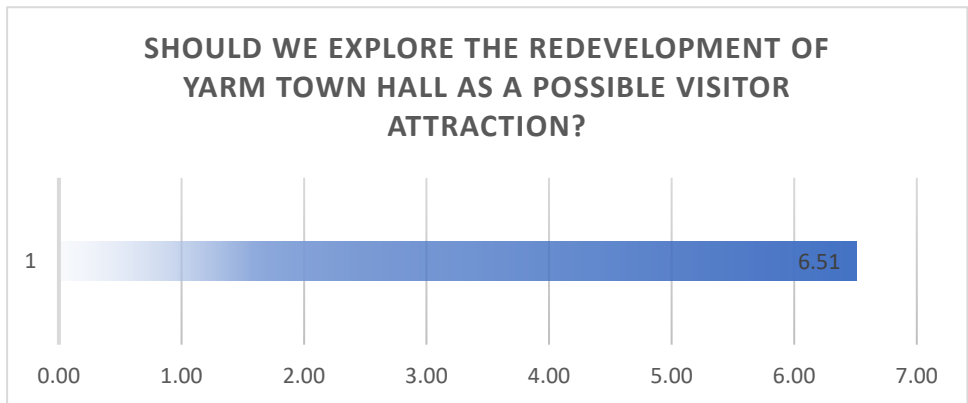
<b>PART 4 STRATEGIC FIT</b>	
<b>4.1 Member of Parliament Endorsement (GB Only)</b>	
See technical note section 5 for Role of MP in bidding and Table 1 for further guidance.	
4.1a Have any MPs formally endorsed this bid? If so confirm name and constituency. Please ensure you have attached the MP's endorsement letter.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>Matt Vickers MP Stockton South. Letter of support attached at Appendix B</p>	
<b>4.2 Stakeholder Engagement and Support</b>	
See technical note Table 1 for further guidance.	
4.2a Describe what engagement you have undertaken with local stakeholders and the community (communities, civic society, private sector and local businesses) to inform your bid and what support you have from them. (Limit 500 words)	
<p>Stockton-on-Tees Borough Council have an ambitious programme to invest across all of its six town centres and in early January 2020, Stockton-on-Tees Borough Council began a consultation about the future of town centres and high streets in Billingham, Ingleby Barwick, Norton, Thornaby and Yarm.</p> <p>The consultation lasted for 6 weeks and sought views from the local community and town centre stakeholders on the future of Yarm, to identify what is important to the users of the town centre and to inform future priorities for intervention.</p> <p>A 'Let's talk about our towns' document was created for Yarm, complete with a questionnaire. Online surveys were created for responses, as well as face-to-face sessions held in the centre. The consultation was promoted widely on Social Media, and a printed questionnaire was available for those without internet access.</p> <p>The responses from the survey are identified below and have been used to help shape the project proposals within this business case.</p>	





Better public toilet facilities scored particularly highly along with improvements footpaths and more greenspaces.

In addition, respondents were specifically a question on the redevelopment of Yarm Town Hall, attracting the following ratings:



Ongoing consultation and engagement

Going forward on the next steps for the interventions described, a detailed programme of ongoing engagement will be in place to ensure all community, business and stakeholder needs are considered and understood as investment proposals are delivered.

Consultation activity will be tailored to meet the needs and preferences of different groups of people across the Borough and where proposals, events or services affect specific individuals or groups, these stakeholders will be made aware of the activity so they can find out more, have their say or become involved.

4.2b Are any aspects of your proposal controversial or not supported by the whole community? Please provide a brief summary, including any campaigns or particular groups in support or opposition? (Limit 250 words)

In the past there have been some reservations about loss of parking on the High Street in Yarm. However, consent has been granted (June 2021) for a new long stay car park immediately behind the High Street which ought to mitigate any concerns and will create a net increase in car parking spaces even after the loss of bays to accommodate the proposed interventions.

4.2c Where the bidding local authority does not have the statutory responsibility for the delivery of projects, have you appended a letter from the responsible authority or body confirming their support?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A
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For Northern Ireland transport bids, have you appended a letter of support from the relevant district council	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
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**4.3 The Case for Investment**

**See technical note Table 1 for further guidance.**

4.3a Please provide evidence of the local challenges/barriers to growth and context that the bid is seeking to respond to. (Limit 500 words)

**Yarm High Street**  
 The market town setting of Yarm provides an almost unique, niche offer within the Tees Valley. The presence of a range of independent retailers, top quality restaurants and bars as well as high value boutiques and specialist retailers means that Yarm has historically been a popular destination for a range of visitors from within and outside the local area.

Yarm currently has a vacancy rate in line with the national average but This vacancy rate is viewed against an increasing growth in non retail uses within Yarm High Street where between 2016 and 2018 the proportion of units which were non retail increased from 44.5% to 49.1%

This increase in non-retail uses clearly indicates a growth in demand for non-retail uses and points towards a different pattern of use for the High Street in respect of 'reasons to visit' the centre with a greater emphasis being placed on services, food and beverage or experiential reasons.

However, this shift in consumer demand has placed a strain on existing infrastructure in respect of footpath width, access to amenities and support for sustainable transport. The outcome of this compromised pedestrian and outdoor space is an inability for non retail uses to expand and grow, a cluttered High Street and a failure to capitalise on the unique destination role which Yarm has within the Tees Valley which ultimately could lead to the High Street being unable to sustain the level of occupancy it currently enjoys as opposed to strengthening and growing its offer.

#### Preston Park, Museum and Grounds (PPMG)

As an important cultural asset within Tees Valley, PPMG provides the opportunity for affordable access to not only arts and culture, but also recreational and leisure use, as well as learning and skills development.

Currently PPMG is the leading attraction in Tees Valley in terms of visitor numbers, however it is also one of the most costly attractions to maintain; proving to be an ongoing challenge unless commercial growth is prioritised.

Despite the attractions large visitor numbers, the majority of visitors still go to the free elements within the park. Average dwell time is around 1 hour maximum, with spend per head being between £1 and £2 on secondary spend options. This is well below the national average for comparable visitor attractions.

Investment in expansion and improvement of existing facilities will enable displays of national and international significance to be exhibited providing access to art and cultural attractions that would not normally be and have not historically been accessible to residents of the Tees Valley. In turn leading to an increase in visitor numbers, visitors from outside the region and an increase in visitor spend.

#### Connecting Yarm

Linking the key assets described above, into nearby residential areas and areas identified for residential growth will further improve accessibility to cultural facilities, reduce reliance on travel by car and reduce congestion on these key routes into attractions

4.3b Explain why Government investment is needed (what is the market failure)?  
(Limit 250 words)

Tees Valley continues to suffer from negative perceptions, despite recent positive announcements on investment into the sub-region. Developments to PPMG will also contribute significantly to improving the image and identity of the Borough and wider

conurbation, shaping and changing outward perceptions of the Tees Valley.

Furthermore, the impact of these positive externalities is well understood, however a direct means of funding the works to deliver said spaces from those benefits is not feasible and therefore up front funding is required to put in place the infrastructure to enable private sector investment and delivery, in turn of the benefits described in subsequent sections

Housing viability is marginal in large parts of the Tees Valley and as such, developer contributions from residential schemes are often under pressure. Funding on the scale required to deliver the scale of critical cycle infrastructure described is not available through existing means or developer contributions and therefore requires Government investment to ensure its delivery. Further, cycling infrastructure represents a public good that typically falls within the purview of public agencies to fund, operate and maintain.

4.3c Please set out a clear explanation on what you are proposing to invest in and why the proposed interventions in the bid will address those challenges and barriers with evidence to support that explanation. As part of this, we would expect to understand the rationale for the location. (Limit 500 words)

Interconnected interventions that seek to secure the long term sustainability and vitality of Yarm and Eaglescliffe as an attractive, accessible and diverse location for residents and visitors from across the local area, sub region and further afield. (See Appendix C)

#### Yarm High Street

Investment in the redesign and replacement of circa 3400m<sup>2</sup> of old existing footpath with new high quality materials supplemented by the conversion of existing parking bays into and additional circa 1900m<sup>2</sup> hard and soft landscaping which will rationalise existing street furniture, signage etc into a new fit for purpose layout; creating public space that will accommodate spaces for the expansion of bars and restaurants into outdoor dining, green spaces, areas for young people and cycle storage and public toilets.

Refurbishment of 18<sup>th</sup> century town hall into a circa 900ft<sup>2</sup> heritage visitor and learning centre that will act as satellite venue for Preston Hall exhibits, diversifying the High Street offer, increasing footfall. By investing in interventions of this type in this location, the unique role Yarm continues to play in the Tees Valley economy will be strengthened and will enable further growth.

**PPMG**

There is a need within Tees Valley to develop an exhibition space of scale and cutting edge specifications that will allow people of the region the same cultural opportunities as those living in other parts of the country. Investment in the expansion of the existing museum via a modern, circa 15,000ft<sup>2</sup> exhibition and gallery space, ancillary office space, toilets and café will deliver this requirement.

The facility will be capable of exhibiting and storing rare and precious pieces as well as temporary and touring exhibitions which now represent a major strand of many museums work, increasing visitor numbers to PPMG, particularly for paid exhibits amounting to an increase of circa 64,000 visitors per annum into paid exhibits as well as overnight stays and associated visitor spend from visitors from outside of the region.

Given the existing popularity of PPMG and on site infrastructure, this location is the most obvious, accessible and effective place for delivering a facility of this nature. Overall the addition of a flexible and contemporary exhibition space would set the museum apart from other museum and cultural venues. The ability to grow the exhibition market would boost the local economy and truly change the preconception of the region in relation to arts and culture

**Connecting Yarm**

9.8km of cycleway, delivered to the LTN 1/20 standards will connect existing and consented growth residential areas with Yarm High Street and PPMG, ensuring these key town centre and cultural hubs are more accessible.

4.3d For Transport Bids: Have you provided an Option Assessment Report (OAR)

Yes

No

4.3e Please explain how you will deliver the outputs and confirm how results are likely to flow from the interventions. This should be demonstrated through a well-evidenced *Theory of Change*. Further guidance on producing a Theory of Change can be found within [HM Treasury's Magenta Book](#) (page 24, section 2.2.1) and [MHCLG's appraisal guidance](#). (Limit 500 words)

In line with HM Treasury's Magenta Book, the theory of change underpinning the package of interventions can be distilled into a causal chain of events:

- Identification of a problem and a potential intervention solution
- Establishment of objectives designed to overcome the problem
- Understanding of the inputs and activities required to bring about the intervention
- Determining the desired outputs of the intervention

- Forecasting the intended outcomes and impacts of the intervention

In the context of the South Stockton package of proposals, the identified key problems and solutions can be defined as:

- (i) changing nature of consumer demand on high streets and visitor attractions in general, necessitating structural changes in provision of assets (e.g. more/better quality public realm to support diversification and growth in food/beverage activities; more/better quality opportunities for cultural/heritage consumption through provision of bespoke event/exhibition spaces)
- (ii) addressing the deficient provision of some forms of social and physical infrastructure in the area (e.g. increasing accessibility to culture/heritage for residents of Tees Valley through provision of regionally/nationally significant exhibition spaces; enhancing opportunities for active mode travel throughout the area through cycle network improvements).
- (iii) Encouraging greater visitation to Tees Valley from the surrounding region and nationally by boosting the image/perception of the tourism offer in South Stockton (e.g. through provision of regionally/nationally significant attractions and supporting ease of travel once visitors have arrived).

