

CAPITAL INVESTMENT BUSINESS CASE

Plymouth's Natural Grid



EXECUTIVE SUMMARY

The Executive Summary is a short summary of the Business Case and should be the last section you complete, this will enable you to extract or only the key facts from relevant sections i.e. 'project on a page'. The summary is a 'snapshot' of the business case which will need to tell the story and sell the proposal.

- PCC project value of £0.755m over 19 months by March 2023 (Project partner funding equals £0.687m)
- Project cost covered by £1.221m Green Recovery Challenge Fund and £0.176m match funding from existing capital schemes in capital programme.
- The funding required provides 3 new FTE in Environmental Planning division (fixed term for duration of project) and cohort of 10 Kickstarter placements and 2 apprentices as part of project team. In addition project partners are recruiting 7 FTE as part of the project team.

Key outcomes and benefits of the proposal are:

Plymouth's Natural Grid aims to catalyse an urban nature renaissance that supports economic prosperity and addresses social inequalities. The project will springboard the city's recovery through a programme of work across a grid of nature-protected and connected sites by:

- improving 390ha of land for people and wildlife, including rewilding and nature conservation/restoration, access and interpretation
- providing 22 new jobs including apprenticeships and Kickstart placements, focusing on young people not in employment, education or training
- supporting short-term accredited learning opportunities for 95 young people
- providing 4 on-site nature engagement weeks in our more deprived urban areas, connecting 1000 people with nature on their doorstep, and raising awareness of learning and employment opportunities.

Key risks are:

- Project set up has short timescales. Joint recruitment process underway with project partners.
- Meeting project objectives in short timescales.
- Covid-19 (or other unforeseen event) delaying project delivery

SECTION I: PROJECT DETAIL

Project Value (indicate capital or revenue)	£755,554	Contingency (show as £ and % of project value)	£10,500 (6% of capital costs)
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	(Capital and Revenue) (Grant & Approved Match funding)		
Programme	Natural Infrastructure	Directorate	Place
Portfolio Holder	Patrick Nicholson	Service Director	Paul Barnard (Strategic Planning & Infrastructure)
Senior Responsible Officer (client)	Kat Deeney	Project Manager	Chris Avent
Address and Post Code	Citywide	Ward	Citywide
Current Situation: <i>(Provide a brief, concise paragraph outlining the current situation and explain the current business need, problem, opportunity or change of circumstances that needs to be resolved)</i>			
PCC currently underinvests in its core nature sites threatening biodiversity value which has impacts for wildlife and human communities. Environmental Planning and SSW have been working collaboratively with partners National Trust and Real Ideas to find solutions to this and have been successful in a joint bid to the Green Recovery Challenge Fund for £1.221m. This business case sets out where PCC's proportion of that grant funding will be spent.			
Proposal: <i>(Provide a brief, concise paragraph outlining your scheme and explain how the business proposal will address the current situation above or take advantage of the business opportunity) and (What would happen if we didn't proceed with this scheme?)</i>			
<p>A partnership between Plymouth City Council, The National Trust and Real Ideas Organisation, the Natural Grid is a proposal for funding from the Green Recovery Challenge Round 2. It aims to deliver a cross-city nature restoration and enhancement project, connecting wildlife sites from inner city to wider landscape – aligning with the Lawton principles 'bigger, better and more joined up', supporting access to natural spaces and climate proofing and employment in the sector.</p> <p>We submitted the £1.2m bid in May and have now been informed that we have been successful in the application with permission to start granted in September 2021 and the project and funding running until the end March 2023.</p> <p>Aims of Plymouth's Natural Grid</p> <p>Plymouth's Natural Grid aims to catalyse an urban nature renaissance that supports economic prosperity and addresses social inequalities. The project will springboard the city's recovery through a programme of work across a grid of nature-protected and connected sites by:</p> <ul style="list-style-type: none"> • improving 390ha of land for people and wildlife, including rewilding and nature conservation/restoration, access and interpretation • providing 22 new jobs including apprenticeships and Kickstart placements, focusing on young people not in employment, education or training • supporting short-term accredited learning opportunities for 95 young people • providing 4 on-site nature engagement weeks in our more deprived urban areas, connecting 1000 people with nature on their doorstep, and raising awareness of learning and employment opportunities. <p>The Natural Grid (NG) proposal has been informed by evidence gathered in the Plymouth Open Space Assessment 2017 and is part of the city's wider strategy to ensure high quality wildlife-rich space for all our residents that deliver vital natural services –</p>			

embedded in our Climate Emergency Response, Joint Local Plan and Covid Recovery Plan. Our ambition can be seen [here](#).

