

Queens Square Regeneration Scheme

Crawley Borough Council

Full Business Case

1. Executive Summary

- *the issue or problem being addressed*

Queens Square lies at the heart of Crawley town centre and was originally opened in 1958 by HM Queen Elizabeth II. In the 1970s the area was fully pedestrianised. The paving, lighting, seating and street infrastructure is looking tired and need upgrading.

Queens Square is the primary focal point for the town centre and is considered the top priority for such regeneration. It continues to be blighted by a significant amount of vacant retail and commercial space. A number of retailers have closed or relocated to the refurbished County Mall.

Furthermore the square is an area of fragmented ownership and has suffered from a lack of investment from freeholders.

A total of 3,878 square metres of retail / commercial floor space is currently vacant on Queens Square itself. More broadly in the surrounding primary retail area over 7,000 square metres of vacant space exists. This space could yield over 300 jobs in the heart of Crawley town centre.

- *the rationale for intervention and public funding*

Developers and major retailers have made it clear in formal discussions over a number of years that new retail / business investment in the heart of Crawley town centre simply will not happen without significant improvements to the quality of the town centre business environment and public realm.

Breathing new life into Queens Square will act as a catalyst for wider regeneration and economic growth in the town. There are real opportunities to attract new retail / business investment, should the regeneration of Queens Square take place.

Investment in the revitalisation of the public realm will create the conditions for private building owners in the heart of the town centre to improve and upgrade their stock / retail stores. A great example of this is County Mall – Crawley's indoor shopping centre, where a major upgrade by Standard Life led to retail tenants undertaking significant improvements to their stores.

Crawley town centre is seeing the significant growth of residential development. It is crucial that these developments are able to attract residents with spending power in order to boost town centre economic activity and regeneration. Such residents will not be attracted without major improvements being made to the town centre environment.

If the regeneration of Crawley town centre is to be sustainable then it must attract and nurture sustainable business and jobs growth alongside residential development. The town centre has excellent potential to attract retail and business investment if the quality of the business environment can be greatly improved.

- *the objectives to be achieved*

A regeneration scheme to transform the public realm in Queens Square. The overall aim is to create an adaptable and multi-functional space, which will transform the area into a high quality, distinctive and enjoyable public space.

The Queens Square scheme will include new high quality paving, new and improved lighting, new seating, new street furniture, new planting and the creation of a central focal point comprising a dry plaza and an iconic and decorative water feature. This will be supported by a robust maintenance regime, which Crawley Borough Council will implement.

The transformation of Queens Square will attract new retail / business investment and jobs into the heart of Crawley town centre – it will create the conditions to create and protect 300 jobs from the reutilisation of vacant commercial space in the vicinity.

- *The outputs in terms of jobs, homes, employment space and other outputs*

- 300 jobs created / protected as a consequence of the Queens Square regeneration scheme.
- 4,000 square metres of retail / commercial space regenerated / brought back into use
- Create the conditions that will generate a multiplier effect for over 7,000 square metres of retail / commercial space across the town centre to be brought back into use.
- 150 residential units created
- 3,500 square metres of public realm space regenerated

- *the fit with the SEP*

- The key mission of the Local Enterprise Partnership, as set out in the SEP is to “remove all barriers to achieve economic performance”. The poor quality public realm in Queens Square has been identified by developers as a major barrier to business and jobs investment in Crawley town centre.
- Crawley town centre is located in the heart of the Gatwick Diamond which is identified in the SEP as a strategic business and employment location. Crawley is well suited to generating economic activity – having the third highest job density in the country outside London and producing 25% of West Sussex’s annual GVA, despite being just 2% of the land mass. The LEP has prioritised support for successful growth locations.
- Another strategic priority of the SEP is to “support business investment in growth and create the conditions for enterprise to flourish” and ensuring a “positive business environment” is emphasised. This is one of the primary aims of the Queens Square regeneration scheme.
- Our scheme is also closely compatible with the SEP strategic priority “to develop sustainable communities”. A sustainable community is a place where residents can both live and work with access to sustainable transport and social / physical infrastructure that enables sustainable living. The regeneration of Queens Square is crucial to the ability of the town centre to attract desperately needed retail / business investment and therefore jobs. This is also key to a sustainable future for the town centre, which is predicated on an effective and genuine balance of jobs and business activity alongside residential accommodation. Regeneration schemes such as Queens Square are crucial to preventing the town centre from becoming a commuter dormitory, which will seriously undermine its economic activity.

- *the preferred way forward and why this option was selected over others*

The option to undertake the regeneration of Queens Square has been assessed alongside two others set out below. The reason why option 3 is the preferred one is set out below:

Option 1 – Do Nothing;

Without the intervention of public funding investment to regenerate Queens Square, developers have made it quite clear that they will not invest in the surrounding retail / commercial space. Jobs will not be created and employment space will remain vacant. The quality of the public realm and of the surrounding commercial stock will continue to degrade.

The town centre is at a crucial juncture in terms of its future - The open market is bringing forward a significant amount of residential development in and around the town centre, including via permitted development rights.

