

COAST TO CAPITAL LOCAL GROWTH FUND BUSINESS CASE

Project Title:	RegenOxted – Phase 1
Lead delivery organisation:	Tandridge District Council
Lead contact name:	Belinda Purcell, Corporate Policy Manager
Version No:	1
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This document provides a template for a Business Case (BC) in support of Coast to Capital's investment in a project to be funded through the Local Growth Fund.

The main purpose of the BC is to put forward the case for change and the preferred way forward identified in an internal Strategic Outline Case (SOC); which establishes the option which optimises value for money; outlines the deal and assesses affordability; and demonstrates that the proposed scheme is deliverable.

In practice, you will find this entails updating the strategic case; undertaking investment appraisal within the economic case; and completing the commercial, financial and management cases, with supporting benefits and risk registers.

Please note that this template is for guidance purposes only and should be completed in accordance with any guidance issued by Coast to Capital and the guidelines laid down in HM Treasury's Green Book which can be found at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/220541/green_book_complete.pdf

The OBC should cover the 5 cases – the Strategic case, the Economic case, the Commercial case, the Financial case and the Management case.

Business cases should be robust and well evidenced documents as the Business Case will be evaluated based upon content if called to present.

Coast to Capital Disclaimer

There shall be no expectation of grant payment unless and until a funding agreement is signed by both parties. All the Applicant's costs and charges incurred as a result of making this application shall be for the Applicant's account and cannot be claimed as part of the project except where feasibility funding has been prior awarded.

1. Executive Summary

1.1) Overview of the project including what opportunity or barrier the investment will unlock:

Background

Oxted is one of the two key towns in the district of Tandridge, located in the east of Surrey. With direct train links to London Bridge (under 30 minutes) and London Victoria (under 45 minutes) and access to Gatwick Airport in under 25 minutes and Heathrow Airport in under 45 minutes, (due to its location 5 minutes from Junction 6 of the M25), Oxted has clear locational advantages.

These advantages are recognised by key employers in the district including the Gold Group International, Campden BRI and Croudace Homes.

Oxted is part of a wider East Surrey economy (Appendix A) with projected growth of 3% from 2015-2030. In 2017, the East Surrey economy was the strongest in the Coast to Capital (C2C) area in respect of GVA¹. Oxted is also situated within the Gatwick Diamond A23/M23 strategic corridor region which in 2014 was one of the highest performing regions in C2C in respect of GVA per employee.

Despite its locational advantages, Oxted faces a number of barriers to growth including both road and rail congestion and availability of land for both residential and commercial development due to significant greenbelt restrictions.

As a first step to addressing some of these barriers, in January 2015, Tandridge District Council applied for and was granted £400,000 of Local Growth Funding to assist with redevelopment of the Oxted Gasholder site and Rose & Young site in Caterham.

This funding was to support the unlocking of these sites for potential residential, retail and/or commercial development. Both sites are on track to successfully deliver these outcomes.

For the 0.21 hectare derelict Rose & Young site in Caterham town centre, the funding provided by the Local Enterprise Partnership (LEP) gave the Council the assurance needed to use its compulsory purchase powers. This has enabled plans for the redevelopment of the site to be agreed which will deliver 50 jobs, 1177 sqm of retail space and 48 homes. The approach taken by the Council has had the benefit of not only delivering the outcomes promised to the LEP but also being able to do so, through the terms of the legal agreement without the need for public funding. As a result, it was agreed the £100k of LGF funding allocated for this scheme be notionally reallocated to the Oxted Gasholder redevelopment.

After numerous unsuccessful attempts to open a dialogue for the redevelopment of the 0.92 hectare Oxted Gasholder site with the joint site owners; SGN (previously known as Scotia Gas Network) and National Grid, the Council was, with the assistance of LEP funding able to access senior decision makers at these organisations and reach an agreement to bring the long-derelict site forward for redevelopment. This redevelopment will be for residential use and will be delivered by a subsidiary of Berkeley Homes, St William.

What became apparent through these discussions was that the viability of redeveloping the Gasholder site was less dependent on Local Growth Fund support for demolition (as St William specialise in redevelopment of contaminated sites), and more linked to other schemes planned for the town centre, including an Urban Redesign project (which is being led by planning and urban designers Greer Pritchard whose portfolio includes the 2012 Olympic Park design) and redevelopment of Council-owned car park sites. The Gasholder redevelopment and these additional schemes have now been amalgamated into a wider programme of work called RegenOxted.

RegenOxted will be able to not only deliver the outcomes of the original project but also additional ones relating to jobs, homes, footfall and commercial space.

Following discussions with the LEP Chief Executive, in October 2016 it was agreed that as the

¹ Coast to Capital Economic Profile 2017

redevelopment of the Gasholder site had been amalgamated into a wider programme of work which would deliver more outcomes able to benefit the town centre, it would be best for the £400,000 to be recycled back into the Local Growth Fund and a fresh bid for the wider RegenOxted plan submitted.

On the strength of the Programme's potential deliverables, in February 2017, Coast to Capital agreed to award £70,000 of feasibility funding toward RegenOxted to support the feasibility work for the Urban Redesign project and redevelopment of the Council-owned car park sites. This funding has enabled the Programme to move into the first phase of delivery.

Programme aims and objectives

RegenOxted (www.regenoxted.co.uk) (Appendix A) is an exciting and ambitious plan to revitalise the town-centre through a multi-million pound programme of strategically important projects, working with public and private sector partners.

The Programme will provide **additional town-centre housing** on the long-derelict gasholder site, help support the town's retail and evening economy through **improvements to the public realm**, and the **provision of additional parking spaces** for residents, visitors and local businesses. New businesses will also be supported through the provision of **affordable incubation growth space**.

RegenOxted comprised of 4 key projects:

- **Redevelopment of the Gasholder**

Objective: Demolition of the long derelict Gasholder site and provision of new town centre housing.

The long derelict Oxted Gasholder site will be redeveloped by St William, a joint venture between The Berkeley Group and National Grid. St William specialises in redeveloping redundant gasholder sites and has unlocked some of the most technically complex regeneration sites at the heart of communities across London and the South East.

The site is a key priority for St William, whose ambition is to demolish the gasholder and redevelop the site to provide an attractive, new residential scheme of apartments set within high quality landscaping. St William's vision for the site following the removal of the gasholder is for it to become an asset for the local area, making a positive contribution to the local built environment, and create a place where people want to live and can enjoy what the town has to offer including using local shops and making a contribution to the local community and economy.

St William have now completed initial feasibility and detailed design work and will submit a planning application by the end of September 2017 which will propose 75 new units with the option to build a further 40 subject to acquisition of the adjoining Council-owned car park. Subject to planning, St William aim to commence work on site in March 2018 and complete in Autumn 2019.

- **Station Road East & West Urban Redesign Project:**

Objective: Town centre improvements which will support the town's retail and evening economy, attract new businesses and safeguard existing businesses and jobs.

In late 2016, Tandridge District Council was approached by the Love Oxted Business Improvement District (BID) which was seeking support to deliver an ambitious urban redesign project in Station Road East and Station Road West.

The BID indicated they felt the delivery of such a project was critical to footfall and the vitality of the town centre and viability of their businesses. To demonstrate their commitment they commissioned a Public Realm Strategy (Appendix F) from planning and urban designers Greer Pritchard (whose portfolio includes the 2012 Olympic Park design) which sets out conceptual designs for the town centre.

