

## Levelling Up Fund Application Form

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

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

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

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

One application form should be completed per bid.

### **Applicant & Bid Information**

**Local authority name / Applicant name(s)\*:** [Luton Borough Council](#)

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

**Bid Manager Name and position:** [Toby Maloy, Project Design and Delivery Manager](#)

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

**Contact telephone number:** [01582 547148](#)

**Email address:** [toby.maloy@luton.gov.uk](mailto:toby.maloy@luton.gov.uk)

**Postal address:** [Town Hall, Upper George St, Luton, LU1 2BQ](#)

**Nominated Local Authority Single Point of Contact:** [Toby Maloy, Project Design and Delivery Manager](#)

**Senior Responsible Officer contact details:** [Roger Kirk, Service Director, Property, Construction and Infrastructure](#) [01582 548268](#)  
[roger.kirk@luton.gov.uk](mailto:roger.kirk@luton.gov.uk)

**Chief Finance Officer contact details:** Dev Gopal, Service Director, Finance and Audit & Section 151 Officer, 01582 546087 dev.gopal@luton.gov.uk

**Country:**

- England
- Scotland
- Wales
- Northern Ireland

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

Avison Young

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

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

## PART 1 GATEWAY CRITERIA

Failure to meet the criteria below will result in an application not being taken forward in this funding round

### 1a Gateway Criteria for **all bids**

Please tick the box to confirm that your bid includes plans for some LUF expenditure in 2021-22

Yes

No

*Please ensure that you evidenced this in the financial case / profile.*

### 1b Gateway Criteria for private and third sector organisations in **Northern Ireland bids only**

(i) Please confirm that you have attached last two years of audited accounts.

Yes

No

(ii) **Northern Ireland bids only** Please provide evidence of the delivery team having experience of delivering two capital projects of similar size and scale in the last five years. (Limit 250 words)

N/A

## PART 2 EQUALITY AND DIVERSITY ANALYSIS

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

'The Stage' will have an overall positive impact on Luton's super-diverse community, as detailed below.

**Diversity** – Luton is a super-diverse town, with a population consisting of approximately 45% White British, 30% Asian, 10% Black and 10% White Other communities. The introduction of more high-quality community space in the town centre from this project, will have a positive impact on community cohesion, and will create a sense of shared ownership of the town centre and promote civic pride.

**Impact on low income groups** – Many of Luton's most deprived households live in and around the town centre area. The latest Indices of Multiple Deprivation in 2019 showed that most of the town centre fell within the 20% most deprived areas in the country, with one area within the 10% most deprived. Most of Luton's town centre is within the local authority wards of South and Dallow, which have estimated child poverty rates of 37% and 46% respectively after housing costs.

The Stage is a crucial element of Luton's Town Centre Masterplan to levelling up Luton's income inequality and eradicating poverty. This project will support the growth of businesses in various sectors to create more jobs within the town centre. With our inclusive growth principles embedded, more local employment opportunities, skills, training and apprenticeships will be available, as well as ensuring that procurement spend is retained within the local area to generate wealth and social value.

The introduction of the cycle hub, and close proximity of the scheme to Luton's transport hub with easy rail and bus access, will also help those from low income families facing barriers to the cost of transport to access work in the town centre.

**Disability** – The Stage will be developed in line with our commitment to be a disability friendly town. The development will be accessible for all and will enable more disability confident employers and community spaces within the town centre. Alongside the potential improvements to the railway station through Access for All funding, and delivery of the wider Town Centre Masterplan, this project will help to increase ease of travel between key town centre sites for people with disabilities as well as those with mobility and sight issues.

**Age** – This project will bring benefits for people of all age groups in Luton. As mentioned above, elderly people with mobility and sight issues will benefit from improved accessibility. Younger adults are likely to benefit most from increased job opportunities, with the 18-24 year old group the most impacted for job losses during the pandemic; with the increase of space for the creative sector in the scheme, children and families will also benefit from additional open spaces and the enhanced public realm.

As well as the specific impacts on inequalities outlined above, the scheme has the potential to provide a number of benefits to all residents in terms of wellbeing and the

## PART 2 EQUALITY AND DIVERSITY ANALYSIS

environment. This includes the increase of leisure space, improved public realm and cycle hub to encourage healthy and sustainable travel.

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

Please specify the weblink where this bid will be published:

<http://www.luton.gov.uk/towncentre>

## PART 3 BID SUMMARY

- |   |   |
|---|---|
| <p>3a Please specify the type of bid you are submitting</p> | <p><input checked="" type="checkbox"/> Single Bid (one project)</p> <p><input type="checkbox"/> Package Bid (up to 3 multiple complimentary projects)</p> |
|---|---|

3b Please provide an overview of the bid proposal. Where bids have multiple components (package bids) you should clearly explain how the component elements are aligned with each other and represent a coherent set of interventions (Limit 500 words).

The Stage will be a key project in transforming Luton’s town centre, as we deliver on our Town Centre Masterplan and our town-wide vision for Luton 2040 – our local response to the levelling up agenda.

Luton sits at the centre of the Ox-Cam Arc, a focal point for housing delivery and economic growth. With outstanding links by road, rail and air, Luton is a critical gateway to the arc and an area prime for investment.

Despite this enviable location, Luton town centre has yet to fulfil its potential and has experienced a long-term decline of its retail and employment offer, as well as limited community facilities, a rise in anti-social behaviour and a proliferation of permitted development activity that has delivered poor quality housing.

These challenges have negatively affected the perception of the town centre, discouraging visitors and limiting the interest of investors in delivering high quality developments. The town centre has therefore experienced little development recently, despite a housing boom elsewhere in the borough, leaving a number of high-profile sites derelict or under-utilised, further exacerbating these poor perceptions

This presents a strong case for intervention through a project that can reverse this trajectory and unlock the potential of the town centre.

The Stage will be a high-quality mixed-use development, replacing a brownfield site with an attractive new focal point in a prominent location at the entrance to the town centre. This project will set a new standard for development and provide confidence to the private sector to unlock other key sites that are ripe for development.

The project aims to tackle the key challenges by:

- Improving the gateway to the town centre and creating a positive impression for visitors.

## PART 3 BID SUMMARY

- Diversifying the range of uses in the town centre to enhance its economic resilience and attract more residents back to the town centre.
- Enhancing the quality of linkages between the public transport interchange and the town centre, other key development sites and the university.
- Improving the environment and landscape to reduce crime/anti-social behaviour, be more welcoming to families and improve air quality.
- Broadening the housing supply to support a more diverse resident population in the town centre.
- Encouraging sustainable transport by providing a cycle hub that directly links to the station and bus hub.

The project will deliver the following outputs:

- 1.4ha of land remediation
- 372 new homes
- 7,000sqm of workspace
- 2,000sqm community space
- 0.7ha public park
- 280 space cycle hub

This project will be the first step in the redevelopment of the area around Luton station and the entrance to the town centre. This is also a prominent site that connects a number of development and regeneration opportunities that are already planned and underway, including the Hat District and the emerging football stadium.

Ultimately this project will restore a sense of pride and shared ownership in the town centre for our residents, driving a renaissance of our town centre that helps to level up opportunities, wellbeing and our environment as we deliver our vision for Luton 2040.

3c Please set out the value of capital grant being requested from UK Government (UKG) (£). This should align with the financial case:	£20,000,000	
3d Please specify the proportion of funding requested for each of the Fund's three investment themes	Regeneration and town centre	100%
	Cultural	%
	Transport	%

## PART 4 STRATEGIC FIT

### 4.1 Member of Parliament Endorsement (GB Only)

See technical note section 5 for Role of MP in bidding and Table 1 for further guidance.

4.1a Have any MPs formally endorsed this bid? If so confirm name and constituency. Please ensure you have attached the MP's endorsement letter.

Yes  
 No

Rachel Hopkins MP  
Luton South  
Endorsement letter attached as appendix A.

Consultation and engagement were also carried out with Sarah Owen, Luton North MP.

### 4.2 Stakeholder Engagement and Support

See technical note Table 1 for further guidance.

4.2a Describe what engagement you have undertaken with local stakeholders and the community (communities, civic society, private sector and local businesses) to inform your bid and what support you have from them. (Limit 500 words)

The Stage site forms a key element of the new Luton Town Centre Masterplan. The Masterplan has been subject to significant consultation and engagement with residents, businesses, the voluntary sector and community sector and professional stakeholders throughout its development (Late 2019 to mid-2021); this included:

- Public consultation via online surveys and webinars which resulted in significant participation ([Stage 1](#):1,400 responses, [Stage 2](#): 316 responses)
- [Presentations to the community](#), including residents and multiple community groups
- Children and young people including schools, Youth Council and our Looked After Children panel
- 121 meetings with landowners
- 121 meetings with senior stakeholders

Key messages and public priorities from the engagement and of direct relevance to this project include:

- Improved gateways to the town centre
- A need for community, arts and performance spaces
- Modern workspace for small businesses
- Improvements to the public realm
- High quality and mixed tenure housing
- Protection and enhancement of heritage assets
- Spaces that are safe, attractive and inviting and help address high levels of antisocial behaviour.

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- Further engagement focused on key strategies for the different character areas. This included the identification of The Stage site for mixed-use development, with key comments:
  - Need to protect/enhance views from the station to landmark buildings
  - Opportunity for public open space and improved public realm
  - Complement and enhance the wider Hat District
  - Opportunity for community/arts
  - Links to Power Court and stadium
  - An inviting gateway to the town centre – not just buildings

Summary reports of the masterplan engagement can be seen in the following links; [Stage 1 Report](#) and [Stage 2 Report](#)

The development of the Luton 2040 vision also involved extensive engagement with residents and partners throughout 2020, with 201 responses from the public and 119 from community groups/representatives. Link to [2040 Consultation Report](#).

The feedback captured the priorities and aspirations for the town in the future, including:

- Addressing issues of antisocial behaviour and crime with a focus on the town centre
- Creating a more inclusive economy through diversification of the business offer
- Raising the aspirations and achievements of residents
- Restoring civic pride in the town
- Achieving equitable outcomes for all residents.

The project directly responds to these community priorities by:

- Creating the space for start-up business activity and growth to help diversify the town centre economy and provide new opportunities for residents.
- Establishing modern, fit for purpose performance and community space to increase participation in the arts and community.
- Providing high-quality design, public open space and facilities geared to meet local needs. The development will also help reinstall civic pride in the town centre.

