



SCARBOROUGH
BOROUGH COUNCIL

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**Business Case Approval Record for
Broomfields Farm Net Zero Living**

Summary Document Submission Date

24 March 2022

DOCUMENT CONTROL

Author	
Owner	Regeneration
Date	24/03/2022
Version	V2

DOCUMENT APPROVALS

		Date
Appraisal completed by		13/01/2022
Financial checks completed by		13/01/2022
Capital Working Group Assessment		13/01/2022
Regeneration Programme Delivery Board Decision		21/01/2022
AGREED:		
1. The Board accepts the Broomfields Farm Net Zero Living Business Case with the condition that: i) The project sponsor addressed the Subsidy Control advice received. This will form part of the conditions of the Grant Agreement		
2. The Board recommends that the council approves the submission on the Summary Document for the Broomfields Farm Net Zero Living		
Cabinet acceptance of RPDB recommendations and permission to submit Summary Documents		15/02/2022
Or ICM acceptance of RPDB recommendations and permission to submit Summary Documents		
Town Deal Board endorsement of Business Case		17/02/2022

SUBMISSION OF SUMMARY DOCUMENT

		Date
Town Deal Board Authorisation	Barry Harland	18/03/2022
	Chair	
SBC Authorisation	Nick Edwards	24/03/2022
	Section 151 officer	
Date of Submission		24/03/2022

Item 5

Whitby Town Deal Board - 17Feb 2022

Broomfield's Farm Net Zero Living Business Case Summary

1 PURPOSE OF THE REPORT

- 1.1 This report presents Business Case (BC) for Broomfield's Farm Net Zero Living (BFNZL) to the Whitby Town Deal Board. The Board should consider whether to support the acceptance of the BC and the submission of the Summary Document to the Department of Levelling Up, Homes and Communities

2 BACKGROUND

- 2.1 The BFNZL project has been developed by Keyland to deliver exemplar sustainable housing development in Whitby. The development will aim to deliver a net zero living housing development, which will not only deliver much needed housing but also an exceptional environmental sustainability standard with the community integrated into the heart of the scheme. Two development partners will work alongside Keyland to deliver the project – MCI/Keepmoat will construct and deliver the houses and Sanctuary Group will manage and maintain the properties.

3 PROJECT APPRAISAL

Summary of findings

- 3.1 The Business Case has been appraised by Scarborough Borough Council and has been accepted. Further work on subsidy control is continuing.
- 3.2 The Strategic Case presents a strong Case for Change and is based on the local need for housing, climate emergency and market failure for green technology. There is a widespread acceptance that the housing market is not delivering housing that is required to meet future climate change requirements. The BFNZL project will provide a prototype for the future of housing development in the country and will address current issues, providing better outcomes for climate change.
- 3.3 The project highlights its strategic fit with the Towns Fund, local, regional and national policies, with detail of how these align on a local level. The adopted local plan for Scarborough Borough Council sets a requirement for 450 new dwellings per annum to meet the needs of the district. This project is part of a wider site which is allocated in the adopted local plan to deliver up to 320 new homes.

- 3.4 The BFNZL project is aligned with local, national and regional policies including Scarborough Borough Council a better borough, Scarborough Borough Council Carbon Neutral 2030 Pledge and UK cleaner Growth Strategy.
- 3.5 The Economic case provides analysis of the quantitative and qualitative benefits of investing in the Broomfields eco-homes development in Whitby , it can be concluded that the preferred option for the project is good value for money and is expected to achieve several of the key qualitative factors considered by the Towns Fund.
- 3.6 MCI/Keepmoat will deliver the scheme and build the homes, these will then be transferred to Sanctuary for future management. The procurement strategy for the BFCZL project will follow the typical processes employed by Sanctuary and MCI/Keepmoat.
- 3.7 Subsidy control advice has been sought by the council and the business case states that the delivering bodies will work with the council to ensure that the project meets the requirements.
- 3.8 The business case demonstrates that there is an affordable scheme. The overall scheme costs is £12.6 million with the Towns Fund contribution as £2.6 million. Project match is secured and is made of:

Project Source	Amount
Homes England MMC Funding	£600,000
Homes England Affordable Housing Funding	£3,100,000
Sanctuary and MCI/Keepmoat Funding	£6,373,720

- 3.9 The proposed scheme will now be delivered by Sanctuary Group and MCI/Keepmoat, with overview and ongoing monitoring provided by Keyland Developments. A grant agreement will be entered into between Scarborough Borough Council and Sanctuary Group. External assurance and performance monitoring will be undertaken by Scarborough Borough Council.

4 RECOMMENDATIONS

- 4.1 The Board is requested to consider the BC for the Broomfields Farm Carbon Zero Living project and is recommended to:
 1. endorse the Business Case BC for the Broomfields Farm Carbon Zero Living project subject to the project sponsor addressing the following;
 - The project is compliant with subsidy controls.
 2. approve the preparation of the project Summary Document and final Monitoring & Evaluation Plan
 3. agree that the Chair signs the Summary Document on behalf of the Whitby Town Deal Board
 4. support the submission of the Summary Document to the Department for Levelling Up, Housing & Communities

5 ADDITIONAL INFORMATION

Broomfields Farm Net Zero Living Full Business Case



Sanctuary

KeyLand

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EXECUTIVE SUMMARY

Introduction

1. This document sets out the Full Business Case for Broomfields Farm Net Zero Living project in Whitby. The project is to be delivered through the Towns Fund. A £3.6 billion government programme of investment into over 100 towns as part of the “levelling up” agenda.
2. The project proposes the delivery of an exemplar Net Zero Living community of 60 affordable dwellings which will provide a template for future housing delivery in the town and across the country. The project will deliver substantial benefits including 60 Net Zero Living dwellings, a new Community Hub building, significant savings in terms of Co2 when compared to a business as usual development, the delivery of 5250 sq. m of new public open space, electric car club infrastructure, community allotments, community tools and tool shed, art trail and link to the Cinder track, 43 temporary construction jobs and c. £13m investment into Whitby.
3. The public subsidy being applied for to deliver the scheme is £2.56m. This public investment is the minimum amount required to achieve the objectives of the project. The subsidy will not result in an increased land value or enhanced developer/contractor profit. The subsidy will be restricted to being spent upon the Towns Fund Items listed at appendix 1 which will enable the delivery of the Net Zero Living community. Without this funding the project would not be viable.
4. The project is being delivered by Keyland Developments Ltd, sister company of Yorkshire Water. They are working alongside affordable housing provider Sanctuary who will manage the new homes, community assets and infrastructure in perpetuity.

Strategic Case

5. The proposed investment will deliver a multitude of long lasting benefits to Whitby economically, socially and environmentally. The delivery of an exemplar Net Zero Living project will set the benchmark for development locally, act as a catalyst for the development of green construction skills and deliver a scheme which will reduce CO2 emissions whilst delivering much needed new housing in the borough.
6. The project is fully aligned with international, national and local policy drivers. Substantive engagement has been carried out with many stakeholders and will continue throughout the project design, delivery and management.
7. The project outcomes will be monitored and learnings and best practice will be shared openly and widely. The Broomfields Farm Net Zero Living project will help to establish a new community as a distinct new sustainable part of Whitby.

Economic Case

8. The Economic Case provides analysis of the quantitative and qualitative benefits of investing in the Broomfields Farm eco-home development in Whitby, it can be concluded that the preferred option for the project is good value for money and is expected to achieve several of the key qualitative factors considered by the Towns Fund.

Financial Case

9. A clear and robust financial case is outlined which defines the costs of the proposed scheme, the anticipated revenue generated from the sale and rent of the homes and the costs for the features which the Towns Fund grant is being used for.
10. The financial case has identified the different pots of funding available to the scheme (public and private) and which elements they will be spent upon. An affordability assessment has been undertaken that validates and supports the project and its viability. The match funding through Homes England and the Development Partners has been secured for the project.

Commercial Case

11. Keyland have undertaken a tender process to identify a delivery partner for the project. After a lengthy and considered process Keyland have chosen a partnership with two partners. These are Sanctuary and MCI.
12. Sanctuary will be party to the grant agreement and receive the grant funding. Further to grant of planning permission they will purchase the land from Keyland and contract MCI to deliver the scheme.
13. MCI will work on the planning application alongside Keyland and Sanctuary, undertake detailed design, deliver the scheme and build the homes. Project procurement and delivery will be primarily undertaken by MCI. Keyland Developments will have an overview role and will report to SBC on progress at regular project meetings. All of the contractors will be pre-approved by MCI who have vast experience of successfully delivering construction projects on time and budget and to a very high quality.

Management Case

14. A robust set of arrangements has been developed to aid delivery, monitoring and evaluation of the project. The management case demonstrates that the preferred option can be successfully delivered with the arrangements that have been put in place by Scarborough Borough Council as the accountable body and Keyland Developments Ltd, Sanctuary and MCI who are undertaking the delivery and procurement role on this project.
15. The governance structures of the project are clearly set out as well as a strategy of comprehensive stakeholder engagement. The management case sets out how the project will be managed through its lifetime and how the benefits will be captured through monitoring and evaluation procedures.
16. A clear structure is in place to secure successful delivery of the project within the known time constraints.

Conclusion

17. The Broomfields Farm Net Zero Living project is part of a range of exciting investment projects being delivered across Whitby through the Whitby Town Deal to build upon the towns strengths and address its challenges by raising aspiration, opportunity and prosperity for all.

INTRODUCTION

18. The Broomfields Farm Net Zero Living project is part of a range of exciting investment projects being delivered across Whitby through the Whitby Town Deal to build upon the towns strengths and address its challenges by raising aspiration, opportunity and prosperity for all.
19. As outlined in the Whitby Town Investment Plan (TIP) this project will enable residents to live lighter in the environment. It will set a template for the future of housing and how we live, delivering a sustainable and people focused community on the town's south eastern edge.
20. The purpose of the project is to deliver an exemplar sustainable housing development in Whitby of 60 Net Zero Living homes.
21. This new form of housing development will set a template for future housing delivery in the district, region and country. By enabling the delivery of Broomfield Farm Net Zero Living the project will provide a catalyst for the development of green construction skills in the regional economy.
22. Keyland and their project team aspire to deliver a development that moves beyond merely being less bad to becoming truly regenerative, helping future residents, workers and visitors to live positive lifestyles and have a beneficial impact on our world. Every act of design and construction should be considered as an opportunity to positively impact the fabric of the development and its future communities.
23. A project team has been assembled of likeminded organisations with a track record of delivery. This has been achieved via a rigorous procurement process which resulted in a new partnership between Keyland Developments, Sanctuary Housing and MCI.
24. The project will deliver a scheme of 100% affordable Net Zero Living homes, a unique proposition. We aim to provide a development which is truly exemplar, delivers against all "six capitals" and that can be replicated across the country.
25. The document sets out the business case for the scheme including the Strategic Case, Economic Case, Financial Case, Commercial Case and Management Case to demonstrate the proposals are robust, deliverable and viable.
26. We have worked closely with officers at Scarborough Borough Council throughout the process and presented our proposals to the Whitby Town Deal Board. This support has been invaluable and has enabled the project to proceed successfully through the process to date.

STRATEGIC CASE

Introduction

- 27. The purpose of the project is to deliver an exemplar sustainable housing development in Whitby.
- 28. This new form of housing development will set a template for future housing delivery in the district, region and country. By enabling the delivery of Broomfield Farm Net Zero Living the project will provide a catalyst for the development of green construction skills in the regional economy.
- 29. The delivery of most new housing in the United Kingdom could be improved in terms of sustainability, design and community involvement. Keyland Developments are seeking to deliver a Net Zero Living housing development which will not only deliver much needed housing but also deliver it to an exceptional design and sustainability standard with the community integrated into the heart of the scheme.
- 30. Keyland and their project team aspire to deliver a development that moves beyond merely being less bad to becoming truly regenerative, helping future residents, workers and visitors to live positive lifestyles and have a beneficial impact on our world. Every act of design and construction should be considered as an opportunity to positively impact the fabric of the development and its future communities.
- 31. Keyland's values, model and approach to delivering exceptional places are core to everything they do. The values drive Keyland's approach to development using the 'Six Capitals' philosophy. Keyland challenges itself to live by these values in both the way they and their suppliers behave and the developments they create for society.

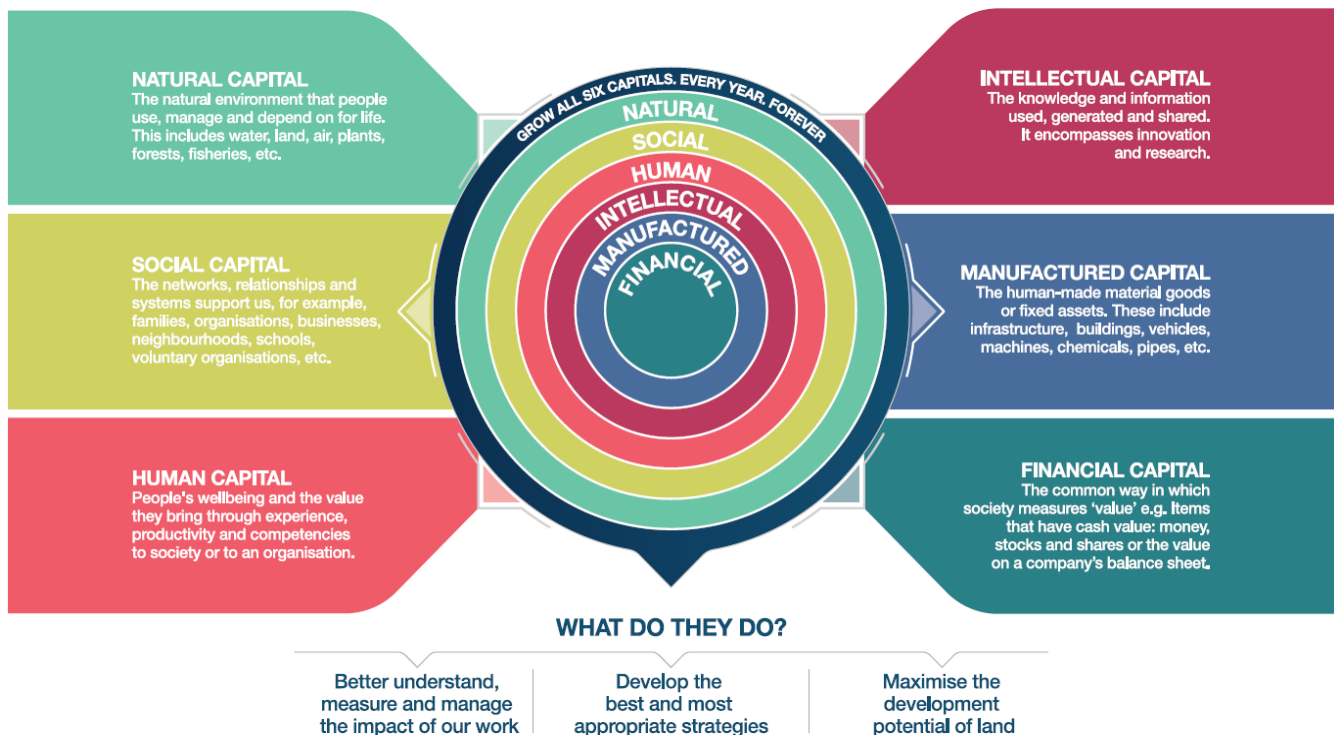


Figure 1. Keyland's Six Capital Model

32. All Keyland projects are conceived from the outset as sustainable and high-quality neighbourhoods and communities. The 'Six Capitals' approach to sustainable development is more than a philosophy; its purpose is to change the starting point of every project. The 'Six Capitals' provides a strong model of sustainability which places an emphasis on living within the limits of the natural environment and developing strategies that grow natural, social, human, intellectual, manufactured and financial capitals. These form part of Keyland's approach to deliver sustainable development and align with Kelda Group's overarching 'Total Impact' philosophy.
33. There will be two development partners working alongside Keyland to deliver the project they are Sanctuary Group, who will manage and maintain the properties and MCI who will construct and deliver them.
34. The development partners were selected through a two stage tender process, more detail regarding this procurement process is included within the commercial case.

Sanctuary Group

35. Sanctuary Group is a large not-for profit housing and care provider with a turnover of over £750 million and a portfolio of over 100,000 properties, including over 8,000 in Yorkshire.
36. Sanctuary is one of the largest house builders in the affordable housing sector and has been appointed as a strategic partner to Homes England under the 2021-2026 Affordable Homes Programme. In order to maximise the number of affordable homes we can provide, and to support balanced communities, Sanctuary deliver a mixed tenure development programme that includes homes for open market sale alongside affordable homes for rental and shared ownership, specialist supported housing and care homes.
37. All Sanctuary's activities are carried out fully in accordance with our core values of sustainability, integrity, quality, ambition and diversity. This has a natural fit with the Net Zero Living proposals approach as, on each of our developments, we aim to achieve more than new housing but to provide benefits to the whole local community.