These conceptual designs include proposals for a market square, traffic redirection, improved town centre layout, increased parking and resurfacing.

On the basis of this commitment, the Council, supported by the Oxted BID, Surrey County Council and Coast to Capital, carried out feasibility work, including wider public consultation. This has informed the detailed design work which is currently underway and scheduled to be completed by December 2018.

- **Redevelopment of car park sites:**

Objective: Redevelopment of the Ellice Road car park to a multi-storey car park which will provide additional parking capacity and unlock the Johnsdale car park, adjacent to the Gasholder site for new housing as part of the wider Gasholder redevelopment.

In October 2016, the Council commenced a review of parking which identified a clear lack of capacity in Oxted town centre which was impacting footfall, the viability of businesses and jobs in the town centre and the ability to attract new businesses.

This project will redevelop the Council's two town centre car parks. The Ellice Road car park site (0.51 ha) will be redeveloped into a multi-storey car park (see Appendix B) which will provide approximately an additional 40% parking capacity in the town centre for shoppers and businesses. Negotiations are taking place to sell the Johnsdale site (0.12 ha) to St William which will be unlocked for housing as part of the wider Gasholder site redevelopment. The marriage of these two sites will enable an additional 40 homes to be provided.

In addition to providing additional parking capacity and unlocking housing, this project will also enable new businesses to be attracted to the town and safeguard 150 jobs in the town centre that could otherwise be lost due to relocation of a multi-national business due to a lack of parking infrastructure. Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment.

The Council, supported by Coast to Capital, has now completed feasibility and detailed design work and will submit a planning application in November 2017 and obtain planning consent by January 2018. Subject to these timescales, a building construction contract will be awarded in March 2018 and work will start on site by June 2018 and be completed in November 2018.

- **Creation of a business hub:**

Objective: Redevelopment of underused public sector space for an incubation/growth hub to grow and support local businesses.

This project is being led by Tandridge District Council, supported by Surrey County Council and the Oxted BID and will support new businesses through the provision of affordable incubation growth space. The Council is in the process of carrying out an options appraisal on a number of public sector spaces in the town centre. This work is due to be completed by December 2017.

RegenOxted is being led by Tandridge District Council and delivered through a partnership of key stakeholders including Surrey County Council, the Oxted Business Improvement District, Oxted and Limpsfield Parish Councils, SGN, National Grid and St William Property Developers. It is also supported by the Gatwick Diamond Initiative (Appendix C).

The Programme provides a unique opportunity to bring together a range of projects into a single programme of work which will improve the town centre in a comprehensive, joined up way, maximising outcomes relating to jobs, homes, footfall and commercial space. It also enables a far higher level of match funding to be provided by the Council and its partners over the duration of the wider programme of work. This match will include Community Infrastructure Levy; Oxted BID levy; SCC Local Committee

Funding and Pavement Horizon funding; private sector and local authority capital funding.

The Programme's outcomes will not only improve the town centre but also enable Oxted to better contribute toward the wider, powerhouse East Surrey economy, Gatwick Diamond A23/M23 strategic corridor and maximise its excellent proximity to Gatwick and Heathrow Airports, the M25 and London.

The Programme will also support the deliverability of housing in the area, especially as Oxted is identified in the emerging Local Plan as a Tier 1 settlement. Furthermore this is particularly important as plans for a Garden Village come forward.

Local Growth Fund proposal

In January 2017, Coast to Capital awarded £70,000 of feasibility funding, toward RegenOxted to support the feasibility work for the Urban Redesign project and redevelopment of the Council-owned car park sites. This funding was able to bring forward £498,000 of match funding and has enabled the Programme to move into the first phase of delivery.

This first phase will see construction commence on the Gasholder site and a multi-storey car park, constructed on the Council-owned Ellice Road car park which will provide additional parking capacity. This additional capacity will enable the Council-owned Johnsdale car park, which is adjacent to the Gasholder site to be released to St William and unlocked for housing as part of the wider Gasholder site redevelopment. The marriage value between these sites will enable 115 homes to be delivered across the two sites. Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment.

Additional parking capacity will also improve the town's retail and evening economy, enable new businesses to be attracted to the town and safeguard 150 jobs in the town centre that could otherwise be lost due to relocation of a multi-national business due to a lack of parking infrastructure.

The Council and its partners have already committed significant funding toward the feasibility phase of the Programme. To enable RegenOxted to be delivered as single programme of work, which is able to maximise outcomes relating to jobs, homes, footfall and commercial space, funding is sought from Coast to Capital to support the delivery of Phase 1. This funding would enable the Ellice Road car park site to be unlocked for redevelopment to provide additional parking capacity.

As detailed above, the redevelopment of this site is critical to unlocking the Johnsdale car park site for housing and will also improve the viability of the Gasholder site. It will also safeguard 150 jobs in the town centre that could otherwise be lost due to a lack of parking infrastructure.

Without this funding, the Council and its partners would not be able to fully fund the work needed to deliver the wider programme of work. Given the symbiotic nature of the projects within this Programme, this would have a negative impact on ability of all projects to maximise outcomes relating to jobs, homes, footfall and commercial space.

The total cost of redeveloping Ellice Road car park will be £2.869 million. A net capital receipt from sale of the Johnsdale car park will only represent approximately 25% of the cost of redeveloping Ellice Road. The Council is also committed to providing funding to support other projects within the wider Programme. The Council is therefore seeking £1.434 million of funding which would be matched with £1.434 million pounds by Tandridge District Council for the redevelopment of Ellice Road Car Park. Whilst the Council will provide a 50% match, the level of match is likely to be much higher when factoring in the other outcomes which will be delivered in this Phase (redevelopment of the Gasholder site and Johnsdale car park). We are awaiting the final figures from St William however we estimate that true match for this phase will be in the region of £13 million.

1.2) Please choose the theme in which the LGF funding will invest in directly (The project can only fit into one theme so please choose the most appropriate).

Regeneration and housing infrastructure projects that increase capacity and footfall and unlock new employment space

1.3) The fit with Coast to Capital Strategic Economic Plan, the Industrial Strategy Response and Business Plan 17/18

In 2014, Coast to Capital contributed £48.4 billion toward the UK economy. Despite being the smallest geographic region in the LEP, East Surrey makes up 25% of the LEP's GVA, making it a clear powerhouse in the wider Coast to Capital economy. East Surrey is also part of the Gatwick Diamond A23/M23 strategic corridor region, which in 2014 was one of the highest performing regions in the C2C area in respect of GVA per employee and has been identified as a priority area for growth.

For East Surrey to remain competitive, it requires the right investment, support and infrastructure across the region. This will be particularly important as plans for an expansion at Gatwick Airport are developed.

RegenOxted will increase housing, attract businesses to the area, safeguard existing businesses and jobs and provide business start-up space.

The Programme therefore clearly reflect the following SEP priorities:

- Enable private investment in Successful Growth Locations.
- Successful Business Community – support business investment in growth and create the conditions for enterprise to flourish.
- Housing and infrastructure – Develop sustainable communities and invest in strategic infrastructure to unlock growth.

The Coast to Capital Strategic Economic Plan describes Oxted as a latent location. As such, this Programme provides a clear opportunity to address that latency and contribute to the wider SEP growth priorities including jobs, homes, footfall and commercial space.