Why is this your preferred option: (Provide a brief explanation why this option is preferred) **and** (Explain why this is a good capital investment and how this would be an advantage for the Council) **and** (explain how the preferred option is the right balance between the risks and benefits identified below).

This is the option that has been funded.

Option Analysis: (Provide an analysis of 'other' options which were considered and discounted, the options considered must be a 'do Nothing' and 'do minimum' and 'viable alternative' options. A SWOT – Strength, Benefit, Opportunity, Threat analysis could be attached as an appendix).

Do Nothing Option

List Benefits: None

List Risk / Issues: Loss of funding

Cost: £0

Why did you discount this option Loss of £1.221 funding for the city

Do Minimum Option

List Benefits:

List Risk / Issues:

Cost:

Why did you discount this option Not an option

Viable Alternative Option

List Benefits:

List Risk / Issues:

Cost:

Why did you discount this option There are no other viable options to deliver this project

Strategic Case:

Which Corporate Plan priorities does this project deliver?

- a green sustainable city that cares about the environment
- a clean and tidy city
- reduced health inequalities

Explain how the project delivers or supports delivery of Joint Local Plan/Plymouth Plan Policies (include policy references)

Joint Local Plan

- DEV026 Protecting and enhancing biodiversity and geological conservation,
- DEV027 Green and play spaces
- DEV028 Trees, woodlands and hedgerows