MCI Developments

38. MCI Developments Ltd is the specialist partnerships arm of top 10 UK house builder Keepmoat Homes. MCI offers a one-stop development solution from the design and planning stage to the final completion and sign-off of homes, all delivered to the highest standards with meticulous attention to detail.
39. As an in-partnership developer MCI's mission is to deliver high value, high quality affordable homes within sustainable developments, designed to enable comfortable spaces for living, working and relaxation. Places are designed to meet the needs of mixed tenures by creating attractive environments that complement existing local area design and promote health and wellbeing. This creates a sense of inclusion and community which is essential in developing long lasting ownership and pride in the development.
40. MCI's mission: MCI are not looking to simply build affordable new homes; they're striving to build long-term partnerships that continue to deliver better futures and create flourishing new communities with a real sense of place.

41. MCI's values: While they're a forward-thinking business, they have retained their traditional values. These simple, human qualities help to inspire our strategy, shape our services and guide our relationships with clients, partners and local people.
42. Straightforward MCI get the job done in the simplest, most efficient way, by stripping away complexity and remaining friendly, open and honest. Above all, it's about being respectful and working in a clear and transparent way.
43. Passionate MCI genuinely care about what they do and put pride and energy into achieving the best results for their partners and clients. In a nutshell, it's important for their people to do a good job.
44. Collaborative MCI are proud to say that collaboration is a cornerstone of their business. That's why they're always ready to share skills and experience and work together in partnership to deliver the very best customer experience.
45. Creative MCI are proactive, flexible and resourceful. This allows them to deliver unexpected solutions to everyday problems. They never simply fall back on one-size-fits-all thinking. They continually assess their clients' needs, then tailor the services to match.

The Case for Change

Existing Arrangements – Current Context and Challenges

46. There is a well-documented housing crisis in the United Kingdom, the UK Government's stated aim is to deliver 300,000 dwellings per annum to meet the back log of decades of under delivery of housing.
47. The planning system supports this aim, Paragraph 7 of the National Planning Policy Framework (NPPF) 2019 clearly states that the "purpose of the planning system is to contribute to the achievement of sustainable development." Paragraph 59 makes clear that the Government's key objective is "to significantly boost the delivery of new homes."
48. On a local level, the adopted local plan for Scarborough Borough Council sets a requirement for 450 new dwellings per annum to meet the needs of the district. This project is part of a wider site which is allocated in the adopted local plan to deliver up to 320 new homes.

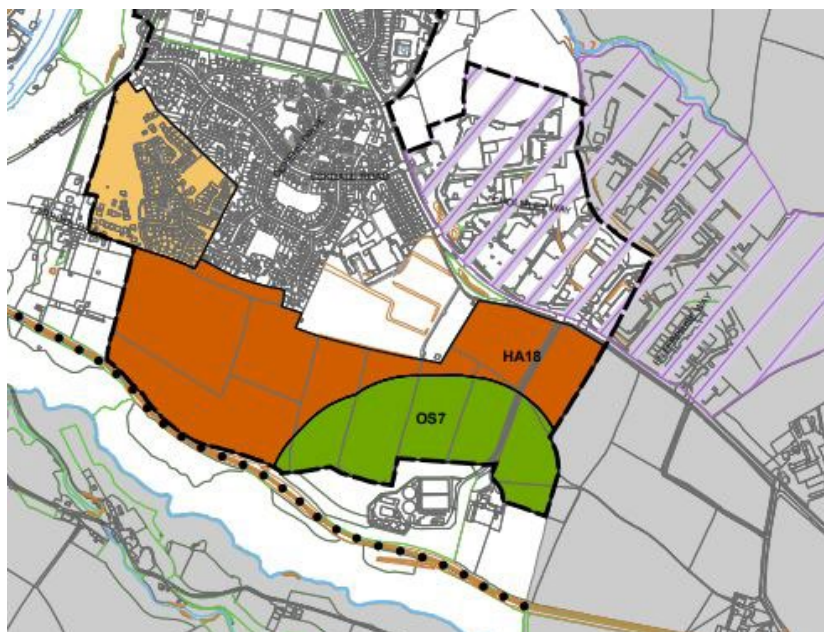


Figure 2. Local Plan Allocation

49. The adopted local plan aims to deliver 11% of the Borough's housing requirement in Whitby and allocates enough land to accommodate 590 dwellings in the town over the plan period. The image below shows the allocation boundary. Phase 2 is in the north eastern extremity of the orange coloured field.
50. The allocation of this site in the local plan for housing demonstrates the local acceptance of the need for new housing in Whitby and that this is a suitable and sustainable location to accommodate the new housing required.
51. Hybrid planning permission (Outline permission for the housing and full for the vehicle access, spine road, drainage infrastructure and public open space) for up to 290 dwellings on site was approved by Scarborough Borough Council on Thursday 25th May 2021. Therefore, in planning terms the principle of development has been clearly established in this location.
52. We anticipate that a full planning application for the project will be submitted in May 2022, we can expect to have an approval by November 2022 and pre-commencement conditions discharged by January 2023.
53. We anticipate that a start on site will be made in February 2023, the construction phase will be completed by August 2024.
54. Spawforths prepared a socio economic assessment of the district to inform the plans for the new housing development. This found that at a district and ward level the area around the site suffers from multiple forms of deprivation, including in terms of Employment qualifications and training, health and wellbeing and in terms of the provision of suitable housing.
55. The adopted local plan for Scarborough notes that there is a need to deliver a range of modern housing that helps to meet local needs as far as possible.
56. Scarborough Borough Council seeks to address the Climate Emergency through delivering carbon neutrality by 2035. As housing makes up a large percentage of total carbon emissions it is critical that we focus our efforts on the housing sector by delivering sustainable homes. This pioneering scheme will set a template for the delivery of modern sustainable homes for the future across the entire region.
57. There are numerous policy drivers for sustainable new build housing. These range from international to those specific to Whitby and represent the multiple scales of action required to mitigate and adapt to climate change. They include the Paris Agreement, where parties signed a legally binding international treaty to limit global warming to well below 2°C preferably to 1.5 °C, compared with pre-industrial levels. This has informed national legislation such as the UK's Climate Act (2008 with 2019 target amendments).
58. Furthermore the UN Sustainable Development Goals include several overlapping aims to achieve sustainable development. The Broomfields Farm Net Zero Living project addresses many of them including: quality education; clean water and sanitation; affordable and clean energy; decent work and economic growth; Industry, innovation and industry; sustainable cities and communities; climate action and life on land.



Figure 3. UN Sustainable Development Goals

59. For the UK legally binding requirements are in place to reduce the UK's net carbon emissions to 100% lower than the 1990 baseline by 2050. The Ten Point Plan for a Green Industrial Revolution sets out the approach government will take to build back better, support green jobs, and accelerate our path to net zero.

Future needs, barriers and opportunities

60. Despite the policy drivers and demonstrable need outlined above the vast majority of new housing being delivered in the UK does not address these issues. Due to the way the housing market works there are few incentives for developers to deliver better housing which is more sustainable and community focused. There is also a lack of suitably qualified people who have green construction skills to construct the homes.

61. The costs of delivering enhanced sustainability features are very high, in part this is due to a green construction skills shortage. The Broomfields Farm Net Zero Living project will help to establish a green construction skills industry in Scarborough. The size of the project will allow for several years of sustained business which may give local companies the confidence to invest in green skills which can then be delivered more widely across the district and beyond. This will in turn reduce the cost of delivering such projects in the future.

62. There is widespread acceptance that the housing market is not delivering the type of housing that is required for the future. Much new build housing is unaffordable, homogenous, of mediocre design and unsustainable. The Broomfields Farm Net Zero Living project provides a prototype for the future of housing development in the country which addresses these issues, showing how it can be done differently with better outcomes.

63. The DCLG white paper "Fixing our broken housing market" (2017) set out the Government's view of the issue: "Our broken housing market is one of the greatest barriers to progress in Britain today". The paper set out a threefold problem of: "not enough local authorities planning for the homes they need;

housebuilding that is simply too slow; and a construction industry that is too reliant on a small number of big players.”

64. As set out in a House of Commons Briefing paper (2021) housing need manifests itself in a variety of ways, *“such as increased levels of overcrowding, acute affordability issues, more young people living with their parents for longer period, impaired labour mobility resulting in businesses finding it difficult to recruit and retain staff, and increased levels of homelessness.”*
65. The Planning White Paper (2020) outlined some of the key solutions to resolving issues affecting the housing market, these included encouraging and supporting more small and medium sized building firms into the market and reforming the construction industry so it is in a fit state to deliver the scale required.
66. The Broomfields Farm Net Zero Living project presents an opportunity to demonstrate how different delivery models can help to address these issues and introduce more diversity into the housing market.
67. It is not just a matter of delivering more homes, but delivering homes in which people want to live which is important. The report *“Living with Beauty”* published in January 2020 by the Building Beautiful, Building Better Commission sets out the problem adroitly:
68. *“At a time when there is an acute shortage of homes, there is therefore widespread opposition to new developments, which seem to threaten the beauty of their surroundings and to impose a uniform ‘cookie cutter’ product that degrades our natural and built inheritance. People want to live in beautiful places; they want to live next to beautiful places; they want to settle in a somewhere of their own, where the human need for beauty and harmony is satisfied by the view from the window and a walk to the shops, a walk which is not marred by polluted air or an inhuman street. But those elemental needs are not being met by the housing market, and the planning system has failed to require them.”*
69. In 2020, the Place Alliance Housing Design Audit for England undertook a detailed design audit of 142 housing developments across England. The Audit concluded that nationally the *“picture is largely of new housing development that is overwhelmingly mediocre or poor (three quarters of the audited projects).”* It also found that *“whilst the majority of schemes are achieving the minimum energy efficiency requirements set out in the legislation, significant numbers are still falling below.”*
70. The Broomfields Farm Net Zero Living project will provide an antidote to the mundane housing design described above, it will provide a design which raises the bar for housing development locally, regionally as well as nationally.
71. Further there are clear issues regarding sustainability in the majority of housebuilding in the UK. Buildings contribute a significant proportion of the UK’s carbon emissions and will be a key element if we are to achieve the 2050 net zero target. The built environment contributes around 40% of the UK’s total carbon footprint.
72. The importance of the built environment in mitigating and adapting to climate change is underlined by the upcoming COP26 meeting in Glasgow where an entire day is dedicated to *“Cities, Regions and Built Environment.”* The built environment is fundamental to mitigating climate change, providing adaptation to protect society against the impacts of the changing climate, and contributing towards a greener and more climate-resilient economy.

73. The Broomfields Farm Net Zero Living project will address these issues by delivering a range of sustainability features throughout the development. This will drastically improve upon the typical performance of housing and provide a model for future housing developments in the region.
74. The housing market operates with a “ceiling to value” in different localities. New housing is not only competing with other new build housing in the area but also the much larger second-hand housing market. Delivering housing units with greater design and sustainability features will cost more for the developer to build, however in lower value areas such as Whitby market evidence suggests it may not result in a higher price being paid for the finished home.
75. This is markedly different to the markets for other products such as new mobile phones where innovation and upgrades are consistently making older models obsolete. The houses built over 100 years ago are still in high demand and in many cases they are more desirable due to location and heritage features which are difficult or impossible for new homes to replicate.
76. For example, if a customer is choosing between a new three bedroom house on the Broomfields Farm Net Zero Living site (which is more sustainable and of a better design) and a second hand three bedroom house they will not be willing to pay a substantial amount more for the Broomfields Farm Net Zero Living home. There is a “new build premium” but this will not cover the costs of substantially improving sustainability and design features. Therefore, there is no incentive for developers to improve the sustainability and design features of the homes they offer to the market.
77. The funding available from the Towns Fund initiative will help to bridge this gap and pay for the sustainability and design features which the market cannot deliver. The funding will not flow through to an increased land value, nor will it result in enhanced profits for the developer or an increased house value for the end user. The funding will simply meet the costs of the enhanced design, community and sustainability features which will in turn result in a multitude of significant benefits economically, environmentally and socially.
78. Engagement with the local community will be ongoing during the next six month period to ensure that the community features are aligned to what the local community wants and needs. For example, the funds for a community hub could have more impact by upgrading an existing facility in the locality.
79. The c. £2.6m funding is required to deliver the features which will make the development net zero, deliver the community benefits and outputs listed below. This includes the community hub, secure cycle store (with bikes), community tool shed, allotments, EV Car Club spaces and charging points, Art trail along new direct route to the cinder track, Wondrwall home energy system, achieving the future homes standard and Net Zero Living and providing underfloor heating to all homes.
80. Without the £2.6m funding, the delivery of a scheme including the features listed above will be unviable. It will not deliver a financial return to the developer and therefore will not take place.

Market Failure and Covid 19

81. The Covid 19 pandemic has exacerbated skills and labour shortages across the construction sector.
82. The pandemic has also quickened the pace of change and a move to on shoring presents opportunities for UK manufacturing of building materials.

83. Due to enforced home working there is a heightened awareness of the importance of the home, community space and outdoor areas. The need for adequate homeworking space has increased.
84. There is also an increase pressure on housing markets outside of the major employment areas such as coastal markets as more workers live and work remotely. These factors contribute to a greater demand from consumers for a greener, more community minded form of housing development.
85. The Covid 19 Pandemic has further underlined the need for a greater focus on sustainability and design in the development of new homes.

Alignment with the Towns Deal Programme

86. The Towns fund is a £3.6 billion fund investing in towns as part of the government's plan to level up our regions.
87. The Broomfields Farm Net Zero Living project is a key part of the Whitby Town Deal and features in the Town Investment Plan which was submitted to Government in October 2020.
88. The Town Investment Plan (TIP) details and describes an exciting group of investment projects that both individually and collectively take advantage of Whitby's strengths and address its challenges by raising aspiration, opportunity and prosperity for all. In delivering the TIP Whitby hopes to overcome barriers currently facing the town and realise objectives that would not be possible without the investment.
89. To deliver the outcomes, a shared vision for Whitby has been shaped which outlines the ambitions for Whitby over the next 15 years and is underpinned by 8 objectives.
90. The vision contained within the TIP details: *"On the town's south eastern edge, a new exemplar eco village at Broomfields points to the future of homes and how we live..."* This project is a key part of the future vision for Whitby.
91. Eight objectives flow from the TIP vision for Whitby, the objective which most clearly aligns with the BCNV is: *"Provide opportunities to live lighter in our environment."*
92. The outcomes of the TIP are set out on Page 10 of the document. The outcomes which most clearly align with the BCNV project are: 60 carbon neutral homes resulting in improved living standards for all; Increased ability of residents to work remotely and access jobs anywhere; New direct and indirect jobs created; More opportunities to learn skills and new learners assisted; Increase in the breadth of the local skills offer that responds to local skills needs; and Improved health and well-being outcomes for Whitby residents.
93. Cross cutting themes developed during work on the TIP and through stakeholder consultation helped to prioritise the investment projects which the Towns Deal board would focus on. These cross cutting themes area as set out below:
- ▶ Skills and Enterprise;
 - ▶ Live here work anywhere;
 - ▶ Connectivity;
 - ▶ Heritage, culture and special places;
 - ▶ Well-being;

► Resilience and sustainability.

94. The Broomfields Farm Net Zero Living project addresses all of the above themes, through the delivery of new jobs and skills, enabling home working, providing new sustainable homes, delivering improved connectivity through digital and physical means, the creation of a new special place at Broomfields Farm, promoting wellbeing through community and encouraging exercise and providing a template for future sustainable homes.

95. The TIP outlines some key issues which the town needs to overcome such as the ability to retain and attract young people, low skills base, housing need and physical connectivity and legibility. The Broomfields Farm Net Zero Living project will directly and indirectly help to address these issues which are affecting the town.

96. The Broomfields Farm Net Zero Living project will be a flagship site for sustainable development which will help to retain local people in Whitby by the provision of modern, desirable accommodation.

97. The Broomfields Farm Net Zero Living project will link together with the other projects in the TIP to share the £17.1m government investment in the Town and will complement the other projects such as those aiming to improve the economy and wellbeing by providing the homes necessary for those moving to the area and to retain skilled local people. The Broomfields Farm Net Zero Living project will provide job opportunities both directly and indirectly and opportunities for skills and training.

Policy Alignment

98. The Broomfields Farm Net Zero Living project is aligned with local, national and regional policies, the table below lists the relevant policies and states in brief how the project aligns with it.

Policy Document	How the project aligns with it
Local Policies	
Scarborough Borough Council Local Plan	Delivering housing allocation
Emerging Local Industrial Strategy	Delivering “Good Growth.”
Covid 19 – A plan to Reshape our Economy	Creating new jobs in the local economy.
Scarborough Borough Council’s Building a better borough	Providing an ambitious approach to providing a greener future.
York, North Yorkshire and East Riding LEP Strategic Economic Plan	Delivery of new housing.
Employability and Skills Plan	Developing green construction skills in Whitby/Scarborough economy
North Yorkshire Local Transport Plan	Promotion of low carbon transport and home working.
Scarborough Borough Council Carbon Neutral 2030 Pledge	Delivery of a template for sustainable homes.
National Policies	
UK Clean Growth Strategy	Improving the energy efficiency of our homes.
Cycling and Walking Plan for England	Enabling/encouraging people to walk and cycle safely.

UK Digital Strategy	Enabling home working and community hub, enabling high speed broadband.
A Green Future: 25 Year Plan	Increasing resource efficiency in our homes.