However, there is relatively little market incentive currently to bring retail / commercial space back into use and to generate new business and jobs growth in the town centre that will enable a sustainable balance between residential and economic growth. Doing nothing with Queens Square will continue to depress commercial / retail values and increase the pressure for more commercial space to be converted via permitted development to residential. Failure to act on Queens Square will mean a lost opportunity to transform the town centre business environment, which is crucial if higher value business employment is to be sustained and attracted to the town centre. Diversifying the business base in the town centre and sustaining the presence of the town's professional business services sector is crucial to driving long term sustainable regeneration. In the longer term, the absence of jobs growth will turn the town centre into a dormitory, which will have a severely negative effect on its economic base and its ability to secure a sustainable future.

Furthermore, there is no guarantee that the glut of residential accommodation will become occupied. If nothing is done to regenerate the town centre environment, new residents are far less likely to take up the emerging new residential units on the open market, residential values will reduce, the town centre will fail to attract new residents with money to spend and the town centre's economy will continue to decline.

Option 2 – Enable regeneration scheme north of the Boulevard (in the town centre)

An alternative option to a public funding led scheme in Queens Square is to open up the possibility of a private sector developer led scheme on land north of the Boulevard. These proposals would comprise a retail led mixed use scheme including residential development and ongoing employment via the Crawley Borough Council Town hall.

This option relies on commitments to invest in Crawley from major retailers to come to fruition and assumes that retail on its own can drive town centre regeneration.

However, there is very little evidence of the preparedness of major retailers to invest further in Crawley without transformational change to the business environment and without the ability to attract residents / visitors with higher degrees of spending power into the town centre.

In general, the era of retail led regeneration schemes appears to be over, at least for now.

Furthermore, the zone north of the Boulevard has been the subject of two previous failed attempts to deliver a retail led regeneration scheme. In 2008 Grovesnor came forward with proposals for a John Lewis led mixed retail / residential scheme – this collapsed due to the financial crisis. In 2011 and 2012 Stanhope came forward with proposals for a retail led scheme. This did yield investment from Morrisons and Travelodge – however the next phases were not taken forward and Stanhope withdrew.

In conclusion this option is not viable because developers have made it clear that a retail led scheme is not currently commercially viable and one of the key reasons they have quoted is the poor and degraded quality of the surrounding public realm – including Queens Square, which is situated adjacent to the Boulevard and close to the zone for these previously failed schemes.

Option 3 – Bring forward Queens Square regeneration proposals

This has been selected by Crawley Borough Council as the preferred option and the scheme has also been approved and endorsed by West Sussex County Council who have committed £1.6 million of funding to the Queens Square scheme.

Developers and major retailers have made it clear in formal discussions over a number of years that new retail / business investment in the heart of Crawley town centre simply will not happen without significant improvements to the quality of the town centre business environment and public realm.

A total of 3,878 square metres of retail / commercial floor space is currently vacant on Queens Square itself, which is over 55% of the vacant retail space currently existing within the town centre primary retail zone. The Square is the historic and iconic focal point for the town centre and includes a major vacant flagship retail block on the corner of Queens Square and Queensway.

Breathing new life into Queens Square will act as an immediate incentive to attract new retail and business investment and it will be a key catalyst for wider town centre regeneration and economic growth in the town.

The ability to regenerate the Queens Square public realm to a high standard will set down a vitally important marker, which will incentivise future private sector investment to follow suit and upgrade infrastructure to an equivalent quality and standard.

Accordingly, the Crawley Town Centre Regeneration Programme identifies the regeneration of Queens Square as the first phase of a sequential programme of town centre environmental and public realm improvements, including Crawley station and the “Station Gateway” public realm zone between the railway station, the County Mall shopping centre and the bus station. “Station Gateway” would be a private developer led scheme, worth up to £60m in private investment, subject to planning and if the developer ultimately considers it viable.

In conclusion, the regeneration of Queens Square is the preferred option because it will directly generate retail and business investment and it will help to bring forward much larger private sector led regeneration schemes, which will enable the transformation of the entire town centre.

- *affordability of the preferred option (ie estimated costs over the life of the project or programme, and where funding will come from)*

The cost of the Queens Square regeneration scheme has been calculated in detail off the back of design work and the total investment required amounts to £3.2 million.

The Coast to Capital LEP is being asked to make a contribution of £1.6 million from the Local Growth Fund, which represents a maximum of 48% of the scheme costs. The remaining costs will be funded by the West Sussex County Council.

- *the proposed delivery route*

Planning permission was granted for the Queens Square scheme in August 2015. The detailed technical designs will be produced and finalised by the end of March 2016. The improvement works contract will be let by the end of March 2016. The programme of improvement works are scheduled to commence in June 2016 and prior to this in Q1 of 2016-17, the mobilisation and pre-commencement planning conditions will be discharged. The works will be undertaken in the Square in stages, with sections of the Square cordoned off to minimise disruption to the Square's retailers, cafés, businesses and to visitors. The scheme will be fully completed in Spring 2017.

