

Full Business Case

Branstone Farm, Arreton Valley, Sandown



Isle of Wight Council

November 2020

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Appendix 1: Co2 Avoidance

Appendices 2-10 Redacted due to commercial sensitivity

SUMMARY INFORMATION

- Project Name: Branstone Farm
- Delivery Location: Arreton Valley, Sandown, Isle of Wight
- Lead organisation: Isle of Wight Council
- Postcode: PO36 0LT
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EXECUTIVE SUMMARY

This Full Business Case and appendices have been prepared to demonstrate that the Branstone Farm Development opportunity proposed by the Isle of Wight Council (IWC) is ready for investment by the Local Enterprise Partnerships through the Get Britain Building Fund (GBF), and is ready to deliver in accordance with required timescales.

In accordance with the application process for the Get Britain Building Fund, an Outline Business Case (OBC) was submitted to the Local Enterprise Partnership (LEP) in August 2020. The application and Outline Business Case were considered by the LEP and the IWC were subsequently invited to develop the proposal into a Full Business Case as the final stage before an investment decision is made. The Full Business Case follows the HM Treasury Green Book guidance by reviewing the content of the Outline Business Case, while also responding specifically to the requested updates from the LEP following consideration of the Outline Business Case.

Investment in the scheme will bring forward the expansion and diversification of an Island based brewery, 42 affordable housing units, a small rural business centre, a biodiversity park, phase 1 of the Island's Biosphere Centre, and a longer term aspiration for a purpose built Biosphere Centre. The strategic drivers are:

1. Supporting a prosperous rural economy.
2. Supporting strong, vibrant and healthy communities.
3. Supporting high quality tourism.

CONTEXT

Branstone Farm, owned and operated by the Isle of Wight Council since 1973 as an educational dairy farm (rural studies centre) of approximately 23 acres, became surplus to the council's requirements, as an education facility, in early 2018 as usage of the farm had dropped to such an extent, and it required such a significant revenue subsidy, that a formal decision was taken to cease operations. No alternative council uses (save for the AONB Team and associated parties) were identified and the decision was taken to investigate the sites regeneration potential, as part of the expanding businesses within the Arreton Valley. This resulted in a marketing exercise being undertaken in late 2018 and early 2019, inviting expressions of interest, for a variety of uses.

The marketing resulted in considerable interest, predominantly from agriculturally based operators. The expressions of interest received were considered by Officers, resulting in a short list of two parties whose proposals were believed to be most appropriate for regeneration within this location, these parties being Goddard's Brewery and the Vectis Group.

Goddard's Brewery, which is currently located on the outskirts of Ryde, is seeking to expand and diversify its business. Whilst it can expand on its existing site, it cannot diversify and provide the visitor experience that it believes will take the business into a more sustainable trading position. To facilitate this they need a site which offers sufficient space, and which is located within an area which is appropriate for tourist related businesses. Branstone Farm was identified as their preferred location.

Goddard's business plan is based on them entering into an occupational lease on a shell finish building, constructed by the council (as landlord) whilst investing their own capital into the internal fitting out of the facility, and expansion of the business.

The Vectis Group part of Branstone Farm is based upon the council's vision for the Island for new garden communities which will be vibrant, healthy and sustainable and based on the following principles:

- Be a holistically planned and liveable community set around green open space that provides a mix of residential, education, training and employment services.
- Development that enhances the natural environment, providing a comprehensive green infrastructure network and net biodiversity gains, and that uses zero-carbon and energy positive technology to ensure climate resilience.
- Integrated and accessible transport systems, with walking, cycling and public transport designed to be the most attractive forms of local transport.
- Champion strong high-quality design using materials sympathetic to the local vernacular, local skills and labour.

The Vectis Group comprises Vectis Housing Association, as the principal party, working in conjunction with the AONB Team, Down to the Coast, Hampshire & Isle of Wight Wildlife Trust, ARC Consulting, the Chamber of Commerce, and others. Their proposal is in two phases (Phase One being an exception housing scheme, community gardens, a biodiversity park, and rural employment units; Phase Two being more aspirational and comprising a Biosphere centre, and horticultural housing). Vectis HA will only be delivering the affordable housing, community gardens and biodiversity park.

The remaining part of Phase One is the rural business centre, based around the existing agricultural and educational buildings, and this is to be delivered by the council. The Chamber of Commerce has undertaken feasibility work around a partnership with IWC for the delivery and ongoing management of these units and has taken a Board decision to relocate to the centre.

The two elements of the Branstone Farm scheme complement one another, and sit on separate parts of the site; Goddard's Brewery is to be located on the field at the Western end of the 23 acre farm, and the remainder is covered by the Vectis Group proposals. When the initial expressions of interest were received the Goddard's Brewery proposals were at a more advanced stage than those of the Vectis Group, leading to the former element of the scheme having achieved planning consent in June 2020. The planning application for the affordable housing, biodiversity park and rural business centre was submitted and validated in July 2020, a further revision was submitted in October 2020 and it is understood that this is to be recommended for approval by the relevant Planning Officer at planning committee in December 2020.

Heads of Terms have been agreed in principle with Goddard's Brewery, [Details Redacted].

An Option to Purchase has been completed with Vectis Housing Association for the affordable housing scheme, biodiversity park, and community gardens with an agreed purchase price of [REDACTED] (which has been confirmed as best consideration by an independent valuer).

Two classroom/study centre buildings previously occupied for educational purposes will remain adjoining the proposed rural business centre and will be occupied under the designation of Biosphere Phase 1. This will

be occupied by the AONB Team, Down to the Coast, ARC Consulting and other organisations with an environmental/educational interest. These will work toward the rural strengthening of local enterprise and community; a focus on skills and business development through the programmes of apprenticeship, education and training and the on-site incubators. As part of Island aspirations for access to higher education it is envisaged that local higher education providers will work together for the establishment of a college 'campus', with the visiting partnerships established by Artecology, and the international learning networks that will open through Unesco and the Island Biosphere community.

The Regeneration Programme is intended to be delivered in line with the council's current related strategies and plans, in particular Inspiration Island (Regeneration Strategy, the Island Plan Core Strategy and Economic Development Action Plan).

The Isle of Wight Council's input will comprise land and the recirculation of capital receipts achieved through the sale of land to Vectis Housing Association and the sale of the adjacent Stockman's Cottage. Beyond this grant monies are required to facilitate the delivery of this integrated residential, business, community, educational, and environmental scheme.



Findings of the FBC

The Full Business Case (FBC) has reviewed the Outline Business Cases, with particular focus on the final option proposed, while also developing aspects of the economic and commercial case in terms of Procurement Strategy and costs of delivering this option.

The FBC considers Option 1, chosen following the review of four options at OBC stage, is still the most appropriate investment option, re-emphasising the partnership approach of the scheme.

Following a review of Options at the OBC stage, Option 1 was selected to be taken forward:

- **Option 1** – IWC to lead a **Partnership** to develop out the Permitted (and applied for) Scheme - Develop the scheme which has received planning permission, and for which planning permission has been applied for, looking to work with partners including Goddard's Brewery, Vectis Housing Association, and the Isle of Wight Chamber of Commerce to bring forward a mixed use development for the site designed to act as a template for sustainable work/live developments; an exemplar project bringing to life the Island's Biosphere status, regeneration status, and emerging land use plan.

CONCLUSIONS AND NEXT STEPS

The FBC has reviewed the strategic, economic, commercial, financial and management cases for investing in the project with regard to the Option chosen at the OBC stage.