99. Further detail on each of the policy documents listed in the summary table above is provided below:

Scarborough Council Local Plan

100. The Scarborough Borough Council Local Plan was adopted on 3rd July 2017 and guides the future of development in the period up to 2032. The vision set out in the local plan is as set out below:

101. “In 2032, our communities will be dynamic, vibrant and prosperous places where people want to live, work and play. The economy will have developed, building on the historic reputation of the area as a tourism powerhouse and diversifying into new economic sectors. The growth in the economy will lead to more balanced communities and a growth in the younger population remaining or being attracted to the area through a greater choice in homes and job prospects and a wider retail and leisure offer.

102. Scarborough and its environs will see the delivery of significant new housing development and a Business Park to support an expanding economy and workforce. Whitby will continue to be a thriving historic town attracting visitors worldwide whilst growing sustainably to accommodate the demands of new employment opportunities within and close to the town. Filey will retain its charm as a seaside resort and function as a main service centre for the southern area.

103. The larger villages will act as hubs, providing the service needs of surrounding areas, with these villages having the opportunity to grow in a proportionate and sustainable manner to meet the needs of local people. Beyond the towns and villages, the area as a whole will retain its landscape setting including its important visual interaction with the North York Moors National Park, the Wolds, Vale of Pickering and the marine environment.

104. This growth will have been delivered in a sustainable manner, with a visible uplift in the quality of the design of the built environment, whilst also ensuring the retention of important historic assets and characterful countryside that benefits the quality of life of local residents and boosts the economy by continuing to attract many visitors.” (Emphasis added).

105. The Broomfields Farm Net Zero Living project is aligned with the vision of the Local Plan, it will deliver the homes which will help the district and Whitby in particular to become a dynamic, vibrant and prosperous place where people want to live, work and play.
The project will enable Whitby to continue to be a thriving historic town, by delivering much needed housing development and will allow Whitby to grow sustainably.

106. The project embodies the sustainable growth desired in the local plan vision and will set a high bar in terms of the visible uplift in the design of the built environment.

107. Policy HA18 of the local plan allocates the land upon which the project will be delivered for housing, with an indicative yield of 320 dwellings. The project will deliver 60 of the homes identified in the plan and is therefore fully aligned with this policy.

Emerging Local Industrial Strategy

108. The York and North Yorkshire Local Enterprise Partnership is currently preparing a local industrial strategy. The vision of the strategy is to:
109. “Our vision is for York and North Yorkshire to become England’s first carbon negative region. The Local Industrial Strategy contributes to this, by transforming the way our economy works to deliver a carbon negative, circular economy that increases productivity and provides higher paid jobs.” (Emphasis added).
110. The Broomfields Farm Net Zero Living project will provide an exemplar sustainable housing scheme in North Yorkshire, this will provide a template of how low carbon homes can be delivered in the region and assist with the aim of North Yorkshire becoming the first carbon negative region in England.
111. The project will also provide opportunities for the development of local green construction skills and training in modern methods of construction. This will help to increase productivity and provide opportunities for higher paid jobs. The project will provide an opportunity to learn skills which can then be used on other projects in the wider region.
112. The draft local industrial strategy has four priorities these are: 1. Connected and resilient places; 2. people reaching their full potential; 3. An economy powered by good businesses; and, 4. World leading land management.
113. The Broomfields Farm Net Zero Living project embodies these priorities as it will deliver a connected resilient place and may provide a catalyst for further such developments. The project will enable training and development to allow people to reach their potential. It will support good businesses, i.e. those delivering green construction projects. Furthermore, the project includes substantial landscaping and biodiversity enhancements in partnership with the National Park.

Covid 19 a Plan to Reshape our Economy

114. This emerging policy document aims to deliver a Greener, Fairer and Stronger Economy for North Yorkshire. The LEP has worked with partner organisations to develop their strategy. There are three distinct parts of the vision these are:
115. Greener – Natural capital is protected and prioritised, aiding job creation and accelerating the transformation to a carbon negative economy.
Fairer – Opportunity is inclusive with quality of life raised for all people and communities.
Stronger – The economy is more resilient, able to adapt to challenges and harness growth potential.
116. The Broomfields Farm Net Zero Living project will deliver against each of these aims. The project will deliver sustainable homes and provide training for construction workers in green construction skills. The project includes biodiversity enhancement significantly prioritising the natural capital and delivering direct and indirect job creation.
117. By delivering improvements to the built environment, creating job opportunities and opportunities for learning the project aligns with the inclusive growth aims.
118. By acting as a catalyst for developing green construction skills in the local and regional area, by providing direct opportunities to work on the scheme the project can demonstrate that it is helping to

deliver a more resilient economy that is able to adapt to changes and harness the potential growth in green construction skills.

Scarborough Borough Council – A better borough

119. The better borough strategy is a strategy to shape the future of the council and the communities it serves to benefit the people who live here, visit here and invest here.
120. There are ten themes identified, several of which are closely aligned to the Broomfields Farm Net Zero Living project such as “Healthy Happy People,” “A good quality home for all,” “A clean, green and attractive environment,” “Economic Growth that benefits everyone,” and “a well-connected place.”
121. The Broomfields Farm Net Zero Living project will deliver good quality homes that are sustainable, the project aims to enhance well-being, deliver opportunities for local economic growth and will encourage connections digitally and physically to Whitby and beyond.

The York, North Yorkshire and East Riding LEP Strategic Economic Plan

122. The York, North Yorkshire and East Riding Strategic Economic Plan seeks to deliver, better jobs, more homes and new investment into the region. The plan is based around five key themes these are: Profitable and ambitious small businesses; Being a global leader in the bio economy; Inspired People; Successful and Distinctive places; and a Well-Connected economy.
123. The Broomfields Farm Net Zero Living project will help to deliver on the strategic aims of this plan by delivering new sustainable homes, by delivering an exemplar housing scheme we hope to inspire people to lead more sustainable lives and work in the green economy. The Broomfields Farm Net Zero Living project will deliver a successful and distinctive place in its own right and will help to improve Whitby in line with the aims of the TIP. The project will also enable home working and with fast fibre connection that will allow Whitby to be better connected to the global economy.

Employability and Skills Plan

124. The Broomfields Farm Net Zero Living project will provide direct and indirect employment during the planning and construction phases of development. The scheme will also provide opportunities for apprenticeships and developing green construction skills in the local economy.
125. This will provide the skills needed for further growth in the green construction skills helping to support the delivery of further local sustainable construction projects across the district.

North Yorkshire Local Transport Plan

126. The North Yorkshire Local Transport Plan 2016 – 2045 has a vision that: *“we want North Yorkshire to be a thriving county which adapts to a changing world and remains a special place for everyone to live, work and visit.”*
127. The objectives for the plan are economic growth, road safety, access to services, environment and climate change and healthier travel.

128. The Broomfields Farm Net Zero Living project will help to deliver these aims by providing attractive alternative means to travel by car, such as bicycles and a car sharing scheme infrastructure package as well as being connected into a safe cycle network into Whitby and promoting home working. These will help to deliver safe, healthy and environmentally friendly ways to travel as well as reducing the need to travel and use of the car.

Scarborough Borough Council Carbon Neutral pledge

129. Scarborough Borough Council declared a Climate Emergency in January 2019. This means that the council has pledged to do everything within the Council's power to make the Borough of Scarborough carbon neutral by 2030.

130. The delivery of the Broomfields Farm Net Zero Living project, which will deliver 60 sustainable homes and provide an exemplar for sustainable low impact living is fully aligned with the aims to become carbon neutral by 2030.

UK Clean Growth Strategy

131. The clean growth strategy is about growing national income while cutting greenhouse gas emissions. Achieving clean growth, while ensuring an affordable energy supply for businesses and consumers, is at the heart of the UK's Industrial Strategy. It aims to increase the UK's productivity, create good jobs, boost earning power for people right across the country, and help protect the climate and environment upon which we and future generations depend.

132. The Broomfields Farm Net Zero Living project which aims to deliver 60 sustainable homes is fully aligned with the aims of the UK Clean Growth Strategy. The scheme will contribute to the continued growth of the local economy, demonstrate technology and systems for future schemes whilst also achieving the central aim of the Strategy to achieve these aims whilst substantially reducing greenhouse gas emissions in comparison to a standard equivalent scheme.

Cycling and Walking Plan for England

133. The cycling and walking plan for England set's out a vision for a travel revolution in England's streets, towns and communities. The plan sets out a bold vision to see a step change in cycling and walking in the coming years. It aims to transform the role that cycling and walking can play in the transport system and "get England moving differently."

134. The Broomfields Farm Net Zero Living project is situated in close proximity to shops and services and will be linked into the cinder track which provides a cycle link into Whitby town. The scheme will deliver upgrades to the local cycle network and will encourage walking and cycling through the provision of safe and secure storage for bicycles.

135. The project will enable people to use active forms of travel in their everyday lives in line with the aims of the Cycling and Walking plan.

The UK Digital Strategy

136. The UK Digital Strategy sets out how the UK will build on our success to date to develop a world-leading digital economy that works for everyone. The digital strategy is set out in seven strands which include: Building world-class digital infrastructure for the UK; Giving everyone access to the digital skills they need; Making the UK the best place to start and grow a digital business; Helping every British

business become a digital business; Making the UK the safest place in the world to live and work online; Maintaining the UK government as a world leader in serving its citizens online; and, unlocking the power of data in the UK economy and improving public confidence in its use.

137. The Broomfields Farm Net Zero Living project will deliver superfast broadband (subject to available infrastructure) to the new homes and enable home working and potential for hub working in the community hub building. This is aligned to the UK digital strategy in that it delivers world class infrastructure and providing places to grow and start businesses.

A Green Future: Our 25 year plan to improve the environment

138. The 25 year environment plan sets out government action to help the natural world regain and retain good health. It aims to deliver cleaner air and water in our cities and rural landscapes, protect threatened species and provide richer wildlife habitats. It calls for an approach to agriculture, forestry, land use and fishing that puts the environment first.

139. The Broomfields Farm Net Zero Living project will help to deliver on this plan by increasing the number of trips undertaken by cycling and walking to improve local air quality, a significant enhancement of biodiversity on the site and landscaping scheme will deliver net gains to biodiversity and sustainable homes will reduce levels of CO2 in our atmosphere helping the wider biosphere.

Vision and Objectives

140. The Broomfields Farm Net Zero Living project seeks to develop a net zero living housing scheme. The overarching vision for the project is to provide a distinctive, vibrant and integrated addition to Whitby, and deliver new net zero living homes and community hub building and have positive impacts across all natural, social, human, intellectual, manufactured and financial capitals.

Project Objectives

141. Twelve Project Objectives have been developed to reflect how the overarching vision can be met for Broomfields Farm Net Zero Living and deliver increased value across all Six Capitals and benefits to residents, workers, visitors and development partners. These are summarised below:

- ▶ Minimise energy consumption and deliver net zero living homes;
- ▶ Maximise water efficiency and Sustainable Urban Drainage Systems;
- ▶ Provide access to nature and maximise biodiversity;
- ▶ Promote sustainable material use and minimise waste;
- ▶ Promote enjoyment of art and heritage;
- ▶ Promote sense of community and create social value;
- ▶ Increase local skills and employability;
- ▶ Maximise opportunities for healthy lifestyles;
- ▶ Provide digital connectivity, smart infrastructure and maximise leadership;
- ▶ Promote sustainable transport options;
- ▶ Improve quality of place and deliver innovative housing;
- ▶ Grow local economy.

142. The Project Objectives are at the core of the proposed Broomfields Farm Net Zero Living development and will underpin the project through subsequent life cycle stages.

Measures of Success

143. The measures of success outlined below have been agreed with Scarborough Borough Council in earlier stages of the towns fund application process, these are set out below in table format.

Indicator	Target	Responsible for monitoring	Frequency of monitoring
£ spent directly on project delivery (local authority or implementation partner)	£2,600,000	Local Authority	Every Six Months
Co Funding	£6,373,720	Keyland Developments Ltd	Every Six Months
# temporary FT jobs supported during project implementation	43	Keyland Developments Ltd	Annually
# FTE permanent jobs created through the project	None	Keyland Developments Ltd	Annually
# FTE permanent jobs safeguarded through the projects	None	Keyland Developments Ltd	Annually
# Residential Units Provided	60	Keyland Developments Ltd	Annually
# Trees planted	450	Keyland Developments Ltd	Annually
Amount of new parks/greenspace/outdoor space	5250 sq. m	Keyland Developments Ltd	Annually
Estimated carbon dioxide equivalent reductions as a result of support	3440 tonnes	Keyland Developments Ltd	Annually

Anticipated Benefits

144. The anticipated benefits of the project are set out below, they are separated into three overlapping categories Environmental, Social and Economic.

145. Environmental Benefits:

- ▶ The delivery of new future homes standard dwellings saving approximately 3,440 tonnes of CO2 over the project's life cycle compared to Business As Usual development standards,
- ▶ Achieving future homes standard design and Net Zero Living,
- ▶ Encouraging sustainable and active transport through increasing sustainable mode share,

- ▶ Improving air quality through active transport strategies such as provision of cross site footpaths, cycle ways that connect into local networks and electric vehicle charging points and EV car share scheme infrastructure with rapid charging facilities,
- ▶ Using Modern Methods of Construction (MMC) to reduce construction waste and targeting exceptional diversion from land fill levels reducing site waste,
- ▶ Targeting exceptional levels of water consumption through water efficiency measures and rain water harvesting, saving thousands of litres of water consumption per year.

146. Social Benefits

- ▶ Delivery of Community hub building;
- ▶ Allotments and community tool shed;
- ▶ Art Trail and new direct route to the Cinder Track
- ▶ Increasing opportunities for social interaction through the inclusion of public spaces and community facilities enabling a sense of belonging to the local neighbourhood and increasing life satisfaction among workers and residents.

147. Economic Benefits (Gross):

- ▶ Creating an estimated 43 temporary construction jobs and providing training opportunities in low carbon construction;
- ▶ C.£12.6m investment into Whitby;
- ▶ Estimated £24.2m of Gross Value Added (GVA) to the local Whitby economy. Gross Value Added is the measure of the value of goods and services produced in an area. Therefore, the development is helping to grow Whitby's economy;
- ▶ Estimated £37.2m of extra household expenditure in the local economy. This is the money which will be spent by the new residents in local shops and using local services;
- ▶ Approximately £91k in increased council tax receipts to Scarborough Borough Council. This money will be spent on improving local services and meeting borough wide issues, such as health and social care provision.
- ▶ New Homes Bonus, which provides a significant financial income for the local authority from Government.

The Proposed Investment

The “Do nothing” Scenario

148. Without the funding the site would be delivered to typical development standards in line with the delivery of Zone 1 of the wider site.

149. The housing will be delivered to a lower environmental and design standard. This will result in increased CO2 emissions from the development. It will mean that Whitby does not have an exemplar development to benchmark other schemes against locally.

150. There will be no delivery of the community hub building. Consequentially, the social benefits of the community hub building will be lost.

151. There will be no funding for the electric car club or bicycle rental scheme. The benefits derived from increased low carbon travel and improved air quality, including health impacts will be lost.

152. The benefits of having a prototype net zero living scheme in the district, including in terms of providing leadership and a local template for other developments to follow will be lost.

153. The amount of investment in Whitby will be reduced with a consequential reduction in GVA for Whitby and Scarborough.

The Risk Matrix

154. There are several project risks as set out below, these are reviewed regularly to ascertain whether the situation has changed.

155. To understand the table below it is important to have reference to the following with regards to the final two columns of the table “Mitigated Likelihood” and “Mitigated Impact.”

156. For the “Mitigated Likelihood” column letters are used to explain how likely the event is of occurring. I.e. A – Very Low; B – Not Likely; C – Likely; D – Very Likely; E – Almost Certain.

157. For the “Mitigated Impact” column numbers are used to explain the impact upon project objectives. I.e. 1 – Low; 2 – Minor; 3 – Medium; 4 – Major; 5 – Catastrophic.