The Programme also supports delivery against the following themes identified by Coast to Capital in its 2017/18 Business Plan and response to the Industrial Strategy development consultation:

- Theme 3: Upgrading infrastructure, Sub-theme 3: Development of small businesses, Priority 4: Investment in local and regional infrastructure in order to support the delivery of housing and business space developments identified in local plans
- Theme 4: Supporting businesses to start and grow, Sub-theme 3: Business support
- Theme 6: Regeneration, business space and housing, Objective 2: Help partners to achieve an increase in housing and employment space in the region.

1.4) Expected Total Project Cost and source of funding. Please also complete the funding breakdown tab on the supporting spreadsheet. Matched funding must be at least the required percentage of the total project costs. This is 15% for transport projects and 50% for all others. (Please name the source of match funding).

	Amount	% of Total Cost
Total Project Cost	£2.869m	100%
Applicant own funds	£1.434m	50%
Other public funds	0	0
Private sector funds	0*	0*
Funding requested from Coast to Capital LEP	£1.434m	50%

* Whilst the Council will provide a 50% match, the level of match is likely to be much higher when factoring in the other outcomes which will be delivered in this Phase (redevelopment of the Gasholder site and Johnsdale car park). We are awaiting the final figures from St William however we estimate that true match for this phase will be in the region of £13 million.

1.5) Expected tangible core outputs/outcomes: Please also complete the outputs tab of the supporting spreadsheet

Output/outcome	Metric	Number to be delivered
Employment- created and/or safeguarded	No.	150 jobs
Businesses assisted- financial and non- financial	No.	200
Skills- new learners and/or apprentices	No.	0
New housing unit completions	Units	115
New floor space constructed/refurbished- learning	Sq mtr	0
New floor space constructed/Refurbished- Commercial	Sq mtr	6220
Length of new roads/cycle ways	km	0
Improvement to journey times	Minutes per mile	0
Carbon reduction	Tonnes of CO2	0

1.6) Main risks and issues the project will need to manage? Please also submit a full risk register as an annex to this document

As detailed in the risk register attached at Appendix D, the key risks and issues that will need to be managed include:

Staff resource to deliver projects to agreed deadlines

Treatment / Mitigation – Tandridge District Council and Surrey County Council are in the process of recruiting a shared Major Regeneration Schemes Programme Manager who will oversee the delivery of this project and the wider RegenOxted programme.

Negative publicity about the Programme

Treatment / Mitigation – The Council has worked with partners, including St William to develop a detailed Communication and Engagement Plan for the Programme which ensures proactive and regular communication about the programme.

Lack of funding to deliver projects

Treatment / Mitigation – The Council has proactively engaged with partner organisations to ensure funding is committed toward the Programme as part of annual budget planning. The Council will also borrow to deliver the redevelopment of Ellice Road car park site. Even if changes are made to Public Works Loan Board borrowing conditions, the Council has cash reserves which could be made available subject to the availability of Local Growth Funding. The Council is also exploring other external funding opportunities to support the delivery of the Programme.

Adverse impact on town centre during construction phase

Treatment / Mitigation: Full mitigation plans are being developed to minimise disruption to local businesses and shoppers. This includes mitigation plans for parking, business support and noise and traffic disruption. Further details are provided in the Risk Register (Appendix D) and in Section 2.7.

Planning permission not granted for projects

Treatment / Mitigation: Architects for all sites (Ellice Road, Johnsdale & the Gasholder) have engaged with the Council's planning department from an early stage and sought pre-application advice.

DOCUMENT STATUS

REVISION HISTORY

Revision Date	Version No.	Summary of changes	Author/editor

DOCUMENT AUTHOR

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David Butcher, Chairman of GDI Management Group
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(name), Chairman of Oxted Parish Council
(name), Chairman of Limpsfield Parish Council
Sue McGeown, Manager of Oxted Business Improvement District
Mark Symons, Chairman of Oxted Business Improvement District
Simon Matthews, Matthew Associates

2. The Strategic Case

2.1) Describe the compelling case for change.

Despite its excellent location, being in close proximity to the M25, London, Gatwick and Heathrow Airports, Oxted faces a number of barriers to growth including both rail and road congestion and availability of land for both residential and commercial development due to significant greenbelt restrictions.

Oxted is also part of a local authority area which performs below others in respect of both GVA and GVA per employee in both the East Surrey and Gatwick Diamond regions. It also falls significantly behind others in Surrey in the UK Competitiveness Index 2016.

Further, the 2015 Retail & Leisure Study commissioned by Tandridge District Council (Appendix E) identifies Oxted town centre as significantly underperforming when compared to similar areas. It does however note that Oxted has the best prospects in the district for attracting investment and that it should be the main focus for large-scale retail and leisure development.

These challenges are further reflected in the Coast to Capital Strategic Economic Plan (SEP) which identifies Oxted as a latent location and also in the emerging Tandridge District Council Local Plan which has identified a clear need for jobs, homes and commercial space supported by appropriate infrastructure.

In response to this, the Council and its partners have developed the RegenOxted programme. This Programme provides a unique opportunity to bring together a range of projects into a single programme of work which will improve the town centre in a comprehensive, joined up way, maximising outcomes relating to jobs, homes, footfall and commercial space. It also enables a far higher level of match funding to be provided by the Council and its partners over the duration of the wider programme of work. This match will include Community Infrastructure Levy; Oxted BID levy; SCC Local Committee Funding and Pavement Horizon funding; private sector and local authority capital funding.

The Programme's outcomes will not only improve the town centre but also enable Oxted to better contribute toward the wider, powerhouse East Surrey economy, Gatwick Diamond A23/M23 strategic corridor and maximise its excellent proximity to Gatwick and Heathrow Airports, the M25 and London. The Programme will also support the deliverability of housing in the area, especially as Oxted is

identified in the emerging Local Plan as a Tier 1 settlement. Furthermore this is particularly important as plans for a Garden Village come forward.

On the strength of the Programme's potential deliverables, in January 2017, Coast to Capital awarded £70,000 of feasibility funding toward RegenOxted to support the feasibility work for the Urban Redesign project and redevelopment of the Council-owned car park sites. This funding has enabled the Programme to move into the first phase of delivery.

For the delivery of the first phase of the Programme to be successful, Local Growth Funding is required to enable the Ellice Road car park site to be unlocked for redevelopment to a multi-storey car park which will provide additional parking capacity. The redevelopment of this site is critical to enabling the Johnsdale car park, which is adjacent to the Gasholder site to be released to St William and unlocked for housing as part of the wider Gasholder site redevelopment. The marriage value between these sites will enable 115 homes to be delivered across the two sites. Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment.

Additional parking capacity will also improve the town's retail and evening economy, enable new businesses to be attracted to the town and safeguard 150 jobs in the town centre that could otherwise be lost due to relocation of a multi-national business due to a lack of parking infrastructure.

Without this funding, the Council and its partners would not be able to fully fund the work needed to deliver the wider programme of work. Given the symbiotic nature of the projects within this Programme, this would have a negative impact on ability of all projects to deliver outcomes relating to jobs, homes, footfall and commercial space.

The Council and its partners have already committed significant funding toward the feasibility phase of the Programme and demonstrated a clear ability to deliver projects to timescales set out by the LEP. Local Growth Funding will enable further match to be unlocked for the wide programme of work and clearly deliver against key SEP and Coast to Capital business plan priorities.