The development of the FBC demonstrates that the Council has progressed the project with the expectation of appointing contractors at the point that confirmation of investment is given by the LEP in mid December 2020.

Once investment is confirmed the IWC can quickly progress to developing the scheme which has received planning permission, and for which planning permission has been applied for, working with partners including Goddard's Brewery, Vectis Housing Association, and the Isle of Wight Chamber of Commerce to bring forward a mixed use development for the site designed to act as a template for sustainable work/live developments; an exemplar project bringing to life the Island's Biosphere status, regeneration status, and emerging land use plan.

The development will improve the rural economy within the Arreton Valley by unlocking the full potential of this former farm field studies centre through the provision of a mixed use sustainable community consistent with the council's regeneration strategy, with rural exception housing, rural employment units, and a biodiversity park. It will support rural economic growth with the expansion and diversification of existing business and of new businesses, bringing substantial economic benefits to the rural economy. It will provide much needed affordable homes in a part of the Island which has not seen such provision for some years. It will also help highlight the Island's biosphere status.

1. INTRODUCTION

1.1. Purpose

The purpose of this report is to confirm that the IWC is council has sufficiently demonstrated a compelling and clear business case for a public private partnership to deliver a mixed use scheme at Branstone Farm through the OBC and will be ready to deliver the scheme on investment by the LEP.

This Full Business Case provides the final stage of justification for a project before investment is made. The FBC further develops the estimated cost of development, the investment risk, the associated economic benefits and the wider benefits to the Isle of Wight.

It is important that public spending decisions are thoroughly assessed in order for the council and the LEP to achieve best value when investing public money. Delivering 'best value' is not just about selecting the cheapest option or the option with the highest return, but about finding the optimum balance that achieves the council's main strategic objectives for investing in the Island. This business case confirms the Council and the LEP have made an informed and evidence-based decision and that the project should progress.

1.2. Report Structure

The FBC will review and develop the OBC in accordance with the Treasury Green Book Five Case Model, which provides a standardised decision-making tool to ensure uniform results and effective comparison. Each option has been assessed through the OBC and reviewed through the FBC against the following five cases:

1. **Strategic Case** – Is there a clear strategic fit with the requirements of the council? Does it address the case for change?
2. **Economic Case** – Does it optimise value for money? Have costs vs benefits vs risks been clearly assessed?
3. **Commercial Case** – Is the project commercially viable or is an investment required to overcome issues of market failure?
4. **Financial Case** – Is it financially affordable? What funding and investment routes might be available and are these likely to be sufficient to deliver the desired outcome?
5. **Management Case** – Can the option be practically delivered? Are there any legal, political or operational constraints?

2. THE PROJECT

2.1. Project Summary

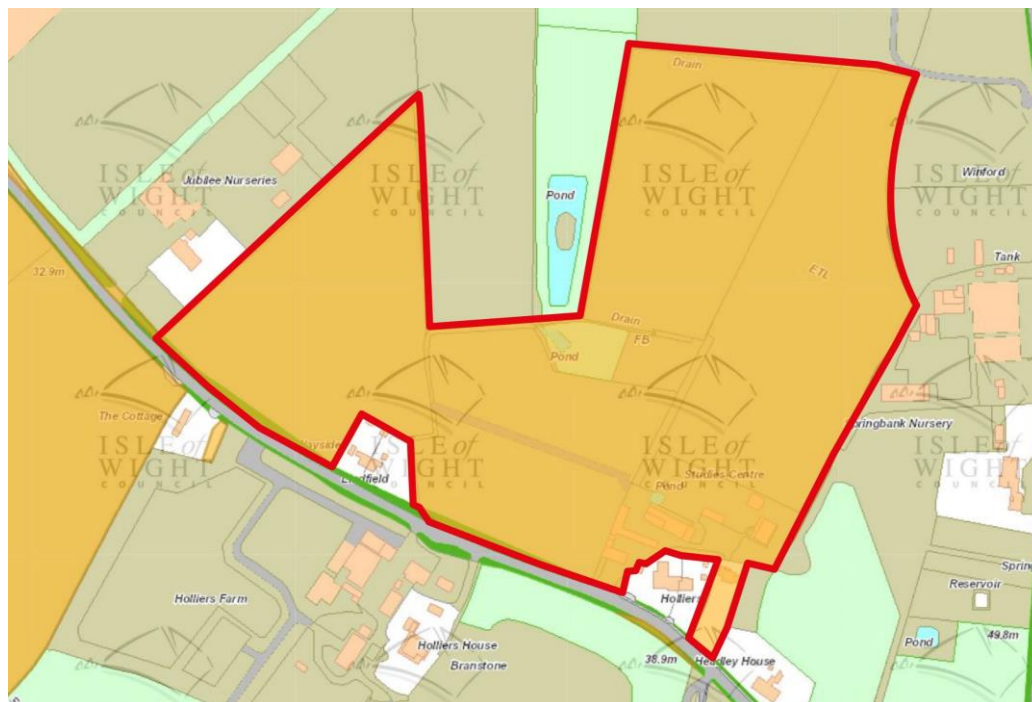
The aspects of the scheme that will be directly supported by the LEP funding includes the Brewery and the southern part of the Business Centre.

The council has actively engaged in a partnership approach with a number of parties to make the scheme ready for investment and delivery. The wider scheme will enable the delivery of a mixed use regeneration of Branstone Farm, a former field studies centre which ceased operating as an educational facility just over two years ago (due to a significant fall in usage and high revenue subsidies). The mixed use proposals include a purpose built production facility and tourist destination with Goddard's Brewery, 42 affordable homes and a biodiversity park with Vectis Housing Association, and a rural business centre with the Chamber of Commerce. The council's AONB Team, and associated groups, will deliver biosphere functions from existing buildings, with the delivery of a purpose built biosphere centre being provided at a later stage.

Taking a partnership approach to this development will enable the development of rural employment space in order to meet local demand there-by enhancing businesses and job growth in the Arreton Valley; to enable the delivery of a 100% affordable housing scheme with associated open space and community gardens; to enhance the current biosphere related activities and improve the educational/training offer.

The council is providing land for various parts of the scheme and will reinvest capital receipts from the sale of land to Vectis Housing Association and the sale of the adjacent Stockman's Cottage into the rural business centre and Goddard's Brewery developments. Working to secure public investment in the scheme through LEP funding will bring additional financial benefits and to help support the IWC investment in this complex scheme.

2.2. The Site

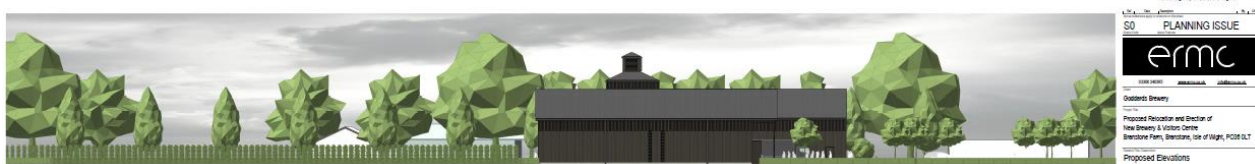


Goddard's Brewery site plan



Business Park, Affordable Housing & Biodiversity Park site plan





Entrance to Business Park



Business Park



Affordable Housing and Biodiversity Park



Affordable Housing



- **The Site:** Branstone Farm comprising 22.4 acres (9.1 hectares) of land with 10,670 sqft (991 sqm) of poor quality agricultural buildings, 2040 sqft (190 sqm) of educational buildings, plus a 3 bedroom stockman's cottage.
- **Landowner:** Isle of Wight Council
- **Tenure:** The entire site is freehold (subject to a grazing licence on part, and service occupation by AONB and Down to the Coast)
- **Address:** Branstone Farm, Newport Road, Sandown, Isle of Wight, PO36 0LT.
- **Location:** The site is located on the North side of the A3056 Newport Road (the main road connecting Newport with The Bay) In the Arreton Valley, between Arreton and Apse Heath.
- **Opportunity:** Mixed use – housing, rural employment, tourism, leisure and education/training.