As part of the Stage project development, a range of stakeholders have been involved, including:

- Local politicians, including both MPs, local councillors (cross-party) and Police Crime Commissioner
- Neighbouring landowners
- Culture Trust

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- Business representatives
- Community representatives
- Key Council teams
- SEMLEP
- Luton BID
- Network Rail
- Voluntary sector organisations

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

No significant concerns or objections were revealed through the masterplan process. Indeed over 75% of all feedback supported the scale and nature of the development proposed for the Station and Hat District area.

The following stakeholders have been involved in project development, and a number have also submitted letters of support which have been attached as appendices.

- MP for Luton South Rachel Hopkins
- Police Crime Commissioner
- SEMLEP
- Luton Business Improvement District
- Culture Trust
- Capital & Regional
- Bedfordshire Chamber of Commerce
- Mostaque Koyes DL
- 2020 (Luton Town Football Club)
- Network Rail
- Youthscape
- British Transport Police
- Bedfordshire Police
- Save our Town (a local lobby group)
- University of Bedfordshire
- Arts and Culture Strategy group – including UK Carnival Arts Centre, Revoluton, Arts Council England, the Culture Trust and Active Luton.

This engagement will be an ongoing process throughout the design and delivery of the project. We will continue to involve the community in the naming of the development, co-design of open spaces and the look, feel and operation of performance spaces. Throughout the project, we will continue to include key community groups, multiple stakeholders and the public in the finalisation of the scheme and its operation.

Luton has been selected to participate in the High Street Task Force (HSTF) programme, with its first visit planned for 14<sup>th</sup> July. This includes further stakeholder

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engagement in the plans for the town centre and an opportunity to refine the Stage project further.

4.2c Where the bidding local authority does not have the statutory responsibility for the delivery of projects, have you appended a letter from the responsible authority or body confirming their support?

- Yes  
 No  
 N/A

For Northern Ireland transport bids, have you appended a letter of support from the relevant district council

- Yes  
 No  
 N/A

### 4.3 The Case for Investment

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

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

Like many town centres across the UK, Luton faces significant challenges –many of these predate both the pandemic and the shifting nature of the retail.

The town centre faces a unique combination of historical and current physical, societal and economic challenges that frustrate the realisation of its potential as a focal point for the borough economy/population and make better use of its connections to London and the OxCam Arc.

Fundamentally these challenges have led to the following barriers to delivery:

1.Failure of the town centre to provide the range of amenities that residents want, excluding whole sections of society from engaging with the town centre – most notably families and older people. This has been common feedback across public engagement and reflected in GOAD data, showing the dominance of retail space and a lower representation of leisure, community, and other facilities.

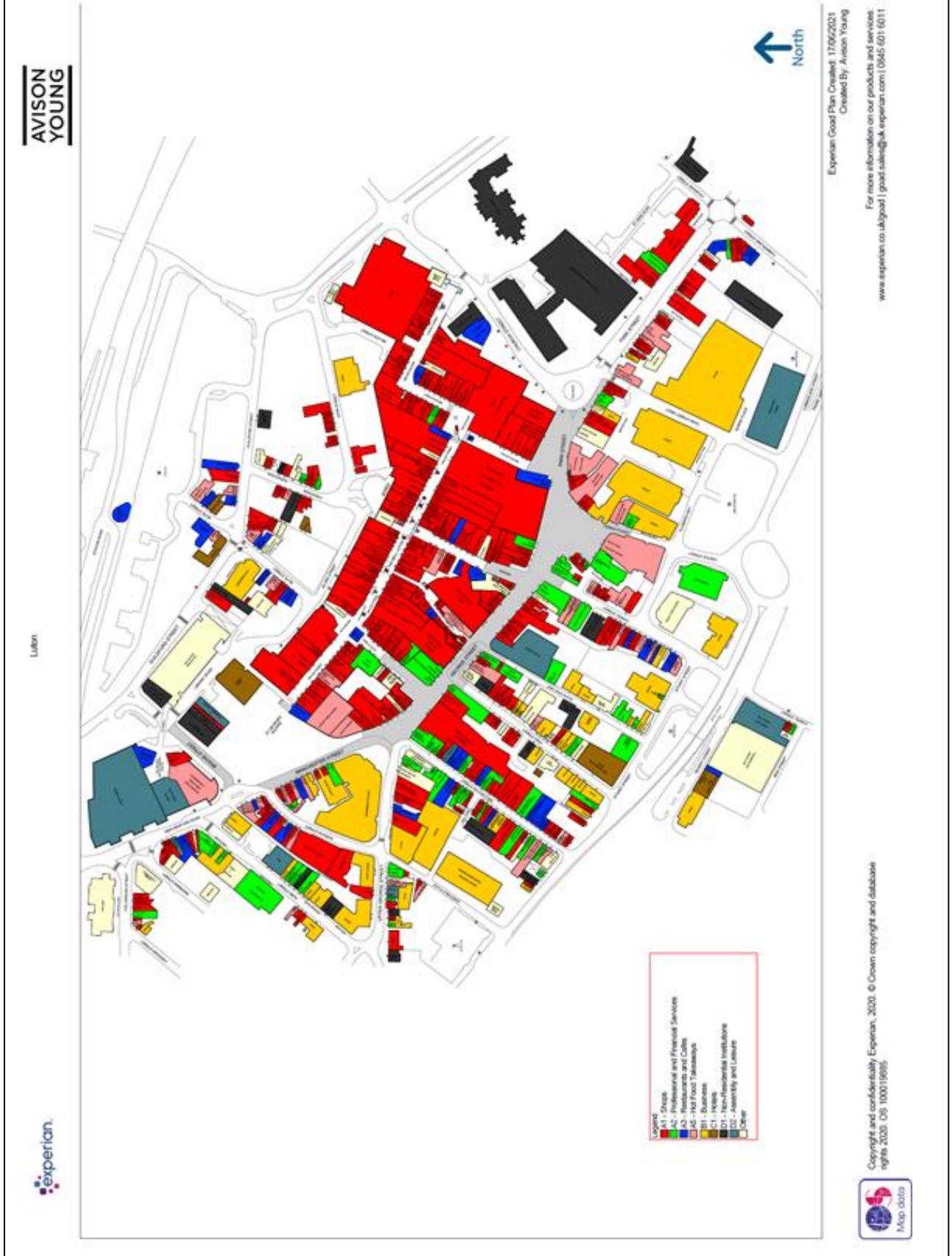
Vacancy rates have increased steadily over the last 18 months, with GOAD reporting c.81 vacant units within the town centre, representing almost 18% of total stock.

2.The town centre's physical and socio-economic challenges have created poor perceptions of the town centre from the investment community – at present there are 7 consented sites that have not been delivered and a further 6 vacant allocated sites that have not been brought forward. This has left several high profile and visible 'eyesore' brownfield sites such as The Stage undeveloped, further affecting the perception of the town centre as a place to invest.

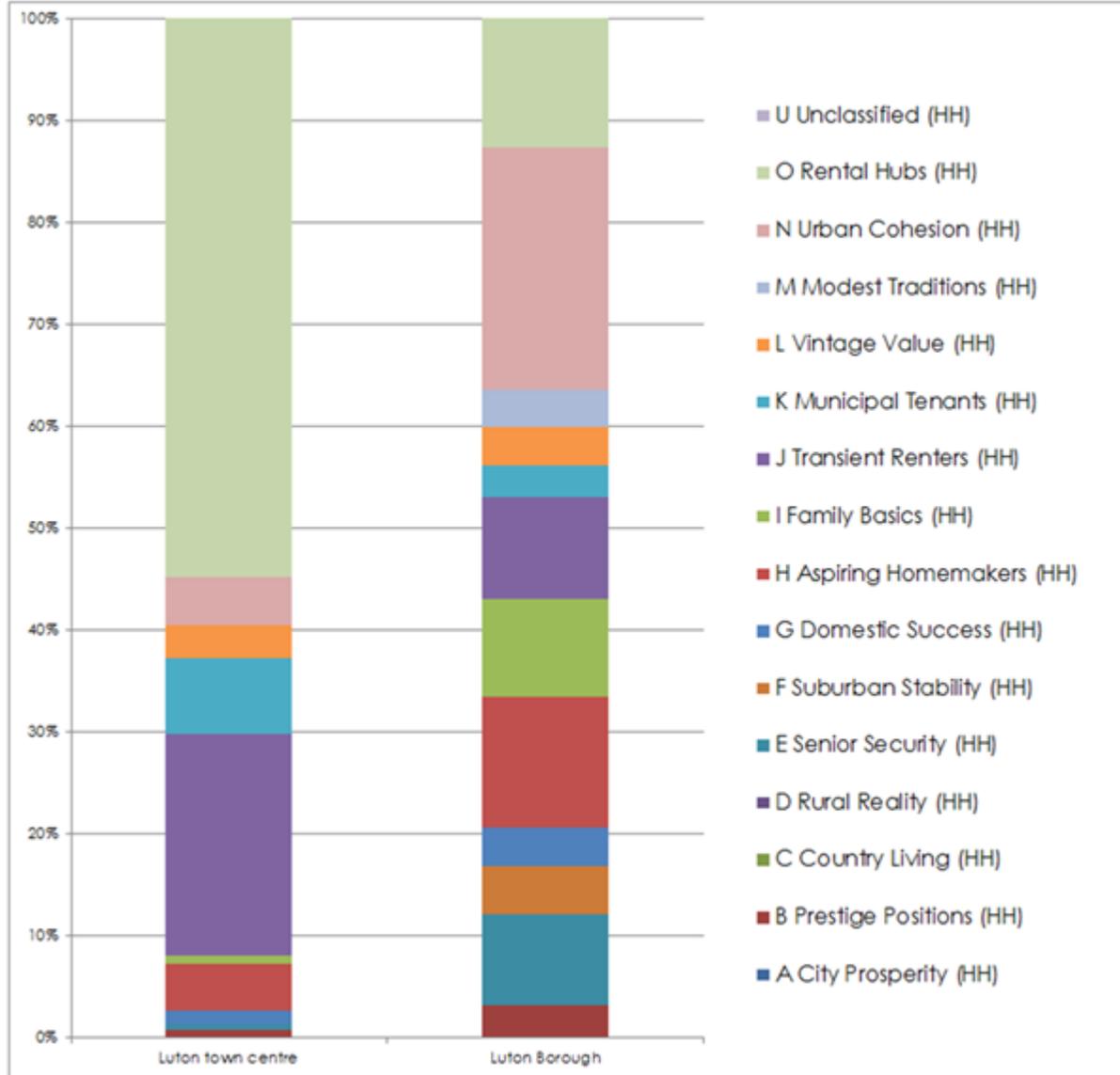
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3. Luton has seen limited growth in its town centre population. Where this has occurred, it has lacked in diversity with space delivered mainly in Permitted Development (PD) schemes. Over 75% of town centre homes are 1 or 2 bed units, with over half of these

flats. This contrasts with the Strategic Housing Market Assessment (SHMA), identifying the main need for larger, family orientated stock.