- *key risks identified*

A robust approach to risk management has been devised and comprises three elements; project, design and construction. The key risks to the project have been identified as follows:

Risk Description	Risk Score	Mitigating Actions
Project exceeds budget	Likelihood 2 Impact 4 Score 8 (High)	Budget agreed and clearly communicated to all parties Regular Steering Group & Board meetings review and keep cost projections up to date Board membership includes corporate capital accountant Identify robust contingencies sums Identify value engineering opportunities
Loss of support for the project (public, members, businesses, media)	Likelihood 2 Impact 2 Score 4 (Medium)	Comprehensive consultation programme undertaken over 6 months Robust communications plan in place
Project not delivered on time – credibility, impact on businesses	Likelihood 2 Impact 4 Score 8 (High)	Overarching project programme agreed and reviewed regularly by Steering Group & Board. Establish robust communications plan to keep stakeholders informed of progress
Post completion issues – ongoing maintenance budgets and unclear responsibilities	Likelihood 2 Impact 3 Score 6 (Medium)	Evaluate transfer of maintenance Establish ongoing maintenance budgets with advice from lead consultants Define and document clear responsibilities between CBC/WSCC
Impact on surrounding businesses, residents and retailers during construction	Likelihood 2 Impact 3 Score 6 (Medium)	Production of robust communications plan Appointed contractor to enroll as considerate constructor

- o *acceptability to stakeholders*

A comprehensive six month consultation phase was undertaken by Crawley Borough Council, which resulted in the presentation of 3 options in terms of initial concept designs for Queens Square. The option for which the Council has secured planning approval is the one preferred by town centre stakeholders, businesses and the community, who made this clear during the consultation phase. Stakeholders included the Town Centre Partnership, which is a forum of town centre stakeholders, who play a key role in providing guidance and direction on town centre improvements.

The Queens Square scheme is also acceptable to West Sussex County Council, who are signing off a Section 278 highways licence agreement with the Borough Council to enable the latter to take responsibility for the regeneration and maintenance of Queens Square.

- o *proposed Project and Programme Management arrangements to ensure successful delivery*

The Queens Square scheme is overseen by a Project Steering Group, comprising the Borough Council's Portfolio Holder for Economic Development and Planning, the Head of Economic & Environmental Services, the Town Centre Regeneration Officer (Project Manager), a representative from West Sussex County Council and the Borough's Head of Community Services. They monitor

the scheme's delivery in relation to the time schedule and the budget and take responsibility for strategic decisions related to implementing the scheme's delivery programme. They will review scheme progress reports and financial claims before they are submitted to the Local Enterprise Partnership to draw down Local Growth Fund contributions.

A Project Board meets on a monthly basis to monitor in more detail the delivery of the scheme improvement works. This is chaired by the Council's Town Centre Regeneration Officer and will involve a Council capital finance officer, the Council's Built Environment team manager (who will oversee the works contract delivery), the Media & Communications lead as well as the Head of Economic and Environmental Services. They will review the scheme schedule, the scheme expenditure, risk log and communications plan delivery. They will provide direction and support to the Town Centre Regeneration Officer, who will oversee scheme delivery.

Where the business case is being presented to gain funding or approval to spend, make sure that it is clear exactly what approval is being requested.

This business case is being presented in order to seek approval from the Local Enterprise Partnership for an allocation of £1.6 million of capital funding from the Local Growth Fund to enable the implementation and achievement of the Queens Square regeneration scheme, which will unlock business and jobs growth and the economic reutilisation of over 4,000 square metres of vacant retail / commercial space as well as the transformation of 3,500 square metres of public realm.

2. Strategic Case

2.1 Business need – the problem that needs to be addressed

The desired outcome is the achievement of significant new retail and business investment into Crawley town centre, yielding jobs growth, job protection whilst bringing ultimately over 7,000 square metres of vacant business space back into use.

Developers have made it clear that without major investment in the public realm / town centre environment, there will be no incentive for further retail / business investment. Queens Square, at the heart of the town centre's primary retail area, is seen as the top priority for such regeneration. In order to achieve this public funding resources are needed and this in turn will unlock the retail and business investment so badly needed by Crawley town centre.

The absence of funding will mean an inability to pursue the regeneration of Queens Square and in turn the lack of desire on the part of developers / businesses to invest in Crawley town centre will continue.

The regeneration of Queens Square is seen as fundamentally catalytic to the ability to attract significant private sector led investment to generate new residential accommodation, business space and to create / protect town centre employment.

- *Evidence of any market failures*

There is clear evidence of market failure in terms of the attraction of business / retail investment and jobs investment into the heart of Crawley town centre. Retailers / businesses are reluctant to invest because the quality of the town centre public realm has become degraded, because there is insufficient footfall and consumer demand being created in the town centre and there are insufficient numbers of visitors to the town centres with money to spend.

At the same time, with over 7,000 square metres of retail / commercial space currently vacant in Crawley town centre's primary retail area, there is a market failure in the regeneration of commercial / retail space by developers / landowners, which is partly due to the above factors and more importantly due to the significantly higher land, sale and rental values that can be generated

by converting vacant premises for residential use. The policy of permitted development rights has further exacerbated this market failure as more commercial space is converted into residential. This could potentially lead to an over-supply of residential accommodation in the town centre, local market saturation which will depress residential values and the quality of residential development.

At the same time, failure to intervene to offset this market failure will lead to an increasingly serious under supply of commercial activity, jobs and amenities, which is more likely to move the town centre towards the status of a commuter dormitory. In the longer term this could reduce the value of residential accommodation, discouraging people with money to spend to live in the town centre and causing town centre economic activity to decline.