Within this context, the objectives of the package of interventions can be defined as:

- Increase attendance/footfall at key attractions and High Streets by providing a more compelling visitor offer/experience
- Enable the hosting of nationally/internationally significant travelling exhibitions in South Stockton.
- Safeguard and enhance the viability and vibrancy of key High Streets
- Increase cycling mode share for commuters and other journey purposes by reducing reliance on private car

To realise these objectives, the following inputs and activities are required:

- £22.25 million of capital funding (£20m from Levelling Up Fund, £2m from SBC and £0.25m from Heritage Lottery Fund) for construction and engineering works
- SBC officer support from sustainable travel, parks/open space, town centres and economic development teams for project development
- Consultant support towards project development

As per Section 4.3c, the outputs resulting from these inputs/activities will be:

- 3,400m<sup>2</sup> of high quality public realm and 1,900m<sup>2</sup> of hard and soft landscaping at Yarm High Street
- 900ft<sup>2</sup> heritage visitor/learning centre at Yarm High Street
- 15,000ft<sup>2</sup> of exhibition/ gallery space, cafe and ancillary space at PPMG
- 9.8km of cycling infrastructure improvements

The outcomes and impacts of delivering these outputs are expected to be:

- Holistic network of high street and cultural/recreational assets that are linked together through sustainable travel corridors

- Enhanced public realm/townscape that is more attractive and accessible to residents and visitors alike
- Increased opportunity for social/cultural heritage engagement
- Increased access to and better quality active mode travel options
- In combination, these outcomes will result in increased visitation/footfall, increased dwell time/expenditure and therefore employment opportunities and uplift in economic output; land value uplift; amenity uplift; increase social/heritage capital; more active lifestyles, improving public health; improved perception of area for local residents and visitors.

#### 4.4 Alignment with the local and national context

See technical note Table 1 for further guidance.

4.4a Explain how your bid aligns to and supports relevant local strategies (such as Local Plans, local economic strategies or Local Transport Plans) and local objectives for investment, improving infrastructure and levelling up. (Limit 500 words)

- The Place Theme within the Tees Valley Combined Authority Strategic Economic Plan (SEP) which recognises the need to rejuvenate town centre's through diversification of functions, changing retail offer and the role which thriving town centres play in economic growth, job creation and retention of talent.
- The Culture Theme within the SEP also recognises the important role culture has to play in economic growth. Stockton has a long history of developing top quality arts, culture and events; placing the role which cultural facilities, top class arts and world class events at the centre of the vision for a transformed Stockton Town Centre.
- The Stockton-on-Tees Borough Council Plan 2018-21 states that the Council will intervene through strategic acquisitions and partnership working with landowners to facilitate redevelopment. The Plan also outlines the importance of existing relationship between the Council and private and public partners in delivering Town Centre improvements.
- The Stockton-on-Tees Borough Council Economic Strategy 2017-2032 prioritises the need to utilise vacant floorspace and diversify existing uses to ensure vibrant and successful town centres.
- The recently adopted (January 2019) Stockton-on-Tees Local Plan reinforces, in policy terms the role of the Borough's local and district centres ensuring sufficient policy flexibility to support growth and diversification of uses across the town centre.
- The proposals for active mode corridor improvements into Yarm align with both the Tees Valley Combined authority Strategic Transport Plan, supporting the Local Journeys and the Delivering Social Equality, Carbon Reduction and Protecting the Environment themes in particular, but also links to Connecting Centres and Supporting Economic Growth themes as well. In addition the proposals also align with the evidence based corridors identified through the development of the Tees

Valley Local Cycling and Walking Infrastructure Plan, in particular the Yarm Road corridor and the emerging requirement for a link along Durham Lane to support housing growth to the west of Stockton. These proposals also align with the national cycling and walking strategy, Gear Change

4.4b Explain how the bid aligns to and supports the UK Government policy objectives, legal and statutory commitments, such as delivering Net Zero carbon emissions and improving air quality. Bids for transport projects in particular should clearly explain their carbon benefits. (Limit 250 words)

The project is aligned to the UK government's proposals to achieve net zero greenhouse gas emissions by 2050. The project will achieve this by adopting low or zero carbon best practice; adopting and supporting innovative clean tech and/or supporting the growth of green skills and sustainable supply chains through the full lifecycle of the scheme.

The project will greatly improve energy performance in existing town centre buildings through the programme of essential repairs which will be targeted to make the building fabric more energy efficient and reduce energy consumption in advance of the Government requirement for all commercial buildings to operate at a minimum energy efficiency standard of EPC band B by 2030.

The interventions will, where appropriate, adopt sustainable construction practices and adhere to BREEAM sustainability requirements which assesses the environmental, social and economic performance of new developments. Achieving BREEAM 'excellent' and 'outstanding' ratings will be targeted through the project in order to create more sustainable environments that enhance the well-being of the people who live and work in them, help protect natural resources and make for more attractive property investments.

4.4c Where applicable explain how the bid complements / or aligns to and supports other investments from different funding streams. (Limit 250 words)

Investment in the Borough of Stockton-on-Tees's six town centres is a key priority for the Local Authority as part of its recognition of the important role town centres and High Streets play in the social, cultural and economic fabric of our communities.

Investment in the interventions described will build upon and align with the principles and aspirations for recent funding awards within the Borough through Future High Streets Fund and Towns Fund in Stockton and Thornaby respectively.

Strengthening the role of Yarm High Street and surrounding area within the context of broader town centres and cultural investment across the Borough is a critical part of the Council's broader strategy for investing in and prioritising town centres as a means for driving economic growth and social interaction.



4.4d Please explain how the bid aligns to and supports the Government's expectation that all local road projects will deliver or improve cycling and walking infrastructure and include bus priority measures (unless it can be shown that there is little or no need to do so). Cycling elements of proposals should follow the Government's cycling design guidance which sets out the standards required. (Limit 250 words)

Cycling routes are a key element of the package of interventions described within this business case.

The Cycle Infrastructure Design Local Transport Note 1/20 (LTN 1/20) provides guidance and good practice for the design of cycle infrastructure, in support of the Cycling and Walking Investment Strategy. As part of the business case process, this guidance has been reviewed in relation to what would be achievable within the identified road corridors and as such, any cycle infrastructure proposed will meet the requirements of the LTN 1/20 guidance.

## PART 5 VALUE FOR MONEY

### 5.1 Appropriateness of data sources and evidence

See technical note Annex B and Table 1 for further guidance.

All costs and benefits must be compliant or in line with [HMT's Green Book](#), [DfT Transport Analysis Guidance](#) and [MHCLG Appraisal Guidance](#).

5.1a Please use up to date evidence to demonstrate the scale and significance of local problems and issues. (Limit 250 words)

#### Yarm High Street

The increasing focus of the High Street on services, food and beverage or experiential reasons is evidenced by the dominance of the 'Accommodation and Food Service Activities' sector

Employment in Selected Sectors	Yarm High Street	Stockton-on-Tees	Tees Valley
Retail	18%	15%	15%
Accommodation and Food Services	27%	6%	6%
Office-based sectors	23%	23%	21%
Recreation and Related Services	9%	4%	4%
<b>Source: Business Register and Employment Survey (2019)</b>			

The dominance of car parking and the strain this places on townscape and amenity in Yarm High Street is evidenced by the fact that 2,000 sq m of prime town centre space is occupied by car parking. This view is echoed by the consultation responses to SBC's 'Let's Talk About Our Towns' process, where the need for more greenspace and better footpaths was highlighted as priorities for Yarm High Street.

#### Preston Park, Museum and Grounds (PPMG)

PPMG visitor surveys demonstrate that current users are very much a local family audience that travel less than 15 miles. This is reflected in the majority of users only utilising free elements of the attraction (330,000 of 500,000), as well as the resulting short dwell times (1 hour) and low levels of expenditure (i.e. £1-2/head). Further, exhibitions of scale tend to focus around major cities; for example, the V&A have never had a touring exhibition in the Tees Valley region and this scheme would focus on changing this.

#### Connecting Yarm

The Propensity to Cycle Tool demonstrates that the proposed intervention corridors are among the most lightly trafficked cycling routes in the borough (e.g. 5 commuters use A67 Route, 4 commuters use Durham Lane Route).

Further evidence of the lack of cycling activity in the area is evidenced below:

Mode	Yarm High Street	Stockton-on-Tees	England
Car	75%	72%	60%
Cycling	1%	2%	3%
<b>Source: Census 2011, Journey to Work</b>			

5.1b Bids should demonstrate the quality assurance of data analysis and evidence for explaining the scale and significance of local problems and issues. Please demonstrate how any data, surveys and evidence is robust, up to date and unbiased. (Limit 500 words)

The data underpinning the identification of local problems and issues has, wherever possible, been sourced from SBC's ongoing activities as owners, operators or statutory authority responsible for the assets at the heart of the proposed interventions, or through other publicly available sources. The quality and robustness of data is summarised on a thematic basis below:

**Footfall/Visitor Numbers:**

- PPMG – provided by SBC (as owners/operators of the asset)
- Yarm High Street – estimated based on car parking data provided by SBC; scaled up to reflect typical mode share to High Streets based on the National Travel Survey.

**Development Type/Size/Scale**

- PPMG and Yarm High Street – scale/type of existing/proposed assets provided by SBC, informed by architectural drawings as well as SBC internal records (as owners/operators of the asset);
- Cycle Network – current provision and proposed corridor length/style of intervention informed by 'Eaglescliffe and Yarm Cycle Network Development' (Arup, 2021)

**Visitor Profile**

- PPMG - current visitor profile (i.e. local/day/overnight visitors; dwell times; expenditure patterns) provided by SBC based on visitor surveys. Future visitor profile predicated on typical visitor to visitor attractions in SBC area, based on STEAM report for Stockton-on-Tees (2016).
- Yarm High Street – current and future visitor profile estimated using STEAM report for Stockton-on-Tees (2016)
- Cycle Network – current users estimated using corridor-based analysis of Census 2011 journey to work data, taken from the Propensity to Cycle tool

**Employment Estimates**

- PPMG – based on SBC records (as owners/operators of the asset)
- Yarm High Street – based on BRES data (2019)

**Land Values**

- PPMG – assumed derelict assets/unutilised land with zero value.
- Yarm High Street – Aggregate commercial property asset value estimated using Valuation Office Agency rateable value data and net initial yields (NIY) for other town centres in SBC's portfolio (specifically Billingham), based on formal valuation. Note the NIY assumption is considered conservative, given Yarm High Street is a more attractive commercial investment proposition than Billingham and current market data suggests yields could be c. 40% lower. Aggregate residential property values based on number of properties within 750m of High Street (from Council Tax Database, using a threshold area

of influence informed by CBRE research<sup>1</sup>) and average residential sales price from ONS House Price dataset HPSSA Dataset 47.