Issue/Risk	Consequences	Mitigation	Responsibility	Mitigated Likelihood	Mitigated Impact
Planning delay or refusal	May delay or prevent scheme coming forwards	The site is allocated in the local plan and has outline planning permission, so planning risk is extremely low. Planning advice has been sought and pre-application discussions with the LA are ongoing.	Keyland/Development Partner	A	2
Housing Market Downturn	May reduce scheme viability	Market advice has been sought which will ensure we have a good understanding of the local market conditions. The scheme is being designed to be market facing. The scheme is 100% affordable housing which will reduce the projects exposure to fluctuations in house prices.	Keyland	B	3

Legal/title issues uncovered	May prevent scheme being delivered	A thorough legal review has been undertaken. It is highly unlikely that any legal issues will arise.	Keyland	A	2
Lack of skilled construction workforce and supply chain to deliver scheme	May prevent/delay scheme being delivered or reduce the economic benefits to the local town and Scarborough Borough	A number of potential developer and contractor partners have already been engaged in detailed discussions to work with Keyland. They can work to the time constraints and quality requirements.	Keyland/Development Partner	A	2
Occupier interest in moving to Whitby to work as well as live is not as high as expected	The economic benefits of the proposals associated with encouraging more home based working in the town will be reduced	COVID pandemic may have created a significant shift in appetite away from city living and towards locations where live/work balance is given greater priority. Focused marketing across the region to draw attention the scheme should help drive demand for the scheme.	Keyland / Development Partner	B	2
Occupier demand for developments with low carbon footprint may not be as high as expected or occupiers may not be ready for a low carbon lifestyle	The demand and therefore capital value of the scheme may be reduced	Consumer demand is rapidly changing in favour of low carbon housing and lifestyles. Electric car ownership and trends towards vegan diets suggest there is great growth potential in this market. Marketing the scheme regionally rather than just locally should help capture	Keyland /Development Partner	B	2

		that growing demand			
Design team are unfamiliar with low carbon design	The final proposals do not reach the required performance standard	In selecting a partner, Keyland will be ensuring that the design team are experienced in low carbon design principles, working and delivering to these standards to a tight budget.	Keyland	A	1
Large unexpected abnormal cost	May affect the viability of the scheme	Detailed technical work on the site has already been carried out, in relation to the outline planning application	Keyland	A	3
Accident on construction site	H&S risk. Delay and cost implications.	Kelda Group and Keyland's partner selection process requires a high level of health and safety competency	Keyland/ Development Partner	B	2
Theft of equipment/materials	Delay to build process/costs implications.	Site security is closely related to Health and Safety measures and therefore will be minimised through partner selection process	Keyland / Development Partner	B	2
Traffic and Congestion caused on Stainsacre Lane during build	Harmful to public perception of project.	Ensure contractors have appropriate site and traffic management procedures in place.	Keyland / Development Partner	C	1
Developer partner pulls out of the deal.	Delay to process and requirement to prepare a new FBC. Risk to project delivery.	Choose a development partner with a good track record of delivery and suitable financial strength to deliver the project.	Keyland/Developer Partner	A	2
Abnormal build cost inflation	Viability of the scheme is impacted	Ensure sufficient	Developer Partner	B	3

	negatively due to increased build costs	contingency is built into the appraisal work to cover increased costs.			
Covid-19 Delays	Delays to build programme due to staff shortages/sickness or supply chain disruption	Ensure sufficient contingency is built into the programme. Ensure a good level of Covid-19 safety rules for the project team.	Development Partner	B	2

Summary of Options

158. Several options were considered for Phase 2 of the Broomfields farm site. These are considered in greater detail in the economic case.

159. The first alternative scenario would have been for Keyland to dispose of the site for residential development with no conditions associated with the standard of development undertaken. This would be the business as usual approach and wouldn't result in any of the benefits being sought on the project.

160. The other alternatives considered included different scenarios for the type of development which could be brought forward. These alternatives included a lower density housing scheme, a 100% Custom and Self-build scheme, a high density scheme and a "later living" scheme. However, none of these options were feasible.

161. As a result only two options were considered in detail and these are outlined in the table below in brief:

Option Considered	Commentary	Rationale for Decision
1. Sell Phase 2 as part of the wider scheme.	Keyland considered selling the phase 2 site as part of the wider development site. This would be both profitable and low risk for Keyland.	Dismissed due to the desire to deliver a Six Capitals sustainable development on phase 2. This was also a commitment which Keyland made to several stakeholders.
2. Deliver a Net Zero Living Development at Phase 2	Keyland considered whether a Net Zero Living Development could be delivered on phase 2 of Broomfields farm working with stakeholders.	This option was pursued due to a desire to deliver a prototype housing development which Keyland can use as an exemplar model of their Six Capitals development model.

Description of the project

162. The Broomfields Farm Net Zero Living project seeks to develop a Net Zero living housing scheme. The overarching vision for the Broomfields Farm Zone 2 project is to provide a distinctive, vibrant and integrated addition to Whitby, and deliver Net zero homes and community hub building and positive impacts across all natural, social, human, intellectual, manufactured and financial capitals.

Addressing the project objectives

163. The project will address the project objectives by delivering a Net Zero living community which will provide a prototype form of development for the region. Each objective set out above will be addressed and the vision brought into being.

164. To achieve net zero living, comfortable homes, improved fabric performance, construction quality, detailing and systems the homes will target future homes standards and provide extremely energy efficient dwellings. This includes improved substructure, superstructure, mechanical and electrical services and prelims in line with Future Homes standards to reduce energy costs, address energy poverty and provide comfortable lifetime homes for occupants whilst saving significant carbon emissions.

165. Furthermore the scheme will aim to reduce embodied carbon from typical construction of homes through use of Modern Methods of Construction (MMC).

166. To achieve net zero operational carbon emissions the scheme will incorporate improved U-values, Solar Photovoltaic Panels and Air Source Heat Pumps.

167. The community hub building will comprise of flexible space which could accommodate community events, seminars, home learning education / "working from the community" space, a community wellbeing programme, as well as potentially small community shop/café and rentable guest rooms.

168. Incorporated at the same location as the community hub building will be safe and secure bike storage and bicycle rental.

169. With connected cycle paths, 15 minutes cycle to Whitby town centre and the train stations, we anticipate that cycling will enable sustainable local commuting. Additionally, centralising the cycle storage at the location of the community hub will encourage community interaction, a key aspect of wellbeing.

170. To achieve a net zero living development the project will also explore whether it is feasible to offset the already low embodied carbon of the materials used through locally based and funded offset schemes.

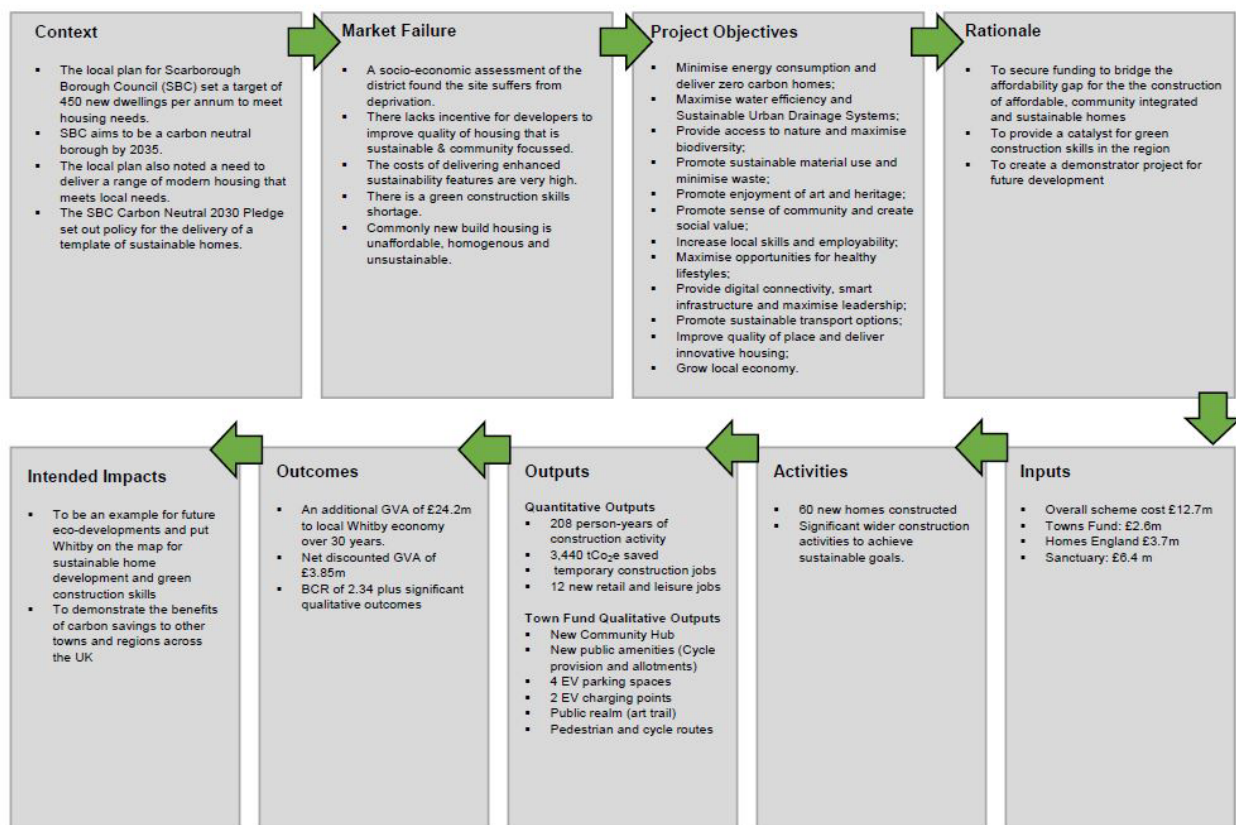
Project Theory of Change

171. The long term-goals of the project are to: Deliver better quality homes in Whitby; put Whitby on the map architecturally; to inspire other projects across the district; to improve green construction skills across the district to enable other projects to be delivered; to maximise learning opportunities to enable continual improvement in the delivery of sustainable homes.

172. The project will provide a design exemplar which will raise the benchmark for the design of housing schemes in the locality.
173. The project will reduce the total carbon footprint of the development substantially compared to a “business as usual” housing development.
174. The community aspects of the scheme will deliver substantial benefits to the new residents and the wider community, due to the delivery of a community hub building, community grow zone, community tool shed other aspects of the development.
175. The proposed scheme will help to improve air quality through the provision of sustainable methods of transport and improve biodiversity locally.
176. The scheme will provide learning opportunities and will be a focus of research which can be disseminated across the UK and further afield. Including a proposed research project with regional Universities.
177. To achieve our long term goals it will be important to take the necessary steps now, these include:
- ▶ Ensure community engagement is fundamental as part of the project design process;
 - ▶ Seek to maximise the standard of design by working with high quality contractors, ensuring strict design controls through the planning process and by incentivising quality delivery through contracts with sub-contractors;
 - ▶ Seek to maximise the training opportunities for local people in green construction skills during the construction process;
 - ▶ Sharing information and data on the project in an open and transparent manner and working with educational institutions to disseminate learnings from the project delivery.

178. The project theory of change is depicted graphically below:

Logic Chain – Broomfield’s Farm



Outputs/SMART Objectives

179. The key outputs of the Broomfields Farm Net Zero Living project are set out below:

- ▶ 60 Affordable homes designed to Future Homes Standards, underfloor heating and Net Zero living;
- ▶ A saving of c.3,440 tonnes of CO2 compared to BAU housing delivery;
- ▶ Delivery of a Net Zero Community Hub Building, equipped with underfloor heating, parking spaces and Wondrwall;
- ▶ Secure cycle storage and provision of five bicycles to rent, equipped with electricity;
- ▶ A community tool shed, brick built with power and tools for community use;
- ▶ Community Allotments, including water supply, paths and fencing;
- ▶ Provision of EV Car Club Spaces and Rapid Charging points;
- ▶ Art trail along new direct route to cinder track;
- ▶ Planting of 450 new trees;
- ▶ Delivery of 5250 sq. m of new public open space;
- ▶ New 350m pedestrian and cycle link to the Cinder Track.

180. The above targets will be delivered by August 2024, subject to planning and other considerations.

Stakeholders

181. **Keyland Developments Ltd** – The landowner and land promoter. Keyland have promoted the land through the local plan process and obtained hybrid planning permission. Keyland have successfully applied for public subsidy to the Broomfields Farm Net Zero Living project.

182. Keyland want to ensure they have a case study which demonstrates the deliverability of their blueprint model for development. They want to show that the model is “scalable.” They want to demonstrate that they have followed a due process in terms of procurement. They want to show that their model delivers added value in terms of social and environmental factors (Six Capitals).

183. **Sanctuary and MCI** (The Developer Partner) – The developer partner will play a key role in delivering the project. A two stage procurement process is now completed. The development partner will obtain detailed planning, construct and manage the development and sales process, maintain the site and provide aftercare services to the new residents.

184. **North Yorkshire National Park** – North Yorkshire National Park will work with the development partner on the detailed planning application and undertake the legislative planning duties as the local planning authority for the National Park.

185. **Scarborough Borough Council** – Scarborough Borough Council will work alongside the development partner on the detailed planning application and undertake the legislative planning duties as the local planning authority for Scarborough,

186. **Whitby Town Council** – Whitby Town Council will support the Towns Fund Bid process and act as the formal body for the towns fund). Whitby Town Council will be engaged with regarding the detailed planning application and will act as the voice of the local community.

New Residents – The new residents will be key to the success of the project. They will form the new community and shape how the community hub building is used.

Summary of Engagement to Date and Evidence Gathered

187. A presentation was delivered to Scarborough Borough Council before the hybrid planning application was submitted and support was forthcoming for the principle of a Net Zero Living exemplar development on this site.
188. A thorough public consultation exercise has been carried out during the course of the planning process to obtain hybrid planning permission for the full site, including two consultation workshops one of which was held at Eskdale School and the other in Whitby. At both events there was significant interest and excitement about the proposed development.
189. Keyland have also presented to Whitby Town Council about the development and the changes which have taken place throughout the planning process. Support was shown for an exemplar sustainable scheme which could set a precedent for the region.
190. Keyland have also commissioned expert marketing advice regarding the demand for the proposed units which has given Keyland the confidence to proceed and invest in the development. Further, the marketing exercise on Zone 1 has shown that there is significant developer interest in delivering new homes in this area which is a very positive indication.
191. Further public engagement will take place throughout the planning application and design process in 2022. This will involve working with Whitby Towns Deal board and engagement with the local community and other stakeholders.

Summary of Stakeholder Viewpoint

192. The stakeholder viewpoint has been supportive of the proposals. The site is a longstanding housing allocation in the adopted local plan and thus the principle of the site being developed for housing has already been established. During the planning application process for the Hybrid scheme there was minimal objection to the proposals.
193. The stakeholder feedback has been separated out into thematic areas to enable analysis of how the project has responded to it.

Feedback Theme	Commentary
Delivering an Exemplar Scheme	Provision of a high quality scheme with innovative net zero living homes.
Meeting Local Housing Needs	Provision of a range of new homes suitable for local people.
Sustainability	Provision of Net Zero Living Homes.
Sustainable Transport	Provision of infrastructure to enable electric car club, bicycle hire and links to wider cycle network.
Building a Community	Inclusion of community hub building and community grow zone.

Strategic Case Conclusion

194. The preceding sections of this document have set out the strategic case for investment for the Broomfields Farm Net Zero Living project.
195. The proposed investment will deliver a multitude of long lasting benefits to Whitby economically, socially and environmentally.
196. The delivery of an exemplar Net Zero Living project will set the benchmark for development locally, act as a catalyst for the development of green construction skills and deliver a scheme which will reduce CO2 emissions whilst delivering much needed new housing in the borough.
197. The project is fully aligned with international, national and local policy drivers. Substantive engagement has been carried out with many stakeholders and will continue throughout the project design, delivery and management.
198. The project outcomes will be monitored and learnings and best practice will be shared openly and widely. The Broomfields Farm Net Zero Living project will help to establish a new community as a distinct new sustainable part of Whitby.

ECONOMIC CASE

Introduction

199. In line with HM Treasury Green Book best practice, we have identified the options and established a mechanism for measuring the value for money of the scheme. The work has established the gross economic impacts and then arrived at an estimate of the net impacts before assessing these against project costs.

Approach to Economic Case

Options

200. The Green Book approach to business case development requires a number of options to be considered in order to address the core requirements of a project. This approach is intended to ensure that the best possible combination of interventions are taken forward into a final scheme from a value for money perspective. In this sense value for money considers the benefits and the costs the proposals.

201. The DLUHC Towns Fund requirement sets out the need for a minimum of the proposed project to be compared to the 'do nothing' scenario within the economic case calculation. This is always required because it is the 'do nothing scenario' which provides the rationale for the removal of 'deadweight'. These adjustments demonstrate what the project would achieve over and above the normal course of events.

202. Despite the requirement to consider these two scenarios, it is important to consider how the preferred option was identified.

203. The first alternative scenario would have been for Keyland to dispose of the site for residential development with no conditions associated with the standard of development undertaken. This approach would have failed to meet the business approach of Keyland and would not have achieved any carbon benefits. On this basis the approach was discounted but, in fact, such an outcome is considered to be the same as a 'do nothing' scenario. In other words, a standard residential development approach would be adopted on the site.

204. The remaining alternatives included different scenarios for the type of development which could be brought forward. These alternatives included:

- ▶ A lower density scheme. Whilst such an approach would have been easier to develop from a practical perspective and could have been completed more quickly, the approach would have reduced the scale of benefits over the entire scheme. Total carbon savings per housing unit would have been the same but the total carbon saved over the whole scheme would have been lower and in addition the lower density approach would have reduced the viability of the scheme and therefore increased the funding gap. A lower level of viability combined with a lower total carbon reduction was considered to be a sub-optimal outcome and the scheme was discounted.
- ▶ Low carbon developments in alternative locations have sometimes allowed a 100% custom and Self-Build approach allowing occupiers to specify their own approach and deliver benefits. This approach would have required little additional input in the development process. Whilst this is an approach which has delivered net zero living developments elsewhere, the approach provides a lower level of control over the design solution. The approach results in too much uncertainty

over the delivery of benefits and also fails to consider the entire scheme as a community. It is this community approach that can create an exemplar approach for other schemes and deliver a lower carbon scheme because of the collective approach of the residents. This overall uncertainty, lack of design standard and failure to deliver a low carbon community resulted in the approach being discounted.