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4. The town centre population also lacks economic diversity; Experian Mosaic data from 2021, shows c90% of the town centre population are within lower-level socio-economic groups compared to 55% in the wider population. This has major implications for the economic health of the town centre.

Overall, the town centre faces significant deprivation challenges. The LSOA in the town centre that is most deprived (E01015794) appears in the top 10% most deprived in the country for housing and crime; and in the top 20% for income, education and skills, health and disability and living environment.

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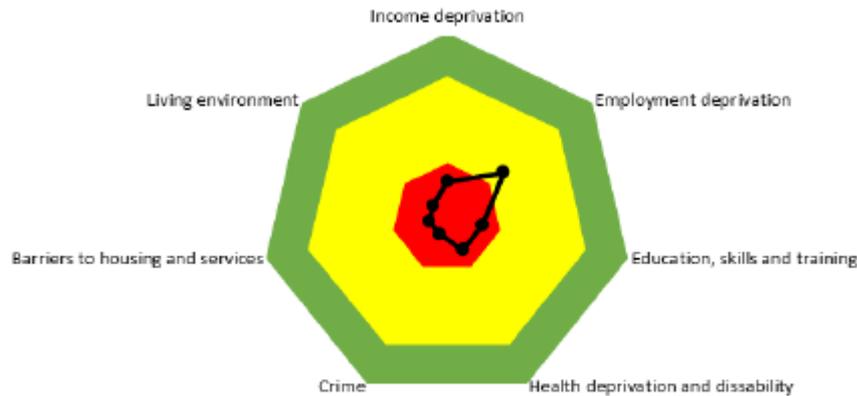


Figure 1: IMD analysis for E01015794.

**Income Deprivation** is defined as “population experiencing deprivation relating to low income”. This area is amongst the: 20% most deprived LSOAs in the country.

**Employment Deprivation** is defined as “working age population involuntarily excluded from the labour market”. This area is amongst the: 40% most deprived LSOAs in the country.

**Education, Skills and Training** is defined as “lack of attainment and skills in the population”. This area is amongst the: 20% most deprived LSOAs in the country.

**Health Deprivation and Disability** is defined as “risk of premature death and impairment of quality of life through poor physical or mental health”. This area is amongst the: 20% most deprived LSOAs in the country.

**Crime** is defined as “risk of personal and material victimisation of the local population”. This is amongst the: 10% most deprived LSOAs in the country.

**Barriers to Housing & Services** is defined as “physical and financial accessibility of housing and local services”. This area is amongst the: 10% most deprived LSOAs in the country.

**Living Environment** is defined as “quality of both the indoor and outdoor local environment”. This area is amongst the: 20% most deprived LSOAs in the country.

We explore whether you make reference to the relevant economic, social and environmental challenges in the ‘IMD Challenges’ section of this report.

For a clearer picture of all deprivation levels in your local authority, we suggest that you explore the IMD for the LSOAs *in and around* your high street from the [CDRC data](#).

5. The town centre has lost its traditional employment role, with businesses migrating to better quality spaces in edge of centre business parks such as Butterfield Business Park. This has resulted in a loss of trade for retail/leisure businesses as the workday population has diminished. It also means residents of the town centre have fewer employment opportunities and therefore can become ‘stuck’ in a cycle of deprivation. Some progress has been made recently with growth in town centre start-up businesses (for example, in the neighbouring Hat District), however the market is not yet seeking to bring new office space forward.

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

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The Stage site is a key gateway to the town centre. It is critical to set the tone for wider change and provide a high-quality entrance, which correctly interfaces with neighbours in the Hat District and the emerging football stadium at Power Court.

However, it is also complex; its former use as a railway siding, train station, bus station and car park, which leaves an infrastructure legacy that increases delivery costs.

Development delivery to date in the town centre has been limited and, where delivered, has been of lower quality and provided a limited mix of uses and residential types which, whilst viable, have not had a positive impact on the wider town centre.

The Stage proposals (see appendix E) seek to reverse this and deliver a flagship development that enhances the town centre experience and makes a positive impact on the lives of the users of the town centre through improved environmental performance, the inclusion of modern community/performance space, new public open space and high-quality small business workspace.

Integrating these elements increases costs and overcomes the abnormal costs linked to the site's history, creating a viability gap of c.£21.4mn given the current Luton market context.

The market failure that government investment will address is, therefore, that values do not provide the development sector with the ability to deliver a high-quality project that is attuned to public needs and will set a new benchmark for development in the town centre on a site that has significant upfront enabling costs.

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

LUF investment is targeted to deliver the following outputs and benefits by addressing the town centre's fundamental challenges.

### **Remediation of 1.4ha of brownfield land at a key gateway**

- Benefits
  - Remove eyesore site
  - Improve initial impressions of Luton
- Challenges addressed
  - Perceptions of the town centre from visitors and investors

### **372 mixed tenure and unit size homes**

- Benefits
  - Broaden nature of town centre population

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- Increase town centre expenditure
- Challenges addressed
  - Diversity and choice of housing
  - Limited existing town centre population
  - Delivery of Housing Strategy requirements

### **7,000sqm workspace**

- Benefits
  - Increased daytime population
  - New business creation and growth
  - 642 (FTE) Jobs
  - Potential catalyst for future office market
- Challenges addressed
  - Narrow audience for the town centre
  - Lack of economic opportunities for residents
  - Lack of modern office space

### **2,000sqm community space (including 400 seat venue)**

- Benefits
  - New facilities for community groups bringing new users to the town centre
  - Support for creative and community cluster linking to spaces within the Hat District and new Stadium
- Challenges addressed
  - Lack of existing community facilities in the town centre
  - Limited provision of space for creative expression

### **1,500sqm of retail**

- Benefits
  - Activation of key town centre routes
  - Improved supporting infrastructure for business/residents
- Challenges addressed
  - Attractive environment for businesses

### **Provision of cycle hub**

- Benefits
  - Promotion of active travel
  - Improved security to cyclists commuting to town centre or station
  - Improved image
- Challenges addressed
  - Security of cycle storage

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- Modal shift of travel to sustainable forms
- Helps complete Sustainable Transport Interchange

### 0.7ha public open space

- Benefits
  - Improved gateway and impression on arrival
  - Usable space for residents to enjoy
  - Extension of growing green space network
  - Potential improvements to air quality and environment
- Challenges addressed
  - Poor quality environment
  - Perceptions of the town centre
  - Helps achieve requirements of Open Space Strategy

The location of the target site has been identified for several reasons:

- It is a critical location to set the tone for the delivery of the aspirations for the town centre as it is the first thing people see when they arrive by train or bus. It will make an immediate impact on perceptions of the town centre by changing an underused brownfield site into a high-quality development. It is on the busiest pedestrian footfall street in the town centre.
- It sits at a strategic meeting point of a number of planned regeneration projects. It will create improved links to and between them, supporting their success by coming forward early.
- Its relationship to the station, bus hub, Luton-Dunstable busway, and cycle routes creates ideal conditions for both the community and business space, ensuring all residents can easily access it.
- The growing success of the Hat District and its workspace and arts programming lays the foundations for the success of the commercial and community space.

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

Yes

No

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

Our full Theory of Change Logic Model is included in appendix B, in summary, it sets out the following:

Aims and Objectives

- Improved gateway

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- Diversification of town centre uses
- Supporting other planned development
- Encourage sustainable movement
- Improve environment and landscape
- Broaden housing supply

### Inputs and Resources

- £1.4mn site preparation
- £93mn construction
- £1.3mn public realm

### Outputs

- 1.4ha brownfield land remediated
- 372 new homes
- 7,000sqm workspace
- 2,000sqm community space
- 0.7ha park
- 280 cycle parking

### Outcomes

#### Short term

- underutilised site brought back into use
- broader range of residential units
- new business activity and daytime footfall in town centre
- support for the creative sector
- improved arrival point
- increased use of cycle/pedestrian modes

#### Intermediate

- increased expenditure supports new town centre uses
- improved take-up of space in other developments
- increased investor confidence
- wider range of groups access town centre
- improved air quality from lower car use and new greenspace

#### Long term

- The Stage has been a major first step in the regeneration of the Station area – a key component of the town centre masterplan.
- Improving the immediate perceptions and quality of this gateway and demonstrating the success of high-quality development has supported sites across the town centre to come forward.
- This full range of investments makes the town centre more welcoming and rebuilds confidence and pride in the town – encouraging wider use by all residents.

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### 4.4 Alignment with the local and national context

See technical note Table 1 for further guidance.

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

[Luton 2040](#) is our town-wide vision and the local equivalent of the Levelling Up agenda, built around our shared mission to ensure that everyone in Luton can thrive and no-one has to live in poverty.

The Stage is a crucial project to achieving the outcomes of both of our strategies to deliver the Luton 2040 vision:

- Inclusive Economy Strategy - The Stage will help transform our town centre, with the right mix of residential, commercial, community and leisure spaces; will help to grow key and emerging sectors (including our growing creative and digital sectors); generate inclusive growth and increased local spend; create more high-value, well-paid jobs for residents so that everyone can benefit from economic growth.
- Population Wellbeing Strategy - The Stage will deliver more high-quality housing that meets the needs of residents; will create healthier, collaborative workspaces; and will enhance wellbeing through an improved public realm and access to community and creative spaces.

This project is also closely aligned to the three commitments at the heart of the vision:

- Child-friendly town - through the inclusion of open spaces and children's play areas, and creative spaces.
- Carbon neutral town - by creating a 'net-zero' development that eliminates long-term carbon impacts and a new cycle hub to increase sustainable travel and improve air quality.
- A town built on fairness and social justice - by creating opportunities among our most deprived communities, increasing community cohesion and integration through shared community spaces and enhancing local pride.