**Amenity**

- PPMG – currently valued at ‘urban fringe (greenbelt)’ values from DfT’s ‘Valuing Dependent Development’ Workbook
- Yarm High Street – currently valued at 50% of ‘Urban Core (public space, city park)’ values from DfT’s ‘Valuing Dependent Development’ Workbook, reflecting detrimental impact of significant space for car parking and poor quality/streetscape of pedestrian areas.

**Crime**

- Current data based on criminal activity within 1 mile of the centre of each regeneration intervention, based on UK Crime Stats (as per guidance specified in FHSF clarification exercise).

**Labour Supply Impacts**

- Unemployment rates in Stockton-on-Tees obtained from Annual Population Survey

The data obtained from the processes described above are reinforced by qualitative data extracted from SBC’s ‘Let’s Talk About Our Towns’ public consultation process, which was critical to understanding the perceived issues and problems identified by local residents and visitors to Yarm High Street in particular

5.1c Please demonstrate that data and evidence chosen is appropriate to the area of influence of the interventions. (Limit 250 words)

As noted in 5.1b, wherever possible, location and asset-specific data has been utilised, leveraging SBC’s role as owners, operators or statutory authority responsible for the assets at the heart of the proposed interventions. Where data was not available directly from SBC’s ongoing activities and responsibilities, the data was supplemented by sub-regional and national data to support derivation of appropriate benchmarks to apply in the context of each intervention.

For example, footfall in Yarm was estimated using SBC car parking data, adjusted using National Travel Survey data relating to mode share for High Street trips.

The data and evidence, and subsequent analysis described in Section 5.2-5.4 is based on a well defined area of influence. For example, the cycle network improvements has a relatively local focus, concentrating on cycle patterns in the vicinity of the proposed corridors (i.e. Yarm and Eaglescliffe). In contrast, the Yarm High Street and PPMG proposals have a broader focus, given that Yarm already functions as a market town and PPMG already functions as a sub-regionally

<sup>1</sup> <https://news.cbre.co.uk/cbre-research-regeneration-results-in-a-36-annual-uplift-in-house-price-growth/>

significant visitor attraction with aspirations to grow into a regional or nationally significant asset

## 5.2 Effectiveness of proposal in addressing problems

5.2a Please provide analysis and evidence to demonstrate how the proposal will address existing or anticipated future problems. Quantifiable impacts should usually be forecasted using a suitable model. (Limit 500 words)

An economic model was established to forecast the impacts of the interventions. Based on the interventions proposed to deal with the observed problems and issues, a range of impacts were appraised, as set out below.

- Direct Job Creation and resulting GVA Uplift – new commercial floorspace at PPMG can generate employment opportunities which can lead to an increase in economic output (measured using GVA as a proxy)
- Increased Footfall/Visitor Numbers – enabling the hosting of regionally/nationally significant exhibitions, improving attractiveness of Yarm High Street through public realm interventions and making the two assets more accessible will increase footfall and visitor numbers.
- Increased Visitor Expenditure – increased footfall and dwell time resulting from more compelling activities and better quality environment will encourage visitors to stay longer and spend more at Yarm High Street and PPMG.
- Indirect Job Creation and resulting GVA Uplift – by promoting increased expenditure, businesses in wider tourism support sectors (e.g. retail, food and beverage activities etc) could generate greater turnover and increase their demand for labour. The accommodation sector could be boosted if the interventions lead to attracting more visitors from a regional/national sphere of influence, resulting in more overnight stays.
- Direct Land Value Uplift – converting land to more economically valuable uses (e.g. at PPMG where derelict/unused land is being transformed into exhibition space/visitor attractions) will lead to direct land value uplift.
- Indirect/Wider Commercial and Residential Land Value Uplift – regeneration has the potential to increase property value for nearby commercial and residential properties.
- Crime – regeneration and the provision of better quality urban realm can have a positive impact on rates of criminal activity, by promoting local pride, providing greater natural surveillance, better town centre management and lighting.
- Labour Supply and Wellbeing Impacts – given the nature of job creation (typically retail, F&B, accommodation and other service activities), most opportunities are likely to have limited barriers to entry in terms of skills and education and will be accessible to unemployed residents. This provides an opportunity for re-entry into the labour market. Further, moving from unemployment to employment confers significant positive social and mental wellbeing impacts for the individual being employed.

- Amenity Impacts – improving public realm and providing new community and social assets will transform more of Yarm High Street and PPMG into high quality space with significant amenity for local residents and visitors. Further, increased footfall/visitation to these assets will increase the quantum of people obtaining this additional amenity.
- Social Capital Impacts - increased footfall/visitation to Yarm Town Hall and PPMG, in particular for exhibitions of national/international significance, will provide significant social value for attendees.
- Active Mode Impacts – increased access to high quality cycling infrastructure could lead to greater mode share for cycling across all journey purposes, resulting in reduced highway congestion and improved public health for individuals.

Within this context, the proposed interventions are forecast to address existing issues and generate significant economic impacts for beneficiaries.

5.2b Please describe the robustness of the forecast assumptions, methodology and model outputs. Key factors to be covered include the quality of the analysis or model (in terms of its accuracy and functionality) (Limit 500 words)

HM Treasury Green Book and relevant departmental guidance was used to underpin the methodological framework for assessing these impacts.

- Direct Job Creation and resulting GVA Uplift – job creation based on Homes England’s Employment Densities Guide (2015); GVA Uplift based on sector-specific GVA/employee figures<sup>2</sup>.
- Increased Footfall/Visitor Numbers – for PPMG, based on mid-point in forecast range for attendance at exhibition space. No additional attendance assumed for Museum or Grounds beyond the visitors attracted to exhibitions. For Yarm Town Hall, visitor numbers forecasted by SBC. For Yarm High Street, visitor numbers forecast to increase in line with low-end of range provided by case study evidence which suggests 15-30% increase in footfall in response to public realm improvements<sup>3</sup>.
- Increased Visitor Expenditure – the visitor profile of additional visitors expected to mirror the profile of the average visitor to Stockton-on-Tees visitor attractions, based on 2016 STEAM report<sup>4</sup>. Expenditure patterns mirror the findings of the STEAM report.
- Indirect Job Creation and resulting GVA Uplift – Use of aggregated wider visitor expenditure as a proxy for turnover; converted to jobs using turnover per employee data for relevant sectors; GVA Uplift based on sector-specific GVA/employee figures<sup>5</sup>.

<sup>2</sup> Annual Business Survey (2018 Revised Results), adjusted to reflect differences in productivity between UK and Hartlepool and Stockton-on-Tees NUTS 3 area from ONS Subregional Productivity, 2021 release

<sup>3</sup> Living Streets and the High Streets Task Force (e.g. in ‘The Pedestrian Pound’, 2018)

<sup>4</sup> i.e. 90% day visitors, 10% overnight visitors

<sup>5</sup> ONS Subregional Productivity, 2021 release

- Direct Land Value Uplift – application of benchmark commercial land values in Darlington<sup>6</sup>. Specifically, Out of Town Centre values applied to PPMG interventions.
- Indirect/Wider Commercial Land Value Uplift – Based on CBRE and wider research<sup>7</sup>, increase in rental values by 10% and a decrease in investment yields by 1% in response to regeneration at Yarm High Street. Approach considered robust, as these parameters represent the low end of the respective impact ranges (10-30% and 1-1.5%).
- Indirect/Wider Residential Land Value Uplift – Based on CBRE research<sup>8</sup>, application of a 3.6% regeneration premium on all homes within 750m of Yarm High Street regeneration.
- Crime – Based on the approach outlined in the FHSF clarification document, a 5% drop in criminal activity within 1 mile of regeneration activities at PPMG and Yarm High Street was assumed.
- Labour Supply and Wellbeing Impacts - Based on the approach outlined in the FHSF clarification document, 10% of all job creation was assumed to accrue to new entrants or re-entrants to the labour market, resulting in productivity growth. Further, based on Social Value benchmarks<sup>9</sup>, the movement from unemployment to employment also confers social wellbeing value to the beneficiary.
- Amenity Impacts – Regeneration areas were assumed to be benefit from being transformed into full ‘Urban Core (public space, city park)’ status from partial status; landscaped/garden areas at PPMG were assumed to benefit from movement from Urban Fringe (greenbelt) to Urban Fringe (forested land).
- Social Capital Impacts – Visitors to PPMG<sup>10</sup> and Yarm Town Hall<sup>11</sup> were assumed to extract social and heritage capital from attending the asset in line with DCMS’ ‘Culture and Heritage Capital Evidence Bank - Economic Values Database’.
- Active Mode Impacts – DfT’s Active Mode Appraisal Toolkit was utilised. Uplift in cycling in response to provision of Cycle Superhighways and Mixed Strategic Routes in line with case study evidence<sup>12</sup>.

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<sup>6</sup> from MHCLG’s ‘Land Values Estimates for Policy Appraisal 2019’

<sup>7</sup> Living Streets and the High Streets Task Force (e.g. ‘The Pedestrian Pound’, 2018)

<sup>8</sup> <https://news.cbre.co.uk/cbre-research-regeneration-results-in-a-36-annual-uplift-in-house-price-growth/>

<sup>9</sup> Housing Association Charitable Trust’s Social Value Bank

<sup>10</sup> Based on ‘gardens’ benchmark

<sup>11</sup> Based on ‘galleries’ benchmark

<sup>12</sup> ‘CWIS Active Travel Investment Models: Model structure and evidence base’ and Sustans Infrastructure Impact Tool

### 5.3 Economic costs of proposal

5.3a Please explain the economic costs of the bid. Costs should be consistent with the costs in the financial case, but adjusted for the economic case. This should include but not be limited to providing evidence of costs having been adjusted to an appropriate base year and that inflation has been included or taken into account. In addition, please provide detail that cost risks and uncertainty have been considered and adequately quantified. Optimism bias must also be included in the cost estimates in the economic case. (Limit 500 words)

The economic costs utilised in the value for money assessment are consistent with the scale and profile of costs presented in the financial case (i.e. Section 6.1). The financial costs include contingency at 5-10% for all package components; these are retained in the economic costs presented below. The financial costs are presented in nominal prices with inflation applied at 3.8% also. Further, the financial costs demonstrate that all costs associated with the scheme are incurred by the public sector (i.e. Levelling Up Fund or SBC resources[as recipients of HLF funding]); hence the economic costs are wholly attributable to the public sector..