- ▶ A high-density scheme including apartments was also considered. Higher density developments can allow lower carbon solutions to be achieved through different mitigation measures such as a localised district heating scheme. The higher density development was discounted because of the design impact within the vicinity of the National Park and the fact that such a scheme would not have been in keeping with the surrounding area. The result of this would have been a likelihood that the scheme would struggle to obtain planning permission. The inappropriateness of the design and the associated difficulties in implementation meant that this approach was discounted.
- ▶ The final type of scheme which was considered was to develop a 'later living' scheme aimed at an older demographic and providing accommodation for the elderly as well as incorporating bungalows. This approach also struggled to demonstrate financial viability and the potential providers thought the site was too far from the centre of Whitby for this type of scheme.

205. This options process resulted in the scheme design proposed incorporating the carbon mitigation measures included and the wider community based benefits. The selection of the precise carbon mitigation and community measures was developed by the technical consultant team and whilst individual elements could be traded for slight variations in technical specification the benefits and broad costs would have remained similar to the scheme eventually proposed and brought forward.

Critical Success Factors

206. The critical success factors for the scheme can be summarised as follows:

- ▶ The scheme delivers carbon savings in line with the core business objectives of Keyland;
- ▶ The scheme is likely to be deliverable when considering the statutory consents required;
- ▶ The scheme will be provided within a reasonable timescale;
- ▶ The scheme is designed as a community with low carbon impact living;
- ▶ The overall viability of the scheme is affordable within the envelope of funding available.

207. The options analysis outlined above can be summarised against the critical success factors to illustrate the selection process:

	Carbon saving	Deliverability (statutory consents)	Speed	Design integrity and community	Viability
Preferred scheme	✓✓	✓	✓	✓✓	✓
'Standard sale'	✗	✓	✓	✓	✓✓
Lower density	✓	✓	✓	✓✓	✗
Self-build	✓	✓	✗	✗	✓
High density	✓✓✓	✗	✓	✓	✓✓
Later living	✓	✗	✓	✓	✗

208. This summary table against the critical success factors illustrates that each of the alternatives fails against at least one of the critical success factors and that the preferred scheme not only meets all of the requirements but provides significant benefits for some.

Determination of the scheme for delivery

209. The technical specification for the delivery of the low carbon solutions was developed through the professional team but is based on two broad categories of interventions.

- ▶ In-house space heat interventions: It is broadly accepted that in non-urban settings, the alternative to a carbon intensive heat solution is through the electrification of the heat source. The most efficient method of heating homes of a standard size through electrification is by the incorporation of an air-source heat pump and incorporating other smart systems to generate supply through solar PV, store excess supply through batteries and balance supply across users using a smart monitoring and balancing system (Wondrwall). Heat pumps work on the basis of a steady ambient heat rather than meeting peak demand through radiators and therefore work more effectively alongside underfloor heating.
- ▶ Wider community mitigation: The broader interventions proposed are less tangible in terms of carbon savings but make important contributions in lowering carbon emissions from transport (through enabling and encouraging walking and cycling) and through creating a community approach to wider low carbon initiatives such as self-sustainability in food production.

210. The economic case has been developed on the basis that the in-house activity is an area where costs and benefits can be fully calculated. The wider community benefits, whilst considered important from a 'nudge' and behavioural perspective are judged as insufficiently known to set out a monetised benefit (although it is clear that the lower carbon transport outcomes that can be achieved will have a monetizable outcome).

Deadweight

211. The Business Case is supported by a standard development viability model that demonstrates that the scheme is deliverable as a standard residential development. The inclusion of the low carbon housing unit and wider community mitigation factors results in the scheme requiring some further element of subsidy to allow the development to be delivered.

212. This is the basis for the grant application but also sets out the principle that the benefits recorded are the benefits over and above a standard residential development. In this manner the costs and benefits are aligned.

The Economic Case

213. The Economic Case was therefore approached by analysing the monetary benefits of a reduction in carbon that will be caused through building homes of Future Homes Standard compared to regular homes. These benefits are added to the short term benefits of additional GVA through construction employment and the increase in local spend by eco-home residents due to measures such as walking and cycle routes. Then benefits and costs were used to calculate a Benefit Cost Ratio (BCR) to determine whether the project was good value for money. Finally, conclusions are made using the results of the

BCR and a qualitative assessment of the benefits to argue the economic case for funding for the Broomfields Farm development.

214. The comparison of the proposed scheme against a standard residential scheme ensures that the deadweight impact is factored into the scheme from the outset and that the numbers shown in the economic case are net of deadweight.

Economic Benefits

215. The methodology taken to derive the economic impact is based on Green Book principles. An economic model has been developed which models the costs and benefits of the scheme.

216. The first key quantifiable economic benefit of this project will be the savings through carbon reduction by building eco-homes vs regular homes. The Future Homes Standard should result in a carbon reduction of 80% compared with a regular home. The average emissions of a standard home are equivalent to 2.7 TCo2e. The cost of carbon per tonne has been used to calculate the monetary savings of an 80% reduction in carbon by building eco-homes. There will be a total of 60 houses built by 2026, with the cost of carbon per tonne increasing slightly per year according to costs set out in HM Treasury Green Book guidance.

217. The build of 60 eco-homes over a 2-year period will create construction jobs for the local area, which in turn will lead to a GVA contribution towards the local economy.

218. In addition, there are a number of elements of this project that will contribute to the sustainability and community aspects of the development. From the perspective of a lower carbon footprint the scheme includes cycle storage and bike provision, walking and cycle routes and EV charging. Wider community benefits include a community hub and the provision of allotments. Whilst providing a generally positive impact on the environment, these features of the project will specifically encourage the new residents to consider a more local approach to their retail activity and leisure pursuits, and this in turn will provide a small uplift in spend in the local area. The extra expenditure in retail and leisure will have a small knock on impact on additional jobs which in turn contribute to the overall GVA benefit to the local economy.

219. The Green Book requires the gross benefits calculated above to be adjusted for the likely 'real world' benefit.

220. As such the model is adjusted for removal of 'deadweight' (what would happen anyway); 'leakage' (those benefits secured but which may benefit neighbouring places rather than the Scarborough Authority area); displacement (the effect to which the project simply moves benefits from provider A to provider B).

221. The final measures are adjusted upwards by the employment type II multiplier effect for construction and retail and multiplied by each industry's GVA to monetise the benefits. These benefits are added to the monetary benefit of carbon reduction to arrive at a total figure of economic benefits.

222. Other features of the eco-home development will be analysed as qualitative benefits.

223. Importantly, significant deadweight has been addressed by the overall approach taken. It is assumed that without Towns Fund the same number of houses will be developed using standard construction methods and without the additional wider community and environmental aspects. The approach has only considered the incremental benefit (benefit net of deadweight) – the additional TCO2e reduction, the additional construction benefits associated with the carbon reducing elements of the build and the additional local retail / leisure journeys associated with the type of housing developed versus standard housing.

224. Appropriate adjustments have also then dealt with leakage, displacement and the multiplier effect which ensure that gross benefits have been translated into net benefits.

Economic Costs

225. Economic costs have been dealt with in a manner consistent with the benefits. Only the incremental costs of the build associated with the economic benefits of TCO2e reduction have been considered within the appraisal (removing the deadweight impact from the outset).

226. The costs of the project for which monetized benefits have been attributed can be broken down as shown in the table below. These are the elements of the project which are assumed to directly impact on the carbon reduction achieved by the homes. Additional costs have been attributed to the qualitative benefits of the project:

Costs	Unit Cost	Subtotal
Wondrwall		
Achieving Future Homes Standards & Net Zero		
Underfloor heating to all homes		
Total		£1,830,000

227. Costs scheduling is as follows:

	2022 £	2023 £	Total
Direct costs against which benefits have been fully monetized			
Direct costs where monetized benefits are less clear			
Total	1,290,330	1,290,330	2,580,660

228. It is important to note that the economic case has only considered £1.83m of the £2.581m of costs as part of the BCR (as it is only these costs that realise a cash measurable benefit) and the additional costs

generate the wider qualitative measures that are important to the scheme and applicable to Towns Fund applications.

Consideration of project costs

229. It is important to consider the treatment of project costs within the assessment. The technical team has provided a technical specification for the construction of the overall development and the scheme is seen as providing a comprehensive approach to achieving a net zero living outcome.
230. As with any construction project, the precise specification within the buildings has been addressed by the consulting team and whilst different design approaches could have been taken, the team has assessed that the specification achieves the required carbon saving at the most reasonable cost.
231. It is also noted that some of the costs of delivering a lower carbon community lie within the design of the community aspects of the scheme. The drive to achieve a net zero living community lies partly within the ethos of the development and incorporates features relating to net zero transport as well as the build and energy specification of the homes.
232. The wider benefits of these net zero living community aspects are more difficult to quantify whilst considered important to the integrity of the approach. It is noted however, that Towns Fund does enable applications to be developed using a 'partial BCR' where not all the costs and benefits can be monetised. It is this approach which has been adopted.
233. The partial BCR in this economic case has therefore considered the costs of the development of the residential units and compared this to the carbon saving benefits of the residential units. The wider project costs associated with the community aspects of the scheme have been removed from the BCR, but the wider qualitative benefits of these costs have been set out below.

Green Book Adjustments

234. As noted above, Green Book is intended to assess 'real world' benefits and therefore make adjustments to the 'gross benefits' which may be derived from a project to arrive at 'net benefits'. In this case the following adjustments have been made:
- ▶ Deadweight – deadweight is built into the scheme insofar as the carbon benefits have been compared to a standard housing development. The benefit is therefore measured as the incremental benefit achieved. Similarly the construction employment benefit has only been addressed against the additional expenditure associated with the low carbon measures.
235. Adjustments have then been made to the construction employment benefits as follows:
- ▶ Leakage – not all of the benefits associated with employment will be accrued within the Scarborough Local Authority area. A 20% reduction in employment benefits has been incorporated to account for employees involved in the scheme from outside the area.
 - ▶ Displacement – It is possible that some of the employment associated with the scheme will be displaced from activities elsewhere within the Borough. An adjustment of 15% has been used to take account of this risk and this has been shown at a relatively low rate because it is considered somewhat unlikely that a large number of alternative low carbon development schemes will be underway within the Scarborough from which activity will be displaced.

- ▶ Multiplier – the Scottish Government publishes the employment multiplier impact for different sectors (the UK Government does not publish these tables and as such the Scottish Government approach is used as a proxy). Construction provides a multiplier of 1.8.

236. Adjustments have also been made to the economic benefits which would accrue from the increased local expenditure that a net zero living development would provide to the area. These adjustments are as follows:

- ▶ Leakage and displacement have been maintained at 20% and 15% respectively. Retail multipliers are however lower than in construction and estimated at 1.3.

237. The GVA calculations provided distinguish between the average construction worker GVA in the area of £56,000 and retail of £33,867. Construction benefits are assumed to persist during the construction phase of the development and the retail benefits will persist over the life of the housing (assumed at 30 years). All benefits have been discounted in line with the Treasury discount rate of 3.5%.

Other Adjustments

238. Green Book also requires any economic case to adjust for optimism bias – which is the tendency of all projects to ‘look on the bright side’ when estimating costs / timescales. An optimism bias of 2% has been considered when calculating the final value for money assessment.

239. This is in line with the Green Book Supplementary Guidance on optimism bias published by Treasury and based on analysis of UK projects of different types and their overspend relative to original budget as measured by Mott MacDonald. Standard Buildings (e.g. homes) tend to involve an optimism bias of between 2-24%. For this project, the costs involved in the economic appraisal (i.e. the additional carbon mitigation expenditure items) are all ‘above ground’ and as such are considered to be unlikely to involve significant project cost escalation. Overspend on construction projects is generally associated with unforeseen issues relating to ground conditions which cannot be fully assessed before the project is underway. On this basis an optimism bias adjustment has been made at the lower end of the scale although this is assessed further as part of the sensitivity testing.

Value for Money Assessment

240. To calculate the value for money of the project, a Benefit Cost Ratio (BCR) has been calculated using the total costs that contribute to carbon reduction (capital costs from public funding), likely GVA of net construction jobs and likely GVA of net retail jobs and additional spending above a new regular housing development and a discount rate of 3.5%.

241. Calculations for the BCR have been made for the initial 30-year period of the project (reflecting the standard life of new housing). It has been assumed that the local area will continue to benefit from the project over a long period of time as residents continue to take advantage of its connectivity and links into Whitby. An extended persistence effect is generally considered to be justified given the longer life span of housing and typical residential mortgages on housing involving a residential mortgage terms of 25-30 years.

242. It has been assumed that carbon reduction benefits will start from year 3 (2024), as this is when the units will be completed, and these benefits continue for a 28 year period. Benefits from additional retail GVA are also assumed to begin in year 3 and continue for the whole period. Benefits from construction

GVA are assumed to begin in the 1st year and last until all 60 units are complete. The economic model has assumed a 1-year occupation of units.

Value for money assessment	
Discount Rate	3.5%
Discounted Cost	£1,738,220
Plus Optimism	£1,772,985
Discounted Benefits	£4,087,160
BCR	£2.31

243. It can be seen from the table above that the BCR for the project after making the required adjustments for deadweight, leakage, displacement and a multiplier as well as then adjusting costs for Optimism Bias is measured at 2.31. This represents good value for money against DLUHC guidelines (which suggest a requirement for a figure of >2).

244. Discussions with Scarborough Borough Council also suggested that it may be valuable to present a BCR using the full cost of grant irrespective of the current situation where it is not possible to monetize all of the identified benefits. If this approach is taken, the BCR still remains marginally over 2 and this is illustrated below:

Alternative value for money assessment	
Discount Rate	3.5%
Discounted Cost	£2,451,233
Plus Optimism	£2,500,257
Discounted Benefits	£5,059,727
BCR	2.02

Non - Quantified Benefits

245. In addition to the quantified objectives, the scheme can deliver against a number of additional qualitative benefits.

246. There are £0.79m of additional costs that have not been analysed in the BCR calculation as their value for money cannot be measured at this present time (As a result all of the total additional project costs of £2.617m have been addressed). These additional costs have therefore been analysed as qualitative benefits that have a wider strategic or social value. These additional costs can be broken down as follows:

Costs	Unit Cost	Subtotal
Community hub	[REDACTED]	[REDACTED]
Secure cycle store and provision of 5No. bikes for hire	[REDACTED]	[REDACTED]
Community tool shed	[REDACTED]	[REDACTED]
Allotments	[REDACTED]	[REDACTED]
EV car club spaces and charging points	[REDACTED]	[REDACTED]
Art trail along new direct route to cinder track	[REDACTED]	[REDACTED]
Total		£750,660

247. The benefits of these additional costs can be broken down into two categories of wider social and strategic benefits. These are summarized below.

Reduced or Zero Carbon Transport Provision

248. The provision of a secure cycle store and bikes for hire will encourage local residents of the new development to choose cycling more often as a mode of transport. This is a zero emissions transport option and therefore will have carbon reducing benefits for the local area. It also promotes a healthier lifestyle and encourages exercise.

249. It is also an inclusive option for those that cannot afford a car to travel to work. It could therefore encourage more residents to choose to work locally rather than commute outwards, taking spending benefits of the new development with them.

250. The wider community will have access to the EV car club spaces and charging points. This should make EV use more accessible and reduce carbon emissions further.

Community Benefits

251. A community hub building will provide a focal point for local activity. Rentable space can be used for working, groups or social events and will provide an income that contributes to management and maintenance. The local community will be encouraged to take an active role in managing the building. The hub will contribute to a sense of community within the new development which can have wellbeing benefits. It will allow residents to make connections and help to build a more cohesive and resilient community.

252. Allotments and a community tool shed can encourage residents to grow their own food and become more self-sufficient. As well as being beneficial to the environment, it is another way that a sense of community and connections can be formed within the new development.

253. Finally, an art trail along a new direct route to Cinder Track will provide direct cycle friendly access to the track. The art trail will help with way finding and add interest. This can encourage local residents to cycle or walk as a zero carbon leisure activity that also has health and wellbeing benefits. This can also attract visitors to the local area and increase spending.

Specific Town Fund Indicators impacted:	Measure
Length of cycle ways	350m
Length of pedestrian routes	350m
Provision of EV Car Club Spaces	4
Provision of EV charging points	2
New community centers	1
New Trees Planted	450 trees planted.
New public amenities	2 (allotments and cycle provision)
New Public Realm	5250 sq. m of new public realm.

254. These individual aspects are considered to be essential to the overall delivery of a sustainable and community based residential development – and when the overall provision is considered against the additional cost the benefits are considered to be considerable.

Benefit Realisation

255. The applicant has worked through the various aspects of the scheme and the benefits that it will achieve in terms of carbon saving and the additional indicators identified above. These benefits will form part of the contractual requirements for contractors, it is understood that they will be part of any GFA and as a result monitoring and reporting will be included within the agreement with the appointed contractor.

Summary

256. Following analysis of the quantitative and qualitative benefits of investing in the Broomfields Farm eco-home development in Scarborough, it can be concluded that the preferred option for the project is good value for money and is expected to achieve several of the key qualitative factors considered by the Towns Fund.