The [Local Plan](#) supports the sustainable regeneration of the town centre with Policy LLP3 setting the overarching principles for the town centre to evolve as a mixed-use economic and residential location that provides a *“balanced offer of high-quality residential development, offices and studios, creative industries, independent and national retail, education institutions and thriving public spaces.”*

Policy LLP11 supports the development of the “Station Gateway” site specifically to *“improve the quality, safety and comfort of the public realm”, “respect and enhance landmark buildings and key views in the area”, and “contribute to the delivery of a*

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*substantial amount of residential units, in the form of contemporary flats, and offices and ancillary hotel, leisure and limited retail units.”*

The project has been designed to align both with the mix of uses sought and its relationship to the area’s heritage, including specific design approaches to protect key views across the Hat District.

Beyond these strategically important policies, through the design and mix of uses, the project will also support the delivery of the following Council strategies:

- Draft Air Quality Strategy – introducing new open space/trees and encouraging more sustainable modes of transport.
- Green Infrastructure Plan – creating new public greenspace in an area that has been identified as having a space deficit.
- The new Integrated Local Transport Plan(LTP4) – both the location of the development and the integrated cycle hub will encourage more use of pedestrian, cycle and public transport modes. This creates a more comprehensive multi-modal hub in the heart of the town centre.

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

The Luton 2040 vision sets a clear commitment to becoming a carbon-neutral town by 2040, aligning with the government’s own net-zero commitments. The Council is bringing forward a number of carbon reduction projects outlined in our Climate Change Action Plan. This project has been designed to respond directly to those aspirations, moving beyond simply complying with current building regulations to become one of the borough’s first ‘net zero’ developments.

To achieve this aim, the development will incorporate:

- Rooftop photovoltaics to generate clean energy
- Enhanced insulation and airtightness to ensure the properties maximise energy efficiency
- Incorporation of mechanical ventilation and heat recovery to reduce heat loss
- Use of air source heat pumps with low-temperature radiators and/or underfloor heating to improve the operational efficiency of heating systems
- Blue roofs to limit surface water run off
- Green roofs to improve the ecology
- SUDs drainage gardens to improve ecology, visual appearance and help mitigate the risk of flooding in the town centre near the River Lea culvert

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These measures will improve the operational efficiency of the buildings over their lifetime.

The integration of the cycle hub and the limiting of parking space provision (including the potential for car clubs spaces and EV charging) will encourage more sustainable modes of access. In addition, the uptake of space with low dependency on cars is likely to be higher through its proximity to the bus hub and rail station and lying in the town centre.

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

The development site lies at the meeting point of multiple existing developments and investments, including

- **Culture Trust Luton** secured investment from SEMLEP, National Heritage Lottery Fund, Historic England and Arts Council England to deliver creative workspaces in historic buildings across the Hat District, creating a distinctive economy and restoring the built environment.
- **2020 Developments** major new development at Power Court that delivers a new stadium for Luton Town Football Club. The Stage will enhance the key route between the stadium and the station.
- **Network Rail** is investing in station upgrades that will improve the arrival experience. The Stage will translate this new high-quality arrival experience into the wider town centre.
- **European Regional Development Fund/LBC** are investing in the Open Lea project to create a new open space and river deculverting close to the site and forms part of a wider greening approach to the town centre. The LUF funding will create a complementary space to improve the overall appearance of this key link to the town centre.
- **University of Bedfordshire** has made major investments in their campus; however, feel the arrival experience and connections to the site from the station impact the attraction and retention of students, which the LUF funding will directly improve.
- **Welcome Back Fund** - if approved, this fund will deliver new outdoor seating, heightened street cleansing, art installations, a Buy Local Campaign and a programme of events to enliven the space and attract visitors.

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

Whilst this proposal is not a road project, it will complement the improved cycle provision on the busway and provide a focal point for cycle access to the station and town centre by delivering a new, secure Cycle Hub that can be used by shoppers and

## PART 4 STRATEGIC FIT

commuters. The Council is in the process of developing a Local Cycling and Walking Infrastructure Plan, which highlights the need for such facilities.

## PART 5 VALUE FOR MONEY

### 5.1 Appropriateness of data sources and evidence

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

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

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

#### **Need for Improved Employment Opportunities**

In March 2020, Luton's claimant count (3.4%) and unemployment rate (4.5%) were above the regional rates (2.4% and 3.7%). Luton also had a higher rate of economically inactive residents (24.7% compared to 19.6%).

During the pandemic, Centre for Cities identified that 32,000 jobs in Luton were in vulnerable or extremely vulnerable sectors. Between April 2020 and April 2021, the number of people in Luton claiming out of work benefits has increased to 9.2%. Luton's furlough rate also remains high, with 17% of jobs still being funded by the CJRS.

There is also a high proportion of vacancies in Level 2 occupations (47.7%) compared to the England average (39.2%).

Luton based earnings remain lower than the national and regional averages at £582.3 compared to £587.1 and £604.8 respectively.

#### **Community Safety Needs**

Luton town centre is often perceived as being unsafe. In the 2021 Perceptions of Luton survey, 37% of residents considered safety in the town to be poor, with 27% citing this as a reason for dissatisfaction with Luton as a place to live.

This perception is partly borne out in the Bedfordshire Police crime figures, which show an 18% increase in anti-social behaviour cases between April 2019-March 2020 and April 2020-March 2021.

## Housing Needs

Luton has a requirement of 150 dwellings each year in Luton town centre to accommodate future population growth however delivery has been limited to small units created via Permitted Development, with at least 13 sites stalled.

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

All data used in this section is drawn directly from official or industry standard sources and considered at the local (ward(s)/LSOAs) and borough level as appropriate.

**CoStar data:** leading real estate industry database, populated by commercial agents on commercial developments in the UK. There are some limitations to the data (such as the exclusion of commercial properties not traded/leased through commercial agents), which would have a minor impact on the data presented. It should be noted that these limitations are well known and understood in the industry. Still, it is generally accepted that the source does provide the most comprehensive and accurate dataset available to understand the UK commercial property market. CoStar data is common across the real estate, regeneration and planning industries and is commonly used (and accepted) as a key part of the evidence base for Local Plan preparation, development planning decisions and property investment decisions. As a consistently prepared dataset, it allows robust analysis over time and compares different geographies – making it appropriate to highlight particular local strengths and challenges.

**GOAD data:** Prepared and published by Experian, GOAD is up-to-date retail information developed via regular site surveys; the data used in this form was based on surveys undertaken on 11/12/2020. GOAD presents an accurate picture of key retail performance indicators. The data provides a robust evidence base from which to understand trends over time in a particular location and compare locations due to the consistent survey methodology employed across the country. Whilst it is recognised survey data does have limitations, the robustness of GOAD is reflected in its common use in policy development evidence base documents.

**Office for National Statistics (ONS) data:** Prepared and published on behalf of the UK government, this source provides a robust data source for understanding economic and population characteristics. Government economists independently prepare datasets for a range of statistical areas over a long period. Therefore, up-to-date information is available at a local level to compare time and geography-based on consistent data preparation methodologies. Such identification of

challenges facing the Luton area can be considered both accurate and ‘current’ given this ONS information.

**Perceptions of Luton Survey, 2019: Perceptions of Luton Survey, 2021:**

Luton Borough Council undertook these surveys in 2019 and 2021. The survey has traditionally been undertaken on an annual basis using a consistent methodology to audit the evolution of indicators over time.

Where possible, data has been directly drawn from these datasets and presented ‘as is’ to highlight the particular challenges facing Luton, ensuring that the information provided within this submission is as robust, objective, and up to date as possible. However, in some cases, some further analysis has been required to highlight a particular issue – where this has been done, industry-standard calculations have been undertaken.

These calculations have been prepared by an appropriately qualified and experienced economist on behalf of the applicant, checked by a more senior economist within the team and then reviewed by Luton Borough Council.

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

Data was sourced from official data or industry-standard databases at the local level (ward(s)/LSOAs) and borough level to demonstrate the significant local problems and issues. Local and borough-wide data were compared, where appropriate, to regional and national figures to demonstrate disparities with the wider area. Similarly, where appropriate, a comparison between the local area and borough-wide situation was made to demonstrate the local character of (specific) issues and problems.

These differing geographies are appropriate to reflect both the level of ‘challenge’ faced and the likely area of influence of the intervention.

The primary focus of both current issues and future influence has focussed on the borough of Luton itself. This is appropriate given the nature of the development, which will be focussed on meeting local needs.

## 5.2 Effectiveness of proposal in addressing problems

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

**Provision of housing and affordable housing to reduce homelessness and overcrowding:**

Following DCLG methodology, 1% of all new lets (affordable homes) go to rough sleepers/homeless people. With 112 affordable units to be delivered at Bute Street, and a further 120 units on associated developments (Plaiters Lea, Lea Halls, Luton Station), we estimate that between 2 and 3 units would be allocated to previous rough sleepers (potentially accommodating 6 persons based on an average of 2.4 persons per household).

The delivery of affordable housing will also contribute to reducing overcrowding. Based on DCLG guidance, we assumed that 10% of properties are filled with newly formed households, and 1% goes to rough sleepers. Therefore the probability that a unit (affordable) reduces overcrowding is estimated at 89%.

**Reduction in crime:**

Luton Town Centre is characterised by a very high level of crime, including violence and sexual offences (852 cases reported on average per year between April 2018 and March 2021), anti-social behaviour (755 occurrences per annum), etc.

The regeneration of the town centre, starting with Bute Street and improving the public realm (increase in footfall and better CCTV coverage) in the area, will improve security and safety both in terms of real number and perception.

**Delivery of community infrastructure:**

Bute Street will deliver 20,182 sqft of community space and an additional 14,951 sqft of retail space in the heart of Luton. Associated developments would provide 3,685 sqft of community space and 18,568 sqft of retail space.

The delivery of community space will be substantial for Luton Town Centre.

**Catalyst for regeneration:**

Bute Street development will be a catalyst for regeneration in Luton Town Centre. Whilst other developments are slow to come forward (as evidenced by the number of stalled sites) the LUF funding will contribute to create/improve the station gateway to the town centre and provide a positive signal to local residents, businesses and investors.

Elements of major regeneration programmes are often indirectly linked, with the ability to deliver committed investments without delay having a positive impact on further delivery (such as Plaiters Lea, Lea Halls and the developments around the station such as at the Hat District).

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

Overall with considerable analysis and research undertaken to inform the development of The Stage proposals as a follow on from the development of the Luton 2040 Vision and the Town Centre Masterplan there is a high level of certainty/confidence that the outputs would be delivered should funding be granted.