A number of adjustments are made to the financial costs to convert to economic costs. Firstly, the nominal costs presented in the financial case are converted to base costs by incorporating real cost increases only, i.e. by subtracting general inflation (in line with the ONS GDP deflator) from construction cost increases.

In addition to the real cost adjustments, optimism bias is applied to discrete project cost components in line with HM Treasury Green Book's Supplementary Guidance on Optimism Bias. Specifically, the following factors have been adopted:

- 24% for general buildings – applied to Yarm Town Hall and Preston Park and Museum components
- 44% for standard civil engineering – applied to Yarm High Street public realm and cycle network components.

Given the inclusion of 5-10% contingency within the base costs, no further risk or uncertainty allowance was included in the derivation of economic costs.

The economic costs adjusted for real cost increases and optimism bias were then presented in present value terms in 2021-22 prices and values. This is achieved through application of the prevailing discount rate referenced in HM Treasury Green Book (i.e. 3.5% p.a. for thirty years; 3% for following forty five years).

Based on the above outlined approach, the economic costs were developed as follows:



<b>Economic Cost Component (£m, Present Value of Costs, 2021-22 Prices and Values)</b>	<b>2021-22</b>	<b>2022-23</b>	<b>2023-24</b>	<b>2024-25</b>	<b>Total</b>
<b>Preston Park and Museum</b>					
Base Public Sector Cost (excl inflation)	£0.65	£2.19	£6.29	£0.02	£9.15
Real Public Sector Cost	£0.67	£2.24	£6.43	£0.02	£9.37
Public Sector Cost including Optimism Bias	£0.83	£2.78	£7.98	£0.03	£11.62
Present Value of Public Sector Costs	£0.83	£2.69	£7.45	£0.03	£10.99
<b>Yarm Town Centre</b>					
Base Public Sector Cost (excl inflation)	£0.53	£3.64	£3.28	£0.02	£7.47
Real Public Sector Cost	£0.54	£3.72	£3.35	£0.02	£7.64
Public Sector Cost including Optimism Bias	£0.74	£5.11	£4.61	£0.03	£10.50
Present Value of Public Sector Costs	£0.74	£4.94	£4.30	£0.03	£10.01
<b>Cycle Network</b>					
Base Public Sector Cost (excl inflation)	£0.35	£1.40	£3.05	£0.02	£4.82
Real Public Sector Cost	£0.35	£1.43	£3.13	£0.02	£4.93
Public Sector Cost including Optimism Bias	£0.51	£2.06	£4.50	£0.03	£7.10
Present Value of Public Sector Costs	£0.51	£1.99	£4.20	£0.03	£6.73
<b>Total</b>					
Base Public Sector Cost (excl inflation)	£1.53	£7.23	£12.62	£0.07	£21.44
Real Public Sector Cost	£1.56	£7.40	£12.91	£0.07	£21.94
Public Sector Cost including Optimism Bias	£2.08	£9.95	£17.08	£0.09	£29.21
Present Value of Public Sector Costs	£2.08	£9.62	£15.95	£0.08	£27.73

The economic costs relate to capital costs only. It is assumed that operating costs will not change for active mode and public realm components (both will form part of SBC's existing highways maintenance budget). Further it is assumed that operating costs for visitor attractions will be covered by income generated by the assets. Hence, no increase in public sector operating costs is anticipated.

## 5.4 Analysis of monetised costs and benefits

5.4a Please describe how the economic benefits have been estimated. These must be categorised according to different impact. Depending on the nature of intervention, there could be land value uplift, air quality benefits, reduce journey times, support economic growth, support employment, or reduce carbon emissions. (Limit 750 words)

A range of economic benefits have been monetised based on the approaches outlined in Section 5.2a and the data sources documented in Section 5.2b. The scale of economic benefits is outlined thematically below:

### Direct Land Value Uplift

- The transformation of derelict land and buildings into exhibition space and café at Preston Park and Museum represents conversion of land into more productive use.

- Out-of-town commercial land value benchmark of £175k/ha (2019 prices), representative of Darlington, was applied to development area for the exhibition space and café (c. 0.25 hectares) to generate a gross present value benefit (PVB) of £38,000 (2021-22 prices).

#### Indirect/Wider Commercial Land Value Uplift

- Regeneration of Yarm High Street through public realm improvements and renovation of the Town Hall will allow nearby commercial properties to realise an uplift in value.
- Combining rateables value from Valuation Office Agency data for commercial assets on Yarm High Street ( £3.7m per annum) with SBC’s view on net initial yield for district centre developments in the area ( 12.4%) results in an asset valuation of £30 million.
- By acting conservatively and adopting the lower end of the yield and rental change ranges (i.e. 1% and 10% respectively), the value of commercial assets could increase to nearly £36 million post implementation of public realm improvements.
- This uplift in commercial property value represents a gross PVB of £5.3 million.

#### Indirect/Wider Residential Land Value Uplift

- Regeneration of Yarm High Street through public realm improvements and renovation of the Town Hall will allow nearby residential properties to realise an uplift in value.
- Combining the number of properties within 750m of Yarm High Street (c. 2,000 residential properties<sup>14</sup>) with ONS House Price Data<sup>15</sup> for the area (c. £260k) in 2020 result in an aggregate value of residences within 750m of Yarm High Street of £553m.
- A 3.6% increase in value attributable to regeneration of Yarm High Street would increase this aggregate value by £20m, to £573m. Converting to a 2021-22 price base, the wider residential land value uplift in response to regeneration of Yarm High Street is estimated at £18.0m in PVB terms.

#### Crime

- Through removal of areas of urban blight and under-utilised areas and via increased footfall, better built environment and enhanced townscape, regeneration activities have the potential to reduce criminal activity.
- Over the last 12 months, there were some 1,700 crimes committed within one mile of Yarm High Street and Preston Park and Museum
- Post regeneration and an associated 5% decline in crime, the number of annual incidents could decline by 84.

<sup>13</sup> However, it should be noted that the property market suggest yields as low as 7% can be achieved in Yarm High Street, suggesting the broader SBC-wide yield represents a conservative view on development value.

<sup>14</sup> Council Tax Database

<sup>15</sup> HPSSA Dataset 47, LSOAs E01012275, E01012276, E01012277 and E01012197

- Given the average monetary cost of crime is estimated at £1,339<sup>16</sup> in 2021-22 prices, this impact relates to a PVB of £876,000.

#### Labour Supply and Wellbeing Impacts

- New employment opportunities could accrue to currently unemployed individuals in the SBC area and wider Tees Valley
- Based on the methodology set out in FHSF guidance, 10% of new jobs are assumed to be taken by new entrants or re-entrants to the labour market. Applying the prevailing GVA per worker metric (£54,000) to the forecast new entrants/re-entrants to the labour market and assuming a welfare impact of 40%, results in a PVB of £5.3 million in 2021-22 prices and values.
- Social wellbeing associated with these forecast new entrants/re-entrants to the labour market is estimated at £17,000 per individual, resulting in a PVB of £200,000.

#### Amenity Impacts

- Combining the scale of public realm and asset improvements (44.5 hectares at PPMG and 0.5 hectares at Yarm High Street) with the prevailing change in amenity value at each site (i.e. partial to full urban core at Yarm High Street and from urban fringe [greenbelt] to urban fringe [forested] at PPMG) results in amenity benefits valued at £2.8 million in PVB terms (2021-22 prices)

#### Social Capital Impacts

- Combining forecast visitation to new social/cultural heritage assets (64,000 additional visitors per annum to PPMG and 100 visitors per day to the Town Hall on Yarm High Street) with the prevailing benchmark value for the assets (i.e. £22.36 for PPMG and £11.89 for Yarm) results in social capital benefits valued at £31.4 million in PVB terms (2021-22 prices)

#### Active Mode Impacts

- Baseline levels of cycling were estimated using the Propensity to Cycle toolkit data on commuting, converted to all journey purposes using the LUF FAQs suggested expansion factor of 6.
- A 68% increase in baseline levels of cycling as a result of intervention, alongside better journey quality for existing cyclists, contributes to benefits amounting to £24.9 million in PVB terms (2021-22 prices).

5.4b Please complete Tab A and B on the **appended excel spreadsheet** to demonstrate your:

<sup>16</sup> GMC unit cost of crime database, as per FHSF guidance

<sup>17</sup> Unemployment rates are significantly higher in the local authority (5.8%) and combined authority (6.0%) areas compared to nationally (4.6%); Annual Population Survey, 2020.

Tab A - Discounted total costs by funding source (£m)

Tab B – Discounted benefits by category (£m)

## 5.5 Value for money of proposal

5.5a Please provide a summary of the overall Value for Money of the proposal. This should include reporting of Benefit Cost Ratios. If a Benefit Cost Ratio (BCR) has been estimated there should be a clear explanation of how this is estimated ie a methodology note. Benefit Cost Ratios should be calculated in a way that is consistent with [HMT's Green Book](#). For non-transport bids it should be consistent with [MHCLG's appraisal guidance](#). For bids requesting funding for transport projects this should be consistent with [DfT Transport Analysis Guidance](#). (Limit 500 words)

The following factors are also pertinent:

- high intervention costs for assets owned/operated/statutory responsibility of SBC, which precludes a traditional market structure or private sector interest. Further, the high cost of entry associated with interventions such as exhibition space minimises viability and market demand in this location. Hence, the interventions are not expected to come forward in absence of the intervention.
- Strong supply side focus of the proposed interventions. In particular, provision of social/cultural heritage and physical infrastructure designed to boost the supply of asset provision.

That said, to ensure a robust and conservative approach, additionality factors were adopted for the following impact categories:

- Crime – 25% as per FHSF guidance
- Amenity – 60% Amenity may accrue to residents/visitors outside of the sub-region (leakage) and enhanced amenity at the specified locations may result in reduced amenity being obtained from other public assets elsewhere (displacement).
- Social Capital – 75%; some visitors may have visited alternative exhibition space to PPMG in the absence of intervention, and some benefits will accrue to visitors from outside the sub-region.

Following application of additionality to convert gross benefits to net benefits, the resulting benefit-cost ratio is summarised in the table below:

Total net additional benefits	Preferred Option (NPV, £ 2021-22 prices)
<b>Benefits for the BCR</b>	
Land value uplift (LVU)	38,861
Wider LVU	23,276,899
Amenity value	1,709,276
Active Mode benefits	24,895,753
Crime	219,043
Labour Supply Wellbeing	199,937

<b>Labour Supply Impacts</b>	5,273,571
<b>Social Capital</b>	23,586,393
<b>Total benefits for the BCR (A)</b>	<b>79,199,732</b>
<b>Costs</b>	
<b>Total cost (LFU + Co-funding) (D)</b>	<b>27,729,834</b>
<b>Private sector cost (E)</b>	0
<b>BCR calculation formula</b>	<b>2.86</b>

The table demonstrates that the package of interventions generate a strong BCR of nearly 3.0. This represents high value for money. The strong BCR is driven by a wide set of benefits, but the largest contributors are active mode impacts and social capital impacts. This is unsurprising given the objectives of the scheme are to increase local resident and visitor engagement with key social/cultural assets and provide better access to and between these assets.