FINANCIAL CASE

Introduction

257. This is part three of the Full Business Case supporting the application for funding as part of the Towns Fund Initiative. Spawforths have been instructed to prepare the Full business case on behalf of Keyland, Sanctuary and MCI working alongside Scarborough Borough Council (SBC).
258. A clear and robust financial case is presented which defines the costs of the proposed scheme, the anticipated revenue generated from the sale and rent of the homes and the costs for the features which the Towns Fund grant is being used for.
259. The financial case identifies the different pots of funding available to the scheme (public and private) and which elements they will be spent upon. An affordability assessment has been undertaken that validates and supports the project and its viability.
260. An assessment of the affordability of the investment into the project has been undertaken to identify the costs of the project and its robustness. The availability of funding sources to help deliver the outcomes and objectives of the project has been considered.

Approach to Financial Case

261. There is a desire to deliver the project to achieve its objectives and deliver the benefits as set out in the Strategic and Economic cases. In normal market conditions it would not be possible to deliver the project with affordable housing due to the lower level of revenue this will generate and with the added sustainability features outlined above due to the higher level of costs this will generate, therefore a level of grant assistance is required.
262. Alongside the Towns Fund Grant which will cover the costs of the sustainability features, the project will also benefit from Homes England subsidy which will support the delivery of the affordable housing units and the use of Modern Methods of Construction (MMC). Sanctuary housing who will be the end user/landlord for the scheme are a Homes England Strategic Partner and can therefore draw down funding to deliver affordable housing units and further funding for MMC.

Further to obtaining planning permission Sanctuary will purchase the site from Keyland.

263. MCI will then work as a contractor for Sanctuary. MCI will deliver the housing units this will include putting in the infrastructure and constructing the housing units and community facilities.
264. The Towns Fund grant will pay for the delivery of the items listed in appendix X and will generate the benefits as set out in the economic case.

Costs

265. The development costs for the project are made up of the acquisition costs (including agents fees, legal fees and planning application fees), the base construction costs (including an allowance for externals and contingency sum), the abnormal costs (which includes the Towns Fund items and planning obligations), Marketing costs, Disposal Fees, and finance costs.
266. The costs are set out within the appraisal included within appendix 2, **please note this is a commercially sensitive document which should be not made publicly available.**
267. Building Cost Information Service (BCIS) data, which is part of the Royal Institute of Chartered Surveyors (RICS) has been used for the base build costs, plus an allowance for external costs.
268. The abnormal costs have been derived by the internal surveying departments of MCI which are based upon their market knowledge and recent experience developing similar schemes across the country. Given the size of MCI's operation there is considerable certainty on costs.
269. However, it is worth noting that a detailed scheme has not been prepared and therefore detailed costings cannot yet be prepared. Detailed planning permission will be applied for in the first half of 2022, the planning process will determine the final design of the scheme. Furthermore, the project team intends to engage with Whitby Town Council and local residents regarding the scheme proposals and this may alter the final design of the scheme and list of Towns Fund items to be delivered.
270. The costs are therefore carefully considered estimates at this point in time, a contingency of 4% has been included on costs which should cover any amendments or build cost fluctuations.
271. The total costs of the project amount to approximately [REDACTED]

Revenue/Funding

272. The proposed development will consist of 60 affordable homes for rent and shared ownership. 30 of the homes will be shared ownership and 30 will be rented at affordable rental levels. The total area of floor space available for sale and rent is 52,962 sq. ft.
273. For the purposes of the development appraisal we have utilised a blended rate of [REDACTED] per sq. ft. This results in a total revenue of [REDACTED]. This level is far below the market value of the houses if they were to be sold on the open market not at affordable rates.
274. Given the estimated costs set out above ([REDACTED]) are greater than the estimated revenue to be generated by sale and rent of the units, the proposal would not be viable without funding to support the scheme.

275. The Homes England subsidy and Towns Fund grant will enable the revenue to increase to approximately £14.7m which will cover the costs and enable a normal affordable housing developer profit, in this case approximately 14% of GDV, enabling the scheme to come forwards.

276. The funding pots and match funding which are assisting with the delivery of the scheme are detailed below:

Project Funding Source	Amount
Homes England MMC Funding	[REDACTED]
Homes England Affordable Housing Funding	[REDACTED]
Towns Fund Grant	[REDACTED]
Sanctuary and MCI Funding	[REDACTED]
Total	£12,673,720

277. Sanctuary are a strategic partner with Homes England under its latest Affordable Homes Programme (AHP). Sanctuary will receive nearly £100m in Government grant funding towards the delivery of 2,000 new affordable homes between now and 2026. Therefore this funding stream amounting to £3,700,000 has already been secured for the project.

Affordability Assessment

278. Keyland and the Development partners (Sanctuary and MCI) are confident that they can deliver the project on time and within budget. Sanctuary and MCI have a very strong track record of delivering similar projects to a high quality, on time and to budget across the country (See Appendix 5).

279. Sensitivity analysis on estimated costs and revenues has been undertaken which demonstrates that the project can withstand some fluctuations in the market and presents a robust and deliverable scheme.

280. A number of financial risks are highlighted within Appendix X; risk register. Mitigation measures have been put in place to counter any risks where practicable.

281. In the event of significant unforeseen cost overruns any overspend will be absorbed by the developer's profit margin rather than via a reduction in the delivery of the Towns Fund features which will deliver the benefits. This is the typical way of working and the developer profit level reflects this risk.

Wider Financial Implications

282. The project team has considered if this project has any wider financial implications and we consider that there are none.

Summary

283. A clear and robust financial case has been presented which defines the costs of the proposed scheme, the anticipated revenue generated from the sale and rent of the homes and the costs for the features which the Towns Fund grant is being used for.
284. The financial case has identified the different pots of funding available to the scheme (public and private) and which elements they will be spent upon. An affordability assessment has been undertaken that validates and supports the project and its viability.
285. The match funding through Homes England and the Development Partners has been secured for the project.
286. An assessment of the affordability of the investment into the project has been undertaken to identify the costs of the project and its robustness. The availability of funding sources to help deliver the outcomes and objectives of the project has been considered.

COMMERCIAL CASE

Introduction

287. This is part four of the Full Business Case supporting the application for funding as part of the Towns Fund Initiative. Spawforths have been instructed to prepare the Full business case on behalf of Keyland working alongside Scarborough Borough Council (SBC).

288. Keyland have undertaken a tender process to identify a delivery partner for the project. After a lengthy and considered process Keyland have chosen a partnership with two partners. These are Sanctuary and MCI.

289. MCI will work on the planning application, undertake detailed design, deliver the scheme and build the homes.

290. Sanctuary will be party to the grant agreement, further to grant of planning permission they will purchase the land from Keyland and contract MCI to deliver the scheme.

291. Project procurement and delivery will be primarily undertaken by MCI. Keyland Developments will have an overview role and will report to SBC on progress at regular project meetings.

292. All of the contractors will be pre-approved by MCI who have vast experience of successfully delivering construction projects on time and budget and to a very high quality. The aim is to utilise a local workforce where possible, including an aim of 60% use of local supply chains to ensure the economic benefits of the scheme are felt locally.

293. A list of relevant case study examples is included within appendix 5.

294. Development activity procurement will be undertaken by MCI utilising their commercial expertise to ensure that the best price and quality outcomes possible are achieved. MCI will administer and manage the contractor team onsite. Oversight by Sanctuary and Keyland and regular reporting to the SBC project officer will be undertaken during the process to ensure cost overruns and delays are avoided.

Procurement Strategy

295. The tender process to identify a delivery partner has already provided a level of certainty on performance and delivery. A number of delivery partners submitted tenders to be the delivery partner for the project. The winning delivery tender by MCI and Sanctuary was chosen partly due to their track record on delivery to time and high quality outputs.

296. Keyland's Towns Fund Outline Business Case (OBC) set out the twelve project objectives for an exemplar sustainable development at Phase 2 of Broomfields Farm. Examples were set as to how the objectives could be met through the scheme design by incorporating a range of dwelling and community level sustainability standards and features.

297. The objectives were developed to reflect how the overarching vision can be met for the site and deliver increased value and benefits to residents, workers, visitors and development partners.

1. Minimise energy consumption & deliver net zero living homes;
2. Maximise water efficiency & suds;
3. Provide access to nature & maximise biodiversity;
4. Promote sustainable material use & minimise waste;
5. Promote enjoyment of art and heritage;
6. Promote sense of community & create social value;
7. Increase local skills & employability;
8. Maximise opportunities for healthy lifestyles;
9. Provide digital connectivity, smart infrastructure & maximise leadership;
10. Promote sustainable transport options;
11. Improve quality of place & deliver innovative housing;
12. Contribute to growing the local economy.

Soft marketing

298. Keyland’s aspirations for the site were high and they were unsure as to how the market would receive such a brief. As such, they initially carried out eight weeks of “soft marketing” with their agent, JLL. This was a targeted marketing exercise with ten likeminded companies in order to understand whether the suggested approach to the site would be of interest.

299. Keyland requested that the developers complete a very detailed questionnaire about their sustainability credentials and previous experience of delivering sustainable schemes in the Yorkshire region. Due to the extensive information that was asked of all parties, it was viewed to be a test of how committed the developers were to working with Keyland on the delivery of the scheme.

300. Keyland and their agent were surprised by the response received to the soft marketing which demonstrated a commitment by 7 of the 10 parties to working with them.

Formal marketing

301. Following the soft marketing stage, Keyland’s agents carried out formal marketing and invited seven of the shortlisted parties to offer on the site over a two month period. As part of the tender process Keyland requested that the developers submit a detailed scheme and associated commitments, including the minimum sustainability development standards that were to be proposed. Keyland requested that the developers complete a pro-forma which asked specific questions on each of the OBC objectives, summarised below for information:

OBC objective	Keyland bid pro-forma question
1. Minimise energy consumption & deliver net zero living homes.	In your proposals for Broomfields Farm Phase 2, what measures will your organisation take to achieve low / net zero operational carbon emissions? What levels of performance with respect to carbon emissions are you targeting?

2. Maximise water efficiency & suds.	In your proposals for Broomfields Farm Phase 2, what measures will your organisation take to: a) Provide infrastructure or initiatives to enable the reduction of water consumption including: rainwater harvesting, grey-water recycling? b) Integrate SUDS / blue and green infrastructure into developments?
3. Provide access to nature & maximise biodiversity.	In your proposals for Broomfields Farm Phase 2, what measures will your organisation take to conserve and enhance ecological value?
4. Promote sustainable material use & minimise waste.	In your proposals for Broomfields Farm Phase 2, how will your organisation: a) Consider the life analysis impact of the development in terms of resource use, embodied carbon and waste generation? b) Reduce/divert construction waste from landfill? c) Encourage a reduction of operational waste heading to landfill?
5. Promote enjoyment of art and heritage	In your proposals for Broomfields Farm Phase 2, how will your organisation integrate features that promote the enjoyment of art and heritage?
6. Promote sense of community & create social value.	In your proposals for Broomfields Farm Phase 2: a) What measures will your organisation take to improve community engagement in the design process? b) What proportion of dwellings will be allocated to affordable housing, including social and affordable rented, shared ownership, and discounted sales?
7. Increase local skills & employability.	In your proposals for Broomfields Farm Phase 2, what measures will your organisation take to support local skills, employability and the creation of construction apprenticeships?
8. Maximise opportunities for healthy lifestyles.	In your proposals for Broomfields Farm Phase 2: a) What measures will your organisation take to encourage active lifestyles, such as the provision of high quality walking and cycling routes? b) How will homes support health living environments? c) What proportion of dwellings will be built to Accessible Design Standards?
9. Provide digital connectivity, smart infrastructure & maximise leadership.	In your proposals for Broomfields Farm Phase 2, what measures will your organisation take to provide a connected / smart environment that is capable of supporting industry and community learning? For example, reducing the industry recognised performance gap between predicted and actual energy consumption of homes.
10. Promote sustainable transport options.	How do your proposals for Broomfields Farm Phase 2 scheme consider initiatives to reduce car dependency and promote active travel?
11. Improve quality of place & deliver innovative housing.	In your proposals for Broomfields Farm Phase 2, what measures will your organisation take to incorporate best practice future proofing principles? For example, safeguarding against future climate change.
12. Contribute to growing the local economy.	In your proposals for Broomfields Farm Phase 2, what measures will your organisation take to support the growth of the local

economy? For example supporting use of local, smaller subcontractors?

302. Keyland then assessed the bids on the following basis:

303. An initial review was carried out as to the company's ability to deliver on the scheme. Given the use of Government Towns Fund money, it was important to Keyland for the scheme to be successfully delivered within the budget costs and required timescales.

304. A successful track record for sites of this scale and complexity was a pre-requisite to moving forward to the next stage. 3 developers were discounted at this stage of the process.

305. The remaining 4 shortlisted parties were then assessed on the following basis:

- ▶ The scheme's alignment with Keyland's OBC 12 objectives and scoring of answers to the questions in the bid pro-forma;
- ▶ The scheme's 6 capital assessment when inputted into Keyland's valuation model;
- ▶ The scheme's ability to offer Keyland a market value return on the land sale; and
- ▶ The scheme's ability to gain planning permission i.e. consistency with Keyland's hybrid planning consent.

306. MCI and Sanctuary were considered to score the highest out of the final 4 parties against the 4 criteria. They met all of the 12 OBC objectives, produced a high 6 capitals valuation, and offered a market value return to Keyland for the land and their scheme was consisted with Keyland's hybrid planning consent.

Project Delivery Procurement

307. Our procurement strategy for the Broomfields Farm Net Zero Living project will follow the typical processes employed by Sanctuary and MCI.

308. Both organisations are highly successful developers with a great track record of choosing sub-contractor partners that can deliver on time, to budget and to a very high standard of quality.

309. To ensure best value quotations for all elements of the works related to the towns fund grant will be sought from three or more contractors/suppliers. The decision on which contractor partners to work with will ensure best value is achieved but will also take into consideration other factors such as track record of delivery, sustainability, social and economic impact and quality outcomes along with availability of specialist products and suppliers.

310. A record of the contracting process will be kept and reported to the SBC project officer, upon request

311. The estimated cost of each of the items the towns fund will delivering on site are presented in appendix 1 with allocated estimated pricing provided by early contractor and supplier involvement.
312. All received contractor quotes and tenders will be held and retained on record by MCI and presented for local project assurance to SBC as required.
313. Where possible local companies will be invited to quote to undertake works/services with an aim to have a positive effect on social value in the area creating opportunities to support local employment and the supply chain. This procurement strategy will help to promote strong local ownership of the development and help local business thrive in the town and wider Borough.

Commercial Deliverability

Contractual Terms and Risk Allocation for works under £50k

314. Where possible fixed price quotes will be sought for works under £50k in value in line with SBC procurement procedures. This will involve one fixed price quote for tasks/items under £5k in value, three fixed priced quotes for tasks/items under £50k in value. Purchase order instructions will be issued to successful contractors to undertake the works by MCI.
315. MCI will retain a copy of the quote, any associated contractor early warnings, compensation events and contractor invoices.
316. Invoices from a contractor will be required to be issued to MCI either monthly or upon item completion and sign off by the MCI's internal site managers.

Contractual Terms and Risk Allocation for works over £50k

317. Where possible pricing for works over £50k will be undertaken on a "Lump sum" basis, this form of contract is useful when the scope of elements are well described and there is limited scope for changes. The contract places more risk on the contractor partners and as such will be reflected in marginally higher tender prices, however overall this type of contract typically ensures greater cost certainty on the project budget at contract award stage.
318. Sanctuary and MCI are experienced development partners who deliver large scale development projects across the country. Therefore they are very well placed to ensure that there are no cost overruns or significant delays. Commercial systems of working are well established in both companies and experienced professionals will be appointed to manage the contractor teams.

319. Further oversight will be undertaken by Keyland Developments and regular meetings will take place with the SBC project officers to provide assurance that best value and best quality are being achieved.

320. The project seeks to have a positive impact upon the local economy and therefore will endeavour to attract local companies and organisations to the project and include them on tender lists. Where three quotes are being sought for work, MCI will endeavour to ensure at least one quote is obtained from a local organisation, subject to there being a suitable local supplier for the relevant work. MCI have committed to providing training for at least five equivalent apprentices as part of the project.

321. Dispute resolution mechanisms will be put in place in the early stages of contractor involvement to ensure that any disputes are dealt with swiftly and without significant cost implications.

Wider Considerations

322. As per the usual contracting procedures of Sanctuary/MCI all contractors working on the project will be pre-approved and will have completed full risk assessments, which are available to the SBC project officer upon request. MCI will take the lead responsibility for the site preparation and delivery of the homes and community infrastructure.

323. As part of the Keepmoat Group of companies MCI have a successful track record of delivering projects on time, to budget whilst ensuring health and safety is of paramount importance.

324. A construction environment management plan will be put in place and strictly adhered to by the contractor team. This will be conditioned by the detailed planning permission and will set out safe working practices and how the site will be developed in a way which is considerate of the environment and existing community.

325. Throughout the lifecycle of the project efficiencies will be sought as good practice and recorded in order to demonstrate value for money. A project efficiency report will be maintained by MCI and made available to interested parties following project completion.

326. The proposals aim to help the local economy by utilising a local supply chain where possible and providing training opportunities including apprenticeships. A report will be prepared and made available detailing the supply chain and the apprenticeships provided which will be made available following project completion.