2.2) Investment Objectives- detail the specific objectives to achieve the anticipated outcomes.

RegenOxted provides a unique opportunity to bring together a range of projects into a single programme of work which will improve the town centre in a comprehensive, joined up way, maximising outcomes relating to jobs, homes, office and retail space.

The Programme is comprised of 4 key projects which will deliver the following objectives:

- **Redevelopment of the Gasholder**

Objective: Demolition of the long derelict Gasholder site and provision of new town centre housing.

The long derelict Oxted Gasholder site will be redeveloped by St William, a joint venture between The Berkeley Group and National Grid. St William specialises in redeveloping redundant gasholder sites and has unlocked some of the most technically complex regeneration sites at the heart of communities across London and the South East.

The site is a key priority for St William, whose ambition is to demolish the gasholder and redevelop the site to provide an attractive, new residential scheme of apartments set within high quality landscaping. St William's vision for the site following the removal of the gasholder is for it to become an asset for the local area, making a positive contribution to the local built environment, and create a place where people want to live and can enjoy what the town has to offer including using local shops and making a contribution to the local community and economy.

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option to build a further 40 subject to acquisition of the adjoining Council-owned car park. Subject to planning, St William aim to commence work on site in March 2018 and complete in Autumn 2019.

- **Station Road East & West Urban Redesign Project:**

Objective: Town centre improvements which will support the town's retail and evening economy, attract new businesses and safeguard existing businesses and jobs.

In late 2016, Tandridge District Council was approached by the Love Oxted Business Improvement District (BID) which was seeking support to deliver an ambitious urban redesign project in Station Road East and Station Road West.

The BID indicated they felt the delivery of such a project was critical to the vitality of the town centre and viability of their businesses. To demonstrate their commitment they commissioned a Public Realm Strategy (Appendix F) from planning and urban designers Greer Pritchard (whose portfolio includes the 2012 Olympic Park design) which sets out conceptual designs for the town centre.

These conceptual designs include proposals for a market square, traffic redirection, improved town centre layout, increased parking and resurfacing.

On the basis of this commitment, the Council, supported by the Oxted BID, Surrey County Council and Coast to Capital, carried out feasibility work, including wider public consultation. This has informed the detailed design work which is currently underway and scheduled to be completed by December 2018.

- **Redevelopment of car park sites:**

Objective: Redevelopment of the Ellice Road car park to a multi-storey car park which will provide additional parking capacity and unlock the Johnsdale car park, adjacent to the Gasholder site for new housing as part of the wider Gasholder redevelopment.

In October 2016, the Council commenced a review of parking which identified a clear lack of capacity in Oxted town centre which was impacting footfall, the viability of businesses and jobs in the town centre and the ability to attract new businesses.

This project will redevelop the Council's two town centre car parks. The Ellice Road car park site (0.51 ha) will be redeveloped into a multi-storey car park (see Appendix B) which will provide approximately an additional 40% parking capacity in the town centre for shoppers and businesses. Negotiations are taking place to sell the Johnsdale site (0.12 ha) to St William which will be unlocked for housing as part of the wider Gasholder site redevelopment. The marriage of these two sites will enable an additional 40 homes to be provided.

In addition to providing additional parking capacity and unlocking housing, this project will also enable new businesses to be attracted to the town and safeguard 150 jobs in the town centre that could otherwise be lost due to relocation of a multi-national business due to a lack of parking infrastructure. Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment.

The Council, supported by Coast to Capital, has now completed feasibility and detailed design work and will submit a planning application in November 2017 and obtain planning consent by January 2018. Subject to these timescales, a building construction contract will be awarded in March 2018 and work will start on site by June 2018 and be completed in November 2018.

- **Creation of a business hub:**

Objective: Redevelopment of underused public sector space for an incubation/growth hub to grow and support local businesses.

This project is being led by Tandridge District Council, supported by Surrey County Council and the Oxted BID and will support new businesses through the provision of affordable incubation growth space. The Council is in the process of carrying out an options appraisal on a number of public sector spaces in the town centre. This work is due to be completed by December 2017.

2.3) Stakeholder Engagement carried out.

In developing the RegenOxted Programme, the Council and its partners have carried out extensive consultation and engagement to better understand the key issues in the town centre and inform feasibility and detailed design work.

This includes consultation work and workshops carried out throughout 2016 by the Oxted Business Improvement District to better understand key issues for businesses and shoppers which informed the conceptual design for the Urban Redesign scheme produced by Greer Pritchard (Appendix F).

Public consultation on these conceptual designs (Appendix H) was carried out between May and June 2017 alongside consultation for plans for the redevelopment of the Gasholder site. The consultation commenced with a launch event in the Council offices on 25 May 2017 where representatives from Tandridge District Council, Surrey County Council and St William, the developer of the gasholder site, were on hand to guide visitors through an exhibition and answer questions. In addition to the launch event, surveys could also be completed online or by dropping in to the Oxted Library. St William ran a further two stakeholder engagement events in the town centre.

In total, 388 responses were received from local residents, businesses and visitors with the majority of results supporting the ideas proposed in the conceptual designs. This includes support for more attractive paving and surfacing and more greenery. Some concerns were raised about the safety of shared space and the need for more parking. Feedback from St William has also indicated broad support for redevelopment of the Gasholder site, with some concerns raised about disruption caused during construction and the impact of redevelopment on parking in the town centre.

Tandridge District Council, Surrey County Council and the Oxted Business Improvement District have also carried out considerable consultation in respect of parking in the town centre.

As part of this work, in December 2016, transportation consultants Systra were commissioned by Tandridge District Council to review parking in the town centre. This review included a survey of Council-owned car parks, private car parks and on street parking in and around the town centre to understand traffic flow, occupancy levels and overall parking durations and therefore the turnover of spaces.

Systra also considered the views of local communities through consultation (Appendix G) with residents, local businesses and key stakeholders including the Oxted Business Improvement District, disability groups and Oxted and Limpsfield Parish Councils. Independent market research consultants commissioned by Systra also undertook short interview surveys with town centre users in December 2016. This survey was also made available on the internet and hard copies provided in the Council Offices and at the Oxted Library. The survey looked at individual's attitudes towards parking, their opinions on the current provision and views on potential charging methods in the future.

Further consultation will be carried out once the detailed designs are finalised for the Urban Redesign project and planning applications have been submitted for the Gasholder site redevelopment and car park site redevelopment.

2.4) List the key stakeholders and their interest areas.