Also, for robustness, note that the BCR does not include GVA impacts linked to job creation (beyond jobs accruing specifically to currently unemployed residents). Further, visitor expenditure is not captured in the BCR. Both are considered 'wider' impacts (see Section 5.5b), unsuitable for inclusion in a robust BCR. That said, if both impacts were included in the BCR, the BCR would strengthen to 11.4. If just the visitor expenditure was included, the BCR would strengthen to 9.9. This emphasises the robustness of the BCR.

5.5b Please describe what other non-monetised impacts the bid will have, and provide a summary of how these have been assessed. (Limit 250 words)

It is estimated that some sixteen gross full time equivalent (FTE) jobs will be created as a result of the interventions. With an assumed persistence of ten years (in line with FHSF guidance), the direct employment could generate £3.2 million of direct gross GVA (PVB, 2021-22 prices and values). In addition, additional expenditure of £10.8m per annum as a result of increased visitation and footfall linked to the interventions could generate some 115 gross FTE jobs per annum, generating £3.2 million in gross GVA uplift per annum (or £57.9m over the appraisal period, in PVB terms [2021 prices and values]).

Further, The interventions have the ability to transform outward perceptions of the Tees Valley by providing a regionally/nationally significant asset at PPMG, as well as supporting assets at an increasingly accessible location nearby at Yarm High Street. An improved image for the South Stockton area and the wider Tees Valley could be self-perpetuating; an increase in visitation from outside the area to visit high profile assets could reinforce the attractiveness of the area, leading to further, wider visitation. Subsequently, this could generate an increase in investor interest in the area, as the location becomes an area where people increasingly want to

live, work and visit. Within this context, the intervention has the potential to have overarching transformative potential beyond the scope of benefits monetised and captured in Section 5.5a.

5.5c Please provide a summary assessment of risks and uncertainties that could affect the overall Value for Money of the bid. (Limit 250 words)

The main risks and uncertainties that could impact overall value for money are:

- What happens if scale of visitor/footfall uplift does not materialise
- What happens if visitor profile remains focussed on local visitors, with shorter dwell times and less expenditure?
- What happens if the uplift in cycling trips does not materialise
- What if additionality is less than anticipated?

Various scenario tests were undertaken to assess these risks/uncertainties. For example, additional visitation to PPMG would need to be capped at 5% of existing museum visitor numbers (c. 8,500 compared to c. 64,000 as a core estimate), only 10 visitors per day to Yarm Town Hall (compared to 100 as a core estimate) and only 2.5% growth in footfall at Yarm High Street (compared to 15% as a core estimate), in order to reduce the BCR to 2.0. Even if no additional visitation is expected, the BCR remains at 1.84.

If visitor expenditure is assumed to increase in line with current patterns rather than reflecting the higher spend associated with a more regional/national set of visitors, the core BCR remains strong at 2.68.

If the scale of increased cyclists is less than forecast and active mode benefits are 50% less than anticipated, the BCR remains strong at 2.41.

If additionality was applied at 50% across the board (except crime, which remains at 25%), then the BCR remains at 1.59.

This scenario analysis demonstrate that the BCR and value for money assessment is robust to risks and uncertainties inherent in key assumptions.

5.5d For transport bids, we would expect the [Appraisal Summary Table](#), to be completed to enable a full range of transport impacts to be considered. Other material supporting the assessment of the scheme described in this section should be appended to your bid.



## PART 6 DELIVERABILITY

### 6.1 Financial

See technical note Table 1 for further guidance.

6.1a Please summarise below your financial ask of the LUF, and what if any local and third party contributions have been secured (please note that a minimum local (public or private sector) contribution of 10% of the bid costs is encouraged). Please also note that a contribution will be expected from private sector stakeholders, such as developers, if they stand to benefit from a specific bid (Limit 250 words)

The interventions described in this business case requires £20million funding through LUF. At this stage it is assumed that co funding will come from the Council, Heritage Lottery Fund. The £1million for Regeneration and Town Centre interventions is approved and allocated to the scheme with notional allocations for Transport and Culture available subject to formal approval pending outcome of this business case as well as a notional allocation assumed from HLF pending determination of HLF bid

A summary of the co funding is set out below

	Source	Amount
Transport	Local Transport Plan (SBC)	500,000
Culture	SBC Capital	500,000
Regeneration and Town Centre	SBC Capital	1,000,000
	HLF (unapproved)	250,000
Total		2,250,000

6.1b Please also complete Tabs C and D in the **appended excel spreadsheet**, setting out details of the costs and spend profile at the project and bid level in the format requested within the excel sheet. The funding detail should be as accurate as possible as it will form the basis for funding agreements. Please note that we would expect all funding provided from the Fund to be spent by 31 March 2024, and, exceptionally, into 2024-25 for larger schemes.



<p>6.1c Please confirm if the bid will be part funded through other third-party funding (public or private sector). If so, please include evidence (i.e. letters, contractual commitments) to show how any third-party contributions are being secured, the level of commitment and when they will become available. The UKG may accept the provision of land from third parties as part of the local contribution towards scheme costs. Where relevant, bidders should provide evidence in the form of an attached letter from an <u>independent</u> valuer to verify the true market value of the land.</p>	<p><input type="checkbox"/> Yes  <input checked="" type="checkbox"/> No</p>
<p>6.1d Please explain what if any funding gaps there are, or what further work needs to be done to secure third party funding contributions. (Limit 250 words)</p>	
<p>At this stage there no funding gaps within the scope of the interventions proposed. A stage 1 bid to Heritage Lottery Fund is under preparation along with detailed engagement with HLF officers. A full business case to HLF will be submitted with decision taken by the end of 2021</p>	
<p>6.1e Please list any other funding applications you have made for this scheme or variants thereof and the outcome of these applications, including any reasons for rejection. (Limit 250 words)</p>	
<p>No application submitted in relation to this proposal</p>	
<p>6.1f Please provide information on margins and contingencies that have been allowed for and the rationale behind them. (Limit 250 words)</p>	
<p>The project contingency has been assessed against the detailed risk register and allocated accordingly against the project. The contingency has been calculated for additional or unexpected costs during the life of the project. Depending on the scale of the project the contingency percentage, ranging from 5-10% has been allocated against all elements of the project.</p> <p>The construction contingency is a key aspect of the risk management protocol which will ensure that the construction project will remain viable.</p>	

The calculated construction contingency will enable SBC and our selected construction team to manage additional costs that come from factors such as weather delays, supply and resource management etc.

SBC do not view the contingency as *extra money* or *money that needs to be spent*. In fact, not using your contingency means the project was planned, estimated, and managed properly.

6.1g Please set out below, what the main financial risks are and how they will be mitigated, including how cost overruns will be dealt with and shared between non-UKG funding partners. (you should cross refer to the Risk Register). (Limit 500 words)

A number of financial risks have been identified that could affect the timing of delivery or quality of outputs associated with the scheme. Factors affecting timing of delivery will result in delayed realisation of the project. Factors affecting quality of outputs will result in reduced scale and a pared-back version of the preferred option. More detail on the identified financial risks are summarised below.

1. Project cannot be delivered within budget and/or scheme overspends resulting in insufficient resources to complete the scheme.
  - Mitigation - Cost plan prepared. Close monitoring of spend. Complete enabling works complete to uncover potential issues and remediate prior to start on site. Pre-tender estimate to gauge suitability of design & Value Engineering process before tender award. Early discussion with potential contractors already undertaken, to provide greater certainty. Development of robust, evidence-based contingency pot - with regular budget monitoring and consideration of use of contingency pot. Ongoing monitoring and review of emerging funding programmes to identify alternative sources of funding, as required
  -
2. Levelling Up Fund not awarded resulting in a matchfunding gap to deliver the scheme.
  - Mitigation - Appointment of consultant team to support business case development. Ongoing monitoring and review of emerging funding programmes to identify alternative sources of funding, as required.
3. Abnormal costs identified during the pre construction stage leading to additional funding being required.
  - Mitigation - Close monitoring of cash flow forecast, requests for variations & use of an appropriate contingency.
4. Breach of funding conditions leading to clawback of part or all Levelling Up grant funds. Loss of support for scheme. Scheme halted or abandoned.

- Mitigation - Close monitoring of procurement, defray and draw down of LUF grant, with full audit trail retained for inspection - use of external audit/accountancy advice - e.g. big 4.
- 5. Contingency bias where contingency is required by there is no approval to draw down.
- Mitigation - Ensure that cost estimates are robust, accurate and reflect the most readily available intelligence.

## 6.2 Commercial

See technical note Section 4 and Table 1 for further guidance.

6.2a Please summarise your commercial structure, risk allocation and procurement strategy which sets out the rationale for the strategy selected and other options considered and discounted. The procurement route should also be set out with an explanation as to why it is appropriate for a bid of the scale and nature submitted.

Please note - all procurements must be made in accordance with all relevant legal requirements. Applicants must describe their approach to ensuring full compliance in order to discharge their legal duties. (Limit 500 words)

SBC are confident that appropriate partners can be appointed to deliver all aspects of the transport, culture and town centre redevelopment. This confidence is founded on the range of design and delivery contractors available via access to a wide range of existing public sector frameworks or the use of OJEU compliant procurement. For similar Town Centre and cultural schemes recently undertaken, SBC have taken advantage of a number of procurement routes, including:

- Local Authority and sub-regional (TVCA) framework agreements already established for standard services (e.g. professional services framework, minor works framework; Multi-Disciplinary Building Construction related services framework)
- local and central government partner frameworks for more substantial projects (e.g. Crown Commercial Services, Homes England's Multi-Disciplinary services)
- bespoke procurement frameworks for specialised services (e.g. Bloom Frameworks).

All appointments will follow standard procurement rules ensuring OJEU-compliance and the selection of the contractor that offers best public sector value for money.

In terms of cultural, transport and town centre regeneration projects a number of potential delivery models are being considered based on both standard practices and SBC's recent experience of delivering major transformational change in Town Centre environments.

These include the 'delivery partner', 'design and build', 'site disposal' approaches. Detailed consideration of potential delivery models and selection of a preferred delivery model will be formalised as part of the 'Procurement Strategy' business case being progressed by SBC over Summer 2021. The preferred delivery models will represent the option that provides the optimal balance of risk sharing, ability to meet defined programme and ability to maximise value for money, alongside other factors (including the amount of LUF funding awarded and the subsequent impact on scope/extent of works that can be delivered). SBC has extensive experience of delivering large scale infrastructure and public realm, working with the private sector to design and implement the full redevelopment of Stockton High Street in 2015

SBC commitment to any delivery model is heavily reliant on delivering the full vision, which incorporate the cultural development at Preston hall, cycle connectivity and enhanced public realm components of the preferred options.