Plymouth Plan

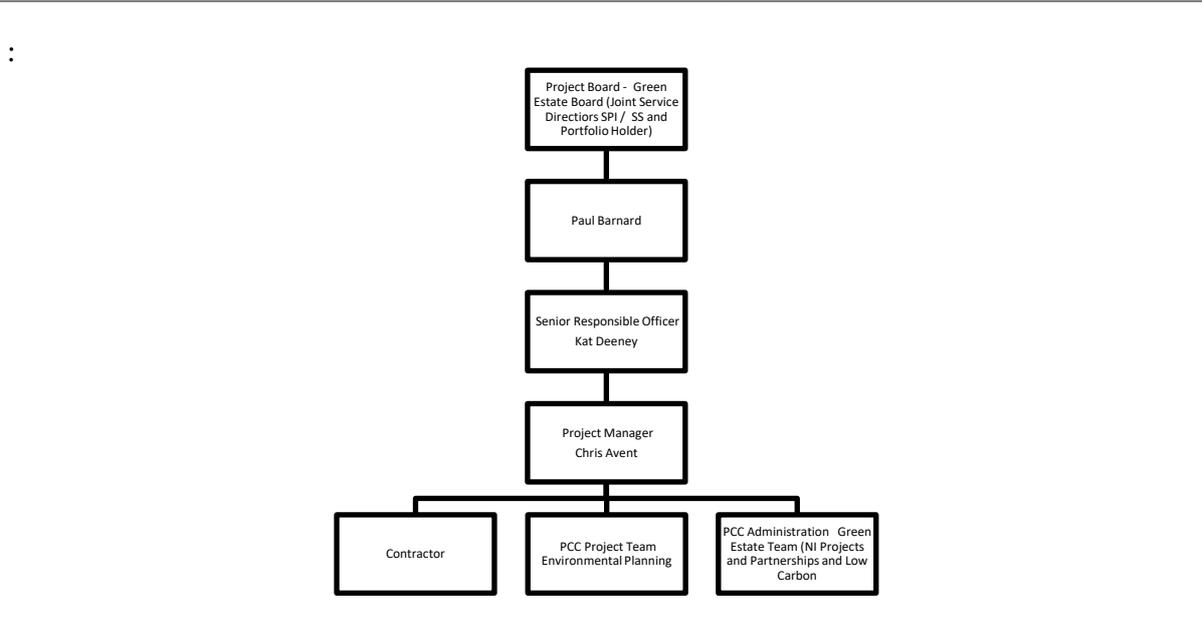
- SO1 – Delivering a healthy city

	<ul style="list-style-type: none"> • HEA7 - Optimising the health and wellbeing benefits of the natural environment • INT6 - Enhancing Plymouth's 'green city' credentials
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Project Scope: *(To avoid scope creep and cost escalation it is important to have an agreed scope of what the project will and will not deliver. List below what is included and not included in the project 'budget'. Projects should be delivered within scope and budget, but should project change happen then the business case requires revisiting, updating and re-approval)*

In Scope	Out of Scope
Costs for delivering habitat enhancements to 10 sites across Plymouth <ul style="list-style-type: none"> • Ernesettle Creek • Budshead Wood LNR • Woodland Wood LNR • Cann Wood LNR • Seaton Valley LNR • Bircham Valley LNR • Forder Valley LNR • Efford Marsh LNR • Blagdon's Meadow CWS • Plym Estuary CWS 	Costs for delivering enhancements to other sites in Plymouth

Project Governance : *How the project delivery is structured (amend example chart as appropriate)*
High Risk Projects will require a Project Board Chaired by Portfolio Holder
Low Risk Projects will require a structured Project Team reporting to Portfolio Holder



Milestones and Date:		
Contract Award Date	Start On Site Date	Completion Date
Sept 2021	November 2021	March 2023

Who are the key customers and Stakeholders	Council Staff & Members City residents Businesses Young people	Which Partners are you working with	Internal partners – SSW External – National Trust, Real Ideas
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SECTION 2: PROJECT RISK, OUTCOMES AND BENEFITS

Risk Register: The Risk Register/Risk Log is a master document created during the early stages of a project. It includes information about each identified risk, level of risk, who owns it and what measures are in place to mitigate the risks (cut and paste more boxes if required).

Potential Risks Identified		Likelihood	Impact	Overall Rating
Risk	Non delivery against objectives n short term project leading to default on funding	Low	Medium	Medium
Mitigation	Suitable project governance, monitoring and reporting and risk register	Low	Medium	Low
Calculated risk value in £ (Extent of financial risk)	£169k	Risk Owner	Chris Avent	
Risk	Staff capacity to deliver – short project time scales so quick recruitment essential	Medium	High	Medium
Mitigation	Early engagement with HROD and recruitment and begin recruitment process – now complete	Low	Medium	Low
Calculated risk value in £ (Extent of financial risk)	£20k	Risk Owner	Chris Avent	
Risk	Covid-19 (or other unforeseen event) delaying project delivery	Medium	Medium	Medium
Mitigation	Covid-19 RA in place to manage risks	Low	Medium	Medium
Calculated risk value in £ (Extent of financial risk)	£100k	Risk Owner	Chris Avent	

Outcomes and Benefits

List the outcomes and benefits expected from this project.

(An **outcome** is the result of the change derived from using the project's deliverables. This section should describe the anticipated outcome)

(A **benefit** is the measurable improvement resulting from an outcome that is perceived as an advantage. Benefits are the expected value to be delivered by the project, measurable whenever possible)

Financial outcomes and benefits:	Non-financial outcomes and benefits:
<ul style="list-style-type: none"> £4.6 million p.a. in benefits to the city through carbon sequestration, pollution removal and avoided run-off (flood risk alleviation) of existing tree stock. providing 22 new jobs including apprenticeships and Kickstart placements, focusing on young people not in employment, education or training 	<ul style="list-style-type: none"> improving 390ha of land for people and wildlife, including rewilding and nature conservation/restoration, access and interpretation supporting short-term accredited learning opportunities for 95 young people providing 4 on-site nature engagement weeks in our more deprived urban areas, connecting 1000 people with nature on their doorstep, and raising awareness of

	learning and employment opportunities.
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SECTION 3: CONSULTATION

Does this business case need to go to CMT	No	Date business case approved by CMT (if required)	NA
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Have you engaged with Planning Department. <i>(If no, please state the reason)</i>		No
If yes, summarise the planning requirements. <i>(If PP is required ensure you engage with planning prior to seeking approval of this Business Case)</i>	None required	
Is the budget cost reflective of planning requirements	NA	
Who is the Planning Officer you consulted with.	NA	
Planning Consent Date	NA	

Have you engaged with Building Control. <i>(If no, please state the reason)</i>		No
Is the Building Control pre-application registered	No	
What is the pre-application number	NA	
Is this classed as a HRRB building	No	
Is this building classed as 'high risk'	No	
Who is the Building Control Case Officer	Choose an item.	

