

Application for Coast to Capital LEP Feasibility Fund

Coast to Capital has launched a Feasibility Fund to support feasibility studies from organisations that are unable to fund the upfront investment to develop projects to a business case proposition. Applications will be required to outline how the project they are looking to develop the business case for will deliver economic growth and investment, and address the priorities of Coast to Capital and its Strategic Economic Plan.

The total amount of funding available is £750,000.

The following criteria will apply:

- The project seeking feasibility funds must be in the Coast to Capital area
- The fund is open to public, private and voluntary sector applicants
- The maximum amount of funding available to applicants for feasibility is £75,000
- The expenditure must be able to be capitalised and projects can only do this if, ultimately, the proposed project goes ahead and assets are thus created. By accepting funding, delivery bodies are acknowledging that unless projects proceed within a two year timescale, with funding being capitalised accordingly, then the original sum will have to be returned. By proceed we mean that works on site should have commenced.

Application Process

An open call will be launched on the Coast to Capital website on 2nd December 2016. Applicants will be required to complete a simple application form available from the Coast to Capital website. The application form must be submitted electronically to localgrowthfund@coast2cpital.org.uk by 5pm on 6th January 2017. Applications will be acknowledged within 24 hours.

If your application is successful you will be required to enter into a contractual agreement with Coast to Capital and West Sussex County Council, as the Accountable Body for this fund.

Project Name	Project LEAP – the Lido E xtended A ctivities P lan		
Delivery Body	Arundel & Downland Community Leisure Trust (ACT) <i>(a Registered Charity and Company Limited by Guarantee)</i> also known locally as "Arundel Lido"		
Main Contact Person	David Wood CBE, Trust Chairman		
Contact Email	david.wood@arundel-lido.com	Telephone	01903 884772 or 07881 687694

Feasibility Costs	£100,000	LEP Funding Sought (£)	£25,000
Total Proposed Investment	£1.92m		

Feasibility Start	Feasibility Completion	Project Start	Project Completion
<i>date from which feasibility expenditure will be incurred</i>	<i>date by which feasibility costs will have been spent</i>	<i>date on which the main project is forecast to start</i>	<i>the date by which the main project will be constructed/implemented</i>
March 2017	October 2017	August 2018	May 2020

2020

Funding Summary (Feasibility Costs Only)				
	LEP Funding (a)	Public Match Funding (b) –	Private Match Funding (c)	Totals (d)
Insert cost	£25,000	£25,000 Arun District Council	£25,000 Arundel and Downland Community Leisure Trust	£75,000
Insert cost		£25,000 Arundel Town Council		£25,000
Totals	£25,000	£50,000	£25,000	£100,000

1. Deliverability

1.1 Please describe the project that is being considered for development/implementation. What is the total level of investment proposed in the project if it progresses?

The Arundel & Downland Community Leisure Trust (ACT) plans a major extension of the facilities at Arundel Lido, a Project which we have entitled LEAP (the Lido Extended Activities Plan). Our intention is to develop the facilities so that the site is open all-year-round (rather than 4 months a year at present) and the Swimming Season is extended to at least six months a year (rather than 4 months at present).

The plan is to construct a large multi-functional building comprising:

- 1) A Wellbeing Centre with a Gymnasium and large Multi-Purpose Hall(s) suitable for exercise classes, educational classes and all sorts of other community activities;
- 2) An indoor Café, where local people can come together and socialise; and
- 3) Heated indoor changing rooms with showers, toilets and lockers, thus enabling the extension of the Swimming Season.

The total level of investment is estimated at £1.92m, excluding the £100,000 required to achieve Planning Consent.

(Both of these figures exclude the £7,500 which the Trust has itself already invested in the Project.)

It should be noted that the plan to enhance and extend Arundel Lido is supported both by Arun District Council (in its published Leisure Strategy) and by Arundel Town Council (in its approved Neighbourhood Plan).

1.2 What research or evidence has been undertaken to demonstrate the need, demand or impact of this project? How has this work been financed? Please attach or provide links to completed studies where available.

Following initial consultation with local people, as to the sort of facilities lacking in the local area, we launched a full-scale Community Survey to determine how many people would actually intend to use the facilities proposed.

In November/December 2015, a questionnaire was delivered to all 1,800 households in Arundel and also some in the nearby villages. We had a good return rate, which included 450 from Arundel itself (a return rate of 25%, which is remarkably high for this kind of survey).

