



PROJECT DOCUMENTATION

BUSINESS CASE

Tiverton Key Sites

Release: Draft/Final
Date: 19th October 2011

PRINCE 2

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Client: MDDC

Document Number: 1

Business Case History

Document Location

This document is only valid on the day it was printed.

The source of the document will be found on the project's PC in location S:\CDR\CDU NEW SHARED DRIVE STRUCTURE\Ellen Economy\Tiverton development\TKS Project Management\Business Case.doc

Revision History

Date of this revision:

Date of Next revision:

Revision date	Previous revision date	Summary of Changes	Changes marked
		First issue	
17/11/11		version 1.2	

Approvals

This document requires the following approvals.

Signed approval forms are filed in the Management section of the project files.

Name	Signature	Title	Date of Issue	Version

Distribution

This document has been distributed to

Name	Title	Date of Issue	Version

Business Case

Purpose of Document

- The Business Case is used to say why the forecast effort and time will be worth the expenditure.
- To document the justification for the undertaking of a project based on the estimated cost of development and the anticipated business benefits to be gained.
- The on-going viability of the project will be monitored by the Project Board against the Business Case.

NB Keep document simple, use bullet points or numbers, use xls for building costs, ask for help as needed.

Reasons

Tiverton Key Sites is a project proposed to look at the development options for a number of MDDC owned sites in and around Tiverton town centre, in order to:

- **Maximise benefits to the local economy**
- **Meet community's vision for the town**
- **Maximise income from MDDC sites**
- **Meet wider strategic objectives**

MDDC has an adopted Local Development Framework. Within COR13 there is a focus on Tiverton as the district centre and main economic driver. More specifically there are plans for a housing extension of around 2,000 dwellings to be delivered by 2026, with up to 130,000 sqm of employment space included as part of this. Within COR13 there is an emphasis on the increased self-sufficiency of Tiverton, in particular around the retail offer, access to services, and provision of employment. COR 13 allows for an additional 3,900 sqm of comparison net retail floorspace.

COR13 states:

“The Council will guide high quality development and other investment to:

Manage the town centre so that economic success and heritage reinforce each other, promoting new homes, shops, leisure, offices and other key town centre uses which contribute to vitality and viability, including an additional 3,900 square metres of comparison net retail floorspace by 2016 in accordance with the sequential and other PPS6 retail policy considerations.”

Progress is being made in terms of the housing extension delivery.

However, a more targeted approach is required to ensure that Tiverton town centre develops to provide economic success and ensure Tiverton becomes more self-sufficient; in the current

economic climate key developments are unlikely to occur spontaneously in response to market forces.

There are some key sites within Tiverton town centre owned by the Council. MDDC is in a position to influence the development of these key sites, and potentially to enable the extraction of values from some sites to enable the development of Tiverton as a whole.

MDDC has both a responsibility and a role in ensuring the delivery of these sites. It is the planning authority, it owns property assets in the town, and it provides services from sites within the town. MDDC also has a corporate priority to improve the economic prosperity of the district, and the development and growth of Tiverton plays an important role in this.

Options

The options to deliver this project include:

- i. Do not progress project
- ii. Market the sites in the context of their allocations within the LDF
- iii. Use internal resource to establish the development options for the sites in question and assess deliverability
- iv. Use external resource to establish the development options for the sites in question and assess deliverability

In terms of the options:

- i. MDDC has a corporate priority to improve the economic prosperity of the district, and coupled with COR13 in the LDF there is a strong desire to enable the economic success of Tiverton town centre.
- ii. Whilst this may deliver suitable developments on some sites and generate some capital receipt for MDDC, this option is unlikely to lead to the best use of all the sites in order to deliver against the LDF (COR13) and the town's vision.
- iii. Internal discussion at Chief Executive/SMT level concluded that the skill set did not exist within MDDC
- iv. This is the preferred option, because it is the most likely way of establishing the development options and deliverability of the key sites in the most comprehensive, robust, and timely way.