In summary, whilst final selection of a preferred delivery models will follow development of the Procurement Strategy over Summer 2021, it is expected that the a Design and Build partner will be selected ahead of alternative approaches for the new exhibition centre at Preston hall, cycle links and public realm elements. It is envisaged that design consultant novation from SBC to the selected D&B contractor will happen at RIBA stage 4 to ensure SBC has total design input. Whilst at the same time design transfer to the D&B contractor post RIBA 4 ensures any ground risk, detailed design, programme and cost risk will be the responsibility of with the D&B contractor.

### 6.3 Management

See technical note Section 4 and Table 1 for further guidance

Delivery Plan: Places are asked to submit a delivery plan which demonstrates:

- Clear milestones, key dependencies and interfaces, resource requirements, task durations and contingency.
- An understanding of the roles and responsibilities, skills, capability, or capacity needed.
- Arrangements for managing any delivery partners and the plan for benefits realisation.
- Engagement of developers/ occupiers (where needed)
- The strategy for managing stakeholders and considering their interests and influences.
- Confirmation of any powers or consents needed, and statutory approvals eg Planning permission and details of information of ownership or agreements of land/ assets needed to deliver the bid with evidence
- Please also list any powers / consents etc needed/ obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them.

6.3a Please summarise the delivery plan, with reference to the above (Limit 500 words)

Detailed, individual Delivery Plans have been prepared for each of the three themed interventions (See Appendix D) The Plans identify all individual tasks included in the project;

the schedule and duration of each task; identifies where there are dependencies and interfaces between tasks – highlighting the critical path for successful delivery.

The elements set out below apply across the three themed interventions

#### Clear Milestones and Dependencies

Detailed stages are identified throughout the duration of the project, which can also be cross referenced in the design and construction programme elsewhere. Funding, consultations, design and procurement routes are fully set out between now and completion of the works on site.

#### Roles and Responsibilities and Skills and Capacities

The new Council Town Centre Investment Team have the required relevant skill sets to ensure the delivery plan can be realised. The team has experience of delivering major projects and interventions through robust programme and project management, and use of in-house design, technical, legal, property and financial expertise. Where required, due to capacity or specialism, external consultants are commissioned to ensure project delivery. On this project architects, landscape architects, structural and civil engineers, audio visual and specialist surveying consultants will be integral parts of the project team. The new council team together with these specialist consultants have experience in delivering this type of transformational project.

#### Managing Delivery Partners & benefits realisation

The Town Centre Investment Team has a comprehensive Delivery Framework, with Project Update Boards overseeing multiple projects, through to task and finish workstreams for discreet elements of projects. Delivery against project programme, cost and deliverable tolerances is closely monitored and changes identified and agreed in a timely manner.

#### Engagement

Individual workstreams for each element of the project will evolve to include key stakeholders, to ensure comprehension across all parties as to who is responsible for areas of delivery, why any issues may have arisen and reaching collective agreement on mitigation strategies moving forward.

#### Approvals and Consents required to enable development

It is identified that planning approval will be required for the both the exhibition and heritage centres. Internal discussions have highlighted what detailed design information will be required together with who the consultees will be as part of the approval process. This initial list of consultees includes Environment Agency, Tees Archaeology, Tees heritage Park, Cleveland Police, Statutory Undertakers and internal environmental health departments. As the Town Hall is owned by Yarm Town Council there will be a requirement to secure a licence to work on the property on their behalf. Use of the Council's powers under the Highways Act will be required to temporarily close and divert sections of highways and footpaths to facilitate construction.

6.3b Has a delivery plan been appended to your bid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
6.3c Can you demonstrate ability to begin delivery on the ground in 2021-22?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>6.3e Risk Management: Places are asked to set out a detailed risk assessment which sets out (word limit 500 words not including the risk register):</p> <ul style="list-style-type: none"> <li>• the barriers and level of risk to the delivery of your bid</li> <li>• appropriate and effective arrangements for managing and mitigating these risk</li> <li>• a clear understanding on roles / responsibilities for risk</li> </ul>	
<p>The Risk Management Statements and Risk Registers for each of the three interventions are included in Appendix E . The statements and registers are SBC`s main documents that are applied as our risk management tool which ensures that we fulfill all regulatory compliance and act as a repository for all risks identified and includes additional information about each risk, e.g., nature of the risk, reference and owner and the mitigation measures that are applied. The risk register for each intervention is always a standard agenda item and discussed at each Steering group on a monthly basis, this ensures that each risk is tracked and measured against each mitigation at regular intervals.</p>	
6.3f Has a risk register been appended to your bid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
<p>6.3g Please evidence your track record and past experience of delivering schemes of a similar scale and type (Limit 250 words)</p>	
<p>SBC have a strong record on delivering major town centre interventions and achieving the stated objectives of investments. SBC have led and successfully delivered a significant programme of works to our Town Centres already.</p> <p>All the projects stated in the bid will be delivered in line with SBC`s thorough project management and delivery framework. The framework will ensure that the projects are embedded within an established, robust governance structure designed to drive successful project development and delivery. Experienced named individuals have already been appointed and are operating in specific roles with specific responsibilities tied to delivering each project. The framework has already been successful in delivering a number of recent regeneration projects, including the successful Hampton by Hilton Hotel development</p>	

(completed 2019, £17M), Community Leisure Facility and library (completed 2020, £14M)  
The Globe Theatre (completed May 2021, £28M),

In addition to the aforementioned interventions, SBC can also demonstrate experience of delivering major development in partnership with the private sector. The North Shore development in Stockton is an ongoing £300 million mixed use development that is being delivered by Muse Developments in tandem with SBC and Homes England. This partnership demonstrates the Councils ability to liaise with multiple partners.

6.3h Assurance: We will require Chief Financial Officer confirmation that adequate assurance systems are in place.

For larger transport projects (between £20m - £50m) please provide evidence of an integrated assurance and approval plan. This should include details around planned health checks or gateway reviews. (Limit 250 words)

## 6.4 Monitoring and Evaluation

*See technical note Section 4 and Table 1 for further guidance.*

6.4a Monitoring and Evaluation Plan: Please set out proportionate plans for M&E which should include (1000 word limit):

- Bid level M&E objectives and research questions
- Outline of bid level M&E approach
- Overview of key metrics for M&E (covering inputs, outputs, outcomes and impacts), informed by bid objectives and Theory of Change. Please complete Tabs E and F on the **appended excel spreadsheet**
- Resourcing and governance arrangements for bid level M&E

The objectives of the package of interventions can be defined as:

- Increase attendance/footfall at key attractions and High Streets by providing a more compelling visitor offer/experience
- Enable the hosting of nationally/internationally significant travelling exhibitions in South Stockton.
- Safeguard and enhance the viability and vibrancy of key High Streets
- Increase cycling mode share for commuters and other journey purposes by reducing reliance on private car

To realise these objectives, the following inputs and activities are required:

- £22.25 million of capital funding (£20m from Levelling Up Fund, £2m from SBC and £0.25m from Heritage Lottery Fund) for construction and engineering works
- SBC officer support from sustainable travel, parks/open space, town centres and economic development teams for project development
- Consultant support towards project development

As per Section 4.3c, the outputs resulting from these inputs/activities will be:

- 3,400m<sup>2</sup> of high quality public realm and 1,900m<sup>2</sup> of hard and soft landscaping at Yarm High Street
- 900ft<sup>2</sup> heritage visitor/learning centre at Yarm High Street
- 15,000ft<sup>2</sup> of exhibition/ gallery space, cafe and ancillary space at PPMG
- 9.8km of cycling infrastructure improvements

The outcomes and impacts of delivering these outputs are expected to be:

- Holistic network of high street and cultural/recreational assets that are linked together through sustainable travel corridors
- Enhanced public realm/townscape that is more attractive and accessible to residents and visitors alike
- Increased opportunity for social/cultural heritage engagement
- Increased access to and better quality active mode travel options
- In combination, these outcomes will result in increased visitation/footfall, increased dwell time/expenditure and therefore employment opportunities and uplift in economic output; land value uplift; amenity uplift; increase social/heritage capital; more active lifestyles, improving public health; improved perception of area for local residents and visitors.

The outputs identified above relate to the most appropriate scale of delivery from a spatial and economic point of view as well as balancing up, from a pragmatic perspective, what is achievable when taking into consideration the broader constraints associated with each individual intervention within the package.

The broader outcomes relate directly to the objectives as ultimately if the outcomes are achieved as described, the objectives will have been met and the outputs as stated will be easily quantifiable.

SBC will oversee delivery of all interventions and will monitor spending and delivery against milestones, outputs and outcomes through ongoing monitoring of activities



against project plan and budgets at appropriate points within individual programmes.

The outputs identified are easily quantifiable and easily monitored given they largely reflect a straightforward quantum of development. SBC will have full control of delivery timeline across all interventions. However, all components of the project requires greater involvement of third parties (including design professionals, construction/engineering firms and development organisations) at appropriate stage but overseen by SBC.

Monitoring of spending and delivery for all components of the intervention will be more complicated and will require contractual terms to be agreed and specified as part of each component of the interventions, which bind contractors and partners to delivering outputs on time and on budget.

To this end, any performance issues or potential failure to meet budget or timescale expectations will be addressed using levers specified in contracts with specific contractors and development partners. Where existing frameworks are utilised to procure contractors or partners, standard mechanisms designed to avoid performance issues will be employed. In time, the processes described above will inform process evaluation.

SBC has extensive expertise in delivering large scale capital projects and has robust project management mechanisms and governance structures in place to monitor delivery and spend as well as to monitor and mitigate risk before and during delivery.

Furthermore external support in monitoring footfall from mobile phone data is available to SBC to monitor outputs and outcomes in an accurate manner respect of footfall and visitor numbers

**PART 7 DECLARATIONS**

**7.1 Senior Responsible Owner Declaration**

As Senior Responsible Owner for [*scheme name*] I hereby submit this request for approval to UKG on behalf of [*name of organisation*] and confirm that I have the necessary authority to do so.


I confirm that [*name of organisation*] will have all the necessary statutory powers and other relevant consents in place to ensure the planned timescales in the application can be realised.

Name: Richard McGuckin	Signed: 
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**7.2 Chief Finance Officer Declaration**

As Chief Finance Officer for [*name of organisation*] I declare that the scheme cost estimates quoted in this bid are accurate to the best of my knowledge and that [*name of organisation*]

- has allocated sufficient budget to deliver this scheme on the basis of its proposed funding contribution
- accepts responsibility for meeting any costs over and above the UKG contribution requested, including potential cost overruns and the underwriting of any funding contributions expected from third parties
- accepts responsibility for meeting any ongoing revenue requirements in relation to the scheme
- accepts that no further increase in UKG funding will be considered beyond the maximum contribution requested and that no UKG funding will be provided after 2024-25
- confirm that the authority commits to ensure successful bids will deliver value for money or best value.
- confirms that the authority has the necessary governance / assurance arrangements in place and that all legal and other statutory obligations and consents will be adhered to.