Low Carbon	
What is the anticipated impact of the proposal on carbon emissions	The project's objectives focus on delivering habitat improvements including the planting of 3,675 trees which ensure we retain and enhance the existing tree stock which currently removes 4,291 tonnes of carbon from the atmosphere per year
How does it contribute to the Council becoming Carbon neutral by 2030	In addition to above, more tree planting and carbon sequestration will maintain and add to the current levels which sequester 152,783 tonnes of carbon and help to balance PCC's carbon budget

Have you engaged with Procurement Service.		Yes
Procurement route options considered for goods, services or works	All procurement requirements are low cost so will follow standard less than £25k procurement routes	

Procurements Recommended route.	As above
Who is your Procurement Lead.	Paul Williams

Which Members have you engaged with and how have they been consulted <i>(including the Leader, Portfolio Holders and Ward Members)</i>	Councillor Nicholson – portfolio holder briefing
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Confirm you have taken necessary Legal advice, is this proposal State Aid compliant, if yes please explain why.	Business case reviewed by Legal team
Who is your Legal advisor you have consulted with.	Mo Sajjad

Equalities Impact Assessment completed <i>(This is a working document which should inform the project throughout its development. The final version will need to be submitted with your Executive Decision)</i>	Yes
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SECTION 4: FINANCIAL ASSESSMENT

FINANCIAL ASSESSMENT: *In this section the robustness of the proposals should be set out in financial terms. The Project Manager will need to work closely with the capital and revenue finance teams to ensure that these sections demonstrate the affordability of the proposals to the Council as a whole.*

CAPITAL COSTS AND FINANCING

Breakdown of project costs including fees surveys and contingency	Prev. Yr. £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m	25/26 £m	Future Yrs. £m	Total £m
Materials	0	0.02	0.112	0	0	0	0	0.132
Labour and associated costs	0	0	0.032	0	0	0	0	0.032
Contingency	0	0.005	0	0	0	0	0	0.005
	0	0	0	0	0	0	0	0
Total capital spend	0	0.025	0.144	0	0	0	0	0.169

Provide details of proposed funding: *Funding to match with Project Value*

Breakdown of proposed funding	Prev. Yr. £m	21/22 £m	22/23 £m	23/24 £m	24/25 £m	25/26 £m	Future Yrs. £m	Total £m
Green Recovery Challenge Fund Grant	0	0.025	0.144		0	0	0	0.169

Total funding	0	0.025	0.144	0	0	0	0	0.169
S106 or CIL (Provide Planning App or site numbers)	None required							
Which alternative external funding sources been explored (Provide evidence)	To attract the funding we have used match funding from existing funds in the capital programme – Forder Valley Link Road off-site mitigation and TCF Derriford Community Park							
Are there any bidding constraints and/or any restrictions or conditions attached to your funding	Funding is time limited until end March 2023							
Tax and VAT implications	The project will not directly generate any significant amounts of VAT-exempt income for the Council. The proposals relate to the improvements to green space for the community to enjoy and use free of charge, and this is a non-business activity of the Council. Any VAT incurred by the Council, therefore, on costs relating to the purchase of the materials will be fully recoverable and there will be no adverse impact on the Council's partial exemption position.							
Tax and VAT reviewed by	Sarah Scott							
Will this project deliver capital receipts? (If so please provide details)	No.							
Schemes in excess of £0.5m should be supported by a Cost Benefit Analysis. Calculations undertaken should be attached as an appendix to support financial implications shown below. Please contact your revenue accountant for assistance with this section.								
Is the capital ask greater than £0.5m	No	If the answer is yes, have you attached the Cost Benefit Analysis					NA	