Benefits

The benefits of the project as a whole include:

- i. Properly understanding the needs of Tiverton and reaching an agreed vision for the future development of the town
- ii. Properly understanding the viable development options for the key sites

- iii. Potential to deliver what the town really needs in the right locations
- iv. Potential generation of capital receipts for MDDC
- v. Overall, moving towards ensuring Tiverton is a vibrant and sustainable market town.

Benefits i. and ii. can be measured by the fact of their delivery, but will need to be assessed as to their quality i.e. are they at least fit for purpose. Benefits iii. – v. really fall outside the scope of this project although they will cascade from it.

There are some key stages in order to get to the point of site development; essentially 3 phases:

- Evidence gathering to inform an outline vision and preferred development option for each site
- Site evaluations with indicative development appraisals
- Site specific masterplanning work, such as site development briefs, and ultimate delivery/disposal

This project will focus on the initial evidence gathering stage, and then based on the initial findings and visions develop the project further as appropriate.

The first stage will include

- Gathering key evidence, which will include:
 - a market commentary from a commercial agent in order to assess the likely demand for any uses for the key sites. It is hoped that such topline advice can be obtained at no cost.
- Agreement of site visions includes outsourced advice,

The project is ultimately aiming to establish the realistic development options for these sites, by evaluating what options are viable and therefore deliverable. Ultimately more site-specific delivery focused projects are likely to cascade from this original project.

Risks

Of not doing the project:

- The town centre receives no investment and the economic health of Tiverton deteriorates, particularly as other centres undertake regeneration/development initiatives to improve their retail/local economies.
- The economic health of Tiverton deteriorates, particularly as other centres undertake regeneration/development initiatives to improve their local economies
- Employers are not attracted to Tiverton and its environs as the town is not perceived to be attractive or vibrant as a location

Of undertaking the project:

- The delivery viability of the key sites is currently unknown, therefore the main risk is that there may be few viable options for the key sites, or few viable options that the community as a whole needs or wants, and therefore the overall aim of the project (to improve Tiverton's economic success) will not be met.
- The public at large may not understand or support the project; therefore there is political risk

Cost

The following are indicative costs for the project

Tiverton Key Sites	FINANCIAL YEARS					Final Total Cost	Funding
	11/12 Year 1	12/13 Year 2	13/14 Year 3	14/15 Year 4	15/16 Year 5		
Consultation – re needs, vision and options	In house					1,000	Project management - 2 days/wk Av 1-2 days/wk - from a variety of other services, eg finance, legal, estates, planning etc.
Legal – costs to obtain title info etc	In house?					1,000	
Initial agents brief	£0					0.00	
Site specific evaluation and masterplanning		Budget for £100,000?				100,000	
Annual Maintenance						0.00	
Resource/People						0.00	
Implementation						0.00	
Data migration/Data input						0.00	
Services						0.00	
Equipment						0.00	
Equipment Maintenance						0.00	
Training						0.00	
Totals	£0	£100,000	0.00	0.00	0.00	£100,000	

Timescales

The initial phase of this project, the evidence gathering and commercial advice, is likely to take 3-6 months.

Undertaking the subsequent stages of detailed site specific evaluations and masterplanning as required are likely to take 1-2 years depending on the priorities pursued once the evidence has been assessed.

This timescale also depends on the human resourcing provided by MDDC, particularly to the project management role.

This project will involve a wide range of officers across MDDC. The project delivery team is likely to involve:

- Economic regeneration resource/project management (currently EV, but successor needs to be identified)
 - Lead officer for regeneration and community development – John Bodley Scott
 - Head of planning, or key development management planner – Jonathon Guscott/Jenny Clifford
 - Lead officer for assets/estates – Steve Densham
 - Legal resource – to be identified
 - Communications lead officer – to be identified
 - DCC – Highways officer
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Investment Appraisal

The initial phase of this project, the evidence gathering and commercial advice, is expected to be undertaken at no cost, but by utilising in-house resources.

The costs of subsequent stages of detailed site specific evaluations/masterplanning are difficult to estimate as they depend on the evidence and advice and the visions for the sites. However, it may be prudent for MDDC to plan for provision of a budget of £100K to progress key sites. Such a decision can be confirmed once the findings from the initial stage have been analysed.

There may be no direct return on investment (ROI); this depends on the outcomes as above.