The outputs indicated have been subject to the following process to ensure they are robust:

- **Jobs** – An independent assessment of job creation has been prepared by Avison Young, who are experienced in advising in this field. They have used a widely accepted method to translate floorspace into jobs using density ratios set out in the HCA Density Guide 3rd Edition accepted government guidance on such calculations. It is worth noting the AY team wrote this guidance for the HCA.
- **Development Outputs** - LBC have been evolving concepts for the site in parallel to the development of the town centre masterplan and have tested multiple approaches to the form and nature of development. As such, there is certainty that the proposed development can be accommodated within the site.
- **Market attractiveness** - the delivery of jobs and success of the business space etc. is predicated on occupiers wishing to take up space. The development has been designed with commercial input from Avison Young to shape the scale and nature of space to ensure it aligns with market demand.
- **Public Open Space** - the open space has been designed by the same team that are bringing forward the Open Lea project at Bute Street/Silver Street and therefore understand the context and nature of space requirements.

### 5.3 Economic costs of proposal

5.3a Please explain the economic costs of the bid. Costs should be consistent with the costs in the financial case, but adjusted for the economic case. This should include but not be limited to providing evidence of costs having been

adjusted to an appropriate base year and that inflation has been included or taken into account. In addition, please provide detail that cost risks and uncertainty have been considered and adequately quantified. Optimism bias must also be included in the cost estimates in the economic case. (Limit 500 words)

Costs have been derived from the Development Appraisal cash flow model for the project and adjusted for the economic case.

LUF funding will be used to finance infrastructure and remediation works and other upfront abnormal costs at Bute Street.

	2021/22	2022/23	2023/24	Total
<b>LUF</b>	£343,540	£19,656,460	£0	<b>£20,000,000</b>
<b>Optimism Bias</b>	£56,959	£3,259,041	£0	<b>£3,316,000</b>
<b>2021/22 discounted</b>	£400,499	£22,140,581	£0	<b>£22,541,080</b>

The funding will be matched by the developer (Foxhall Homes) and have therefore been included in the Land Value Uplift calculations and therefore does not appear in the calculation of the BCR (as already subtracted from the benefits)

An Optimism Bias of 16.6% is added to the total LUF fund. The level of Optimism Bias was derived from the Green Book Supplementary Guidance (Optimism Bias), starting from an upper value of 24% applicable to standard building. The upper bound of 24% down to 21.6% based on the following assessment:

Contributory factors to Upper Bound Optimism Bias (%)		Risk	Justification
Procurement	Late Contractor Involvement in Design	No	Development at early stages, procurement of
	Poor Contractor Capabilities	No	

	Dispute and Claims Occurred	Yes	contractors yet to take place
Project Specific	Design Complexity	No	Design partly developed. Standard building to be delivered on undeveloped land (car park).
	Degree of Innovation	No	
Client Specific	Inadequacy of the Business Case	Yes	Early stage of the project
	Project Management Team	Yes	
	Poor Project Intelligence	No	Previous work undertaken, in parallel of the development of the Masterplan for Luton Town Centre.
	Public Relations	No	Engagement realised as part of development of masterplan
Environment	Site Characteristics	No	Standard undeveloped site (car park), large, easy access
External Influences	Economic	Yes	Uncertainty around Covid-19 and Brexit and future of the UK economy.
	Legislation / Regulations	Yes	

Note that 5% contingency is already included in the calculation of the Land Value Uplift.

## 5.4 Analysis of monetised costs and benefits

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

### **Land Value Uplift:**

Development at Bute Street will deliver 260 market housing units and 112 affordable housing units for a total of 189,719sqft, all valued at £425/sqft (full market value). The development will also deliver:

- 72,936sqft of commercial space (value at £15/sqft/annum, yield of 8%)
- 14951sqft of Retail/F&B (value at £20/sqft/annum, yield of 7%)
- 20,182sqft of community space (value at £15/sqft/annum, yield of 8%).

The GDV of the development is £137,095,039.

Costs for the delivery of the development include:

- Construction: £87.37m
- Car parking: £5.25m
- Contingency assumed at 5%
- Professional fees assumed at 10%
- Finance assumed at 6.5%
- Profit assumed at 19% of GDV

This provides a RLV of £23.2m. The current land value is estimated at £4.5m (price paid by Council, well above DCLG Estimate for industrial land of £1.365m per Ha for a c.1.4 ha site). We have assumed no real term inflation on land value.

The LVU is £18.67m or £16.27m in 2021/22 discounted prices.

### **Land Value Uplift for dependent development:**

Bute Street will act as catalyst for the regeneration of Luton Town Centre. Whilst not entirely dependent on the delivery of Bute Street, several developments are linked to the delivery of Bute Street. Failure or delay in delivering Bute Street will

necessarily delay the delivery of additional developments. LVU was determined using the same assumptions as for Bute Street:

- Plaiters Lea: £8.17m LVU (discounted), delivered in 2027 in preferred option against £7.37m LVU in DN with delivery in 2030 (3-year delay)
- Lea Halls: £27.40m LVU (discounted), delivered in 2030 in preferred option against £24.71m LVU in DN with delivery in 2033 (3-year delay)
- Luton Station: £7.53m LVU (discounted), delivered in 2027 in preferred option against £6.79m LVU in DN with delivery in 2030 (3-year delay)

Impact of £4.22m (2021/22, discounted prices).

### **Affordable Housing:**

Health benefits generated by 112 affordable units in terms of a reduction of overcrowding and rough sleeping. Methodology follows DCLG guidance with c.£2,400 benefits (discounted) per unit.

Impact of £0.27m (2021/22, discounted prices).

### **Wider LVU:**

**Residential:** 1,641 homes within 500m of Bute Street development (Experian Location Analyst), average value of £258,529 (Zoopla). Uplift of 2.6% assumed ("Paved with Gold" demonstrates that for each PERS score increase (1 point), residential values went up by 5.2%).

**Retail:** 301 units within 500m of Bute Street development (CoStar), average value of £1,360,229 (CoStar). Uplift of 2.45% assumed "Paved with Gold" demonstrates that for each PERS score increase (1 point), commercial values went up by 4.9%

**Office:** 126 units within 500m of Bute Street development (CoStar), average value of £1,819,808 (CoStar). Uplift of 2.45% assumed "Paved with Gold" demonstrates that for each PERS score increase (1 point), commercial values went up by 4.9%).

Impact of £23.25m (2021/22, discounted prices).

### **Crime:**

3,498 crimes a year in Luton Town Centre (Police.uk – average May 2018 to April 2021). Assuming a reduction of 8% of number of crimes, saving impact estimated to £186,718 (2021/22 prices) per annum. Optimism Bias of 80% to recognise that intervention will not have an impact across the entire area for which crime data is available.

Reduction based on comparable schemes delivered in the UK and Netherlands (minimum observation of 8% applied):

<b>Source</b>	Pedestrian Pound	<a href="https://thisbigcity.net/how-walkable-streets-can-reduce-crime/">https://thisbigcity.net/how-walkable-streets-can-reduce-crime/</a>
<b>Place</b>	Ealing, West London	Rotterdam
<b>Intervention</b>	new street lighting, hanging baskets, de-cluttering and improved directions for visitors, anti-littering campaigns and power washing pavements which aim to enhance the overall environment	making streets cleaner, removing graffiti, speed gunning motorists, increasing police visibility and improving the public realm
<b>Impact</b>	60% reduction in late night town centre violence	Drug crime dropped by 30%
	25% reduction in pickpocketing	Burglary dropped by 22%
		Vandalism dropped by 31%
		Traffic offences dropped by 19%
		Theft dropped by 11%
		Violence dropped by 8%

Assumed persistence of saving over 15 years (decay of 6.66% per year) from 2023. Impact of £1.17m (2021/22, discounted prices).

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

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

Tab B – Discounted benefits by category (£m)

See appendix C.

## 5.5 Value for money of proposal

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

Benefits and costs assumed for the calculation of the BCR are presented in the following tables in 2021/22 discounted prices.

### Summary of benefits

Benefit Type	Value (discounted, 2021/22)	Initial/Adjusted
Land Value Uplift	£16,272,843	Initial
Affordable Housing	£274,907	Adjusted
Wider LVU Residential	£9,612,355	Initial
Wider LVU Commercial (office)	£4,895,541	Initial
Wider LVU Commercial (retail)	£8,741,445	Initial
Bring Forward Plaiter Lea	£801,094	Adjusted
Bring Forward Lea Halls	£2,686,292	Adjusted
Bring Forward Luton Station	£738,116	Adjusted
Crime Reduction	£1,117,139	Adjusted
<b>Total Initial</b>	<b>£39,522,184</b>	

<b>Total Adjusted</b>	£5,617,548	
<b>Total</b>	£45,139,733	

### Summary of Costs

	2021/22	2022/23	2023/24	Total
LUF	£400,499	£22,140,581	£0	<b>£22,541,080</b>
Other Public Sector	£ -	£ -	£ -	£ -
Private Sector	£ -	£ -	£ -	£ -

Note that private sector costs are included in the Land Value Uplift calculations and therefore assumed as £0 in the calculation of the BCR (as already deducted from benefits).

### BCR

BCR calculated as: total discounted benefits (initial and adjusted benefits) minus total discounted private sector costs divided by total discounted social costs (LUF and other public funding)

	Discounted 2021/22
PVB - Benefits	£39,522,184
PVB - Other Benefits	£5,617,548
PVC - LUF	£22,541,080
PVC – Other Public Sector	£0

Private Sector Costs	£0
Initial BCR	1.75
Adjusted BCR	2.00

The Initial BCR is 1.75 representing “Medium”. The adjusted BCR, which includes benefits appraised outside the MHCLG framework, increases to 2.00 and represents “High” Value for Money

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

**Delivery of employment:**

642 FTEs jobs could be generated by the commercial element of the Bute Street development alone (assuming density of 12sqm/FTE for office space, 17.5sqm/FTE for retail and 200sqm/FTE for community space). Of those FTEs, 349 could be filled by local residents (Luton District), based on travel to work pattern (Census 2011 showing that 54.4% of people working in Luton also live in Luton).

**Provision of housing:**

372 new homes to be delivered in the heart of Luton, including 30% affordable units, covering the needs generated by population growth for over 2 years. Other related developments (Plaiters Lea, Lea Halls, Luton Station), will deliver a further 576 units, including 20% affordable homes.

**Changing the perception of Luton:**

The LUF will contribute to improving the perceptions of Luton Town Centre, currently impacted negatively by high levels of deprivation, homelessness, unemployment and crime.