Stakeholder	Interest area
Tandridge District Council	RegenOxted Programme Lead. Leading on delivery of redevelopment of car park sites, Station Road East &

	West Urban Redesign Project and Creation of a Business Hub. Will contribute CIL and significant local authority capital funding toward the programme.
Surrey County Council	Supporting the delivery of all projects within the Programme. Has provided resource toward Programme management and will contribute local authority funding toward delivery. Also put forward space to be considered for Creation of Business Hub.
St William Property Developers	Property developers of the Gasholder site. St William is a joint venture between The Berkeley Group and National Grid and specialises in redeveloping redundant gasholder sites and has unlocked some of the most technically complex regeneration sites at the heart of communities across London and the South East. Committed to providing skills development opportunities during construction phase.
SGN	Joint owner of the Gasholder site.
National Grid	Joint owner of the Gasholder site.
Love Oxted Business Improvement District	Involved in delivery of all projects. Commissioned a Public Realm Strategy from planning and urban designers Greer Pritchard (whose portfolio includes the 2012 Olympic Park design) which has informed the Urban Redesign project. Has provided BID levy toward the Programme.
Gatwick Diamond Initiative	Provides wider, strategic support toward the Programme. Will support promotion and delivery of Business Hub and promote inward investment opportunities for Urban Redesign project.
Oxted Parish Council	Supporting delivery of projects within the Programme. Has CIL which could be contributed toward the Programme.
Limpsfield Parish Council	Supporting delivery of projects within the Programme. Has CIL which could be contributed toward the Programme.
Greer Pritchard	Planning and urban design consultants who produced a Public Realm Strategy for the Oxted BID for the Urban Redesign project. Portfolio includes the 2012 Olympic Park design.
Williams Lester	Architects leading on the design of the Ellice Road car park sites redevelopment.

2.5) What are the strategic issues, risks and constraints that may impact successful delivery of the project?

A detailed in the risk register attached at Appendix D, the key issues, risks and constraints identified that may impact delivery relate to:

Staff resource to deliver projects to agreed deadlines

Treatment / Mitigation – Tandridge District Council and Surrey County Council are in the process of recruiting a shared Major Regeneration Schemes Programme Manager who will oversee the delivery of this project and the wider RegenOxted programme.

Negative publicity about the Programme

Treatment / Mitigation – The Council has worked with partners, including St William to develop a detailed Communication and Engagement Plan for the Programme which ensures proactive and regular communication about the programme.

Lack of funding to deliver projects

Treatment / Mitigation – The Council has proactively engaged with partner organisations to ensure

funding is committed toward the Programme as part of annual budget planning. The Council will also borrow to deliver the redevelopment of Ellice Road car park site. Even if changes are made to Public Works Loan Board borrowing conditions, the Council has cash reserves which could be made available subject to the availability of Local Growth Funding. The Council is also exploring other external funding opportunities to support the delivery of the Programme.

Adverse impact on town centre during construction phase

Treatment / Mitigation: Full mitigation plans are being developed to minimise disruption to local businesses and shoppers. This includes mitigation plans for parking, business support and noise and traffic disruption. Further details are provided in the Risk Register (Appendix D) and in Section 2.7.

Planning permission not granted for projects

Treatment / Mitigation: Architects for all sites (Ellice Road, Johnsdale & the Gasholder) have engaged with the Council's planning department from an early stage and sought pre-application advice.

2.6) Project Dependencies

For the delivery of the first phase of the Programme to be successful, Local Growth Fund is required to enable the Ellice Road car park site to be unlocked for redevelopment to a multi-storey car park which will provide additional parking capacity. The redevelopment of this site is critical to enabling the Johnsdale car park, which is adjacent to the Gasholder site to be released to St William and unlocked for housing as part of the wider Gasholder site redevelopment. The marriage value between these sites will enable 115 homes to be delivered across the two sites. Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment.

Additional parking capacity will also improve the town's retail and evening economy, enable new businesses to be attracted to the town and safeguard 150 jobs in the town centre that could otherwise be lost due to relocation of a multi-national business due to a lack of parking infrastructure.

Without this funding, the Council and its partners would not be able to fully fund the work needed to deliver the wider programme of work. Given the symbiotic nature of the projects within this Programme, this would have a negative impact on ability of all projects to deliver outcomes relating to jobs, homes, footfall and commercial space.

2.7) Project disruption

Full mitigation plans are being developed to minimise disruption to local businesses and shoppers. This includes:

- Parking: redevelopment of Council-owned car parks will significantly reduce parking in the town centre. To address this, the Council is exploring the option of out-of-town park and ride sites for Council staff and town centre workers (a large site has already been agreed in Westerham with neighbouring Sevenoaks District Council and a further site is being negotiated in Godstone) which would enable the Council's staff car park to be open to shoppers for the duration of the work. The Council is also working with Surrey County Council to implement temporary changes to on-street parking restrictions which will enable shoppers and town centre workers to park in and around the town centre earlier than they are currently permitted.
- Business support: The Council is working with the Oxted Business Improvement District to ensure the town is promoted ('Open for business' etc) whilst the work is taking place.
- Noise and traffic disruption: the Council will ensure that appropriate planning conditions are in place on the car park sites and the Gasholder site to minimise noise and traffic disruption for local residents. The Council also has a good relationship with all partners (such as St William) which should enable a flexible response should issues emerge.

3. The Economic Case

3.1) Please describe the options that have been considered in selecting the project proposal, completing both box 1 and 2.

Box 1:

Option Name:	Description:	Total cost:	Amount requested:	Core outputs (see 1.6)
Do nothing, minimum or status quo	Ellice Road and Johnsdale car parks left undeveloped. Gasholder redevelopment, Urban Redesign project and Business Hub project proceed as planned.	£0	£0	Whilst the Programme could in theory still deliver redevelopment on the Gasholder site, improvements to public realm and the creation of a business hub, not providing additional parking capacity would seriously affect the viability and effectiveness of these projects.
Proposed option	Ellice Road is redeveloped into a multi-storey car park with a ground floor and single deck which would provide 280 parking spaces. Johnsdale car park is released to St William for housing as part of the wider Gasholder site redevelopment.	£2.869m	£1.434m	<ul style="list-style-type: none"> - Redevelopment of the Ellice Road car park to a multi-storey car park which will provide additional parking capacity and unlock the Johnsdale car park, adjacent to the Gasholder site for new housing as part of the wider Gasholder redevelopment. - Demolition of the long derelict Gasholder site and provision of new town centre housing. - Town centre improvements which will support the town's retail and evening economy, attract new businesses and safeguard existing businesses and jobs. - Redevelopment of underused public sector space for an incubation/growth hub to grow and support local businesses.
Alternative options:	Ellice Road is redeveloped into a multi-storey car park with a ground floor and double deck which would provide 380 spaces. Johnsdale car park is released to St William for housing as part of the wider Gasholder site redevelopment.	£4.229m	£2.114m	<ul style="list-style-type: none"> - Redevelopment of the Ellice Road car park to a multi-storey car park which will provide additional parking capacity and unlock the Johnsdale car park, adjacent to the Gasholder site for new housing as part of the wider Gasholder redevelopment. - Demolition of the long derelict Gasholder site and provision of new town centre housing. - Town centre improvements which

				<p>will support the town's retail and evening economy, attract new businesses and safeguard existing businesses and jobs.</p> <ul style="list-style-type: none"> - Redevelopment of underused public sector space for an incubation/growth hub to grow and support local businesses.
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Box 2:

Option Name:	Advantages:	Disadvantages:
Do nothing, minimum or status quo	Expenditure not incurred on redeveloping the car park sites.	<p>Whilst the Programme could, in theory, still deliver redevelopment on the Gasholder site, improvements to public realm and the creation of a business hub, not providing additional parking capacity would seriously affect the viability and effectiveness of these projects.</p> <p>Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment, for example is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment. Long term improvements to footfall and the vitality and viability of town centre would also be difficult to achieve if the Urban Redesign project was delivered without the additional parking. Businesses would be forced to move from the town regardless to improvements to visual amenity if there was not the parking to accommodate their staff and customers.</p>
Proposed option	<p>Viability of redevelopment of the Gasholder site, Urban Redesign project and Business Hub project improved.</p> <p>Programme is able to be delivered as single programme of work, which is able to maximise outcomes relating to jobs, homes, footfall and commercial space.</p>	Expenditure is incurred on redeveloping the car park site.
Alternative options:	<p>Viability of redevelopment of the Gasholder site, Urban Redesign project and Business Hub project improved.</p> <p>Programme is able to be delivered as single programme of work, which is able to maximise outcomes relating to jobs, homes, footfall and commercial space.</p>	<p>Expenditure is incurred on redeveloping the car park site.</p> <p>There is also a risk that too much parking capacity is provided and income is not great enough to service loans for the work.</p>

3.2) The preferred option

Option - Ellice Road is redeveloped into a multi-storey car park with a ground floor and single deck which would provide 40% additional capacity and 280 spaces. Johnsdale car park is released to St William for housing as part of the wider Gasholder site redevelopment.