The returned questionnaires clearly proved both the need and the demand for the facilities we were proposing. A majority of respondents confirmed their commitment to use each of the new facilities proposed.

A study of similar facilities within a 12-mile radius was also conducted, in order to establish the level of fees, the hours of opening and the range of activities we would need to provide in order to be competitive.

In March 2016, we produced an Outline Business Case for the ongoing operation of an enhanced and extended Arundel Lido. This included costings for new equipment, appropriate staffing and ongoing maintenance. This Outline Business Case has been vetted by a number of leisure industry experts and has been declared sound and robust.

However, we cannot establish the practical feasibility of the Project until we have obtained Planning Consent for the new building, which will be situated in a sensitive position, within the South Downs National Park and within view of Arundel Castle.

Having taken Pre-Application Planning Advice from the South Downs National Park Authority, with whom we are maintaining contact, we invited seven architects to submit proposals for undertaking Design Feasibility Studies. Five Architects responded and, following tender evaluation, we contracted three of these to undertake individual Design Feasibility Studies.

We subsequently selected the design approach put forward by Adam Richards (whose company is London-based, but who himself lives in Petworth, West Sussex, and thus knows the cultural sensitivities in historic Arundel). Adam also provided us with the estimated costs of implementing Project LEAP and, most particularly, the estimated costs of achieving Planning Consent.

We have had a permanent display of our plans on view to the public at Arundel Lido since August 2016. As a consequence, we have received numerous letters of support, not only from local individuals, but also our local councillors (at County, District and Town levels), our local schools, youth groups, exercise groups, various other community groups and even our local GPs (who are very interested in a GP Referrals scheme).

The Board of Trustees has committed to funding £25,000 of the estimated costs of £100,000 needed to achieve Planning Consent and we have received the commitment of a further £25,000 from Arun District Council (via the Joint Downland Area Committee) and a recommendation for a further £25,000 from Arundel Town Council. All of this leaves us just £25,000 short of the £100,000 we need to take us forward to Planning Consent and thereby establish the practical feasibility of Project LEAP.

Our Project Progress Report (Version 3) is attached with this Application. It provides more background and details the position of Project LEAP as at 31 December 2016.

Financing of work thus far

Most of the work to date has been undertaken by a group of Trustees who have practical experience in a number of disciplines, including Project Management, Public Relations and Procurement. Since all Trustees are volunteers, there has been no charge for this work (which, at consultancy rates, could well have cost some £50,000).

However, work costing some £7,500 has been commissioned externally, including:

- 1) A topographical survey of the Lido site and adjacent car park;
- 2) 3 x architects' Feasibility Design Studies;
- 3) Some fundraising advice

1.3 What remaining work is required to determine whether the project will proceed or not?

We need a further £25,000 to take Project LEAP forward to Planning Consent and thereby establish its practical feasibility.

2. Project Need

2.1 Why is the project needed in the Coast to Capital area?

In the context of the *Coast to Capital Local Growth Fund* the objectives of Project LEAP are to:

- 1) Extend business opportunities for Arundel Lido;
- 2) Invest in new jobs for the economic benefit of the local community;
- 3) Attract more visitors to Arundel, thus bringing increased business to other traders in the Town; and
- 4) Provide increased and improved health and wellbeing facilities for the local community, including the local workforce.

In response to these objectives:

- 1) The Lido is currently a very popular venue during the Summer months, but is weather-dependent. It makes sound financial sense to extend the business by providing indoor facilities which can be used all-year-round.
- 2) The Lido currently employs 1 permanent full-time Manager and, during its 4-month Summer Season, up to 30 part-time casual Lifeguards and Kiosk Assistants. With the new building, it is planned to employ a total of 12 permanent full-time staff, and part-time casual employment for Lifeguards and Kiosk Assistants will be extended from 4 to at least 6 months each year.

The intention is to recruit staff locally, thus bringing additional employment opportunities for the local community.

We shall also be offering internships and apprenticeships to young people.

- 3) The extended services will be an added tourist attraction, bringing more visitors to the Town. This will benefit the wider local economy since many of the visitors to the Lido also use the services of other local traders whilst in the Town. We shall also look to establish "package deals" with other local tourist attractions
- 4) Our Community Survey has confirmed both the need and the demand for the proposed facilities. In a rural community, the need to bring people together and improve their health and wellbeing is now well-recognised. Furthermore, our "Early Bird" and "Night Owl" sessions should be of considerable benefit to Arundel's workforce. We shall also be looking to do health and well-being "package deals" with other local businesses (with a view to keeping their workforces fit and healthy).