**Mental health and wellbeing:**

Overall, the regeneration of Luton Town Centre will improve connectivity, accessibility, and deliver much needed community space as well as housing and commercial space. The provision of an improved public realm and reduction in crime will also contribute towards improving mental health and wellbeing of local residents.

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

- Higher than anticipated build cost inflation due to Brexit, labour shortages, material shortages as a result of stockpiling in the industry, and Covid-19/Social distancing (unpredictable build efficiency).
- Residential sales stall with end of furlough scheme (impact mortgage affordable, redundancies), and/or with end of government incentives such as SDLT holidays.
- Project timeline stretched if sales rates stall, resulting in higher finance payments.
- Future changes in how offices are used as a result of a shift toward home working could impact on demand for and value of commercial space.
- Commercial elements of this scheme could be impacted by higher yields pushing the values out whilst uncertainty remains (as social and mental health impacts of home working lead to shifting towards coming “back to work”).
- Uncertainty over the full delivery of the Town Centre Masterplan at an early stage.

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

## PART 6 DELIVERABILITY

### 6.1 Financial

See technical note Table 1 for further guidance.

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

The bid is for £20mn.

This amount is to fund the 'viability gap' that exists in the scheme. This is due to the abnormal costs created by the nature of this brownfield site and its history.

The Council intends to lead on the scheme and contribute £2mn of capital funding. This will address the difference between the LUF contribution and the overall viability gap and represent 10% match funding.

There are no private sector stakeholders, but the Council intends to utilise its wholly-owned housing company (Foxhall Homes Ltd) as a delivery vehicle for the scheme. Thus, Foxhall Homes would at least deliver the "for-profit" element of the scheme.

Foxhall Homes is currently engaged in delivering 210 quality family homes across six sites. One site includes a community centre, and another a new community park.

Foxhall Homes would be obliged to make the same S106 contributions as a private sector development.

Foxhall Homes principles are based on delivering a 30% minimum affordable content on residential schemes; this is more than the Luton Local Plan policy requirement of 20%.

Foxhall Homes is envisaged as the lead developer at this stage, although it might be that the Council subsequently takes the lead on public realm and community works.

From a Foxhall Homes perspective, this scheme is currently not viable without funding assistance. Ultimate commitment will therefore be subject to approval from the Foxhall Homes Board.

Profit from housing sales goes to repay the original working capital loan from the Council to Foxhall Homes.

## PART 6 DELIVERABILITY

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

6.1c Please confirm if the bid will be part funded through other third-party funding (public or private sector). If so, please include evidence (i.e. letters, contractual commitments) to show how any third-party contributions are being secured, the level of commitment and when they will become available. The UKG may accept the provision of land from third parties as part of the local contribution towards scheme costs. Where relevant, bidders should provide evidence in the form of an attached letter from an independent valuer to verify the true market value of the land.

Yes

No

The bid will be part-funded by LBC and Foxhall Homes Limited

The site in question belongs to the Council and is valued at circa £5m.

The Council sold the site in 2016 to Barnfield College for £5m. Barnfield proposed developing a new town centre further education campus based on a valuation provided by G.L.Hearn at the time.

Barnfield did not progress their development and subsequently went into the equivalent of administration.

The Council purchased the site back at the original sale price.

See Executive Report attached as Appendix D.

## PART 6 DELIVERABILITY

6.1d Please explain what if any funding gaps there are, or what further work needs to be done to secure third party funding contributions. (Limit 250 words)

If Levelling Up funding is granted, there are no gaps in the funds required to deliver the project.

Luton Borough Council already has the 10% contribution funds in place within its capital programme to deliver the initial remediation, infrastructure and public realm works.

If the bid is successful, the capital cost of the scheme will be included in the Council's Medium Term Financial Plan and will be funded by PWLB borrowing.

The Council is Foxhall Homes Ltd sole source of funding in terms of working capital, and no third party borrowing will be required.

It may be that Foxhall Homes Ltd choose to pre-sell the residential and retail elements of the scheme, but this is an option, not a necessity

6.1e Please list any other funding applications you have made for this scheme or variants thereof and the outcome of these applications, including any reasons for rejection. (Limit 250 words)

No other funding has been sought for this project either concurrently or historically by Luton Borough Council.

6.1f Please provide information on margins and contingencies that have been allowed for and the rationale behind them. (Limit 250 words)

The bid is for £20mn.

This amount is to fund the 'viability gap' that exists in the scheme. This is due to the abnormal costs created by the nature of this brownfield site and its history.

The Council intends to lead on the scheme and contribute 2mn of capital funding. This will address the difference between the LUF contribution and the overall viability gap and represent 10% match funding.

There are no private sector stakeholders, but the Council intends to utilise its wholly-owned housing company (Foxhall Homes Ltd) as a delivery vehicle for the scheme. Thus, Foxhall Homes would at least deliver the "for-profit" element of the scheme.

## PART 6 DELIVERABILITY

Foxhall Homes is currently engaged in delivering 210 quality family homes across six sites. One site also includes a community centre and another includes a new community park.

Foxhall Homes would be obliged to make the same S106 contributions as a private sector development.

Foxhall Homes principles are based on delivering a 30% minimum affordable residential development; this is more than the Luton Local Plan policy requirement of 20%.

Foxhall Homes is envisaged as the lead developer at this stage, although it might be that the Council subsequently takes the lead on public realm and community works.

From a Foxhall Homes perspective, this scheme is currently not viable without funding assistance. Ultimate commitment will therefore be subject to approval from the Foxhall Homes Board.

Profit from housing sales goes to repay the original working capital loan from the Council to Foxhall Homes.

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

A high-level risk register is attached as Appendix F. This covers all the principal downside financial risks and the mitigation intended.

Should there be early cost overruns for whatever reasons, then a value engineering exercise can be conducted to reshape the scheme within its original principles whilst preserving affordability.

Any development is also subject to financial risk arising from the 'valuation' of the property created and the ability to let or sell space. This risk is partially managed through the design and development process of the project.

The scheme has been informed by detailed market knowledge and input from a design perspective, ensuring both commercial and residential units are targeted at likely occupiers.

From a values perspective, assumed sales and rental values have been benchmarked against current achieved values in the Luton town centre area. The viability appraisal has sought to use values towards the middle of the spectrum rather than those at the top where a value range exists. This provides comfort and

## PART 6 DELIVERABILITY

flexibility as it is likely, given the location and quality of the development, that higher values can be achieved.

The local housing market has not been significantly affected by current economic uncertainty, with sales values continuing to increase. However, future performance is uncertain and may be impacted by the longer-term impacts of COVID-19 etc. The use of moderate value assumptions helps mitigate against this; however, to fully address the risk, the Council is already considering alternative funding options, such as working with a partner under a social investment arrangement that would see some freehold residential assets sold and leased back to the Council on a long leasehold basis. To test this option's feasibility, the Council has already held initial confidential discussions with a socially orientated investor.

Again, the commercial property market remains uncertain, with the impact of Covid-19 related 'lockdowns' having a significant impact on demand in the short term. However, long term projections are more positive and, taken alongside modest value assumptions, provide comfort that uncertainty will not undermine scheme delivery.

The Council is already an experienced commercial landlord, holding significant retail and office stock that it lets to tenants on a commercial basis. The new spaces would sit within that portfolio, underpinned by strong covenants such as Capital and Regional in terms of the Mall and office occupiers such as the NHS, HMCTS, The Probation Service, and The CCG. This balanced portfolio approach will allow the Council to manage any asset-specific issues by spreading income and risk across multiple assets. The presence of these partners also presents opportunities to consider them as 'anchor' tenants should they need additional space.

### 6.2 Commercial

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

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

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

## PART 6 DELIVERABILITY

The Council will be the lead developer and take on the majority of the risk.

### **Commercial Structure**

The intention is for Foxhall Homes to be the lead contracting body for the main construction works and the disposal vehicle for residential and retail elements..

The commercial element of the scheme could be sold or let to an operator to deliver services. Various Trusts and Companies related to the Council have the ability and track record to do this.

The community element could be operated by The Culture Trust, which already runs a number of the Council's cultural and community assets.

### **Risk Allocation**

The risk sits mainly with Foxhall Homes as the Lead Developer and with the Council as the latter's sole shareholder. Construction risk will be shared as provided by the NEC contract model (for the enabling and public works) and by the JCT contract model (for the main construction works).

### **Procurement Strategy**

As both partners fall under PCR 2015, the approach will strictly follow these requirements.

The Council intends to deliver the project in three main areas:

1. Consultancy and Surveys (DPS / Framework)
2. Enabling Works & Public Realm Improvements (Existing Framework)
3. Construction Works (potentially various phases) (CCS Framework or similar)

Site investigation works etc. will be carried out by the Council using its existing expert network utilising Dynamic Purchasing Systems and Frameworks. The enabling works will be commissioned by the Council from Volker Highways directly. Foxhall Homes will award the main construction works. Due to the uncertain nature of the supply chain , a review of the procurement strategy will be undertaken over the next six months (and monitored) to ascertain the best approach given the multitude of external factors in flux.

The Council has a PCR/OJEU compliant term contract with Volker Highways, covering the provision of groundworks, highways, lighting, drainage , and works in the public realm. There is sufficient headroom in this contract to allow the direct award of the enabling works to Volker Highways at an agreed schedule of rates.

## PART 6 DELIVERABILITY

The Commercial & Community Works and Residential Works would be tendered as part of a PCR/OJEU compliant framework arrangement.

In line with its Social Value Policy, the Council will seek to utilise measures to help generate additional benefits through its procurement including:

- securing skills and employment opportunities through the development and construction phases and the end use jobs created. For example, apprenticeships, , work experience and local recruitment through Luton's Passport to Employment programme.
- supporting and capacity building local supply chains
- capacity building and support for the voluntary and community sector

'Responsible Employer' initiatives such as the Real Living Wage, flexible working and healthy workplace policies Open procedures were discounted due to the ability of the process to create excessive returns and appraisal time.

Restricted procedures were discounted due to the additional time necessary to procure the works.

The Council will monitor the "Green Paper: Transforming public procurement" and recent PPN and adapt to any changes that may occur.