Name: Garry Cummings	Signed: 
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**7.3 Data Protection**

Please note that the The Ministry of Housing, Communities and Local Government (MHCLG) is a data controller for all Levelling Up Fund related personal data

collected with the relevant forms submitted to MHCLG, and the control and processing of Personal Data.

The Department, and its contractors where relevant, may process the Personal Data that it collects from you, and use the information provided as part of the application to the Department for funding from the Levelling Up Fund, as well as in accordance with its privacy policies. For the purposes of assessing your bid the Department may need to share your Personal Data with other Government departments and departments in the Devolved Administrations and by submitting this form you are agreeing to your Personal Data being used in this way.

Any information you provide will be kept securely and destroyed within 7 years of the application process completing.

**You can find more information about how the Department deals with your data [here](#).**

**Annex A - Project One Summary** (only required for a package bid)

Project 1	
A1. Project Name	
Preston Park Museum and Grounds (PPMG)	
A2. Strategic Linkage to bid: Please enter a brief explanation of how this project links strategically to the overall bid. (in no more than 100 words)	
The delivery of the PPMG element of the project will create a regionally and indeed, nationally significant exhibition space that will allow access to art and culture that would otherwise be out of reach to many people in the region. This intervention is a key component in strengthening an already sub regionally significant asset alongside reinforcing the appeal and sustainability of the Yarm and Eaglescliffe area as an attractive and appealing location to visit.	
A3. Geographical area: Please provide a short description of the area covered by the bid ( <u>in no more than 100 words</u> )	
PPMG is a 110 acre park on the banks of the River Tees in the township of Yarm and Eaglescliffe within the Stockton South Parliamentary constituency (location plans at Appendix A&C).  The intervention focusses on an extension to the existing Museum within Park along with some ancillary buildings and associated infrastructure to support its delivery	
A4. OS Grid Reference	NZ430158
A5. Postcode	TS18 3RH
A6. For Counties, Greater London Authority and Combined Authorities/Mayoral Combined Authorities, please provide details of the district council or unitary authority where the bid is located (or predominantly located)	Stockton-on-Tees Borough Council Municipal Buildings Church Road Stockton-on-Tees TS18 1LE
A7. Please append a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g.	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No

development sites, areas of existing employment, constraints etc.																							
A8. Project theme Please select the project theme	<input type="checkbox"/> <b>Transport investment</b> <input type="checkbox"/> <b>Regeneration and town centre investment</b> <input checked="" type="checkbox"/> <b>Cultural investment</b>																						
A9. Value of capital grant being requested for this project (£):	£9m																						
A10. Value of match funding and sources (£):	<table border="1"> <tr> <td>SBC Capital</td> <td>500,000</td> </tr> </table>	SBC Capital	500,000																				
SBC Capital	500,000																						
<p>A11. Value for Money</p> <p>This section should set out the full range of impacts – both beneficial and adverse – of the project. Where possible, impacts should be described, quantified and also reported in monetary terms. However there may be some impacts where only a qualitative assessment is possible due to limitations in the available analysis. There should be a clear and detailed explanation of how all impacts reported have been identified, considered and analysed. When deciding what are the most significant impacts to consider, bidders should consider what impacts and outcomes the project is intended to achieve, taking into account the strategic case, but should also consider if there are other possible significant positive or negative impacts, to the economy, people, or environment (Limit 250 word</p> <p>The PPMG intervention will result in a strong value for money position, reflected in a BCR of 2.0. As outlined in the table below, the primary beneficial impact of the intervention relates to an increase in social capital. This is unsurprising given the focus of the intervention is to increase visitation to and engagement with social and cultural heritage. by providing appropriate space for the hosting of major national and international standard exhibitions at PPMG.</p> <table border="1"> <thead> <tr> <th><b>Economic Impact Category</b></th> <th><b>PPMG</b></th> </tr> </thead> <tbody> <tr> <td><b>Direct LVU</b></td> <td>38,861</td> </tr> <tr> <td><b>Wider LVU Commercial</b></td> <td>0</td> </tr> <tr> <td><b>Wider LVU Resi</b></td> <td>0</td> </tr> <tr> <td><b>Crime</b></td> <td>102,246</td> </tr> <tr> <td><b>Labour Supply Wellbeing</b></td> <td>70,670</td> </tr> <tr> <td><b>Labour Supply Impacts</b></td> <td>1,537,957</td> </tr> <tr> <td><b>Amenity</b></td> <td>1,455,053</td> </tr> <tr> <td><b>Social Capital</b></td> <td>18,356,289</td> </tr> <tr> <td><b>Active Mode</b></td> <td>0</td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table>		<b>Economic Impact Category</b>	<b>PPMG</b>	<b>Direct LVU</b>	38,861	<b>Wider LVU Commercial</b>	0	<b>Wider LVU Resi</b>	0	<b>Crime</b>	102,246	<b>Labour Supply Wellbeing</b>	70,670	<b>Labour Supply Impacts</b>	1,537,957	<b>Amenity</b>	1,455,053	<b>Social Capital</b>	18,356,289	<b>Active Mode</b>	0		
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<b>Amenity</b>	1,455,053																						
<b>Social Capital</b>	18,356,289																						
<b>Active Mode</b>	0																						

<b>Total</b>	21,561,075
<b>Scheme Costs</b>	10,987,657
<b>BCR</b>	2.0

Separately, and not included in the BCR, an increase in visitor numbers is also expected to increase visitor expenditure at PPMG and throughout the wider area as a greater number of day and overnight visitors attend major exhibitions hosted at PPMG. This will have spillover effects on turnover and viability for businesses in tourism-related sectors (e.g. food/beverage, accommodation, retail and other services), enabling indirect employment generation and GVA uplift. Such impacts are not incorporated into the BCR, but presented as 'wider' benefits in A14 instead.

A12. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be reported in applications. If this is not possible, then the application should include a clear explanation of why not.

A13. Where available, please provide the BCR for this project

2.00

A14. Does your proposal deliver strong non-monetised benefits? Please set out what these are and evidence them.

The creation of a regionally significant exhibition and gallery extension to the museum which will allow people in the region, access to the same cultural opportunities as those living in other parts of the country by creating a facility capable of hosting and storing precious pieces and nationally and internationally significant exhibits. It will also promote Tees Valley as suitable site for hosting major exhibitions, significantly enhancing the image of the local area and wider sub-region.

Further, as alluded to in A12, the following wider impacts are anticipated as a result of the intervention. These are not included in the BCR:

- 15 direct gross FTE jobs
- 31 indirect gross jobs per annum
- £1.2m additional GVA uplift per annum

£3.2m additional visitor expenditure per annum.

<p><b>A15. Deliverability</b>                  Deliverability is one of the key criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.</p>	
<p>Covered within programmes attached at Appendix D</p>	
<p><b>A16. The Bid – demonstrating investment or ability to begin delivery on the ground in 2021-22</b></p> <p>As stated in the prospectus UKG seeks for the first round of the funding that priority will be given to bids that can demonstrate investment and ability to deliver on the ground in 2021-22</p>	
<p>A17. Does this project includes plans for some LUF expenditure in 2021-22?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>A18. Could this project be delivered as a standalone project or do it require to be part of the overall bid?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>A19. Please provide evidence</p>	<p>As can be seen from the site location at Appendix C, whilst the site is in close proximity to other locations it can be delivered standalone as there are no interdependencies between this and other elements of the package that would prevent delivery</p>
<p>A20. Can you demonstrate ability to deliver on the ground in 2021-22.</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>A21. Please provide evidence</p>	<p>As shown in programme in Appendix D. Detailed design work and intrusive ground and survey work to be undertaken throughout Q3 and 4 2021/22</p>
<p><b>Statutory Powers and Consents</b></p>	
<p>A22. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.</p>	<p>None. Key dates for obtaining set out in project plan at Appendix D</p>

A23. Please list separately any <u>outstanding</u> statutory powers / consents etc, including the timetable for obtaining them.	<b>Planning permission. May 2022</b>
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**Annex B - Project Two description and funding profile** (only required for package bid)

Project 2	
B1. Project Name	Yarm High Street and Town Hall
B2. Strategic Linkage to bid:  Please enter a brief explanation of how this project links strategically to the overall bid. (in no more than 100 words)	
This component entails investment in town centre regeneration and cultural themes as a means of supporting diversification of uses within town centres as a means of strengthening the offer for visitors and safeguarding the long term vitality of Yarm High Street through high quality public spaces and enabling opportunities for growth	
B3. Geographical area: Please provide a short description of the area covered by the bid ( <u>in no more than 100 words</u> )	
Yarm is a small market town in the south of the Borough of Stockton-on-Tees sitting on the banks of the River Tees within the Stockton South Parliamentary constituency boundary.  The bid covers the entire length of Yarm High Street, on both sides as illustrated on Appendix F, with the Town Hall situated roughly in the centre of the High Street on the eastern side	
B4. OS Grid Reference	NZ 4190 1282
B5. Postcode	TS15
B6. For Counties, Greater London Authority and Combined Authorities/Mayoral Combined Authorities, please provide details of the district council or unitary authority where the bid is located (or predominantly located)	Stockton-on-Tees Borough Council Municipal Buildings Church Road Stockton-on-Tees TS18 1LE
B7. Please append a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.	
B8. Project theme Please select the project theme	<input type="checkbox"/> <b>Transport investment</b> <input checked="" type="checkbox"/> <b>Regeneration and town centre investment</b> <input type="checkbox"/> <b>Cultural investment</b>
B9. Value of capital grant being requested for this project (£):	6.5m

B10. Value of match funding and sources (£):	SBC Capital	1,000,000
	HLF	250,000

**B11. Value for Money**

This section should set out the full range of impacts – both beneficial and adverse – of the project. Where possible, impacts should be described, quantified and also reported in monetary terms. However there may be some impacts where only a qualitative assessment is possible due to limitations in the available analysis. There should be a clear and detailed explanation of how all impacts reported have been identified, considered and analysed. When deciding what are the most significant impacts to consider, bidders should consider what impacts and outcomes the project is intended to achieve, taking into account the strategic case, but should also consider if there are other possible significant positive or negative impacts, to the economy, people, or environment

The Yarm interventions will result in a strong value for money position, reflected in a BCR of 3.3. As outlined in the table below, the primary beneficial impacts of the intervention relate to an increase wider land value uplift (for commercial and to a lesser extent, residential properties), as well as social capital. This is unsurprising given the focus of the intervention is to enhance the vibrancy and vitality of the High Street through public realm initiatives that support business growth and expansion, particularly in the high growth food/beverage and related sectors. Further, social capital growth is linked to an increase in visitation and footfall, not least to attend the new gallery and exhibition space proposed for Yarm Town Hall.