- *the link to the Coast to Capital SEP and the impact of not acting*

Our scheme is very closely aligned to the strategic priorities of the Coast to Capital SEP, in particular:

- Crawley town centre is located in the heart of the Gatwick Diamond which is identified in the SEP as a strategic business and employment location.
- Another strategic priority of the SEP is to “support business investment in growth and create the conditions for enterprise to flourish” and ensuring a “positive business environment” is emphasised. This is one of the key aims of the Queens Square regeneration scheme.
- Our scheme is also closely compatible with the SEP strategic priority “to develop sustainable communities”. A sustainable community is a place where residents can both live and work with access to sustainable transport and social / physical infrastructure that enables sustainable living. The regeneration of Queens Square is crucial to the ability of the town centre to attract desperately needed retail / business investment and therefore jobs. This is also key to a sustainable future for the town centre, which is predicated on an effective and genuine balance of jobs and business activity alongside residential accommodation.

The use of public funding investment to regenerate Queens Square is crucial to prevent the town centre from becoming a commuter dormitory, which will seriously undermine its economic activity.

2.2 The Project/Programme

2.2.1 Description

The Queens Square regeneration scheme will upgrade the quality of the public realm and environment of what is the historic focal point of Crawley town centre and this will in turn radically transform the prospects for this primary retail zone of the town centre to attract business and retail investment, which will yield vitally needed jobs and economic activity.

The area has seen a steady decline in economic activity and footfall, with 4,000 square metres of retail / business space currently vacant in and around Queens Square. This regeneration scheme represents a fantastic opportunity to inject a new lease of life into the town centre’s economic conditions, acting as a major incentive for new residential development as well as commercial space regeneration and job creation, and catalysing major private sector investment, which will in turn enable a phased programme of public realm improvements across the town centre.

The Queens Square regeneration scheme is seen as the first stage of a major programme of town centre regeneration, underpinned by an overarching vision defined by the Council and wholeheartedly endorsed by town centre stakeholders, which is:

“To become a dynamic business growth hub with a bold and vibrant community heart for Crawley and the Gatwick Diamond. This will drive a diverse retail offer, excellent public realm, high quality town centre living and a thriving evening economy”. www.regeneratingcrawley.org.uk

2.2.2 Objectives

The primary objective of the Queens Square regeneration scheme is to create a vibrant destination space that fosters a sense of pride amongst the town's residents, workers, visitors and businesses. The space should entice people to dwell and encourage developments to respond accordingly, stimulating growth and regeneration in and around the area.

The design objectives are as follows:

- a) Create a step change in the townscape quality of the square in the form of an attractive, vibrant, green, comfortable and welcoming area, which encourages new investment and employment and acts as catalyst for wider regeneration.
- b) The square will be used predominantly by people on foot. Street furniture, planting material and structures should be designed to encourage positive social interaction. The potential for creating a well-ordered approach to café related outdoor seating should be explored.
- c) Provide a usable open space with flexibility for performance and community events.
- d) Soften the appearance of the Square with planting to make a much greener scape and to use "warm" colours as part of the hard landscaping.
- e) Establish ease of navigation through the square and strengthen pedestrian linkages between the Square, County Mall, the Broadway and the High Street.
- f) Improve the overall perception of Queens Square and enhance / promote the visitor experience, considering a range of users – those from a wider geographical area as well as residents.
- g) Security and safety – take account of the need for pedestrians to feel safe, particularly as the square is relatively inactive in the evenings, and CCTV coverage.
- h) Maximise the quality of the public realm with high quality materials used for the paving (granite) – this will form the benchmark for public realm improvements elsewhere in the town centre.
- i) Greatly improve lighting provision and modernise it to current standards. Incorporate facilities for Christmas lights.
- j) Complement potential retail, residential and leisure schemes within the town centre, including recognising the potential to continue the public realm improvements along the Martlets and also The Boulevard.

2.2.3 Outputs

- 300 jobs created / protected as a consequence of the Queens Square regeneration scheme.
- 4,000 square metres of retail / commercial space regenerated / brought back into use
- Create the conditions that will generate a multiplier effect for over 7,000 square metres of retail / commercial space across the town centre to be brought back into us.
- 150 residential units created
- 3,500 square metres of public realm space regenerated

2.2.4 Key Strategic Benefits

Crawley town centre is located in the heart of the Gatwick Diamond which is identified in the SEP as a strategic business and employment location. Crawley is well suited to generating economic activity – having the third highest job density in the country outside London and producing 25% of

West Sussex's annual GVA, despite being just 2% of the land mass. The LEP has prioritised support for successful growth locations.

Our scheme is also closely compatible with the SEP strategic priority "to develop sustainable communities". A sustainable community is a place where residents can both live and work with access to sustainable transport and social / physical infrastructure that enables sustainable living. The regeneration of Queens Square is crucial to the ability of the town centre to attract desperately needed retail / business investment and therefore jobs. This is also key to a sustainable future for the town centre, which is predicated on an effective and genuine balance of jobs and business activity alongside residential accommodation. Regeneration schemes such as Queens Square are crucial to preventing the town centre from becoming a commuter dormitory, which will seriously undermine its economic activity.

Developers and major retailers have made it clear in formal discussions over a number of years that new retail / business investment in the heart of Crawley town centre simply will not happen without significant improvements to the quality of the town centre business environment and public realm.

Breathing new life into Queens Square will act as a catalyst for wider regeneration and economic growth in the town. There are real opportunities to attract new retail / business investment, should the regeneration of Queens Square take place.