### 6.3 Management

See technical note Section 4 and Table 1 for further guidance

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

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

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

## PART 6 DELIVERABILITY

### **Milestones**

A detailed delivery programme is enclosed as Appendix G. Outlining the following key milestones:

<b>Task</b>	<b>Duration</b>	<b>Start</b>	<b>Finish</b>
Surveys	125 days	Tue 22/06/21	Tue 14/12/21
<b>Phase A</b>			
Design Development	20 days	Tue 03/08/21	Tue 31/08/21
Planning Determination	40 days	Wed 22/09/21	Tue 16/11/21
Planning Decision	0 days	Tue 14/12/21	Tue 14/12/21
ER Preparation	20 days	Tue 24/08/21	Tue 21/09/21
Tender Issue	0 days	Tue 05/10/21	Tue 05/10/21
Tender Period	30 days	Wed 06/10/21	Tue 16/11/21
Tender Award	0 days	Fri 07/01/22	Fri 07/01/22
Site Setup	5 days	Mon 07/02/22	Fri 11/02/22
Works	9 mons	Mon 14/02/22	Fri 28/10/22
Practical Completion	0 days	Fri 28/10/22	Fri 28/10/22
<b>Phase B</b>			
Design Development	90 days	Tue 03/08/21	Tue 07/12/21
Planning Determination	65 days	Mon 31/01/22	Wed 04/05/22
Planning Decision	0 days	Thu 02/06/22	Thu 02/06/22
ER Preparation	50 days	Mon 24/01/22	Fri 01/04/22
Tender Issue	0 days	Wed 18/05/22	Wed 18/05/22
Tender Period	50 days	Thu 19/05/22	Thu 28/07/22
Tender Return	0 days	Thu 28/07/22	Thu 28/07/22
Tender Award	0 days	Fri 23/09/22	Fri 23/09/22
Standstill Period	10 days	Mon 26/09/22	Fri 07/10/22
Contractor Design	100 days	Mon 10/10/22	Wed 01/03/23
Grant Possession	0 days	Wed 08/02/23	Wed 08/02/23
Site Setup	10 days	Thu 09/02/23	Wed 22/02/23
Works (Transfer Slab)	4 mons	Thu 23/02/23	Tue 20/06/23
Works (Section A)	24 mons	Wed 21/06/23	Tue 13/05/25
Works (Section B)	18 mons	Wed 16/08/23	Thu 16/01/25
Works (Section C)	24 mons	Thu 14/09/23	Wed 06/08/25
Works (Section D)	18 mons	Thu 09/11/23	Thu 10/04/25
Works (Section E)	24 mons	Thu 07/12/23	Thu 30/10/25
Practical Completion	0 days	Thu 30/10/25	Thu 30/10/25

## PART 6 DELIVERABILITY

### Roles and Responsibilities

Luton Council is the lead of the scheme and sources Foxhall Homes to act as the Developer of the main works. In addition, Luton Council will deliver the enabling works.

Luton Council and Foxhall Homes engaged relevant designers and consultants to undertake the design and delivery of the works on their behalf. The consultants will obtain planning permission, prepare tenders (or direct awards) to enter into contracts to deliver the construction works with a Contractor(s). The Consultants will then oversee the Contract between LBC/FHL and the Contractors in a quasi-judicial role.

The Contractor will be responsible for the completion of the detail design and construction.

### Partnership Management

The Council wholly own Foxhall Homes. A joint governance board shall manage the relationship with representatives from both parties.

### Stakeholder Management

Whilst the Council has the sole ownership interest in the site and therefore controls its delivery, it recognises the benefits of collaboration in achieving success and has evolved this project in partnership with key stakeholders. As the project progresses, the LUF Stakeholder Board will be integral to its execution and also directly input into long term operational solutions.

Stakeholders will continue to be involved in refining the proposal before delivery.

Various Stakeholders will also continue to be in dialogue over the operational phase of the development to help determine the best strategy and value creation through its occupation.

### Consents

The history of the site is well known to the Council, and the site forms part of the Emerging [Town Centre Master Plan](#) and has been designed in line with the principle and vision reducing the risk of consents being refused.

The scheme requires Planning Permission (Major EIA application), and the duration of this has been considered within the programme and milestones.

It will also require any conditions discharging, Building Regulations, Housing Warranty provider permissions and associated other consents around Highways, Statutory Providers etc.

## PART 6 DELIVERABILITY

Existing rights of way and adopted Highway are retained.

There are no known protected species on the site.

### Ownership & Title

A report on the title has been prepared, which shows the site is within Luton Council's control; however, a restrictive covenant on mining rights is to be discussed with Network Rail. All other covenants shown in the report are either outside of the proposed works' boundary or assumed obsolete and unenforceable. Report on Title can be found in Appendix H.

Volker Highways has already included the enabling works in their resourcing schedule for potential new projects.

The Council is in the fortunate position of being both the owner of the site and the lead developer. It is therefore not reliant on third party cooperation to any great degree.

6.3b Has a delivery plan been appended to your bid?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
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6.3c Can you demonstrate ability to begin delivery on the ground in 2021-22?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
--	--

6.3e Risk Management: Places are asked to set out a detailed risk assessment which sets out (word limit 500 words not including the risk register):

- the barriers and level of risk to the delivery of your bid
- appropriate and effective arrangements for managing and mitigating these risk
- a clear understanding on roles / responsibilities for risk

### Barriers

The project risk register in Appendix F highlights the main risks to the project. However, the majority have an impact on timing and/or cost rather than delivery overall. As set out, most can be managed proactively across the lifetime of the project.

The Register does identify a small number of risks that present more strategic potential barriers to the delivery of the project as a whole; these mainly relate to the

## PART 6 DELIVERABILITY

early/upfront activities. The key barriers and their assessed risk level are as follows:

1. Delay in achieving planning consent – this is considered a low risk given the alignment of the project with the adopted Local Plan and the town centre masterplan, both of which have had significant planning input.
2. Unexpected issues ‘in the ground’ such as archaeology and contamination - a moderate risk given up to date surveys are not yet complete; however, they are in progress, so early understanding will be achieved.
3. Construction Tenders too high – work packages have yet to be tendered so could be returned in excess of the project budget. However, this is considered a low risk given the Council’s experience in project delivery, independent cost advice provided and the likely use of established frameworks.

### **Management Arrangements**

The project is overseen by a governance structure outlined in our Project Execution Plan. This board will meet monthly during the project to assess the project compliance with its brief, risk register and close monitoring of cost assessment. This allows for proportional oversight and direction to control and mitigate risks.

### **External Risks**

As with all mixed-use developments of this nature, the principle risks related to any material cost increases, inflation and the supply chain capacity. There are also risks in the external environment, such as Brexit and Covid-19 adding pressures to supply chain and economic security.

The Council has sought to engage early with partners and stakeholders to identify and mitigate these risks.

### **Experience**

The Council has a long history of delivering major construction projects on time and on budget (see below) and knows how to plan such works from long experience. A sufficient contingency has been included in the cost plan to cover reasonable unforeseen circumstances. The Council also retains an internal team of surveyors, Architects, Quantity Surveyors etc. which help with accurately forecasting and managing risks in collaboration with external experts where necessary.

### **Estates and sales risks**

## PART 6 DELIVERABILITY

In terms of selling and letting, the Council has its own housing company, a joint venture residential letting agency (Luton Lets), a partnership with a local commercial premises agent (Kirby Diamond) and with a town centre retail partner (Capital & Regional).

The Council already has one town centre housing scheme which was delivered on a sale and leaseback basis using the “income strip” social impact bond model. If there is a need to pre-sell any of the residential elements, this could be considered, as there is no lack of potential credible partners in this regard.

6.3f Has a risk register been appended to your bid?	<input checked="" type="checkbox"/> Yes  <input type="checkbox"/> No
---	--

6.3g Please evidence your track record and past experience of delivering schemes of a similar scale and type (Limit 250 words)

The Council has long experience in successfully delivering major residential, community, leisure, cultural, educational and retail construction projects.

In 2019 it delivered an HRA funded £28mn mixed retail / residential regeneration scheme in the Marsh Farm area of Luton.

Foxhall Homes is in the process of developing 210 family homes across six sites in Luton at a total cost of £60mn, the first two being complete and fully sold.

In terms of scale, other schemes include: Inspire Sports Village (£26mn), the Luton / Dunstable Busway (£91mn), the DART Mass Passenger Transit System (£220mn) and the Building Schools for the Future programme (£120mn).

The Property & Infrastructure Service in the Council is akin to a private, professional full-service practice. It includes in-house Construction Project Managers, Architects, Engineers, Quantity Surveyors, Estate Surveyors, Building Surveyors, Compliance Surveyors and Health & Safety Experts. This team deliver in the region of £30mn of construction works per year.

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

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

N/A

## PART 6 DELIVERABILITY

### 6.4 Monitoring and Evaluation

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

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

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

Luton Borough Council will monitor and evaluate the delivery and impact of this project. The council will gather information from the developers, stakeholders and ONS data to provide clear evidence of the progress and impacts of the development. This project is key for Luton's regeneration and economic development and, as such, forms part of the council's Town Centre Masterplan, Inclusive Economy Strategy and Luton 2040.

Monitoring progress of the development will take place with ongoing engagement with the contractor/developer. Project meetings and site visits will take place to monitor the build phase and plan the occupation phase. Monitoring in the build phase will include reporting against the developer's Planning obligations in relation to Section 106 and the council's Local Plan Monitoring reports on housing delivery numbers.

Once completed, the occupation phase will be monitored with ongoing engagement with key stakeholders. Project meetings and site visits will take place, as well as bespoke surveys to gather relevant information. Officers will be keen to understand the impacts this development will have at a local level and, as such, will conduct a site-specific survey that will monitor the metrics outlined in Table F. The localised impacts will also be evident in official statistical data, particularly from ONS, which will be used to provide further context and demonstrate the wider impacts this development has on the borough.

#### **Key Metrics:**

Inputs – Activities Undertaken

- 372 residential units created
- 7,000sqm of workspace delivered
- 2,000sqm of community space delivered
- 1,500sqm of retail space delivered

## PART 6 DELIVERABILITY

- 0.7ha of public open space created
- New cycle hub

The inputs will be closely monitored during the build phase, and officers from the council will engage with the contractor to ensure these inputs are being delivered effectively. Reporting on build progress for the elements of this development would take place quarterly. In addition, early engagement with potential occupiers, particularly of the commercial and community spaces, will take place to ensure the site delivers the expected outputs and outcomes.

Outputs – What is delivered or produced

- 642 (FTE) direct jobs created
  - Including at least 350 for Luton residents
- C.740 new town centre residents (assuming an average of 2 residents per home)
- 300 new (secure) cycle parking spaces

Outcomes – Early results

- Reclamation of a key brownfield site
- Diversification of town centre offer
- Increased town centre expenditure from catchment
- Improved arrival point to the town centre
- Improved engagement with the town centre from currently 'excluded' groups
- Increase in usage of cycling as a mode of access to the town centre.