Justification – This option will enable 115 homes to be delivered through marriage of the Gasholder and Johnsdale car park sites. Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment. Further, it will safeguard 150 jobs in the town centre that could otherwise be lost due to a lack of parking infrastructure.

Whilst the Programme could, in theory, still deliver redevelopment on the Gasholder site, improvements to public realm and the creation of a business hub without the additional parking capacity, the viability and effectiveness of these projects would be seriously affected

The Gasholder redevelopment for example, is unlikely to meet required parking provision and retaining the status quo in respect of parking could affect the viability of the planning application for that site. Long term improvements to footfall and the vitality and viability of town centre would also be difficult to achieve if the Urban Redesign project was delivered without the additional parking. Businesses would be forced to move from the town regardless to improvements to visual amenity if there was not the parking to accommodate their staff and customers.

3.3) Issues with preferred option.

Pre-application advice has now been sought and we are confident that planning permission will be achieved for this site however there is of course a risk that planning permission is refused.

3.4) What are the top 5 risks of this option?

A detailed in the risk register attached at Appendix D. The top 5 risks identified are:

Staff resource to deliver project to agreed deadlines

Treatment / Mitigation – Tandridge District Council and Surrey County Council are in the process of recruiting a shared Major Regeneration Schemes Programme Manager who will oversee the delivery of this project and the wider RegenOxted programme.

Negative publicity about the project

Treatment / Mitigation – The Council has worked with partners, including St William to develop a detailed Communication and Engagement Plan for the Programme which ensures proactive and regular communication about the programme.

Lack of funding to deliver project

Treatment / Mitigation – The Council has proactively engaged with partner organisations to ensure funding is committed toward the Programme as part of annual budget planning. The Council will also borrow to deliver the redevelopment of Ellice Road car park site. Even if changes are made to Public Works Loan Board borrowing conditions, the Council has cash reserves which could be made available subject to the availability of Local Growth Funding. The Council is also exploring other external funding opportunities to support the delivery of the Programme.

Adverse impact on town centre during construction phase

Treatment / Mitigation: Full mitigation plans are being developed to minimise disruption to local businesses and shoppers. This includes mitigation plans for parking, business support and noise and traffic disruption. Further details are provided in the Risk Register (Appendix D) and in Section 2.7.

Planning permission not granted for projects

Treatment / Mitigation: Architects for all sites (Ellice Road, Johnsdale & the Gasholder) have engaged with the Council's planning department from an early stage and sought pre-application advice.

Please complete the boxes below, answering only those relevant for the theme of your project, referring to the guidance available. Please also complete the outputs tab of the supporting excel spreadsheet.

3.5) Economic impact

This project will have a positive impact on the economy of Oxted, helping to deliver a significant part of the RegenOxted Programme, and achieve the demolition and regeneration of the derelict gasholder and adjacent site which has been a Council corporate priority for many years.

The economic impact will take many forms, for the gasholder site, taking a long derelict unproductive site in the commercial heart of the town, adjacent to a mainline station and completely regenerating with 115 residential units. These new units will house an estimated 310 new local residents who will by their close proximity to the town centre make a contribution towards its economic vitality via local shopping, eating-out, using local services, possibly taking local employment.

Improvements to the town centre and the associated public realm it will help the retail and food & beverage businesses to thrive in an increasingly competitive market. Oxted benefits from a high-quality predominantly independent retail and food & beverage offer, well-liked by local residents and visitors, but needing to offer a high-quality 'experience' to compete with other centres and on-line convenience. We believe these improvements will help safeguard existing jobs and increase the footfall to the town.

The Ellice Road car-park is in a key strategic position within the town centre providing multiple access routes to the town centre. For centres like Oxted, the availability of high-quality, inexpensive parking is absolutely critical to the town's success. The district has an exceptionally high multiple car-ownership to which residents demand good parking or will shop elsewhere or gravitate to on-line retailers. The new car park will underpin the above regeneration of the retail area, as well as reprovisioning the business parking being lost from Johnsdale car-park to facilitate new residential units. Finally, business intelligence indicate that a number of important business occupiers of the town centre would consider relocating if there was not sufficient parking for their needs resulting in the loss of 150 jobs. These businesses make an important contribution to the local economy which we would not want to lose. The development of additional parking in Ellice Road will help Oxted retain these businesses within the town centre and attract new ones.

In summary the economic impact of the this LGF project regeneration would be:

- Circa 115 new residential units on former gasholder site
- Circa 310 new residents contributing economically to the town's businesses
- The positive economic impact of the gasholder site being redeveloped
- The retail and hospitality core of the town being redeveloped and regenerated
- Local jobs in businesses being safeguarded
- Footflow in the town increased through better environment and better parking
- Leakage to out of area competing centres and on-line retailers lessened
- Greater retention of key local businesses that demand access to high-quality parking
- Change of perception of Oxted from a business retention and inward investment angle

The Programme's outcomes will not only improve the town centre but also enable Oxted to better contribute toward the wider, powerhouse East Surrey economy, Gatwick Diamond A23/M23 strategic corridor and maximise its excellent proximity to Gatwick and Heathrow Airports, the M25 and London.

The Programme will also support the deliverability of housing in the area, especially as Oxted is identified in the emerging Local Plan as a Tier 1 settlement. Furthermore this is particularly important as plans for a Garden Village come forward.

3.6) Environmental Impact

The environment impact will take many forms, for the gasholder site, taking a long derelict unproductive site in the commercial heart of the town, adjacent to a mainline station and completely regenerating with 115 residential units. St William, the property developers for the site will demolish the gasholder and redevelop the site to provide an attractive, new residential scheme of apartments set within high quality landscaping. St William's vision for the site following the removal of the gasholder is for it to become an asset for the local area, making a positive contribution to the local built environment, and create a place where people want to live and can enjoy what the town has to offer including using local shops and making a contribution to the local community and economy.

The Urban Redesign project will fundamentally change to look of the town centre, making it a more

attractive place for shoppers and visitors. The conceptual designs, prepared for the Oxted BID by designers Greer Pritchard (whose portfolio includes the 2012 Olympic Park design) include proposals for a market square, improved town centre layout, better access, more greenery, more seating and more attractive paving and surfacing.

The Ellice Road car park site is naturally screened from surrounding property. It's redevelopment into an attractive multi-story car park will facilitate and support redevelopment in the town centre. The Council are also looking at options to include electric charging points, and substantial bicycle infrastructure which will encourage more sustainable modes of travel.