Note:

In July 2016, Arundel Lido was second in *The Times'* list of Britain's "Top 20" lidos. The improved facilities now planned should serve to increase Arundel Lido's attraction, to the mutual benefit of other traders the Town.

To further enhance the tourist appeal, we are in discussion with local hotels and guest houses (who do not have swimming pool or gym facilities), with a view to their offering our services to their guests and thereby boosting their profile and appeal.

2.2 Please explain how the project will contribute towards the Coast to Capital Strategic Economic Plan (SEP)?

Arundel is a small town in a rural environment and Project LEAP will contribute towards the Coast to Capital SEP most specifically by expanding a local business, creating additional jobs and developing employees' skills. It will also serve to improve the health and wellbeing of many workers in the local area.

Based on previous experience, we anticipate that we will generally attract younger people to our workforce. We intend to train and develop our staff in such a way that they will acquire skills and experience which will benefit them (and the economy) in the future. We shall also offer internships and apprenticeships, as appropriate.

We already have a local procurement policy and this will be applied, so far as is possible, to all aspects of the construction and fitting-out of the new building.

We have secured the services of a local (Petworth-based) architect and would hope to contract for other Project LEAP work within West Sussex.

Furthermore, once the new building is established, our facilities will be used by local service providers to deliver exercise classes, educational classes, wellbeing sessions, etc. This will be yet another benefit for the local economy. And local businesses will be offered the chance to improve the health and wellbeing of their staff via wellbeing "package deals".

2.3 Please explain what outputs are expected to be delivered from the project?

The anticipated outputs from Project LEAP are:

- 1) Expansion of the Arundel Lido business
- 2) 11 additional permanent full-time jobs
- 3) At least 2 months' extra seasonal employment each year for up to 30 casual staff
- 4) Opportunities for Internships & Apprenticeships
- 5) Additional work for providers who can deliver exercise classes, educational classes, wellbeing sessions, etc.
- 6) Economic benefits for other businesses in Arundel
- 7) Increased health and wellbeing for local people, including the local workforce

2.4 Why does the applicant/project team need a Feasibility Grant? What other options have been considered to progress the feasibility and delivery phase?

We are committed to the successful delivery of Project LEAP and the Trust has demonstrated this by investing £7,500 in the project so far and by committing a further £25,000 towards the Planning Stage.

However, we need an estimated total of £100,000 to take the Project through to Planning Consent. We have now secured £75,000 of this sum, but require a further £25,000 to enable us to instruct our Architect to proceed with the detailed work which will be needed to prepare detailed plans for submission to the Planning Authority. This work will involve not just the Architect, but Structural Engineers, Quantity Surveyors, Soil Specialists, etc.

We have investigated a number of potential sources for funding of this outstanding sum, but it has proved difficult to find a grant-maker who is willing to fund the feasibility stage of a project such as ours. However, given the benefits which Project LEAP offers the local economy, we believe that *Coast to Capital* is an appropriate source.

We have considered launching a Public Appeal for the £25,000 required, but have decided that this would be inappropriate at this stage. We believe that a Public Appeal (towards construction costs) will more appropriate after we have obtained Planning Consent.

3. Project Timeline and Milestones

What is the estimated timescale for delivery of the project, post completion of the feasibility phase? Please outline the following steps that have been, or will be, completed to progress delivery

Milestone	Forecast Date	Comments
Feasibility work completed	March 2016	This was the point at which we completed our initial Feasibility Study, having undertaken a Community Survey and a comparison with other local facilities, having produced an Outline Business Case (including Equipment and Staff Costs) and having obtained Pre-Application Planning Advice from the Planning Authority.
Initial scheme design complete	July 2016	This was the point at which we selected our Preferred Design Approach and established the estimated costs of: (1) work up to Planning and (2) the Construction Stage.
Detailed design completed	September 2017	Dependent on raising an estimated £100,000 for Architects, Structural Engineers, Quantity Surveyors, etc. by March 2017. (We have already secured £75,000 of this funding.)
Planning Permission submitted	September 2017	It is assumed that the Planning Process will take 2 months
Match funding secured	August 2018	2 months required to achieve Planning Permission, so now 9 months to secure the remainder of Match Funding (some of which will already have been secured)
Procurement process issued	August 2018	Procurement documentation will have been drawn up over the preceding year
Procurement contracts Awarded	November 2018	3 months has been allowed for the Procurement Process itself
Start of construction	February 2019	Gives 3 months for Contractor to "tool up" for the job
Completion of construction	May 2020	Construction (including fitting out) is currently estimated to take 15 months, but could be considerably shorter.
Start of activity	June 2020	Worst case scenario. Could be up to three months earlier.