Investment in the revitalisation of the public realm will create the conditions for private building owners in the heart of the town centre to improve and upgrade their stock / retail stores. A great example of this is County Mall – Crawley's indoor shopping centre, where a major upgrade by Standard Life led to retail tenants undertaking significant improvements to their stores.

Crawley town centre is seeing the significant growth of residential development. It is crucial that these developments are able to attract residents with spending power in order to boost town centre economic activity and regeneration. Such residents will not be attracted without major improvements being made to the town centre environment.

If the regeneration of Crawley town centre is to be sustainable then it must attract and nurture sustainable business and jobs growth alongside residential development. The town centre has excellent potential to attract retail and business investment if the quality of the business environment can be greatly improved.

2.2.5 Key Stakeholders and their roles and responsibilities

Crawley Borough Council will take responsibility for the overall regeneration scheme co-ordination and delivery, ensuring that the scheme is delivered in accordance with the design specification, on time and on budget and that a programme of robust maintenance is put in place to uphold the quality of the public realm transformation, ensuring it is extremely durable and long lasting.

West Sussex County Council will participate in the Project Board and provide highways expertise and support, arranging the transfer of licence responsibilities for the highway on Queens Square to the Borough Council and signing off a licensing agreement. The County Council will contribute £1.6 million towards the costs of delivering the scheme.

The Local Enterprise Partnership will monitor delivery of the Queens Square regeneration scheme to determine whether its intended impact and outputs are achieved off the back of the investment. It is proposed that the LEP contributes £1.6 million from the Local Growth Fund to unlock the regeneration of Queens Square as phase 1 of a major programme of town centre economic regeneration and sustainable growth.

The Town Centre Partnership (TCP) comprises representatives of retailers, local businesses, commercial agents, property developers and site owners within the town centre. It is chaired by the General Manager of the County Mall shopping centre.

The role of the TCP is to be engaged on a regular basis as regards progress with the delivery of the Queens Square scheme and to work with the Borough Council and other parties to promote the transformational impact of the scheme. The TCP will champion the development of new marketing, promotion and investment materials to highlight the significant visual improvements to Crawley Town centre and the business investment opportunities therein. The TCP will monitor delivery of the scheme and work with the Borough Council to ensure a cleaning and maintenance programme is in place that is in line with the requirements of the town centre business / retail community. The TCP will do this every quarter via their regular Board meetings.

The Local Economy Action Group will monitor delivery of the Queens Square scheme as an integral part of Crawley's Town Centre Regeneration Programme. It will do this as part of the regular quarterly meetings. It will assess the impact of the scheme in unlocking new homes, jobs, employment and commercial space and its ability to boost town centre footfall and economic activity.

2.2.6 Strategic Options for Delivery

We have considered the following options for delivery:

[Option 1 – Do Nothing;](#)

[Option 2 – Enable regeneration scheme north of the Boulevard \(in the town centre\)](#)

[Option 3 – Bring forward Queens Square regeneration proposals](#)

2.2.7 Risks of Strategic Options

[Option 1 – Do Nothing;](#)

Without the intervention of public funding investment to regenerate Queens Square, developers have made it quite clear that they will not invest in the surrounding retail / commercial space. Jobs will not be created and employment space will remain vacant. The quality of the public realm and of the surrounding commercial stock will continue to degrade. The town centre runs the risk of a long term economic decline and the town centre becoming a dormitory.

Furthermore, there is no guarantee that the glut of new town centre residential accommodation will become occupied. If nothing is done to regenerate the town centre environment, new residents are far less likely to take up the emerging new residential units on the open market, residential values will reduce, the town centre will fail to attract new residents with money to spend and the town centre's economy will continue to decline.

[Option 2 – Enable regeneration scheme north of the Boulevard \(in the town centre\)](#)

An alternative option to a public funding led scheme in Queens Square is to open up the possibility of a private sector developer led scheme on land north of the Boulevard. These proposals would comprise a retail led mixed use scheme including residential development and ongoing employment via the Crawley Borough Council Town hall.

However, there is very little evidence of the preparedness of major retailers to invest further in Crawley without transformational change to the business environment and without the ability to attract residents / visitors with higher degrees of spending power into the town centre.

This option is not viable because developers have made it clear that a retail led scheme is not currently commercially viable and one of the key reasons they have quoted is the poor and degraded quality of the surrounding public realm – including Queens Square, which is situated adjacent to the Boulevard and close to the zone for these previously failed schemes.

[Option 3 – Bring forward Queens Square regeneration proposals](#)

This has been selected by Crawley Borough Council as the preferred option.

Developers and major retailers have made it clear in formal discussions over a number of years that new retail / business investment in the heart of Crawley town centre simply will not happen without significant improvements to the quality of the town centre business environment and public realm.

A total of 3,878 square metres of retail / commercial floor space is currently vacant on Queens Square itself, which is over 55% of the vacant retail space currently existing within the town centre primary retail zone. The Square is the historic and iconic focal point for the town centre and includes a major vacant flagship retail block on the corner of Queens Square and Queensway.

Breathing new life into Queens Square will act as an immediate incentive to attract new retail and business investment and it will be a key catalyst for wider town centre regeneration, private sector investment and economic growth in the town. The Crawley Town Centre Regeneration programme identifies the regeneration of Queens Square as the first phase of a sequential programme of town centre environmental and public realm improvements, including Crawley station and the “Station Gateway” public realm zone between the railway station, the County Mall shopping centre and the bus station. This would be a private developer led scheme worth up to £60m of private investment, subject to planning and should the developer be able to achieve scheme viability.