The outcomes will be monitored and evaluated throughout the development cycle for this project. Officers will monitor the reclamation during the build phase. It would be evaluated against the relevant requirements under the NPPF and Local Plan as well as considering best practices from other schemes locally. The outcomes focused on job creation, and skills improvements will be monitored annually, as explained above, during the build and occupation phases. They will be evaluated using baseline data currently available and the results of annual site-specific surveys to ensure the development delivers these outcomes.

Impact – Long term results

- Reduction in fear of crime and improvements to community safety
- Increased investment in the town centre on neighbouring sites
- Enhanced quality of development
- Improved sense of pride in the town centre
- Improved air quality
- Reduction in the deprivation within urban wards

The impacts will be monitored and evaluated over several years to assess the long-term effects this development has on key issues affecting this area of Luton –

## PART 6 DELIVERABILITY

this will align with monitoring approaches already in place under Luton 2040 and other corporate strategies.

Luton Borough Council has the resourcing and governance structures in place to monitor and evaluate this project. In addition, the council has experience in supporting and coordinating developments such as this one.

Officers will coordinate the monitoring and evaluation of this development with input from other teams within the council and relevant stakeholders such as the developer and operational partners and report these findings to the LUF Stakeholder Board.

## PART 7 DECLARATIONS

### 7.1 Senior Responsible Owner Declaration

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

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

Name:

Roger Kirk, Service Director, Property,  
Construction and Infrastructure, Luton Borough  
Council

Signed:



### 7.2 Chief Finance Officer Declaration

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

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

Name: Dev Gopal, Service Director,  
Finance and Audit & Section 151  
Officer, Luton Borough Council

Signed:



### **7.3 Data Protection**

Please note that the The Ministry of Housing, Communities and Local Government (MHCLG) is a data controller for all Levelling Up Fund related personal data collected with the relevant forms submitted to MHCLG, and the control and processing of Personal Data.

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

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

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

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

Project 1	
A1. Project Name	
A2. Strategic Linkage to bid: Please enter a brief explanation of how this project links strategically to the overall bid. (in no more than 100 words)	
A3. Geographical area: Please provide a short description of the area covered by the bid ( <u>in no more than 100 words</u> )	
A4. OS Grid Reference	
A5. Postcode	
A6. For Counties, Greater London Authority and Combined Authorities/Mayoral Combined Authorities, please provide details of the district council or unitary authority where the bid is located (or predominantly located)	
A7. Please append a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.	<input type="checkbox"/> Yes <input type="checkbox"/> No
A8. Project theme Please select the project theme	<input type="checkbox"/> <b>Transport investment</b> <input type="checkbox"/> <b>Regeneration and town centre investment</b> <input type="checkbox"/> <b>Cultural investment</b>
A9. Value of capital grant being requested for this project (£):	
A10. Value of match funding and sources (£):	
A11. Value for Money	

## Project 1

This section should set out the full range of impacts – both beneficial and adverse – of the project. Where possible, impacts should be described, quantified and also reported in monetary terms. However there may be some impacts where only a qualitative assessment is possible due to limitations in the available analysis. There should be a clear and detailed explanation of how all impacts reported have been identified, considered and analysed. When deciding what are the most significant impacts to consider, bidders should consider what impacts and outcomes the project is intended to achieve, taking into account the strategic case, but should also consider if there are other possible significant positive or negative impacts, to the economy, people, or environment (Limit 250 word)

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

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

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

### A15. **Deliverability**

Deliverability is one of the key criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.

### A16. **The Bid – demonstrating investment or ability to begin delivery on the ground in 2021-22**

As stated in the prospectus UKG seeks for the first round of the funding that priority will be given to bids that can demonstrate investment and ability to deliver on the ground in 2021-22

A17. Does this project includes plans for some LUF expenditure in 2021-22?

Yes

No

A18. Could this project be delivered as a standalone project or do it require to be part of the overall bid?

Yes

No

**Project 1**

A19. Please provide evidence

A20. Can you demonstrate ability to deliver on the ground in 2021-22.

 Yes No

A21. Please provide evidence

**Statutory Powers and Consents**

A22. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.

A23. Please list separately any outstanding statutory powers / consents etc, including the timetable for obtaining them.



**Annex B - Project Two description and funding profile** (only required for package bid)

Project 2	
B1. Project Name	
B2. Strategic Linkage to bid:  Please enter a brief explanation of how this project links strategically to the overall bid. (in no more than 100 words)	
B3. Geographical area: Please provide a short description of the area covered by the bid ( <u>in no more than 100 words</u> )	
B4. OS Grid Reference	
B5. Postcode	
B6. For Counties, Greater London Authority and Combined Authorities/Mayoral Combined Authorities, please provide details of the district council or unitary authority where the bid is located (or predominantly located)	
B7. Please append a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.	
B8. Project theme Please select the project theme	<input type="checkbox"/> <b>Transport investment</b> <input type="checkbox"/> <b>Regeneration and town centre investment</b> <input type="checkbox"/> <b>Cultural investment</b>
B9. Value of capital grant being requested for this project (£):	
B10. Value of match funding and sources (£):	
B11. Value for Money	

## Project 2

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

B12. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be reported in applications. If this is not possible, then the application should include a clear explanation of why not.

B13. Where available, please provide the BCR for this project

B14. Does your proposal deliver strong non-monetised benefits? Please set out what these are and evidence them.

### B15. Deliverability

Deliverability is one of the key criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.

### B16. The Bid – demonstrating investment or ability to begin delivery on the ground in 2021-22

As stated in the prospectus UKG seeks for the first round of the funding that priority will be given to bids that can demonstrate investment and ability to deliver on the ground in 2021-22

B17. Does this project includes plans for some LUF expenditure in 2021-22?

Yes

No

B18. Could this project be delivered as a standalone project or do it require to be part of the overall bid?

Yes

Project 2	
	<input type="checkbox"/> No
B19. Please provide evidence	
B20. Can you demonstrate ability to deliver on the ground in 2021-22.	<input type="checkbox"/> Yes  <input type="checkbox"/> No
B21. Please provide evidence	
<b>Statutory Powers and Consents</b>	
B22. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.	
B23. Please list separately any <u>outstanding</u> statutory powers / consents etc, including the timetable for obtaining them.	

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

Project 3	
C1. Project Name	
C2. Strategic Linkage to bid:  Please enter a brief explanation of how this project links strategically to the overall bid. (in no more than 100 words)	
C3. Geographical area: Please provide a short description of the area covered by the bid ( <u>in no more than 100 words</u> )	
C4. OS Grid Reference	
C5. Postcode	
C6. For Counties, Greater London Authority and Combined Authorities/Mayoral Combined Authorities, please provide details of the district council or unitary authority where the bid is located (or predominantly located)	
C7. Please append a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.	
C8. Project theme Please select the project theme	<input type="checkbox"/> <b>Transport investment</b> <input type="checkbox"/> <b>Regeneration and town centre investment</b> <input type="checkbox"/> <b>Cultural investment</b>
C9. Value of capital grant being requested for this project (£):	
C10. Value of match funding and sources (£):	
C11. Value for Money	

### Project 3

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

C12. It will be generally expected that an overall Benefit Cost Ratio and Value for Money Assessment will be reported in applications. If this is not possible, then the application should include a clear explanation of why not.

C13. Where available, please provide the BCR for this project

C14. Does your proposal deliver strong non-monetised benefits? Please set out what these are and evidence them.

#### C15. Deliverability

Deliverability is one of the key criteria for this Fund and as such any bid should set out any necessary statutory procedures that are needed before it can be constructed.

#### C16. The Bid – demonstrating investment or ability to begin delivery on the ground in 2021-22

As stated in the prospectus UKG seeks for the first round of the funding that priority will be given to bids that can demonstrate investment and ability to deliver on the ground in 2021-22

C17. Does this project includes plans for some LUF expenditure in 2021-22?

Yes

No

C18. Could this project be delivered as a standalone project or do it require to be part of the overall bid?

Yes

No

**Project 3**

C19. Please provide evidence

C20. Can you demonstrate ability to deliver on the ground in 2021-22.

 Yes No

C21. Please provide evidence

**Statutory Powers and Consents**

C22. Please list separately each power / consents etc obtained, details of date acquired, challenge period (if applicable) and date of expiry of powers and conditions attached to them. Any key dates should be referenced in your project plan.

C23. Please list separately any outstanding statutory powers / consents etc, including the timetable for obtaining them.

## ANNEX D - Check List Great Britain Local Authorities

Questions	Y/N	Comments
<b>4.1a Member of Parliament support</b>		
MPs have the option of providing formal written support for one bid which they see as a priority. Have you appended a letter from the MP to support this case?	<b>Y</b>	Endorsement letter attached as appendix A.
<b>Part 4.2 Stakeholder Engagement and Support</b>		
Where the bidding local authority does not have responsibility for the delivery of projects, have you appended a letter from the responsible authority or body confirming their support?	N/A	Luton Council has the responsibility for delivery of the project.  We have attached a number of supporting letters from stakeholders who have part of the bid process. They are attached as appendices K to T.
<b>Part 4.3 The Case for Investment</b>		
For Transport Bids: Have you provided an Option Assessment Report (OAR)	N/A	
<b>Part 6.1 Financial</b>		
Have you appended copies of confirmed match funding?	Yes	See appendix I and specifically page 43, item 106 – Town Centre Delivery £2.0m highlighted in yellow.
The UKG may accept the provision of land from third parties as part of the local contribution towards scheme costs. Please provide evidence in the form of a letter from an independent valuer to verify the true market value of the land.  Have you appended a letter to support this case?	N/A	
<b>Part 6.3 Management</b>		
Has a delivery plan been appended to your bid?	Yes	See appendix J
Has a letter relating to land acquisition been appended?	Yes	See appendix D and H
Have you attached a copy of your Risk Register?	Yes	See appendix F

Questions	Y/N	Comments
<b>Annex A-C - Project description Summary (only required for package bid)</b>		
Have you appended a map showing the location (and where applicable the route) of the proposed scheme, existing transport infrastructure and other points of particular interest to the bid e.g. development sites, areas of existing employment, constraints etc.	N/A	

### Annex E Checklist for Northern Ireland Bidding Entities

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