<b>Economic Impact Category</b>	<b>Yarm Town Centre</b>
<b>Direct LVU</b>	0
<b>Wider LVU Commercial</b>	5,310,534
<b>Wider LVU Resi</b>	17,966,365
<b>Crime</b>	116,797
<b>Labour Supply Wellbeing</b>	129,267
<b>Labour Supply Impacts</b>	3,735,614
<b>Amenity</b>	254,223
<b>Social Capital</b>	5,230,104
<b>Active Mode</b>	0
<b>Total</b>	32,742,903
<b>Scheme Costs</b>	10,014,602
<b>BCR</b>	3.3

<p>Separately, and not included in the BCR, an increase in visitor numbers and footfall to Yarm High Street is also expected to increase visitor expenditure in the market town and throughout the wider area as a greater number of day and overnight visitors are attracted. This will have spillover effects on turnover and viability for businesses in tourism-related sectors (e.g. food/beverage, accommodation, retail and other services), enabling indirect employment generation and GVA uplift. Such impacts are not incorporated into the BCR, but presented as 'wider' benefits in A14 instead.</p>	
<p>B12. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be reported in applications. If this is not possible, then the application should include a clear explanation of why not.</p>	
<p>B13. Where available, please provide the BCR for this project</p>	
<p>B14. Does your proposal deliver strong non-monetised benefits? Please set out what these are and evidence them.</p>	<p>3.3</p> <p>Enhanced public realm in Yarm High Street and the provision of additional cultural facilities will significantly enhance visitor experiences to the town, further improving perceptions of the local area and wider sub-region.</p> <p>Further, as alluded to in A12, the following wider impacts are anticipated as a result of the intervention. These are not included in the BCR:</p> <ul style="list-style-type: none"> <li>• &lt;1 direct gross FTE jobs</li> <li>• 84 indirect gross jobs per annum</li> <li>• £2.3m additional GVA uplift per annum</li> </ul> <p>£7.8m additional visitor expenditure per annum</p>
<p><b>B15. Deliverability</b>                  Deliverability is one of the key criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.</p>	
<p>Covered within programmes attached at Appendix D</p>	
<p><b>B16. The Bid – demonstrating investment or ability to begin delivery on the ground in 2021-22</b></p> <p>As stated in the prospectus UKG seeks for the first round of the funding that priority will be given to bids that can demonstrate investment and ability to deliver on the ground in 2021-22</p>	

B17. Does this project includes plans for some LUF expenditure in 2021-22?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B18. Could this project be delivered as a standalone project or do it require to be part of the overall bid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B19. Please provide evidence	As can be seen from the site location at Appendix C, whilst the site is in close proximity to other locations it can be delivered standalone as there are no interdependencies between this and other elements of the package that would prevent delivery
B20. Can you demonstrate ability to deliver on the ground in 2021-22.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
B21. Please provide evidence	As shown in programme in Appendix D. Detailed design work and intrusive ground and survey work to be undertaken throughout Q3 and 4 2021/22
<b>Statutory Powers and Consents</b>	
B22. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.	None
B23. Please list separately any <u>outstanding</u> statutory powers / consents etc, including the timetable for obtaining them.	Planning permission. Feb 2022



### **Annex C – Project Three- description and funding profile** (only required for package bid)

<b>Project 3</b>	
C1. Project Name	Cycle Network
C2. Strategic Linkage to bid:  Please enter a brief explanation of how this project links strategically to the overall bid. (in no more than 100 words)	
This element of the bid covers the transport theme and entails the delivery of cycle infrastructure linking the key assets of PPMG and Yarm High Street with surrounding employment sites, transport hubs and residential growth areas	
C3. Geographical area: Please provide a short description of the area covered by the bid ( <u>in no more than 100 words</u> )	
As shown at Appendix C, this component covers the main roads leading into the Yarm and Eaglescliffe areas from both the north and south of the High Street as well as a direct connection between the High Street and PPMG.  The cycle links amount to circa 9km of new cycleway along this route	
C4. OS Grid Reference	N/A
C5. Postcode	N/A
C6. For Counties, Greater London Authority and Combined Authorities/Mayoral Combined Authorities, please provide details of the district council or unitary authority where the bid is located (or predominantly located)	Stockton-on-Tees Borough Council Municipal Buildings Church Road Stockton-on-Tees TS18 1LE
C7. Please append a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.	
C8. Project theme Please select the project theme	<input checked="" type="checkbox"/> <b>Transport investment</b> <input type="checkbox"/> <b>Regeneration and town centre investment</b> <input type="checkbox"/> <b>Cultural investment</b>
C9. Value of capital grant being requested for this project (£):	£4.5m
C10. Value of match funding and sources (£):	Local Transport Plan £500,000
C11. Value for Money	

This section should set out the full range of impacts – both beneficial and adverse – of the project. Where possible, impacts should be described, quantified and also reported in monetary terms. However there may be some impacts where only a qualitative assessment is possible due to limitations in the available analysis. There should be a clear and detailed explanation of how all impacts reported have been identified, considered and analysed. When deciding what are the most significant impacts to consider, bidders should consider what impacts and outcomes the project is intended to achieve, taking into account the strategic case, but should also consider if there are other possible significant positive or negative impacts, to the economy, people, or environment

The cycle network interventions will confer health benefits on new cyclists encouraged to cycle by provision of high quality infrastructure, as well as journey quality benefits on new and existing cyclists. Existing cyclists in particular will benefit from off-road, segregated provision. By encouraging mode shift from car use, the intervention will also have a positive impact on traffic congestion, air quality and greenhouse gas emissions. A detailed breakdown of benefits arising from the cycle network intervention is presented below, as per the outputs of DfT's Active Mode Appraisal Toolkit (AMAT), converted to 2021-22 prices and values:

<b>Benefit Category</b>	<b>PVB (£000s, 2021-22 prices and values)</b>
<b>Congestion benefit</b>	423
<b>Infrastructure maintenance</b>	2
<b>Accident</b>	69
<b>Local air quality</b>	8
<b>Noise</b>	5
<b>Greenhouse gases</b>	16
<b>Reduced risk of premature death</b>	7,380
<b>Absenteeism</b>	1,219
<b>Journey ambience</b>	15,802
<b>Indirect taxation</b>	-25
<b>PVB</b>	24,895

The outputs demonstrate that journey ambience is the primary contributor to economic benefits emanating from cycle network interventions. This captures the impact of existing cyclists experiencing better journeys than previously and new cyclists experiencing high quality journeys from the outset. Further, cycle parking provision at Yarm and PPMG also plays a key role. Two forms of health benefit (reduced risk of premature death and absenteeism [from work]), comprise the bulk of the remaining benefits, linked to new cyclists undertaking increased physical activity resulting in healthier lifestyles.

<p>C12. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be reported in applications. If this is not possible, then the application should include a clear explanation of why not.</p>	
<p>C13. Where available, please provide the BCR for this project</p>	
	<p>3.70</p>
<p>C14. Does your proposal deliver strong non-monetised benefits? Please set out what these are and evidence them.</p>	<p>The cycle network intervention will enhance the sustainability and 'green' credentials of Yarm and surrounding areas, providing a notable contribution to net zero targets and the decarbonisation process. By linking key high streets and visitor attractions across the wider South Stockton area, the cycle network also acts as a key conduit for accessible travel between the areas primary social and community assets, allowing these assets to realise their full potential.</p>
<p><b>C15. Deliverability</b>                  Deliverability is one of the key criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.</p>	
<p><b>C16. The Bid – demonstrating investment or ability to begin delivery on the ground in 2021-22</b></p> <p>As stated in the prospectus UKG seeks for the first round of the funding that priority will be given to bids that can demonstrate investment and ability to deliver on the ground in 2021-22</p>	
<p>C17. Does this project includes plans for some LUF expenditure in 2021-22?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>C18. Could this project be delivered as a standalone project or do it require to be part of the overall bid?</p>	<p><input checked="" type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p>
<p>C19. Please provide evidence</p>	<p>As can be seen from the site location at Appendix C, whilst the site is in close proximity to other locations it can be delivered standalone as there are no interdependencies between this and</p>



	other elements of the package that would prevent delivery
C20. Can you demonstrate ability to deliver on the ground in 2021-22.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
C21. Please provide evidence	As shown in programme in Appendix D. Detailed design work and intrusive ground and survey work to be undertaken throughout Q3 and 4 2021/22
<b>Statutory Powers and Consents</b>	
C22. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.	None
C23. Please list separately any <u>outstanding</u> statutory powers / consents etc, including the timetable for obtaining them.	Planning Permission Feb 2022

**ANNEX D - Check List Great Britain Local Authorities**

Questions	Y/N	Comments
<b>4.1a Member of Parliament support</b>		
MPs have the option of providing formal written support for one bid which they see as a priority. Have you appended a letter from the MP to support this case?	Y	
<b>Part 4.2 Stakeholder Engagement and Support</b>		
Where the bidding local authority does not have responsibility for the delivery of projects, have you appended a letter from the responsible authority or body confirming their support?		N/A
<b>Part 4.3 The Case for Investment</b>		
For Transport Bids: Have you provided an Option Assessment Report (OAR)		
<b>Part 6.1 Financial</b>		
Have you appended copies of confirmed match funding?		N/A
The UKG may accept the provision of land from third parties as part of the local contribution towards scheme costs. Please provide evidence in the form of a letter from an independent valuer to verify the true market value of the land.  Have you appended a letter to support this case?		N/A
<b>Part 6.3 Management</b>		
Has a delivery plan been appended to your bid?	Y	
Has a letter relating to land acquisition been appended?		N/A
Have you attached a copy of your Risk Register?	Y	
<b>Annex A-C - Project description Summary (only required for package bid)</b>		
Have you appended a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.	Y	

### Annex E Checklist for Northern Ireland Bidding Entities

Questions	Y/N	Comments
<b>Part 1 Gateway Criteria</b>		
You have attached two years of audited accounts		
You have provided evidence of the delivery team having experience of delivering two capital projects of similar size and in the last five years		
<b>Part 4.2 Stakeholder Engagement and Support</b>		
For transport bids, have you appended a letter of support from the relevant district council		
<b>Part 6.1 Financial</b>		
Have you appended copies of confirmed match funding		
The UKG may accept the provision of land from third parties as part of the local contribution towards scheme costs. Please provide evidence in the form of a letter from an independent valuer to verify the true market value of the land.		
<b>Part 6.3 Management</b>		
Has a delivery plan been appended to your bid?		
Has a letter relating to land acquisition been appended?		
Have you attached a copy of your Risk Register?		
<b>Annex A-C - Project description Summary (only required for package bid)</b>		
Have you appended a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.		