REVENUE COSTS AND IMPLICATIONS

Cost of Developing the Capital Project (To be incurred at risk to Service area)

Total Cost of developing the project	£0
Revenue cost code for the development costs	NA
Revenue costs incurred for developing the project are to be included in the capital total, some of the expenditure could be capitalised if it meets the criteria	NA – development completed
Budget Managers Name	NA

Ongoing Revenue Implications for Service Area

	Pre v. Yr.	21/22 £	22/23 £	23/24 £	24/25 £	25/26 £	Future Yrs.
Service area revenue cost							
Loan repayment <i>(terms agreed with Treasury Management)</i>		0	0	0	0	0	0
Other (eg: maintenance, utilities, etc)		0.187	0.377	0.075	0.075	0.075	0.075
Total Revenue Cost (A)		0.187	0.377	0.075	0.075	0.075	0.075
Service area revenue benefits/savings							
Annual revenue income (eg: rents, etc)		0.187	0.377	0.105	0.105	0.105	0.105
Total Revenue Income (B)		0.187	0.377	0.105	0.105	0.105	0.105
Service area net (benefit) cost (B-A)		0	0	(0.03)	(0.03)	(0.03)	(0.03)
Has the revenue cost been budgeted for or would this make a revenue pressure	Costs for 21/22 & 22/23 are covered by Green Recovery Challenge Fund grant. The delivery of this project combines with the proposed creation of a habitat bank fund (detailed in separate Business Case to follow later this year) which would likely cover costs of ongoing maintenance of these sites and provide additional income through generation of Biodiversity Credits which are valued at £11,000 each.						
Which cost centre would the revenue pressure be shown	2114		Has this been reviewed by the budget manager			Y	
Name of budget manager	Chris Avent						
Loan value	£0m	Interest Rate	NA	Term Years	NA	Annual Repayment	£0
Revenue code for annual repayments	NA						
Service area or corporate borrowing	NA						
Revenue implications reviewed by	Emma White						

SECTION 5: MONITORING PERFORMANCE & POST PROJECT REVIEW

To conclude, the purpose of a business case is to outline the business rationale for undertaking a project and to provide a means to continually assess and evaluate project progress throughout delivery. It is the

responsibility of the project manager to ensure the project remains on time and within budget during delivery and to monitor the project throughout and provide a Post Project Review on completion.

Investment Team Monitoring:

The Investment Team are required to report on completed projects and what they have achieved. To do this information will need to be captured during delivery and on completion of the project from your Post Project Review including:

Did the project deliver the intended outcomes and benefits as stated in the business case.

Which company was the contract awarded, is this a local company.

How many jobs did this project provide.

How much income from Council Tax and NHB will be collected.

How has the carbon omissions been mitigated and how much did this cost

Was the project delivered on time and on budget (including contingency)

Finance Monitoring :

It is essential for Capital Finance Team to monitor the financial element of projects during delivery for reporting purposes. Monthly spend profiles against budget, matching with finance profiles will be collected monthly during delivery and on completion of the project.

Version Control: (The version control table must be updated and signed off each time a change is made to the document to provide an audit trail for the revision and update of draft and final versions)

Author of Business Case	Date	Document Version	Reviewed By	Date
Chris Avent	06/10/2021	v 1.0	Ruth Didymus, Emma White, Mo Sajjad	11/11/2021
Chris Avent	15/11/2021	v 2.0		00/00/2020
	00/00/2020	v 3.0		00/00/2020

SECTION 6: RECOMMENDATION AND ENDORSEMENT

Recommended Decision

It is recommended that the Leader

- Approves the Business Case
- Allocates £168,725 to the Capital Programme, to be funded by external funding secured from Green Recovery Challenge Fund

[Patrick Nicholson, Strategic Planning & Infrastructure]		Paul Barnard, Service Director	
Either email dated:	15/12/21	Either email dated:	16/11/21
Or signed:		Signed:	
Date:		Date:	
		Service Director	
		[Name, department]	
Either email dated:		date	
		Signed:	
		Date:	