2.3. Project Context and Justification

The Isle of Wight Regeneration Programme is kick-starting, co-ordinating and managing a range of priority projects and work-streams aimed at driving regeneration, economic growth and delivering place-making benefits.

The rural economy is recognised as requiring support for the delivery of both employment and housing across the Island, and the council aims to facilitate the development of such space in the Arreton Valley through a public private sector approach at Branstone Farm. This will enable the existing redundant agricultural buildings to be replaced by a purpose built rural business centre, an expanded and diversified local brewery with visitor centre, the provision of affordable housing in an area which has seen no such housing for many years, and the expansion of the Biosphere education/training facility.

The financial challenge facing the council is the biggest risk to sustainable local authority services on the Isle of Wight. The council's recently approved medium term financial strategy provides it with an opportunity to secure its financial position over the medium term, albeit that the current Covid-19 pandemic has created new and additional pressures.

In order to make the most of this opportunity, the council must seek to grow its tax base (council tax and business rates) by increasing the prosperity and sustainability of the Island community based on the pillars of regeneration, growth and productivity.

3. THE OPTIONS

The Branstone Farm site benefits from planning consent (19/00634/FUL) for a brewing and bottling facility with associated office, retail, storage and visitors experience, which was granted in June 2020.

A further planning application was submitted in July 2020 (20/01160/FUL) for a mixed use regeneration scheme of 42 affordable homes, new rural business units to replace agricultural buildings, community gardens, and a biodiversity park. Considerable community consultation has taken place regarding these proposals with a good level of support in evidence, both for affordable homes and for new employment opportunities.

A requirement to revise the access arrangements to the site has meant that the housing and business park application (20/01160/FUL) was revised, with revisions submitted on the 26th October 2020. Due to the nature of the revised application the revisions require a further three week consultation period, which means that the application will be determined in December 2020.

The options appraisal undertaken in the consideration of the Outline Business Case for Branstone Farm analysed the site and explored a range of options to recognise the development relationship and uses options.

The options considered were as follows:

- **Option 1 – IWC to lead a Partnership** to develop out the Permitted (and applied for) Scheme - Develop the scheme which has received planning permission, and for which planning permission has been applied for, looking to work with partners including Goddard's Brewery, Vectis Housing Association, and the Isle of Wight Chamber of Commerce to bring forward a mixed use development for the site designed to act as a template for sustainable work/live developments; an exemplar project bringing to life the Island's Biosphere status, regeneration status, and emerging land use plan.
- **Option 2 – IWC to accept Alternative Private Sector Proposals** received as part of the original marketing exercise - IWC to revert to private sector non-regeneration proposals submitted as part of the original marketing exercise to develop the site primarily for agricultural/visitor based schemes.
- **Option 3 – IWC to develop out the Permitted (and applied for) Scheme** in its entirety – IWC to develop the scheme which has received planning permission, and for which planning permission has been applied for, without the support of any partners, taking on the entire risk of the scheme itself.
- **Option 4 – Do nothing** - Consider if the strategic risks outweigh the IWC imperative to see such regeneration within the Arreton Valley.

Option 1 was the selected option following review at OBC.

4. THE STRATEGIC CASE

4.1. Introduction

The Strategic case assesses the key drivers for change and stability in order to arrive at a fully justified case for change. The objectives established in this strategic case were used in the initial appraisal of options. As the project planning progresses, the Regeneration Programme Board should continue to assess whether the project remains on course to deliver the council's strategic objectives defined here.

The strategic case remains unchanged at FBC and is ultimately concerned with whether the proposed project achieves the council's strategic and site specific objectives. As identified in the project description, this Business Case for LEP funding is concerned with the delivery of the Brewery, the southern part of the business park and the shared infrastructure required for wider site delivery.

4.2. Context

The social and economic context of the Isle of Wight is outlined in the *Isle of Wight Regeneration Programme Strategic Outline Programme (SOP), Section 2 - Strategic Case*.

As part of the Core Strategy, there are some strategic ambitions for rural parts of the Island including the Arreton Valley which primarily consist of housing, tourism and employment. The most significant policies maintained within the Core Strategy consist of SP1 (Spatial Strategy), SP2 (Housing), SP3 (Employment), SP4 (Tourism) and SP5 (Environment), along with Development Management Policy DM10 (Rural Service Centres and the Wider Rural Area).

Branstone Farm is located in a rural location on the floor of the Arreton Valley in the hamlet of Branstone, fronting the A3056 Newport Road. It lies approximately 1.5km south of the rural service centre of Arreton, close to the Hale Common (Fighting Cocks) crossroads and is close to the rural villages of Newchurch, Winford and Apse Heath.

Although within a rural location, the Arreton Valley is recognised as an employment area based around horticulture and tourism. Within the planning consent for Goddard's Brewery the Planning Committee report states that there are numerous large scale nurseries and greenhouses in the area which are notable structures within the valley. Nearby commercial occupiers include Jubilee Garden Centre on the western boundary, Thompsons Garden Centre and Amazon World (a substantial tourist attraction) on nearby Watery Lane, and The Fighting Cocks public house.

Encouraging complementary regeneration within the valley is the primary driver for Branstone Farm.

4.3. Key Issues to be Tackled

Although Branstone Farm fronts one of the Island's busiest main roads it is located within a rural position in the heart of the Island close to a number of small settlements including Newchurch, Winford, Apse Heath, and Arreton. The latter is the only one which constitutes a rural service centre, and there is no real community focus within the Branstone area itself. The proposed scheme would create such a focus.

Although there is reasonable employment within the Arreton Valley, much of this is seasonal and connected with the nearby extensive glass houses and the growing of salad crops. Year round employment within this rural setting is much needed, and the proposed scheme would create this.

It is understood that no affordable housing has been provided within this locality for at least 10 years, and there is a proven need which remains unfulfilled.

4.4. Site Opportunities and Constraints

Opportunities

- Land ownership – IWC owns the entire site.
- The facility is surplus to council requirements as the original use has ceased and IWC has no operational uses for the site.
- A high profile main road location fronting one of the Island's busiest roads.
- The site is part brownfield, in a rural setting.
- Provides an extension to the development of the Arreton Valley, for business uses, agritourism and potentially agri-retail.
- Existing developments within the Arreton Valley speak to the possible scale of buildings.
- Safeguards existing brewery jobs and creates new employment opportunities at the brewery and visitor centre.
- Develop 1400 sqm of rural business space, predominantly new build, of varying sizes, with associated new employment opportunities.
- Ensure continued occupation by Biosphere stakeholders facilitating ongoing and additional educational and training opportunities.
- Develop a biodiversity park open space which supports the Island's Biosphere status.
- Provide 42 affordable housing units in a location which has seen no affordable housing for at least 10 years.
- Potential to create a sustainable community blueprint with economic, social and environmental wellbeing within the same scheme.