327. The site will deliver 100% affordable housing onsite. Half of the dwellings will be affordable rented accommodation and the remaining half will be shared ownership (part sale/part rental). There are no houses onsite proposed for outright sale.

Subsidy Control

328. The project is currently under review regarding subsidy control rules. Keyland Developments and Sanctuary/MCI are working alongside SBC to ensure that the project funding is compliant with subsidy control legislation.
329. The project team can demonstrate that the grant is the minimum required to meet the exemplar objectives of the project and assurance processes are ongoing to ensure there is no cross subsidy to any party involved.
330. Keyland Developments and Sanctuary/MCI are working in an open and transparent way with Scarborough Borough Council and their legal and surveying advisors. Formal confirmation regarding subsidy control will be provided is expected imminently.

MANAGEMENT CASE

Introduction

331. This is part five of the Full Business Case supporting the application for funding as part of the Towns Fund Initiative. Spawforths have been instructed to prepare the Full business case on behalf of Keyland working alongside Scarborough Borough Council.
332. A robust set of arrangements has been developed to aid delivery, monitoring and evaluation of the project. The management case demonstrates that the preferred option can be successfully delivered with the arrangements that have been put in place by Scarborough Borough Council as the accountable body and Keyland Developments Ltd and MCI and Sanctuary Housing who are undertaking the delivery and procurement role on this project.
333. The governance structures of the project are clearly set out below as well as a strategy of comprehensive stakeholder engagement.
334. The management case sets out how the project will be managed through its lifetime and how the benefits will be captured through monitoring and evaluation procedures.
335. A clear structure is in place to secure successful delivery of the project within the known time constraints. Keyland Developments Ltd are the landowner, they have tendered the project to a third party developer partner, and the successful bidder was Sanctuary Housing and MCI.
336. The proposed scheme will now be delivered by Sanctuary Housing and MCI, with overview and ongoing monitoring provided by Keyland Developments.
337. External assurance and performance monitoring will be undertaken by Scarborough Borough Council.

Project Organisation and Governance

Details of participants with reference to TIP and roles, accountabilities, and responsibilities

338. A strategic project steering group has been set up for this project consisting of representatives from Keyland Developments (including Director [REDACTED] Planning and Development Manager [REDACTED] and Land and Development Manager [REDACTED] working alongside officers from Scarborough Borough Council ([REDACTED] and the Development Partners Sanctuary and MCI [REDACTED] Senior Development Manager and [REDACTED] Managing Director).
339. The steering group is supported by a consultant team including architects, economists, planning consultants and sustainability consultants.

Keyland Developments Ltd

340. Keyland own the land and will ensure the delivery of the project through working with the Developer Partner (Sanctuary/MCI) to obtain planning permission. Keyland will ensure that the objectives of the towns fund and planning permission are met through monitoring during the build and obligations within the land sale agreement.
341. Keyland own the business case and have specified the requirements of the project. Keyland have secured the towns deal funding for the project. Keyland will ensure the strategic alignment of the project with the aims of the Towns Fund and through their oversight will ensure optimum whole life value is obtained.

Sanctuary

342. Sanctuary will enter the Grant Agreement with Scarborough Borough Council. Sanctuary will purchase the site from Keyland. MCI will deliver the entire scheme and Towns Fund works under a JCT contract for Sanctuary. Sanctuary pay MCI under the JCT contract for all of the works. Sanctuary will draw down the relevant funding in line with the grant agreement. Sanctuary will be responsible for the ongoing management and maintenance of the development infrastructure and landscaped areas.

MCI

343. MCI Developments will work alongside Keyland and Sanctuary to prepare full detailed designs and obtain planning permission. Once planning permission is secured MCI will finalise the detailed designs according to the brief provided by Keyland and Sanctuary and meeting the Towns Fund objectives. Once the land has been transferred to Sanctuary, MCI will act as contractor for Sanctuary to deliver the entire development of homes and infrastructure to the agreed specification.

Project Delivery Team

Name	Company	Role
[REDACTED]	Sanctuary	Senior Development Manager
[REDACTED]	Sanctuary	Head of Development – North and Midlands
[REDACTED]	Sanctuary	Head of Development - Land
[REDACTED]	Sanctuary	Assistant Development Manager
[REDACTED]	MCI	Managing Director
[REDACTED]	Keepmoat Homes	BIM Manager
[REDACTED]	Knapton & Knapton	Design Director
[REDACTED]	PDP	Landscape Architect

Track Record

344. From developing new build Greenfield sites to delivering large scale estate regeneration schemes the Sanctuary and Keepmoat Group organisations have worked together successfully and regularly for the past 15 years. Both organisations have separately and together been key investors and developers in the Scarborough and Whitby areas.
345. Most recently, in 2020, we worked together to develop open market and affordable housing in several locations across Yorkshire including the Capella development, part of the wider Middle Deepdale expansion of Scarborough.
346. Both organisations have been involved in Middle Deepdale for several years, constructing homes for sale and rent and providing a range of general needs and specialist housing, including a large extra care scheme for older residents. In total, Sanctuary own and manage nearly 750 homes in Scarborough Borough, having completed developments in both Stainsacre and in Whitby itself in recent years.
347. With a combined pipeline of nearly 5,000 new homes per year and a shared commitment to partnership working and developing sustainable communities, Sanctuary and MCI are a team that can demonstrate the financial strength, development expertise and creative vision to deliver the vision of making Broomfield Farm phase 2 an exceptional place to live.

Details of governance arrangements for oversight and approvals and delegated authorities.

348. The project steering group will report to the Whitby Town Deal Board, the Scarborough Borough council Programme Governance and Scarborough Borough Council Capital Strategy Working Group. An organogram governance structure is displayed in image x.
349. Onsite construction delivery will be implemented by MCI with oversight from Keyland Developments. Sub-contractors will be appointed directly by MCI to undertake the required works.
350. The finished development will be managed and maintained by Sanctuary in perpetuity. Performance and ongoing management will be overseen by Keyland Developments.
351. Keyland will report on progress of the development and provide regular updates during the lifetime of the project to Whitby Towns Deal Board, the SBC programme governance and SBC Capital strategy working group.

Assurance

Summary of approach to assurance including application of 3 lines model

352. The 3 lines model has been used as a tool to help communicate, understand and embed key risk management and assurance processes into the project. The model has been used to identify structures and processes that best assist the achievement of objectives and facilitate strong governance and risk management. The use of the model highlights the contribution risk management makes to achieving the objectives and creating and protecting value.

353. The principles of the 3 lines model are set out below:

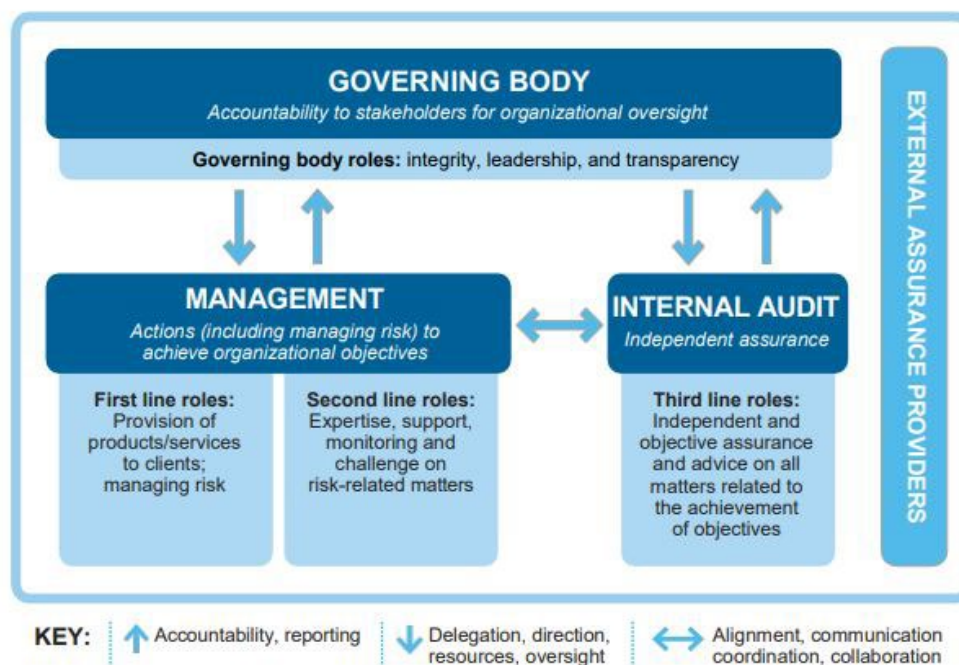


Figure 5. Three Lines Model

Summary of assurance plans including timing of key reviews and links to decision points

354. Scarborough Borough Council is the accountable body and as such will be responsible for implementing and monitoring the project as part of its wider programme. In line with other Town Deal funded projects in the programme, this project will be governed by the Council's internal project assurance processes and procurement rules.

355. At each stage of the assurance process, the required project documents will be presented to the Council's Capital Strategy Working Group (CSWG) for comment and approval. The CSWG will make recommendations to the Council's Executive Management Team once they are satisfied the documentation presented for approval meets the standards required. Any

significant risks and issues arising through project delivery will also be reported to the Council's Programme Governance Board.

356. Each project has been assigned a Project Contact from the Council's Regeneration Service to support and guide the project through the Project Assurance Process (In this case [REDACTED] the direct officer, with [REDACTED] providing oversight and support where required). The assigned Project contact will hold monthly progress meetings with project leads (in this case the SBC project manager and a Keyland Developments representative or Consultant on behalf of Keyland Developments) and will discuss progress against the agreed milestones, output and outcomes, financial profile and risks.
357. Individual project milestones and indicators have been agreed with the project team through liaison with the appointed project contact. Performance against these will be used to maintain the programme risk register using the Council's Pentana Risk System throughout the lifecycle of the project. Project and programme reports will be generated from the Pentana system on a monthly basis identifying key areas of progress against: Progress (against pre-established milestones); Financial management (against BC budget plan); Outcomes and Output movement (against plan); Risks (Management and change).
358. A Grant Agreement will be entered into between the Sanctuary and Scarborough Borough Council. Mechanisms within the Grant Agreement will allow for a change of Development Partner if required due to unforeseen circumstances. Sanctuary will receive the grant monies.
359. Formal quarterly progress reports will be required from the project which will be reviewed by SBC officers and be reported through to the Council's Capital Strategy Working Group.
360. The Town Deal Boards will have an ongoing oversight role and any significant changes to projects and the Project Summary Document will be presented to the quarterly Town Deal Board meetings following approval by SBC.
361. The SBC Project contacts for each project will provide updates on the progress of the project to the Town Deal Boards on a regular basis throughout the lifecycle of the project.

Scope Management

362. A detailed description of the scope of the project can be seen within the proposed investment section of the Strategic Case. The Broomfields Farm Net Zero Living project seeks to develop a Net Zero Living housing scheme. The overarching vision for the project is to provide a distinctive, vibrant and integrated addition to Whitby, and deliver net zero living homes and community hub building and positive impacts across all natural, social, human, intellectual, manufactured and financial capitals.
363. Keyland Developments have undertaken a two stage tender process to identify the most appropriate development partner to seek detailed planning permission, prepare detailed designs, undertake construction work and manage the properties and facilities moving

forwards. The successful organisation was a partnership approach between Sanctuary and MCI.

364. Keyland Developments and Sanctuary and MCI will now jointly seek detailed planning permission for the proposed scheme. Further to obtaining planning permission Sanctuary and MCI will appoint architects and a consultant team to work up the detailed designs for the scheme. The detail of the scheme will be overseen by Keyland Developments who will ensure that it meets the Towns Deal objectives.
365. Sanctuary and MCI will appoint third party contractors to undertake the required works. The construction phase will be overseen by Keyland Developments to ensure that the agreed plans are adhered to.
366. Monitoring and oversight will take place on the scheme by Keyland Developments will take place during construction and post completion to ensure the scheme is meeting the required objectives.
367. Regular updates regarding the progress of the construction works and the performance of the development against target objectives will be reported to the SBC officers which will be collated into quarterly progress updates to the Councils Capital Strategy Working Group and Whitby Towns Deal Board.
368. The SBC project manager will provide assistance and assurance with regards to reviewing the designs to make sure that they meet the scope and the objectives of the Towns Deal.

Programme/Schedule Management

369. Stage 1 and Stage 2 “Project Brief and Business Case” have been completed. This included developing the project brief, business cases and undertaking a two stage tender process to choose a suitable development partner.
370. Stage 3 “Project Initiation” is now underway with preparations underway to deliver detailed planning permission. This will be sought by Keyland and Sanctuary and MCI with an application to be submitted to Scarborough BC in February. Approval of the application, award of the Towns Fund grant and discharge of any relevant planning conditions is anticipated in Summer 22.
371. Stage 4 “Project delivery” will begin subject to obtaining planning permission and award of the towns fund grant. Further to grant of planning permission detailed architectural and engineering designs will be developed. It is currently anticipated the site set up and infrastructure development will begin in late summer 2022 and plot build will begin in autumn 2022.
372. It is anticipated that the scheme will be completed by summer 2024. Ongoing monitoring and reporting on performance of the buildings against projected targets will continue with reporting to the SBC officers.

Summary timescales

373. Outline of project timescales including key decision points, assurance, consents, approvals, these are subject to change:

- ▶ FBC Submission 4th February 2022
- ▶ SBC Cabinet Meeting 15th February 2022
- ▶ Submission to Government 24th March 2022
- ▶ Project Approval April 2022
- ▶ Planning Application Submission May 2022
- ▶ Funds Available for drawdown June 2022
- ▶ Planning Committee October 2022
- ▶ Planning Decision Notice and S106 Issued November 2022
- ▶ Pre commencement conditions discharged January 2023
- ▶ Start on Site February 2023
- ▶ Site Completion August 2024

Details of dependent and interdependencies with rest of TIP and non TIP projects

374. The Broomfields Farm Net Zero Living project is not dependent upon any other TIP projects and does not have interdependencies relating to non-TIP projects.

Summary of critical/near critical paths and/or higher risk work streams/activities

375. Elements of the project which are on the critical path include the following items:

- ▶ Securing highways access through the national park. This was obtained in October 2021.
- ▶ Securing a development partner through the two stage tender process. This was completed in November 2021.
- ▶ Submission of the Draft FBC to SBC, this was submitted in December 2021.
- ▶ Submission of the full FBC to Government, this will be submitted in March 2022.
- ▶ Detailed Planning Permission obtained for the proposals in November 2022.
- ▶ Grant Agreement completed between Scarborough Borough Council and Sanctuary May 2022.

376. We have a very good working relationship with planning officers at SBC who understand the aspirations of the proposals and support the proposals in principle. The detailed elements of the scheme will be subject to public consultation and review by a number of statutory consultees. The site is allocated for housing within the Scarborough Local Plan and Hybrid Planning permission has been obtained for the entire site including full detail for the infrastructure supporting the scheme. Therefore, the risk of significant planning delay is low.

377. The project will complete in August 2024, subject to the anticipated planning determination timescales.

378. Should funding agreements between Scarborough Borough Council and Keyland Developments and Sanctuary and MCI not be in place in May 2022 this is likely to affect programme delivery.

Cost Management

379. The cost plan summary is based upon estimates made by Sanctuary and MCI who have their own internal team of surveyors and cost consultants who regularly work on similar projects.

380. To reduce cost risk all contractors will be employed on a fixed price basis, where possible and tightly managed, Sanctuary and MCI have ample experience of managing construction projects such as this and have systems in place to prevent cost overrun. In some circumstances this may not be possible.

381. See appendix 1 and 2 which details the anticipated costs of delivering the scheme.

Assumptions and Exclusions

382. The project plan assumes that detailed planning permission will be granted in November 2022.

383. The project plan assumes that all parties will work together to swiftly enter into the grant agreement following approval by Government in April 2022 to allow the project to commence.

384. The project assumes that the planning permission will not contain any onerous conditions and that planning conditions can be swiftly discharged to allow a start on site.

385. Reporting on project spending and construction progress will be undertaken via Scarborough Borough Council's Pentana risk management system which provides reports to the Council's Capital Strategy Working Group and Governance Board. All invoices/payment receipts will be provided to the SBC project manager and reported to the responsible body as required with copies retained by the Council for monitoring and assurance purposes.

Risk and Opportunities Management

Summary of risk management strategy reflecting organisation, financial and commercial case and covering identification, classification, quantification, mitigation

386. At monthly project team meetings, the team will go through the risk register to log new risks along with the removal of any old risks no longer posing a threat to the delivery of the project.

387. All members of the project team will be asked to contribute to discussions on risk and means of mitigation. By assessing risks regularly, the project team will be able to be actively aware of where uncertainty surrounding events or outcomes exists and be able to help identify steps that can be taken to protect the projects objectives and budget from risk occurrence.

388. As risk management is an ongoing activity throughout the project the project manager and project team will be well placed to monitor and mitigate risk with the aim of achieving the desired outcomes of the project.

389. Actions to deal with risk include:

- ▶ Prevention - terminate the risk by doing things differently and thus removing the risk, where it is feasible to do so. Counter measures are put into place that either stop or treat the problem from occurring or prevent it having any impact on the project.
- ▶ Reduction - treat the risk; take action to control it in some way where the actions either reduce the likelihood of the risk developing or limits the impact on the project to acceptable levels.
- ▶ Transference - risk reduction by passing the risk on to a third party.
- ▶ Acceptance - tolerate the risk, either due to their being nothing that can be done at a reasonable cost to mitigate it or the likelihood and impact of the risk occurring are at an acceptable level.
- ▶ Contingency – actions that are planned and organised to come into force as and when risk occurs.