3.7) Social Impact

The social impact will also take many forms. For the Gasholder site, much needed housing will be provided in the town centre close to a mainline railway station allowing residents to travel sustainably. The lack of availability of land for residential development due to significant greenbelt restrictions makes it particularly important to prioritise sites like the Gasholder for redevelopment.

The Urban Redesign project will make the town centre a more attractive place for shoppers and visitors. Proposals include a market square, better access, more greenery, more seating and more attractive paving and surfacing. The changes will encourage people to spend more time in the town centre, foster a greater sense of community, address social isolation and make the town a vibrant place where people want to live, work and visit.

3.8) The number of people and businesses positively impacted by the intervention?

Improvements to the town centre and the associated public realm it will help the retail and food & beverage businesses to thrive in an increasingly competitive market. Oxted benefits from a high-quality predominantly independent retail and food & beverage offer, well-liked by local residents and visitors, but needing to offer a high-quality 'experience' to compete with other centres and on-line convenience. We believe these improvements will help safeguard existing jobs and increase the footfall to the town. This will benefit the 200 businesses located within the Oxted Business Improvement District area and the over 2000 workers based in the town centre.

The Programme will also directly benefit the 310 residents who will be able to move to the town centre as a result of the provision of housing on the Gasholder site. At a more strategic level, the Programme will also benefit the 30,000 plus residents of Oxted and surrounding areas for which the town is a service centre.

3.9) Follow on Investment

RegenOxted provides a unique opportunity to bring together a range of projects into a single programme of work which will improve the town centre in a comprehensive, joined up way, maximising the opportunity for investment which will enable outcomes relating to jobs, homes, footfall and commercial space to be delivered. The Programme enables a far higher level of match funding to be provided by the Council and its partners over the duration of the wider programme of work. This match will include Community Infrastructure Levy; Oxted BID levy; SCC Local Committee Funding and Pavement Horizon funding; private sector and local authority capital funding.

For the delivery of the first phase of the Programme to be successful, Local Growth Fund is required to enable the Ellice Road car park site to be unlocked for redevelopment to a multi-storey car park which will provide additional parking capacity. The redevelopment of this site is critical to enabling the Johnsdale car park, which is adjacent to the Gasholder site to be released to St William and unlocked for housing as part of the wider Gasholder site redevelopment. The marriage value between these sites will enable 115 homes to be delivered across the two sites. Given the complexity of redeveloping the Gasholder site, including likely contamination issues and proximity to the railway line, the Gasholder redevelopment is unlikely to meet the Council's car parking standards. Therefore the redevelopment of the Ellice Road car park site will also improve the viability of the Gasholder site redevelopment.

Additional parking capacity will also improve the town's retail and evening economy, enable new businesses to be attracted to the town and safeguard 150 jobs in the town centre that could otherwise be lost due to relocation of a multi-national business due to a lack of parking infrastructure.

Without this funding, the Council and its partners would not be able to fully fund the work needed to deliver the wider programme of work. Given the symbiotic nature of the projects within this Programme, this would have a negative impact on ability of all projects to deliver outcomes relating to jobs, homes, footfall and commercial space.

3.10) Skills projects only- Impact on Skills Provision

N/A

3.11) Business and enterprise projects only- Impact on business growth

N/A

3.12) Infrastructure and Regeneration and Housing projects only- Physical and aesthetical impact- Does the project make a positive and lasting contribution to the physical, human and cultural environment?

Town centre vitality and viability is determined by range of factors. This includes the attractiveness of the town centre, accessibility, competitiveness of the retail offer and the right mix of residents and businesses. At present, Oxted struggles in a number of these areas.

It is important to remember that these issues cannot be addressed in isolation – there is no point for example, in making the town centre more attractive if there is not enough parking nor will your town centre attract or retain high quality retailers (independent or otherwise) if you don't have the right demographics to support them.

RegenOxted provides a unique opportunity to bring together a range of projects into a single programme of work which will fundamentally change the town centre making it a vibrant place where people want to live, work and visit.

For the gasholder site, taking a long derelict unproductive site in the commercial heart of the town, adjacent to a mainline station and completely regenerating with 115 residential units. St William, the property developers for the site will demolish the gasholder and redevelop the site to provide an attractive, new residential scheme of apartments set within high quality landscaping. St William's vision for the site following the removal of the gasholder is for it to become an asset for the local area, making a positive contribution to the local built environment, and create a place where people want to live and can enjoy what the town has to offer including using local shops and making a contribution to the local community and economy.

The Urban Redesign project will fundamentally change to look of the town centre, making it a more attractive place for shoppers and visitors. The conceptual designs, prepared for the Oxted BID by designers Greer Pritchard (whose portfolio includes the 2012 Olympic Park design) include proposals for a market square, improved town centre layout, better access, more greenery, more seating and more attractive paving and surfacing.

The Ellice Road car park site is naturally screened from surrounding property. It's redevelopment into an attractive multi-story car park will facilitate and support redevelopment in the town centre. The Council are also looking at options to include electric charging points, and substantial bicycle infrastructure which will encourage more sustainable modes of travel.

3.13) If your project results in service and other improvements then please provide baseline data below.

Not applicable.

Metric	Baseline		What the intervention will achieve	
	Figure	Year	Figure	By when

4. The Commercial Case

4.1) Please provide details of your envisaged procurement route.

In order to assist speed of delivery, the Council will procure the contractor on a two stage design and build basis. Working in parallel, detailed design will be progress at the same time as planning permission is being sought. This will enable the project to be constructed and delivered in 2018 with costs incurred during the 2017/18 year.

4.2) Involvement of private development partners.

The Council is working with St William, a joint venture between The Berkeley Group and National Grid. St William specialises in redeveloping redundant gasholder sites and will redevelop the Oxted gasholder site and potentially, subject to negotiations, the Council-owned Johnsdale car park site.

4.3) Procurement plan and timescales.

We aim to make a planning application for redevelopment on the Ellice Road car park site in November 2017 and obtain planning consent by January 2018. Subject to these timescales, a building construction contract will be awarded in March 2018 and work will start on site by June 2018 and be completed in November 2018.

4.4) How will the project contribute towards social value?

We recognise that the Public Services (Social Value) Act 2012 requires public bodies to consider how the services we commission and procure might improve the economic, social and environmental well-being of the area. We are required to factor social value in at the pre-procurement phase, allowing them to embed social value in the design of the service from the outset. The core objective of RegenOxted is to improve the economic, social and environmental well-being of Oxted town centre. The project elements will be openly procured via the Council standing orders and OJEU requirements where required, only contracts over the EU threshold are technically within the Act. These will be either openly procured or put through existing framework contracts previously procured by Tandridge District Council or its strategic partners such as Surrey County Council taking into account of the Public Services (Social Value) Act 2012.

4.5) State Aid Compliance.

The letter attached at Appendix I confirms this project is state aid compliant.

5. The Financial Case

5.1) what is the estimated total project cost and the amount of LGF being applied for? **Please complete the funding breakdown tab in the supporting excel spreadsheet.**

Year	Total project cost	LGF
17/18	£0	£79,500
18/19	£1,434,000	£1,354,500
19/20	0	0
20/21	0	0
Total	£1,434,000	£1,434,000

Whilst this represents a 50% match, the level of match is likely to be much higher when factoring in the other outcomes which will be delivered in this Phase (redevelopment of the Gasholder site and Johnsdale car park). We are awaiting the final figures from St William however we estimate that true match for this phase will be in the region of £13 million.