The ability to regenerate the Queens Square public realm to a high standard will set down a vitally important marker, which will incentivise future private sector investment to follow suit and upgrade infrastructure to an equivalent quality and standard.

In conclusion, the regeneration of Queens Square is the prepared option because it will directly generate retail and business investment and it will help to bring forward much larger private sector led regeneration schemes, which will enable the transformation of the entire town centre.

2.2.8 Constraints

This has been assessed by the Town Centre Regeneration Officer and the Built Environment Team of Crawley Borough Council. There are no constraints on delivery of the Queens Square regeneration scheme. Any constraints previously identified have been mitigated e.g. planning permission secured, support from local businesses secured, site access agreed by County Council etc.

2.2.9 Initial Affordability Assessment

The total cost for the delivery of the Queens Square regeneration scheme is confirmed as being £3.2 million. This can be broken down as follows according to the following budget headlines:

Description	Budget estimate £
Construction	2,592,000
- Site clearance	20,000
- Street Furniture	49,300
- Drainage	174,400
- Earthworks	8,900
- Footways and paved areas	640,000
- Street Lighting	196,300
- Brickwork, blockwork and stonework	280,000
- Works associated with water feature	595,000
- Soft landscaping	50,000

- Other construction costs including contingencies	578,100
Other Project Costs	120,000
- Service diversions (BT, water, CCTV)	25,000
- Bandstand relocation	75,000
- Public art relocation	7,500
- Arboricultural survey	1,000
- Stage 1 & 2 Road Safety Audits	2,000
- Ground investigation works	5,000
- Planning Fees & Building Regs	2,000
Project Design & Management Fees	328,000
- Architectural Design	200,000
- Civil Engineering	60,000
- Water Feature Detailed Design	11,500
- CBC / WSCC Project Management	50,000
- CDMC/Principle Designer	6,500
Contingencies (design, project & risk)	160,000
TOTAL SCHEME COST	3,200,000

These costs will be part funded by a £1.6 million contribution from West Sussex County Council and a proposed £1.6 million contribution from the LEP's Local Growth Fund programme.

2.2.10 Long term sustainability

Once the Queens Square regeneration scheme has been completed, Crawley Borough Council will then ensure the quality of the public realm is maintained and upheld by investing in a programme of maintenance and cleaning, ring fencing a budget of £15,000 of revenue budget per annum to focus specifically on the upkeep of the transformed Queens Square public realm.

The Crawley Town Centre Regeneration programme also envisages moves to create a town centre Business Improvement District and the role of this body will be to channel further resources into the town centre business environment, reinforcing the long term sustainability of this investment in transforming the state of the public realm in Queens Square.

3. Economic Case and Option Appraisal

Long-listed Options

Options	strategic fit	achievability	acceptability	affordability
----------------	----------------------	----------------------	----------------------	----------------------

1. Do Nothing	Does not meet needs – fails to address the obstacles to business / retail investment in the town centre that have been identified.	Not applicable	Unacceptable to the Town Centre Partnership and to CBC Members	Not applicable
2. North of the Boulevard – regeneration scheme	The scheme fails to address a key obstacle to town centre footfall and business growth – namely the poor quality public realm.	The scheme assumes that retail led regeneration schemes can work in Crawley. The evidence over the past seven years is that there is insufficient consumer demand and spend to attract such investment – and there have been two failed private sector led attempts at retail led schemes.	No longer acceptable politically at Crawley Borough Council. Not supported by the Town Centre Partnership.	In excess of budget
3. Queens Square Regeneration Scheme	The poor quality public realm in Queens Square has been identified by developers as a major barrier to business and jobs investment in Crawley town centre. The “key mission” off the SEP is to remove barriers to economic performance.	Planning permission for the entire Queens Square scheme has been granted. Detailed designs will be finalised by the end of March 2016 and a works contractor appointed. The scheme costs have been calculated in detail. The scheme is fundamentally deliverable and highly likely to be achieved on time and budget.	Strongly supported by stakeholders off the back of a 6 month consultation. Highlighted as a top priority scheme as part of the Town Centre Regeneration programme, contributing to the revitalisation of the public realm, to help drive business growth and a vibrant community base in the town centre.	The scheme has been costed carefully and in detail, off the back of the detailed / technical design work and it is highly likely it will be achieved on budget.

3.1 Short listed options

This is explained in section 2.26 and 2.27above.

3.2 Cost benefit analysis

3.2.1 Affordability

The cost of the Queens Square regeneration scheme has been calculated in detail off the back of design work and the total investment required amounts to £3.2 million.

West Sussex County Council is contributing £1.6 million. The Coast to Capital LEP is being asked to make a contribution of £1.6 million from the Local Growth Fund, which represents a maximum of 50% of the scheme costs.

Assumptions and cost uncertainties?

Risk

The preferred option is the Queens Square regeneration scheme.