390. The risk management strategy will be qualitative and involve the use of live spreadsheet document logs to record and amend project risks throughout the projects life cycle.

391. All project issues and risks raised will be logged and any activities required to accommodate or resolve them will be managed and documented.

392. Project risks and issues if they occur are likely to arise from the following situations or sources:

- ▶ User requirements change
- ▶ Legislation change
- ▶ Organisation or business changes
- ▶ Suppliers being unable to deliver
- ▶ Resource availability changes
- ▶ Questions or concerns relating to the project

393. A summary of the key risks and current mitigation approach to each one is included within the Strategic Case. This has been developed with the project lead at SBC.

394. Contactors will be encouraged where possible to aid the delivery team to reduce project risk, uncertainty and to explore opportunities to gain from possible industry productivity

initiatives will be explored where possible; such as the use of modern methods of construction (MMC) to accelerate delivery of the housing units.

Project Management

395. The Planning and Business Case phases of the project will be managed directly by Keyland, with Sanctuary and MCI playing a supporting role in providing information regarding their proposals. Keyland will report to the SBC project manager at regular intervals to ensure that Scarborough Borough Council retain oversight.
396. During the Construction and Delivery phase of the project Sanctuary and MCI will take the lead role in procuring contracts and construction of the development. Keyland Developments will provide a monitoring and supervisory role to ensure contractual obligations are met, planning conditions are adhered to, the terms of the grant agreement are adhered to and the project delivers on its objectives. Keyland and Sanctuary/MCI will continue to hold regular meeting with the SBC project manager to ensure oversight by Scarborough Borough Council and for assurance purposes.
397. Due to this project involving a partnership approach of project management and oversight provided by Scarborough Borough Council, monitoring and strategic direction provided by Keyland Developments and procurement and delivery undertaken by Sanctuary and MCI new processes will be put in place to ensure alignment and understanding of roles and responsibilities are fully understood by all parties.
398. Good communication will be key to successful outcomes and a strategy for communication with direct lines of contact to named parties in each organisation will be provided. Regular meetings will help to identify issues and deal with them swiftly and appropriately.
399. The process will be broken down into detailed stages each with a defined scope and designed to implement the most urgent activities first. A clear scope will be provided for contractor quotes to be obtained and this will be undertaken in line with usual procurement policy. All required works will be fixed priced in order to reduce the risk or where possible pass it on to the contractor.
400. Regular meetings with the SBC project manager will enable close monitoring of the progress of the project against estimated timescales.
401. All relevant contractor quotes and invoices will be submitted to the SBC project manager for review for assurance purposes.
402. The Development partners are experienced construction companies with a wealth of skill, experience and resources in safely delivering construction projects. Sanctuary and MCI will ensure that all contractors adhere to HSE guidance and requirements. Sanctuary and MCI will only work with pre-approved contractor partners who can demonstrate that they can complete their works competently and safely.

403. A Construction Environment Management Plan will be put in place and agreed with Scarborough Council prior to works starting on site. This will detail the management of the construction process and set out how the site will be delivered without causing harm to the local environment and mitigation methods to minimise disturbance to neighbouring residents. The Construction Environment Management Plan will set out detailed health and safety procedures which will be adhered to onsite.
404. Project updates and reporting will be implemented by the project manager to Scarborough Borough Council (as the accountable body) through the defined assurance route. The reporting provided will aid the Board in monitoring the projects performance and risk. The project will also benefit from regular monthly meetings with an appointed Scarborough Borough Council Town Deal Programme contact in addition to regular meeting of the project team.
405. Compliance and consent management will be monitored by the SBC project manager in relation to procurement and the meeting of any planning conditions imposed on the project. Project delivery interfaces on site will be led by Sanctuary and MCI.
406. All relevant H&S files including risk assessments will be retained and held by Sanctuary/MCI and can be made available upon request.
407. All documents related to contractor quotes and invoices will be stored by Sanctuary and MCI and shared with the SBC project manager upon request.
408. Consideration will be given to any document that may be commercially sensitive and rules and regulations around GDPR will be followed as standard.
409. All changes linked to organisation, governance and delegated authorities will be shared and notified between Scarborough Borough Council and Keyland Developments and Sanctuary and MCI through the SBC project manager.
410. All contracts and appointments of contractors/suppliers will be undertaken by MCI.
411. It will be the responsibility of the Sanctuary and MCI to manage these contractors in line with the terms and conditions of any grant funding agreement. Overview and assistance support will be provided by Keyland Developments and the SBC Project manager.

Stakeholder Engagement

Summary of key stakeholders and their interests and power to influence delivery

412. The project has a wide range of stakeholders, these are set out in detail in section 6 of the Strategic Case. In brief the stakeholders consist of the following: Keyland Developments (Landowner and Land Promoter); Sanctuary and MCI (The Development Partner);

Scarborough Borough Council; North Yorkshire National Park; Whitby Town Council; New Residents; the existing residents of Whitby; the contractor partners.

413. A thorough public consultation exercise was carried out during the course of the planning process to obtain Hybrid planning permission for the full site, including two consultation workshops.

414. Keyland have also presented to Whitby Town Council about the development and the challenges faced during the initial planning application process.

415. Regular meetings have been held on a monthly basis with Scarborough Borough Council and the project manager. These meetings will continue for the life of the project.

416. Keyland will continue to liaise with all stakeholders in a constructive and engaging way throughout the planning process and construction and delivery phases of the project.

Benefits, Monitoring and Evaluation

Summary/Cross reference to the benefits register covering development/delivery/operations

417. Keyland Developments and the project officer will work together to monitor and evaluate the benefits flowing from the project. During development and delivery stages the risk management system will be regularly updated which will aid the tracking and delivery of benefits.

418. As part of the Grant Agreement Keyland and Sanctuary and MCI will need to demonstrate progress against the milestones and the outputs achieved. The Grant agreement is still in draft and thus the detailed arrangements are to be decided.

419. The following outcomes will be delivered and measured as part of the project:

- ▶ 60 of residential units provided.
- ▶ 450 of trees planted.
- ▶ 5250 sq. m. Amount of new parks/greenspace/outdoor space.
- ▶ C.3,440 tonnes savings in carbon dioxide equivalent reductions as a result of support.
- ▶ 43 temporary FT jobs supported during project implementation

420. The above outcomes will be evaluated and measured throughout the planning and development period. Keyland, Sanctuary and MCI will work alongside the project manager to ensure that robust measurements are recorded and evaluated against the stated benefits.

Equalities Statement

421. The project team, including Keyland Developments Ltd, MCI and Sanctuary, are committed to treating all people equally and with respect irrespective of their age,

disability, gender, marital status, pregnancy or maternity, race, religion, sex or sexual orientation.

Conclusion

422. A robust set of arrangements has been developed to aid delivery, monitoring and evaluation of the project. The management case has demonstrated that the preferred option can be successfully delivered with the arrangements that have been put in place by Scarborough Borough Council as the accountable body and Keyland Developments Ltd, Sanctuary and MCI who are undertaking the delivery and procurement role on this project.
423. The governance structures of the project are clearly set out above as well as a strategy of comprehensive stakeholder engagement.
424. The management case sets out how the project will be managed through its lifetime and how the benefits will be captured through monitoring and evaluation procedures.
425. A clear structure is in place to secure successful delivery of the project within the known time constraints.

CONCLUSION

426. The Broomfields Farm Net Zero Living project is part of a range of exciting investment projects being delivered across Whitby through the Whitby Town Deal to build upon the towns strengths and address its challenges by raising aspiration, opportunity and prosperity for all.
427. As outlined in the Whitby Town Investment Plan (TIP) this project will enable residents to live lighter in the environment. It will set a template for the future of housing and how we live, delivering a sustainable and people focused community on the town's south eastern edge.
428. The purpose of the project is to deliver an exemplar sustainable housing development in Whitby of 60 Net Zero Living homes.
429. This new form of housing development will set a template for future housing delivery in the district, region and country. By enabling the delivery of Broomfield Farm Net Zero Living the project will provide a catalyst for the development of green construction skills in the regional economy.
430. A project team has been assembled of likeminded organisations with a track record of delivery. This has been achieved via a rigorous procurement process which resulted in a new partnership between Keyland Developments, Sanctuary Housing and MCI.
431. The project will deliver a scheme of 100% affordable Net Zero Living homes, a unique proposition. We aim to provide a development which is truly exemplar, delivers against all "six capitals" and that can be replicated across the country.
432. The document has set out the business case for the scheme including the Strategic Case, Economic Case, Financial Case, Commercial Case and Management Case to demonstrating a robust set of proposals and arrangements in place to ensure the project is robust, deliverable and viable.
433. We look forwards to continuing to work closely with Whitby Town Deal Board and Scarborough Borough Council to deliver this exemplar Net Zero Living scheme.

Appendix 1 - Towns Fund Items

Enhanced Towns Fund Target	Unit cost £	Sub total	Specification	Further Information
Community hub	[REDACTED]	[REDACTED]	Single storey, 120m2 footprint Net zero carbon with PV/ASHP/U-floor heating/WondrWall 6No additional parking spaces	A community hub building will provide a focal point for local activity. Rentable space can be used for working, groups or social events and will provide an income that contributes to management and maintenance. Sanctuary are liaising with local stakeholders to determine the most appropriate form of community hub.
Secure cycle store and provision of 5No. bikes for hire	[REDACTED]	[REDACTED]	Brick built with power and internal secure storage inc. 5No bikes	The cycle store will be managed under the same arrangements as the community hub.
Community tool shed	[REDACTED]	[REDACTED]	Brick built with power and tools for community use	The community tool shed will be managed under the same arrangements as the community hub.
Allotments	[REDACTED]	[REDACTED]	12No Pathways, import soil, water supply, boundary fencing	The allotments will be located alongside the community hub and managed under the same arrangements.
EV car club spaces and charging points	[REDACTED]	[REDACTED]	4No parking spaces, 2No EV charge points (each point has 2no outlets) 17m additional road	The car club spaces will be available for the wider community to access.
Art trail along new direct route to cinder track	[REDACTED]	[REDACTED]	Approximately 360m length, 2m wide, crushed stone surfacing, signage, art trail. Allowance for legal fees.	The route will provide direct cycle friendly access to the cinder track. An art trail will help with way finding and add interest. Subject to third party owner permission.
Wondrwall (including monitoring performance)	[REDACTED]	[REDACTED]	Automated energy system	Reduced energy use and the monitoring and learning that will come from the use of Wondrwall will have much wider benefits than just the residents of the new homes.
Achieving Future Homes standard & Net Zero Carbon	[REDACTED]	[REDACTED]	Improved u-values, PV panels, Air source heat pumps (effectively all electricity to run the home, heating, hot water & lighting.	The definition for Net Zero Carbon is fluid and we would suggest the following definition as: Net Zero for regulated energy demand EPC rating A
Underfloor heating to all homes	[REDACTED]	[REDACTED]	Electric underfloor heating; exact specification to be confirmed	The use of ground floor underfloor heating will help reduce carbon and improve efficiency and lower home owner running costs.
		£2,580,660	Total	

Appendix 2 – Scheme Development Appraisal with Funding

Appendix 3 – Scheme Development Appraisal without funding

Appendix 4 – BAU Appraisal

Appendix 5 – Risk Register

Appendix 6 – Case Study Examples

“

To achieve the Passivhaus standard is fantastic and it underlines our commitment to delivering environmentally sustainable homes. We're proud to be able to provide residents with extremely energy efficient homes and look forward to delivering even more in the future.

”

Sanctuary

*Peter Martin,
Sanctuary's Group Director –
Development*

CASE STUDY

MMC Ellerslie Road, Glasgow

Sanctuary, with construction partner CCG, has developed Scotland's tallest timber framed building at its £6 million Ellerslie Road development in Glasgow. The building used cross laminated timber as an environmentally sustainable alternative to steel and concrete which also speeds up the construction of the new homes. The development provides 42 flats for mid-market rent.



CASE STUDY

Passivhaus Sanctuary Newfield Square

Sanctuary's development of 178 new homes at Newfield Square in Glasgow was designed with sustainability at its core, with a well-designed central square acting as the green heart of the development, ensuring that active travel and outdoor activity are encouraged.

The overall development achieved a high sustainability rating but, within this, we worked with Glasgow City Council on a pilot study to investigate how varying levels of sustainability could be achieved within a typical 2-bedroom dwelling, with the aim of reducing the annual fuel bills of each resident by up to 50%. The project covered 5 pairs of semi-detached houses of an identical footprint, with each pair configured to achieve an increasing level of sustainability from a benchmark level, up through higher sustainable levels to certified Passivhaus standard.

The pilot houses were designed using the Passive House Planning Package (PHPP) and have a range of technologies including: a flue gas heat recovery system, decentralised mechanical extract ventilation, air source heat pump, mechanical extract ventilation with heat recovery, heat battery technology, and photovoltaic panels. All other building components needed to also be specified to particular levels level to achieve the required certification, including very high levels of insulation in floors, walls and roof, extremely high-performance windows and doors with insulated frames and airtight building fabric.

All the homes were completed in 2019 and, working with Glasgow City Council, Sanctuary is carrying out regular resident surveys and reviews of fuel bills throughout the first few years of occupation to help to establish the benefits of each house and enable fully informed decisions to be made about future building standards.

Below: Sanctuary's Newfield Square development delivers zero-carbon homes around an attractive green square



*The award-winning
Newfield Square
regeneration scheme*

BIODIVERSITY CASE STUDY

Keepmoat - Hartcliffe Campus

A great example of how Keepmoat are embedding features that benefit wildlife in our developments, and helping to address the ecological emergency, is at Hartcliffe Campus, in Bristol. Developed in collaboration with housing provider LiveWest, this site forms a key part of the regeneration of South Bristol, providing much needed high quality affordable homes.

To benefit nature, the development includes a variety of ecological initiatives, including:

A series of four sustainable drainage ponds creating seasonally wet grassland, including the planting of cowslips, yellow flag iris, ragged robin and purple loosestrife

1,400 square meters of green roofs covering three apartment blocks. The roofs will contain a mosaic of habitats including kidney vetch to support the resident community of small blue butterflies (our smallest UK resident butterfly with a wingspan that can be a little as 16mm)

Creation of a wildlife corridor, including species rich wildflower grassland and a central wildflower "pollinator park", helping residents connect with nature

Planting of new hedgerows and 450 new trees across the development, providing habitats for wildlife while also providing shade and cooling in hot summers

Better habitats for bats, birds and reptiles and insects. With a minimum of 30 bat boxes, 70 bird boxes, 3 reptile hibernacula (hibernation areas) and 10 solitary bee bricks.

CASE STUDY

Building Block - Worcester

The Building Block is a service delivered by the Worcester Community Trust charity, which supports around 500 local people each year to develop and improve their building and DIY skills through Logic and City and Guilds accredited courses. Sanctuary has donated a range of materials, including surplus bricks, timber and utilities to the centre as well as supplying a large, secure external storage unit for equipment to enable them to continue to deliver practical hands-on courses.

Through the partnership, Sanctuary has also supported unemployed people directly back into work. At the nearby Cranham Drive development of 34 new affordable homes, Sanctuary has directly employed and continued to train a local, young man from the Building Block as part of the in-house construction team

Sanctuary donated tools and equipment to local construction skills project The Building Block

Sanctuary

Keepmoat
Homes

MCI
A KEEPMOAT HOMES COMPANY

KeyLand



CASE STUDY

Scotswood - Newcastle

The Scotswood Regeneration scheme is a major mixed-use project aimed at attracting economically active families back into Scotswood, an area of Newcastle upon Tyne that has suffered many decades of outward migration following the decline of heavy industry locally. Through the delivery of over 1,800 high quality, new family homes, alongside a 3,000 sqm Neighbourhood Centre comprising a health centre and convenience store, and 800 sqm of Community Space, this comprehensive and holistic programme of regeneration is transforming the neighbourhoods of Scotswood not just physically, but also socio-economically, enabling local residents and stakeholders to maximise their contribution to the local and sub-regional economies.

This £265m programme of redevelopment covering an area of over 60 hectares in total, also provides the critical mass and scale to enable an innovative, forward thinking approach to energy management and conservation, through the integration of a £6m combined heat and power solution supplying central heating and hot water to all dwellings, demonstrating further Keepmoat's commitment to tackling climate change, assisting our Partners address the climate emergencies they have declared, and realising the global vision to 'Build Back Better' in a manner which is not only more environmentally sustainable, but improves equality and inclusiveness.

Our comprehensive energy strategy for the Scotswood Regeneration programme is reducing energy demand through the implementation of very high-performance building fabric and the development of an energy centre that supplies all heating to the dwellings.



Aerial view of the Scotswood regeneration

Appendix 7 – Indicative Layout



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Designers of the Built Environment

Scale: 1:500@A1
Date: 16/04/21
Drg No: SK-01a

North
pm
noon
am

Client: MCI Developments Ltd.
Site: Whitby
Plan: Sketch Layout