Constraints

- Economic viability - economic outputs may justify the level of investment still required to deliver the scheme although the full extent of required investment still needs to be fully determined.
- Financial viability - commercial rent thresholds may not be sufficient to sustain a satisfactory return on investment for both public and private partners.
- Timescales – Vectis Housing Association is working within a strict time deadline for Homes England funding (which will be covering the costs of the site road and other infrastructure for the housing, rural business centre and biodiversity park). If missed, it is unlikely that the housing would be delivered.
- Post Covid impact is yet to be determined both in terms of demand, rental levels and funding.

4.5. Island Vision and Programme Objectives

The Isle of Wight Vision: Inspiration Island

The 2019-2030 Regeneration Strategy for the Isle of Wight aims to set out how the council is leading the agenda to ensure the economic future of the Island and create the Island that is a great place to grow up, live, work and visit.

The strategy is split into six key themes.

These key priorities are as follows:

- Place-making
- Housing
- Transport and Infrastructure
- Cultural and Environmental assets
- Skills and Business Development
- Area Regeneration

This strategy seeks to respond to the following key challenges arising from the analysis of the Isle of Wight's current position:

- Attracting and growing jobs that pay higher wages
- Providing affordable homes for Islanders with the right infrastructure
- Protecting and capitalising on our unique environment and cultural heritage
- Re-balancing our population to ensure we can sustain our public services
- Caring for our most vulnerable people and helping everyone to age well
- Reducing deprivation levels in affected areas of the Island
- Changing perceptions of the Island and its future amongst those who live here and those who might want to relocate, invest and visit
- Investing in infrastructure to help mitigate our separation deficits

Regeneration Programme objectives and actions

Place-making – Develop five sites to create jobs, homes, leisure and educational opportunities.

Housing – Working in partnership to deliver 1,000 affordable homes by 2025.

Transport and Infrastructure – Develop and implement an Infrastructure Investment Plan for the Island.

Cultural and environmental assets – Work with Visit Isle of Wight to develop quality sustainable out of season tourism models.

Skills and Business Development – develop and implement a Digital Island strategy to maximise the benefits of new technology in boosting our economy and improving public services.

Area Regeneration – Work with area stakeholders to deliver agreed regeneration priorities.

4.6. Site Objectives

The following project objectives integrate the Core Strategy objectives and Regeneration Programme objectives to provide a robust framework against which to assess the options.

Project Objectives	Weighting (1-5)	Main Programme Objective Addressed
Long term council income – generate revenue income for the council in the form of rents and improved business rates (NNDR) revenue.	5	4
Create viable rural business space – provide modern accommodation and the necessary infrastructure to sustain long-term business activity in a rural location.	4	4
Create a sustainable rural community – integrate the residential, business space, and open space to provide an established and integrated community.	4	4
Safeguard and create additional jobs – Create temporary construction-related jobs, safeguard existing brewery employment, and create new employment opportunities within the business centre.	5	3
Deliver sustainable and phased sector growth – Develop a phased approach, with the brewery accommodation and southern business units in an initial delivery phase, concurrently bringing forward a phased residential development.	3	3
Leverage private against public investment – Develop a financial model based on public and private financial returns to support overall financial viability and the viability of wider infrastructure investment.	3	3
Safeguard public sector investment in the site to date and retain the majority of the site in public ownership – Provide a rural legacy project and sustain long-term Biosphere Centre aspirations.	3	3

4.7. Methodology

At the OBC stage the options for the site were objectively assessed against the site objectives and their weightings. More information on the options and their benefits are outlined in the *Options* section earlier in this document.

Scoring for each objective was undertaken using the following points system and multiplied by each objective's weighting.

5 – Very positive impacts and full fit with site objective

- 4 – Some positive impacts and fit with site objective
- 3 – Neutral impact and partial fit with site objective
- 2 – Minor negative impact and poor fit with site objective
- 1 – Negative impact and not aligned to site objective

The range of possible scores given the weightings is therefore:

Min. score Negative impact	Neutral score Neutral impact	Max. score Maximum positive impact
54	81	135

4.8. Strategic Appraisal

The options for the site have been objectively assessed against the site objectives and their weightings.

Site Objectives	Weighing (1-5)	Options			
		1 Public Private partnership	2 Alternative private sector proposals	3 IWC delivers entire scheme	4 Do nothing
Long term council income	5	5	1	5	1
Create viable rural business space	4	4	2	4	1
Safeguard and create additional jobs	5	4	2	4	1
Create a sustainable rural community	3	4	1	4	1
Leverage private against public investment	3	4	2	3	1
Deliver sustainable & phased sector growth	3	3	1	3	1
Safeguard public sector investment in the site and retain the majority of the site in public ownership	3	5	2	5	1
Weighted Score		109	41	106	26
Preferred Option		Y	N	Y	N

Option 1 – IWC to lead a Partnership

To deliver the consented and applied for scheme with a partnership approach means that various parties will be funding different sections of the scheme and will be bringing their own expertise and resources into play (eg a housing association will be providing the housing). This option is based on current interest expressed in the site including Goddard's Brewery, the Chamber of Commerce, and Vectis Housing Association.

Option 2 – IWC to accept Alternative Private Sector Proposals

When the initial marketing was undertaken a number of alternative private sector proposals were received for the site. These were predominantly based on agricultural or agritourism type schemes which were unlikely to regenerate the site to any degree. Indeed, most were predicated upon retaining the existing agricultural buildings and refurbishing them to a greater or lesser extent. These would not have generated the level of new jobs anticipated for the site, nor the level of temporary construction jobs, nor would they have delivered affordable housing. No integrated community would be provided.

Option 3 – IWC to develop out the Permitted (and applied for) Scheme

This option is much the same as option 1 save that IWC would deliver the entire scheme at its own cost. Whilst this would, in theory, create the same regeneration scheme it is unlikely to be delivered as the council does not have the funding to develop on this scale, does not have the in-house resources to deliver such a scheme nor, with limited capital availability, is this likely to be a priority project.

Option 4 – Do nothing

This option leaves the land in its existing state with partial use of the poor quality agricultural buildings plus a temporary grazing licence on some of the fields. This would not address backlogs of repair on buildings, not create new employment, nor deliver much needed affordable homes.

4.9. Summary and Conclusions of the Strategic Case

The Full Business Case has reviewed the OBC and considered the Option selected remains the highest scoring option in the strategic assessment, being:

- **Option 1 – IWC to lead a Partnership**

Option 3 scored similarly, whilst potentially delivering the same benefits. However, it is notable that the risk of strategic success is impaired through the lack of involvement of third parties.

From a strategic perspective Options 2 and 4 are not even close to meeting programme objectives.

5. THE ECONOMIC CASE

5.1. Introduction

The economic case is concerned with whether the proposal represents best public value. Cost-benefit analysis should be undertaken to determine the Net Present Value (NPV) of each option and include any non-quantifiable benefits that are material to selecting a preferred option and making an informed decision.

The Full Business Case stage of this report includes:

- commentary on the BCR;
- provision of more detailed costs;
- justification of the economic outputs.

5.2. Methodology

The economic case for each of the four options is detailed below. These options have been tested from a financial viability perspective with key metrics used to determine which option provides 'best value' to the council.

The project team have established site capacities based on an assessment of local context, site conditions, policies, environmental considerations and local market demand for business space and affordable housing.

The critical economic success factors for this project are to achieve a satisfactory return on investment to both public and private partners, local benefits in the form of new high quality business space and affordable housing, the safeguarding and creation of new jobs, supporting local economic growth and increasing the tax base for the council (NNDR - business rates and council tax).