The key risks associated with this scheme are as follows:

Risk Description	Risk Score	Mitigating Actions
Project exceeds budget	Likelihood 2 Impact 4 Score 8 (High)	Budget agreed and clearly communicated to all parties Regular Steering Group & Board meetings review and keep cost projections up to date Board membership includes corporate capital accountant Identify robust contingencies sums Identify value engineering opportunities
Loss of support for the project (public, members, businesses, media)	Likelihood 2 Impact 2 Score 4 (Medium)	Comprehensive consultation programme undertaken over 6 months Robust communications plan in place
Project not delivered on time – credibility, impact on businesses	Likelihood 2 Impact 4 Score 8 (High)	Overarching project programme agreed and reviewed regularly by Steering Group & Board. Establish robust communications plan to keep stakeholders informed of progress
Post completion issues – ongoing maintenance budgets and unclear responsibilities	Likelihood 2 Impact 3 Score 6 (Medium)	Evaluate transfer of maintenance Establish ongoing maintenance budgets with advice from lead consultants Define and document clear responsibilities between CBC/WSCC
Impact on surrounding businesses, residents and retailers during construction	Likelihood 2 Impact 3 Score 6 (Medium)	Production of robust communications plan Appointed contractor to enroll as considerate constructor

3.3 Key Findings

- an analysis of unquantifiable cost*

Not applicable. All costs are quantifiable.

- affordability*

The scheme has been fully costed and is deemed affordable, if an additional £1.6 million is granted by the LEP from the Local Growth Fund.

3.4 Recommendations and preferred option

Option 3- Queens Square Regeneration Scheme

4. Delivery

4.1 Project management arrangements

The Queens Square scheme will be overseen by a Project Steering Group, comprising the Borough Council's Portfolio Holder for Economic Development and Planning, the Head of Economic & Environmental Services, the Town Centre Regeneration Officer (Project Manager), a representative from West Sussex County Council and the Borough's Head of Community Services. They will monitor the scheme's delivery in relation to the time schedule and the budget and take responsibility for strategic decisions related to implementing the scheme's delivery programme. They will review scheme progress reports and financial claims before they are submitted to the Local Enterprise Partnership to draw down Local Growth Fund contributions.

A Project Board will meet on a monthly basis to monitor in more detail the delivery of the scheme improvement works. This will be chaired by the Council's Town Centre Regeneration Officer and will involve a Council capital finance officer, the Council's Built Environment team manager (who oversee the works contract delivery), the Media & Communications lead as well as the Head of Economic and Environmental Services. They will review the scheme schedule, the scheme expenditure, risk log and communications plan delivery. They will provide direction and support to the Town Centre Regeneration Officer, who will oversee scheme delivery.

4.2 Procurement Strategy

The Queen Square improvement works will be procured in the accordance with the Council's procurement code. The full and detailed tender specification package is issued – including detailed / technical design information – and this is published on-line via the South East shared services tendering web site where tender applicants are able to submit their tenders via this portal.

Tenders will be assessed by the Council's Built Environment team who specialise in physical improvements works and they will shortlist prospective contractors to present to a panel, appointing their preferred contractor in accordance with the procurement selection criteria.

There will then be a contract negotiation period and a cooling off period before the works contract is formally awarded and the works commence.

4.3 Implementation Timescales

The works contract is due to be signed off by the end of March 2016. In the first quarter of 2016-17 there will be a process of mobilisation of contractor, sub-contractors and materials etc and any pre-commencement planning conditions will be discharged.

The works are expected to commence before the end of June 2016 and will be carried out over a period of ten months, with a month break to allow retailers / traders to take full advantage of the Christmas shopping period.

It is expected that the Queens Square regeneration scheme will be completed by spring 2017.

The full scheme programme with milestones, deliverables and time schedule are set out in Appendix A.

4.4 Contract Management Approach

The contract will be managed by the Council's Built Environment Team. They will engage on a regular basis with the works contractor to ensure the above and will report back through the Town Centre Regeneration Project Officer and the monthly Project Board and quarterly project steering group meetings.

The Council's procurement and legal team will be called upon as necessary in the event of any contract disputes with the works contractor that arise.

The LEP will be kept informed on progress every quarter formally via the claim and progress report process and more regularly via communication between the Town Centre Regeneration Officer and the lead contact point at the LEP.

5. Financial Case - the cost to the public purse, and budgeting

5.1 Budget Profile

Funding of Project costs

	yr 1	yr 2	yr 3	yr 4	yr 5	yr 6	yr 7	yr 8	yr 9
Capital	£0.27m	£2.7m	£0.23m						
Resource									
Total £'M	£0.27m	£2.7m	£0.23m						
Funding obtained	£0.135m	£1.35m	£0.115m						

5.2 Budget Arrangements

The total budget required is £3.2 million of which £1.6 million is already budgeted for, with £1.6 million coming from West Sussex County Council. The remaining £1.6 million is to be requested as a contribution from the Coast to Capital LEP Local Growth Fund.

Crawley Borough Council will ensure robust financial management and audit trail of the project. The Council will submit quarterly financial claims and progress reports in arrears to the LEP in order to draw down the LEP funding contributions. These quarterly claims will be reviewed and endorsed by the Queens Square Project Board prior to their submission to the LEP.

6. Management Case

6.1 Project Dependencies

The technical / detailed designs are fully incorporated into the tender specification, which is the subject of an open call for tenders – a tender selection process will be completed by the end of March 2016, with a works contractor and a team of sub-contractors in place.

The improvement works will then be implemented in accordance with the cost and delivery schedule worked up by the Borough Council's Built Environment team.