4. Feasibility Costs

4.1 Please provide a detailed breakdown of the feasibility costs which you are seeking funding towards.

The Architect we have selected (Adam Richards) has provided the following estimates for Project LEAP:

Total Construction Cost: £1,402,500 (excluding Professional Fees)

Total Professional Fees = 20% of Construction Cost: £280,500

Professional Fees to Planning Consent = 30% of Total Professional Fees: £84,150

The above figures are all exclusive of VAT.

Therefore, the Total Funds we need to reach Planning Consent are estimated to be:

Professional Fees: £84,150

VAT: £16,830

Total: £100,980, say £100,000 (The Trust will finance the additional £980, if necessary)

Notes:

- 1) A copy of the Architect's letter, containing the above detail, is available on request.
- 2) The Total Professional Fees estimated by Adam Richards' closest competitor were somewhat higher than those quoted above.

4.3 How (and when) do you intend to finance the delivery phase of the project if it progresses beyond the feasibility phase?

We intend to apply to the *Coast to Capital Local Growth Fund* for up to 50% of the Construction Costs of £1.92m (made up of the Total Construction Cost (as above) of £1,402,500 plus the remaining Professional Fees of £196,350 plus VAT = £1,918,620.)

We intend to apply to a number of bodies, including those listed below, for Match Funding contributions:

- Sport England
- West Sussex County Council
- Arun District Council
- Arundel Town Council
- Power to Change
- The Peter Harrison Foundation
- The Hobson Charity
- LEADER
- The Garfield Weston Foundation
- EU-EAFRD – Rural Tourism Infrastructure
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We also intend to launch a Public Appeal for funding, to launch our own fundraising schemes and to register the Trust for Section 106 funding.

5. State Aid

5.1 Please provide an explanation of how the project and funding is State Aid compliant.

We believe that the answer to the key question "Does the assistance affect trade between Member States?" is "NO".

This belief is based primarily on EC Decision N258/2000, which related to a public swimming pool in Dorsten, Germany. We are a small local charity with users who come primarily from Arundel area.

6. Declaration

I declare that I have the authority to represent the **Arundel & Downland Community Leisure Trust** in making this application. I understand that acceptance of this Application does not in any way signify that the project is eligible for future Coast to Capital Local Enterprise Partnership support or that LEP Funds have been approved towards it.

On behalf of the **Arundel & Downland Community Leisure Trust** and having carried out full and proper due diligence, I confirm to Coast to Capital:

- The **Arundel & Downland Community Leisure Trust** has the legal authority to carry out the project; and
- That the information provided in this application is accurate.

I confirm to Coast to Capital that:

- I understand that should the project not commence within two years and by this we mean that works on site should have commenced, that the expenditure will not be capitalised and the original sum provided from this feasibility fund will be returned to Coast to Capital.
- I shall inform Coast to Capital if, prior to any LEP Funds being legally committed to the **Arundel & Downland Community Leisure Trust**, I become aware of any further information which might reasonably be considered as material to the LEP in deciding whether to fund the application.
- I am aware that if the information given in this application turns out to be false or misleading Coast to Capital may demand the repayment of funding and/or terminate a funding agreement pertaining to this Application.
- All relevant documents are retained with a view to providing relevant information in the event of an audit or other investigation

I am aware that if the **Arundel & Downland Community Leisure Trust** commences any project activity, or enters any legal contracts or makes any binding commitments, for which LEP funding is sought, that this expenditure is incurred at its own risk.

Signed: *David Wood* for and on behalf of the Applicant Organisation

Name: DAVID WOOD CBE

Date: 5th January 2017

7. Next Steps

Please email the completed version of this form by 5pm on 6th January 2017 to localgrowthfund@coast2capital.org.uk Your email will be acknowledged within 24 hours.