The following financial and development appraisal is based on rental comparables and valuation reports. These documents have been used to provide baselines for the high-level financial performance of each development option in order to select a preferred option.

The following is a list of assumptions and inputs.

Programme and construction phasing

Phasing of the project in line with market demand and the strategic need.

The programme and detailed phasing plans will be developed as the project progresses but will depend on the proposed delivery model (discussed further in the commercial case).

Achievable rents, brewery and business space

Detailed information is contained within the valuation information as to the achievable rents of the non-residential elements.

Site costs

A nil figure has been assumed on all land costs, save for the sale of land to Vectis Housing Association which has been agreed at [REDACTED] (supported by a Red Book valuation) to include the housing land, community gardens and biodiversity park. In addition, the former Stockman's Cottage is being sold for [REDACTED] with the receipt being reinvested into the project despite the cottage being excluded from the scheme.

Finance costs, developer profit and private investor returns

A standard finance rate has been applied as, to reflect the position of a private developer.

The council is currently assessing options for further financing.

Additional unknown costs / risks

Additional costs / risks not included in this economic appraisal may only come to light once further investigation and design work is undertaken. Given this is predominantly agricultural land, and previously undeveloped, such abnormal costs are considered to be unlikely.

5.3. Financial Appraisal of all Options

An economic overview and comparison of the four development options is outlined below. Each option is appraised against financial performance and socio-economic return performance metrics. A preferred option is highlighted in both cases.

Socio- Economic return performance comparison (sheet 5)					
		Options			
		1	2	3	4
		Public Private Partnership	Private Sector Alternative	IWC delivers entire project	Do nothing
Employment densities (FTE jobs)	4	1	4	0	
Construction jobs (FTE)	4	0	4	0	
New local spend	3	1	3	0	
Benefit to local business	3	1	3	0	

Skills training	2	1	2	0
Apprenticeships	1	0	1	0
Total local benefit	4	1	4	0
Weighted score	21	5	21	0
Preferred option	Y	N	Y	N

5.4. Scheme / Financial Enhancements

The development is made up of 4 principal elements:

Goddard's Brewery: The proposal for the Western-most field is to construct, in keeping with planning consent 19/00634/FUL, a brewery complex with adjacent visitor centre. This has been designed with future proofing in mind, so that it could be used for other purposes at some future date, and is not confined to brewery use only. The design also allows the building to be divided into 3 parts, if necessary, enabling future occupation by more than 1 tenant.

Rural Business Centre: this is planned as a replacement, but with additional floor area, for the existing agricultural buildings, and is situated at the front of the site in the South-Eastern section. It will provide 16 units around a 'farmyard' setting (1 x refurbished and 15 x new build) ranging in size from 45.6sqm to 180 sqm, with the flexibility to combine units to increase floor areas. The two existing education/study buildings will be refurbished, and a replacement storage barn erected, to facilitate the Biosphere Phase 1 occupiers.

Affordable Housing, community gardens and biodiversity park: An Option Agreement has been completed with Vectis Housing Association on a large section of the site, the North-Eastern part to the rear of the proposed business centre, for the affordable housing scheme, community gardens, and the biodiversity park. The housing will comprise 42 dwellings, and the community gardens (similar to allotments, but with no statutory position) will be constructed between this and the business park. The main open space, however, will be the extensive biodiversity park.

Biosphere Centre Phase 2: The central part of the site, with road frontage, is to be allocated partly as open space between the Goddard's Brewery part of the scheme and the joint Vectis/IWC part, as requested by the Planning Authority. It will also, however, be partly allocated toward the aspirational Biosphere Centre (phase 2). The potential provision of a purpose built educational and visitor centre to showcase and celebrate the Island's biosphere status will be more fully investigated at a later stage to establish its feasibility, and how it might be funded and operated.

5.5. Summary of Options

The economic case has appraised four options based on a set of development appraisal assumptions. The financial performance of each option is summarised below.

- Option 1 – in summary this option provides the most significant potential socio-economic benefits and is the most attractive in terms of risk
- Option 2 – in summary this option create only limited change to the current position, with limited socio-economic benefits.
- Option 3 – in summary this option provides similar outcomes from a socio-economic perspective as option 1, but involves the council in much higher risk
- Option 4 – in summary this option creates no change to the current position

Option 1 – The Public Private Partnership approach ensures the best value for money and least risk for the council and is most likely to lead to a successful regeneration of the site.

5.6. Benefit Cost Ratio (BCR)

The Full Business Case confirms that the scheme delivers high value for money even with a high level of optimism bias applied to costs.

[REDACTED]

5.7. Detailed Costing

Since the submission and review of the OBC the IWC has worked with partners to bring forward more detailed costings and design for the relevant elements of the scheme. The costs are outlined below and attached at **Appendix 6**.

[REDACTED]

5.8. Further Evidence of Economic Benefits

The following table refers to the evidence required for the further economic benefits of the scheme. Evidence of the provision of these elements are generally covered by the Planning Documents or can be justified through standard calculators (for jobs and Scope 3 emissions).

20 construction jobs	This is a conservative estimate of FTE jobs created based on a construction project of the total value of this scheme (Counterplan.com jobs calculator)
10 safeguard jobs	In relation to the relocation of existing Brewery Jobs and safeguarded jobs at the Business Park.
2,600 sqm commercial floorspace	Refer to 20/01160/FUL.
42 housing units	Refer to Planning Application 20/01160/FUL
2.52km of new access road	Refer to Planning Application 20/01160/FUL
15 businesses assisted by the scheme	Refer Planning Application 20/01160/FUL for new units. Later units will be delivered by further phase. Brewery to also be assisted by scheme.
240 sqm of training floorspace	Refer to Planning Application 20/01160/FUL.
42,000 sqm public realm/green space created	Refer Planning Application 20/01160/FUL. This will include the biodiversity park and also included the hop field for the Brewery.
50,000 KG of CO2 emissions avoided based on	Refer to Appendix 1.

6. COMMERCIAL CASE

This section assesses whether the preferred options, arising out of the strategic and economic case, can be delivered through an acceptable commercial deal and contract arrangements. An overview of each option based on the two previous cases (strategic and economic) is set out below:

6.1. Options Overview

Strategic & Economic Case Performance Summary						
		Options				
		1	2	3	4	
		Public Private Partnership	Private sector alternative	IWC delivers entire project	Do nothing	
Strategic (weighted)	score	109	41	106	26	
Impact on Residual Land Value (10 years)	benefit on	Balanced scheme: costs, residual value and capital return	Low residual land values	Balanced scheme: costs, residual value and capital return	No change to current position	
Wider benefits		Highest socio-economic benefits	Minimal change to current position	High socio-economic benefits	No change to current position	
Preferred option		Y	N	Y	N	

6.2. Commercial Feasibility and Profit

Is the proposal commercially feasible / attractive?

The 2010 *Employment Land Assessment* carried out on behalf of the Isle of Wight Council suggests a degree of interest from manufacturing companies off the Island looking for premises for their own use, as well as some interest from investors looking for premises to let to industrial users. The range of sites available in recent years has been limited and many of the Island's existing premises are of poor quality, small and on outdated sites (source: *Employment Land Assessment, 2010*).

Although there is very little reliable data on past employment land take-up rates, due to a lack activity and the small size of the Island market, the *Employment Land Study, 2015* confirms the low vacancy rates and strong demand for industrial commercial property across the Isle of Wight.