The Built Environment Team will engage on a regular basis with the works contractor to ensure the above and will report back through the Town Centre Regeneration Project Officer and the monthly Project Board and quarterly project steering group meetings.

The Council Communications and Media team will be engaged to ensure that information about the delivery of the improvement works are well communicated to the surrounding businesses. The Council's dedicated new regeneration web site www.regeneratingcrawley.org.uk will be made use of regularly and updates will be regularly reported there.

The Council's finance team will undertake a regular assessment of financial expenditure against budget forecast and will immediately highlight any divergences. The Council's internal audit team

have carried out an assessment of the project management, structure and administrative measures in place and have passed them.

The Council's procurement and legal team will be called upon as necessary in the event of any contract disputes with the works contractor that arise.

The LEP will be kept informed on progress every quarter formally via the claim and progress report process and more regularly via communication between the Town Centre Regeneration Officer and the lead contact point at the LEP.

6.2 Project/Programme Governance, Organisation Structure and Roles

The Queens Square scheme will be overseen by a Project Steering Group, comprising the Borough Council's Portfolio Holder for Economic Development and Planning, the Head of Economic & Environmental Services, the Town Centre Regeneration Officer (Project Manager), a representative from West Sussex County Council and the Borough's Head of Community Services. They will monitor the scheme's delivery in relation to the time schedule and the budget and take responsibility for strategic decisions related to implementing the scheme's delivery programme. They will review scheme progress reports and financial claims before they are submitted to the Local Enterprise Partnership to draw down Local Growth Fund contributions.

A Project Board will meet on a monthly basis to monitor in more detail the delivery of the scheme improvement works. This will be chaired by the Council's Town Centre Regeneration Officer and will involve a Council capital finance officer, the Council's Built Environment team manager (who oversee the works contract delivery), the Media & Communications lead as well as the Head of Economic and Environmental Services. They will review the scheme schedule, the scheme expenditure, risk log and communications plan delivery. They will provide direction and support to the Town Centre Regeneration Officer, who will oversee scheme delivery.

Crawley Borough Council will take responsibility for the overall regeneration scheme co-ordination and delivery, ensuring that the scheme is delivered in accordance with the design specification, on time and on budget and that a programme of robust maintenance is put in place to uphold the quality of the public realm transformation, ensuring it is extremely durable and long lasting

West Sussex County Council will participate in the Project Board and provide highways expertise and support, arranging the transfer of license responsibilities for the highway on Queens Square to the Borough Council and signing off a licensing agreement. The County Council will contribute £1.6 million towards the costs of delivering the scheme.

The Local Enterprise Partnership will monitor delivery of the Queens Square regeneration scheme to determine whether its intended impact and outputs are achieved off the back of the investment. It is proposed that the LEP contributes £1.6 million from the Local Growth Fund to unlock the regeneration of Queens Square as phase 1 of a major programme of town centre economic regeneration and sustainable growth.

The Town Centre Partnership comprises representatives of retailers, local businesses, commercial agents, property developers and site owners within the town centre. It is chaired by the General Manager of the County Mall shopping centre.

The role of the TCP is to be engaged on a regular basis as regards progress with the delivery of the Queens Square scheme and to work with the Borough Council and other parties to promote the transformational impact of the scheme. The TCP will champion the development of new marketing, promotion and investment materials to highlight the significant visual improvements to Crawley Town centre and the business investment opportunities therein. The TCP will monitor delivery of the scheme and work with the Borough Council to ensure a cleaning and maintenance programme is in place that is in line with the requirements of the town centre business / retail community.

The Local Economy Action Group will monitor delivery of the Queens Square scheme as an integral part of Crawley's Town Centre Regeneration Programme. It will assess the impact of the scheme in unlocking new homes, jobs, employment and commercial space and its ability to boost town centre footfall and economic activity.

The full project implementation schedule with milestone can be founded in the accompanying Appendix A.

6.3 Communications and Stakeholder Management

Please see the attached Appendix B.

6.4 Project/Programme Reporting

The key streams for executing the work are as follows:

1. Water feature mobilisation, installation and operation;
2. Public realm paving mobilisation and installation;
3. New seating, furniture and greenery installation;
4. Progress reporting and financial claims – report updates
5. Marketing, promotion and media to highlight the impact of the Queens Square scheme
6. Partnership development work and dialogue with developers, investors and retailers to attract investment.

6.5 Key Issues for Implementation

The scheme has planning permission, has detailed designs prepared with a detailed cost breakdown and is out to tender and this is due to by the end of March 2016

The principle issue to be overcome in order to enable implementation is to secure the £1.6 million of funding from the LEP Local Growth Fund, which will enable sufficient finances to ensure the Queens Square regeneration scheme is delivered.

6.6 Risk Management Strategy

The project risk log is updated regularly and reviewed on a monthly basis by the Project Board and this will continue to happen until the completion of the project. The project risks are presented above in section 3.2.

6.7 Project/Programme Evaluation

The scheme will be evaluated 12 months after its conclusion by measuring the following indicators:

- Impact on vacancy rates;
- A survey / consultation with the public on satisfaction levels of the new Queens Square compared to the consultation carried out at design stage.
- Impact on footfall numbers
- Impact on jobs and commercial space regenerated.

Crawley Borough Council will carry out an ex-post evaluation report comprising the above as well as an assessment of the overall efficacy of scheme delivery and this will be presented to CBC Members, the County Council and to the LEP.