Discussions with local agents suggest a need for good quality business space in rural locations, especially in high profile and well connected positions, as such developments are likely to complement similar schemes on farm sites where existing farm buildings have been converted to business use.

Delivery options available to meet council requirements

The preferred options were reviewed at OBC stage against the following delivery models to establish which would best meet the council's requirements:

1. Sell the site or plots with planning.
2. JV Partnership
 - a. Contractual (Development Agreement)
 - b. Special Purpose Vehicle
3. Hybrid model (part direct delivery, part partnership)
4. Direct delivery

Risk Appetite

Risk is inherent in every project and particularly developments. Risk can be broken down into:

- Investment / Finance risk
- Planning risk
- Development / Construction risk
- Sales / Lettings risk

There are four major tools in controlling risks: avoidance, modification, retention, and transfer (sharing). The transfer options include the contractual transfer of risk to another party or insurance where transfer cannot be achieved.

Risk transfer is an integral part of selecting the right delivery model. If the council opts to deliver the scheme in its entirety, then all the risks remain with the council. This, in turn, means that the council would expect to receive a higher level of direct benefit from the development. By working with others either in delivery or in terms of investment financing, the council can transfer some risk at the expense of receiving a higher level of direct benefits.

To date, the council has sought to mitigate risk; making higher level development risk has been the domain of private investors. In terms of delivery, the council needs to carefully consider the skills and experience available within the organisation or alternatively within partner organisations. Given these constraints, the council needs to explore the possibility of some direct-delivery involvement, albeit with careful risk management / transfer.

Level of Reward Desired

The level of reward required or desired will be determined, in part, by what assets and investment are being leveraged for the project.

It has been assumed that, as a minimum, the council expect the scheme to generate a low return on investment, and can then balance the return on the investment against the strategic importance and by creating local benefits: business space, job creation, investment in skills and to deliver affordable housing.

This driver behind the project will help to establish which development option is preferred and which delivery model will accelerate these outcomes

Level of client control desired

The council has an ambitious regeneration agenda and has a desire to secure the best outcomes for local communities and places. The council has a desire to retain a medium level of client control on its projects, even if not directly delivering. This, of course, will have resource implications and will need to be taken into account.

Level of resources

The council is building up its in-house skills and resource base, however at present there is limited availability to deliver client projects effectively. In response, the council could bring in a partner with the skills and resources to deliver the project or consider bringing in external expertise and resource to strengthen capacity for direct delivery. Any delivery model will need to take the cost, timeframes and practical human resource implications into account.

Summary of delivery models against council requirements

Delivery model	Financial position (reward)	Risk	Client Control	Resource & Skills
Council requirement	Focus on local benefits / revenue	Low/Med	Med	Low
Sell all land	Low	Low	Low	Low
Partnership Approach across development	Med	Med	Med	Low / Med
Hybrid model	Med	Med	Med/High	Med
Direct delivery	Med	High	High	High

As the generation of revenue, and a degree of client control over the scheme, are included within the objectives of the council it is not considered appropriate to sell all of the land.

A wholly private sector led development is unlikely to come forward due to substantial viability issues, and the poor return on investment. The option to deliver on a public private partnership basis spreads the risk, but is unlikely to provide the council with a higher return on investment than a private led scheme.

Direct delivery would usually be expected to enable the council to realise a higher return from the site, although at present this is not to be the case, even though the risks are greater.

Preferred delivery model

Ideally, the council needs to maximise local benefits, promote flexibility and minimise risk exposure, all whilst maintaining elements of control. In addition, noting the site's financials in the base case, a delivery model that would allow the council to take some development risk in order to receive a return and/or address viability issues in the medium to long term would help unlock the site and deliver the desired strategic benefits.

6.3. Land Ownership and Drawdown Arrangements

Land ownership arrangements

Heads of Terms have been agreed with Goddard's Brewery [TERMS REDACTED] have also been agreed with Vectis Housing Association on land for it to build the affordable housing, the biodiversity park and communal gardens.

6.4. Key Project Commercial Risks

At this Full Business Case Stage, the Risk Register has been reviewed alongside the Procurement approach and the contractual arrangements. The register has included contractual and deliverability risks.

A full Risk register is attached at **Appendix 3**.

6.5. Procurement

The Procurement of the delivery of the scheme has been considered with advice from Procurement and Legal colleagues and appointed consultants, with regard to timescales for delivery and risk appetite of the IWC.

Delivery of the scheme will fall under three main sections and the strategy for each is detailed below:

[PROCUREMENT DETAIL REDACTED]

Overall Strategy

The combined procurement strategy has been structured to allow for quick mobilisation on site and to allow for a spend profile which allows an amount of spend in Q4 2020 in accordance with LEP requirements (demolition contract, contribution to shared infrastructure, long order items and enabling works at brewery).

6.6. State Aid

Independent State Aid Opinion has been provided by Bevan Brittan and is attached at **Appendix 5**.

The advice concludes that the funding can be used compliantly, with regard to the further guidance set out in detail in the advice provided.

6.7. Other Important Considerations

If any, what are the personnel implications?

Since the Outline Business Case, the IWC has appointed a Project manager to the Regeneration team on an interim basis to assist with project delivery. External consultants have been commissioned to undertake further design and tendering for the Business Units. Other parties on site also have appointed their own professional teams to assist with project delivery, Goddard's and Vectis. Additional contract and project (construction) management resources may be required during the delivery phase.

7. THE FINANCIAL CASE

This section reviews whether the preferred options arising out of the strategic and economic case are financially affordable. It also considers what funding and investment routes might be available and whether these are likely to be sufficient to deliver the desired outcome.

Breakdown of Costs and LEP Funding Requirements

An indicative breakdown of costs and funding required from the LEP is attached at **Appendix 7A and 7B**.

The annual and quarterly requirement is based on the construction programme (**Appendix 8**) and is required as follows:

		2020	2021			
	Row Totals	Q3	Q4	Q1	Q2	Q3
LEP Funding Per Year			2,225,000			
LEP Funding Per Quarter			255,400	690,913	696,487	582,200

7.1. Match funding

At this Final Business Case Stage, confirmation has been made of the match funding in the provision of letters from Goddard's Brewery (**Appendix 3**), Vectis Housing Association (**Appendix 4A and 4B**), and from the IWC (**Appendix 10**).

7.2. Financial Feasibility

The overall site is made up of a single property asset in IWC ownership. The proposals being considered essentially divide the site into four parts, as follows.

Goddard's Brewery: The proposal for the Western-most field is to construct, in keeping with planning consent 19/00634/FUL, a brewery complex with adjacent visitor centre. This has been designed with future proofing in mind, so that it could be used for other purposes at some future date, and is not confined to brewery use only. The design also allows the building to be divided into 3 parts, if necessary, enabling future occupation by more than 1 tenant.

The current proposal is for the council to construct the building to shell finish, and to provide the site infrastructure and utilities. Goddard's would fit out at their own cost.

Rural Business Centre: this is planned as a replacement, but with additional floor area, for the existing agricultural buildings, and is situated at the front of the site in the South-Eastern section. It will provide 16 units around a 'farmyard' setting (1 x refurbished and 15 x new build) ranging in size from 45.6sqm to 180 sqm, with the flexibility to combine units to increase floor areas. The two existing education/study buildings will be refurbished, and a replacement storage barn erected, to facilitate the Biosphere Phase 1 occupiers.

The current proposal is for IWC to undertake this development (probably in 2 phases), and hold/manage the completed scheme. That said, negotiations are progressing with the Chamber of Commerce which are likely to result in that organisation taking on the management role for this scheme in partnership with the IWC.

Affordable Housing, community gardens and biodiversity park: An Option Agreement has been completed with Vectis Housing Association on a large section of the site, the North-Eastern part to the rear of the proposed business centre, for the affordable housing scheme, community gardens, and the biodiversity park. The housing will comprise 42 dwellings, and the community gardens (similar to allotments, but with no statutory position) will be constructed between this and the business park. The main open space, however, will be the extensive biodiversity park.

Whilst this part of the greater Branstone Farm scheme will be delivered by the Housing Association, they will be working in partnership with the council and the residential, open space and commercial units are seen as the basis of this sustainable community. The planning application (20/01160/FUL) has been developed jointly by the council and Vectis HA and access to the Rural Business Centre will be via the road infrastructure developed for the housing scheme.

Biosphere Centre Phase 2: The central part of the site, with road frontage, is to be allocated partly as open space between the Goddard's Brewery part of the scheme and the joint Vectis/IWC part, as requested by the Planning Authority. It will also, however, be partly allocated toward the aspirational Biosphere Centre (phase 2). The potential provision of a purpose built educational and visitor centre to showcase and celebrate the Island's biosphere status will be more fully investigated at a later stage to establish its feasibility, and how it might be funded and operated.

Other financial support: The submission to the Solent LEP for funding to assist with the construction of the brewery and rural business centre parts of the scheme is on the basis that these are 'spade ready' schemes. Without such funding it is unlikely that IWC will be able to proceed with these developments as they are not financially viable. If IWC does not proceed with the rural business centre it is likely that Vectis Housing Association may withdraw from its part of the scheme as the sustainable community concept would no longer be possible.

7.3. Options Overview

At Full Business Case review, the financial case has appraised the four options based on a set of development appraisal inputs and costings for each element of the scheme.

The financial performance of each option is summarised below:

- Option 1 – in summary this option delivers a reasonably balanced scheme in terms of costs, residual values and capital returns (albeit without grant funding it is unlikely to be deliverable), with the risk being shared.
- Option 2 – in summary this option creates very little change to the current position, but will deliver a limited revenue or capital receipt.
- Option 3 - in summary this option delivers a reasonably balanced scheme in terms of costs, residual values and capital returns, but at a much higher risk to IWC.
- Option 4 – in summary this option creates no change to the current position.

Option 1 – The partnership approach remains most likely to deliver the overall scheme.

8. MANAGEMENT CASE

8.1. Planning Status

The scheme proposed for LEP funding comprises one approved and one submitted planning application detailed below.

19/00634/FUL – Granted - June 2020

“Proposed brewery & bottling facility with associated office, retail, storage & visitors experience; formation of vehicular access (revised plans) showing changes to roof lines, fenestration detailing and additional forklift access on north elevation (additional information) landscape and visual impact assessment.”

As this aspect of the site has been granted permission, the delivery of this element is dependant only on securing LEP funding in accordance with the delivery of the wider scheme which will allow the lease to be completed. Work is progressing on discharging associated conditions.

20/01160/FUL – Submitted – Planning Committee 8th December 2020

“Demolition of farm buildings; proposed residential development of 42 dwellings (affordable houses) & garages, new rural business units, reading shelter, allotments, Biodiversity Park, new vehicle/pedestrian access onto Hale Common, closure of existing access that serves Branstone Farm Studies Centre, internal access roads and parking areas - revised plans showing repositioned vehicle and pedestrian access and junction works within A3056; new footpath link to Watery Lane and revised blue line plan; confirmation of the demolition and rebuilding of building S1 (readvertised application)”

This application was revised in response to comments from the Highways Authority, plans were amended in consultation with the Highways Authority and resubmitted on the 26th October 2020. Following a statutory consultation of 3 weeks, the planning officer has confirmed that the application will be ready to be considered at planning committee on the 8th December with a recommendation for approval. Highways considerations will be balanced with the demonstrated need to deliver housing and economic development in this area.

8.2. Summary Actions

The project programme has been developed alongside partners and consultants working on the scheme. All partners and consultants are aware of the required LEP timescales and have been strategic in their programming to allow for a quick mobilisation on site.

The key milestones/ dependencies for the construction programme to begin are:

- 8th December 2020 - Securing final planning permission
- 11th December 2020 – LEP funding decision

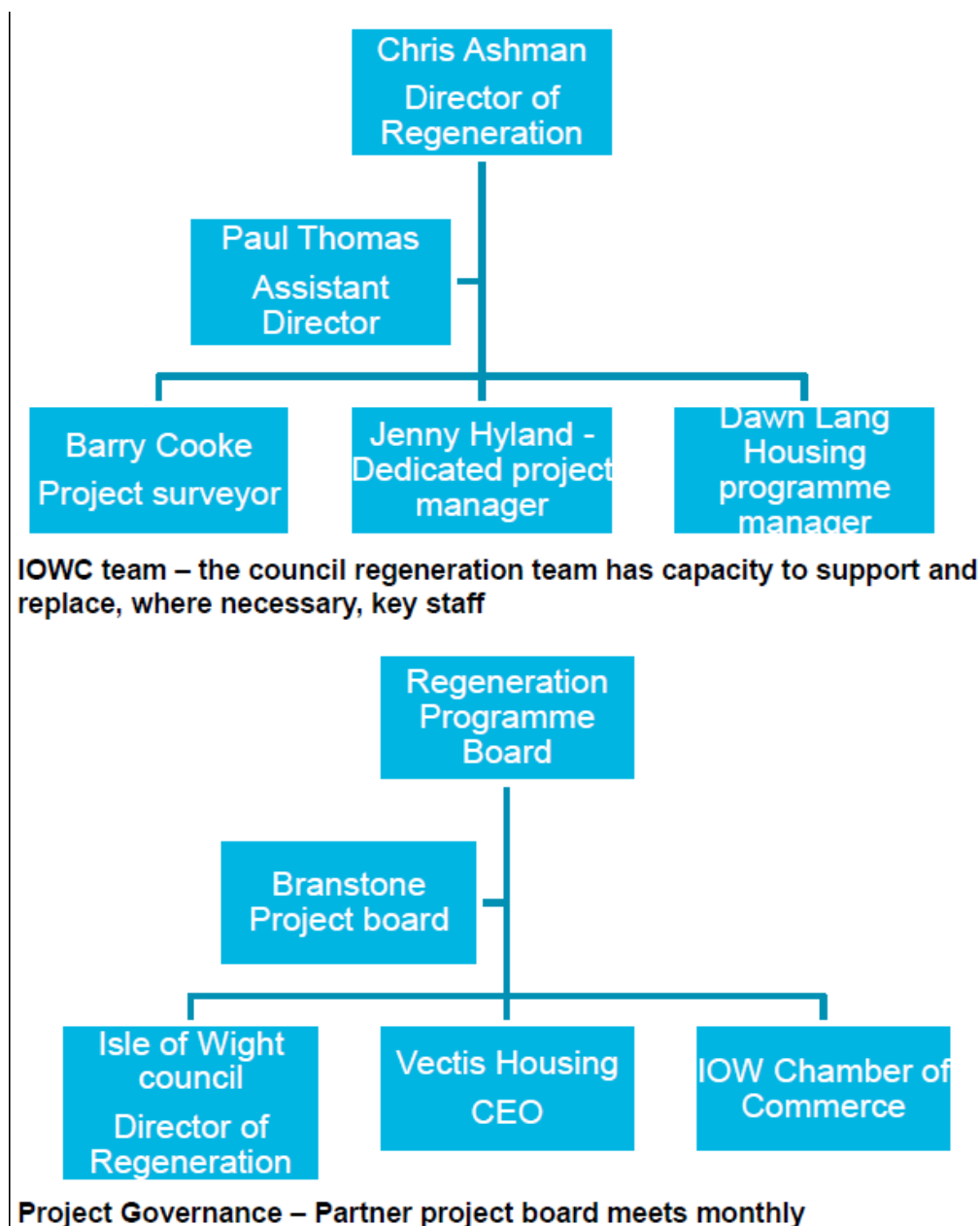
The following indicates the key milestones expected for each element of the scheme. A construction period of 9-12 months is expected for the main build elements.

[DETAIL REDACTED]

An updated programme is attached at **Appendix 8**, this demonstrates that the project is ready to deliver quickly after decision is made on Planning and LEP funding.

8.3. Governance and Reporting Arrangements

The project is overseen by a Project Board with membership from all main parties involved in delivering the scheme. The structure of project management is identified in the organogram below:



The project will report into the council's Regeneration Programme existing governance structures and arrangements, this will ensure appropriate project management processes are followed including reporting, risk analysis and change control. This includes regular reporting to monthly Regeneration Delivery Group and Programme Board meetings and reports seeking approval as necessary in accordance with the council's Constitution and standard governance procedures.

The project is supported by a Project Team including legal contracts officers for contract monitoring and budget accountants for financial monitoring.

A stakeholder management and engagement plan will be developed to govern regular communications with local residents, local councillors, existing and prospective businesses and other key stakeholders. A communications plan for the project is managed by the regeneration team in conjunction with the council's internal media team and with the agreement of project stakeholders including Vectis Housing Association, Goddard's Brewery and the Chamber of Commerce.

8.4. Agreements with 3rd Parties

The main agreements with the 3rd parties are the Option Agreement with Vectis Housing and the HOTs for Lease/ Agreement to Lease with Goddards. Heads of Terms are due to be agreed imminently and are appended in draft form (**Appendix 9**). The lease with Goddards will be completed on confirmation of LEP funding. The group are in regular communication through the agreed governance of structured Board Meetings and correspond with each other as required to progress each element of the scheme.

8.5. Monitoring and Evaluation

The project is overseen by the Project Board which includes the partners involved with the scheme and receives reports from an independent officer team including finance, specialist property, project and programme management and legal (contracts and procurement) officers. The board intends to commission an independent review of the scheme at the expense of the board to ensure objectivity in monitoring and evaluation.

The project team will liaise with the LEP in terms of ensuring LEP monitoring requirements are met. This is anticipated to include reporting of evidenced spend reporting against project timeline milestones and in relation to project objectives per quarter and providing regular updates to the LEP as required.

Branstone Farm - Full Business Case

October 2020

Avoidance of Co2 through the Biosphere Centre

Introduction

This document demonstrates how the Biosphere Centre within the Branston Farm Redevelopment Project will contribute to avoiding 50,000kg of Co2.

Co2 Emissions

The Greenhouse Gas Protocol is the most widely used international accounting tool for government and business leaders to understand, quantify, and manage greenhouse gas emissions. This tool identifies three scopes of emissions:

Scope 1 – All Direct Emissions from the activities of an organisation or under their control. Including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks.

Scope 2 – Indirect Emissions from electricity purchased and used by the organisation. Emissions are created during the production of the energy and eventually used by the organisation.

Scope 3 – All Other Indirect Emissions from activities of the organisation, occurring from sources that they do not own or control. These are usually the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste and water.

The Project

Scope 1 and 2 emissions will be addressed through the scheme with regard to meeting or exceeding Building Regulations in built design and integrating renewable energy sources to improve Co2 reductions. The further avoidance of 50,000kg of Co2 relates to Scope 3 emissions, which demonstrates that the project will consider and mitigate the impact beyond its own operations.

The Biosphere Centre

Over the course of the lifespan of the Biosphere aspect of the project, given to be 25 years, the avoidance of 50,000kg of Scope 3 emissions is based on encouraging behaviour change of occupants and visitors and facilitating carbon offsetting activities outside of the project.

The Biosphere Centre will comprise the educational buildings within Branstone Business Park, a biodiversity park and a longer term purpose built Biosphere Centre. Phase 1 of the scheme (educational buildings) will be occupied by the AONB Team, Down to the Coast, ARC Consulting and other organisations with an environmental/educational interest. These will work toward the rural strengthening of local enterprise and community; a focus on skills and business development through the programmes of apprenticeship, education and training and the on-site incubators. As part of Island aspirations for access to higher education it is envisaged that local higher education providers

will work together for the establishment of a college 'campus', with the visiting partnerships established by Artecology, and the international learning networks that will open through Unesco and the Island Biosphere community.

By locating these organisations together to provide this form of education and joint-working it is envisaged that a culture of sustainable practices and inspiration will be created by the nature of the Biosphere centre that would go beyond what would occur if these organisations remained located individually across the Island. The co-location and education facilities will help to avoid Scope 3 emissions of the Project in various ways. The 50,000 kg indication is a conservative estimate, and it is considered that a higher level of avoidance is likely to be achieved.

Examples of Co2 Avoidance:

To avoid 50,000kg of emissions over 25 years requires the equivalent of avoiding 2,000kg of Co2 per year.

With regard to carbon footprint calculators, each of the following points would avoid 50,000kg of Co2 and could be achieved through the Biosphere Centre.

- Encouraging two people to make very modest lifestyle changes to consumption choices for 25 years which reduce their annual Carbon footprint by 1 tonne. I.e, making dietary changes while at work, trying to avoid excess packaging, recycling at work.
- Encouraging 25 people to avoid 1 tonne of Co2 at some point over the 25 years. Through better travel choices such as occasionally using the bus (a rural footway is being created linking the business park and housing with the nearby bus stop) or cycling to work (cycle parking facilities are being installed within the business park) at the Biosphere Centre.
- Sequestering 50 tonnes of Co2 through the encouraging of 50 trees to be planted (each tree sequestering 1 tonne of Co2 in its lifetime).
- 5 people driving 45 miles less per year every year for 10 years, or 10 people driving 45 miles less per year every year for 5 years – this could be the miles saved by clustering similar business units together next to the Biosphere Centre to save business trips across the island between these companies, encouraging car sharing at the business park, and residents of the new housing becoming business park employees and walking to work.

If all of the above examples were achieved by the Project, over 200 tonnes of Co2 would be avoided. Likewise, a combination of the points would also easily achieve the 50,000kg Co2 avoidance target.

Monitoring

The avoidance of Co2 could be measured once occupiers of the Biosphere Centre are in situ. Questionnaires and visitor surveys could be undertaken on the likelihood of employees/ visitors/ students to change their behaviour or engage in carbon offsetting schemes beyond their normal habits following their time at the Biosphere Centre. Guidance from the Greenhouse Gas Protocol and a carbon footprint calculator could then be used to calculate the overall Scope 3 carbon dioxide avoidance based on the changes made.

Conclusion

This document has evidenced how the Biosphere Centre can avoid 50,000kg of CO2 emissions. This is based on the avoidance of Scope 3 emissions over a 25 year period through the activities and co-location of the businesses which will share a sustainability ethos and provide education to employees and visitors.

References:

ghgprotocol.org/about-us

Carbon-calculator.org.uk

Carbonfootprint.com