5.2) Please set out the project expenditure items – **No rounding up please**

Please state the date of this estimate-

Projects costs (delete as appropriate)	Total cost (£)	LGF (£)	Match funding (£)*
Land Acquisition	0	0	0

Planning and Feasibility studies	0	79,500	
Surveys	0	0	0
Construction, inc- materials, equipment and labour	£1,094,000	£1,354,500	0
Fit out (inc. equipment and furnishings not included in construction)	0	0	0
Project management	£50,000	0	0
Consultancy	£150,000	0	0
Other (please specify)	0	0	0
Contingency*	£140,000	0	0
Total Net Cost	£1,434,000	£1,434,000	0
VAT	0	0	0
Total Gross Cost	£1,434,000	£1,434,000	0

*Whilst the Council will provide a 50% match, the level of match is likely to be much higher when factoring in the other outcomes which will be delivered in this Phase (redevelopment of the Gasholder site and Johnsdale car park). We are awaiting the final figures from St William however we estimate that true match for this phase will be in the region of £13 million.

Please ensure the matched funding and LGF amount to the total costs and that the LGF requested does not exceed the percentage allowed for the type of project ie. 85% for transport and 50% for all other projects.

5.3) Net Present Value cash flow analysis.

This is not applicable for this project.

Options	NPV
Do nothing, minimum or status quo	N/A
Proposed option	N/A
Alternative option	N/A

Please detail your project assumptions and discount rate used-
N/A

5.4) Value for money

We will seek competitive tenders in accordance with the Council's contract standing orders, for which value for money is an assessment requirement.

5.5) VAT status

VAT will be recoverable for this project as spend will be by the local authority.

5.6) Financial Sustainability

The project will enable sufficient income to be generated which will ensure the financial sustainability after the initial investment. In the unlikely event, insufficient income is generated, the Council will ensure financial sustainability through its revenue budgets.

6. The Management Case

6.1) In which financial year do you expect your project to commence?	2017/18
6.2) In which financial year do you expect your project to complete?	2020/21
6.3) Please set out the key milestones related to the project.	
Milestone	Start date
Planning application submitted	September 2017
Completion date	September 2017

for Gasholder site.		
Negotiations completed for sale of Johnsdale car park.	November 2017	November 2017
Planning application submitted for Ellice Road car park.	November 2017	November 2017
Options appraisal completed for Business Hub	December 2017	December 2017
Planning consent obtained for Ellice Road car park site.	January 2018	January 2018
Building construction contract awarded for Ellice Road car park site.	March 2018	March 2018
Construction commences on Gasholder site	March 2018	March 2018
Construction commences on Ellice Road car park site	June 2018	June 2018
Construction completed on Ellice Road car park site	November 2018	November 2018
Detailed design work completed for Urban Redesign project	December 2018	December 2018
Construction completed on Gasholder site	Autumn 2019	Autumn 2019

6.4) Project management arrangements

Tandridge District Council and Surrey County Council are in the process of recruiting a shared Major Regeneration Schemes Programme Manager. This post will be based within Tandridge District Council's Major Projects and Regeneration Team and Surrey County Council's Highways and Assets team to ensure seamless working with the Highways department.

The project will be managed in accordance with the Council's Project Management Strategy (Appendix X) which is based on Prince2 project management standards.

6.5) Key project roles and responsibilities

Project Board	
Programme Sponsor	Louise Round, Chief Executive
Programme Manager	Major Regeneration Schemes Programme Manager
Programme Support	Georgina Brightwell, Project Officer Nikki Tagg, Project Officer
RegenOxted Programme Board	Louise Round, Chief Executive Major Regeneration Schemes Programme Manager Piers Mason, Chief Planning Officer Kathy O'Leary, Chief Operating Officer Belinda Purcell, Corporate Policy Manager John Reed, Head of Property Nic Martlew, Depot Manager Georgina Brightwell, Project Officer Nikki Tagg, Project Officer Rona Leitch, Group Accountant Charlotte Bradshaw, Communication Officer Sue Hadida, Senior Lawyer
Members oversight	
Lead members	Cllr Martin Fisher (Leader) Cllr Simon Ainsworth (Chairman of Resources Committee)
Corporate Management Group (similar to Cabinet)	Cllr Martin Fisher, Cllr Tony Elias, Cllr Keith Jecks, Cllr Pat Cannon, Cllr Simon Ainsworth, Cllr David Weightman, Cllr Nick Childs, Cllr Lindsey Dunbar, Cllr Ken Harwood, Cllr Peter Bond
Committee governance	
Resources Committee	Cllr Simon Ainsworth (Chairman), Cllr Rod Stead (Vice Chairman), Cllr Eithne Webster (Vince Chairman), Cllr Chris Botten, Cllr Pat Cannon, Cllr Barry Compton, Cllr Michael Cooper, Cllr Phil Davies, Cllr Martin Fisher, Cllr Keith Jecks,

	Cllr David Lee, Cllr Jeremy Pursehouse, Cllr Guy Wates
Advisory oversight	
Oxted Town Centre Working Group (Key Member and Stakeholder Advisory Group)	Cllr Martin Fisher - Chairman Leader of Tandridge District Council, TDC Ward Member – Oxted North & Tandridge; Cllr David Weightman, TDC Ward Member – Oxted North & Tandridge; Cllr Jackie Wren, TDC Ward Member – Oxted North & Tandridge; Cllr Simon Ainsworth, TDC Ward Member – Oxted South; Cllr Barry Compton, TDC Ward Member – Oxted South; Cllr Elizabeth Parker, TDC Ward Member – Oxted South; Cllr Phil Davies, TDC Ward Member – Limpsfield; Cllr Lindsey Dunbar TDC, Ward Member – Limpsfield; Cllr Cameron McIntosh SCC Ward Member - Oxted Division; Cllr Mark Wilson, Chairman, Limpsfield Parish Council; Council; Cllr Karen Weightman, Chairman, Oxted Parish Council; Sue McGeown, Manager Oxted Business Improvement District; Mark Symons, Chairman, Oxted Business Improvement District; Francis Atterbury, Vice Chairman, Oxted Business Improvement District;
Joint Infrastructure Team (SCC & TDC Officer Working Group)	Tandridge District Council: Louise Round - Chief Executive Officer, Kathy O’Leary - Chief Operating Officer, Piers Mason - Chief Planning Officer, Paul Barton - Chief Community Services Officer, Jayne Godden-Miller - Chief Housing Officer, Sarah Thompson - Head of Strategic Planning Policy, Belinda Purcell - Corporate Policy Manager, Georgina Brightwell - Policy Officer, Alison Peet - Asset Manager, Surrey County Council: Liz Lawrence -Assistant Director – Strategy and Performance, Lesley Harding - Head of Place Development, Sue Janota - Spatial Planning and Policy Manager, Lee McQuade- Economy Manager, Chris Duke - Leveraging Assets Programme Manager, Tor Peebles - Flood Risk Management Strategy and Partnerships Team Leader, Zena Curry - South East Area Highways Manager, Peter Hopkins - Lead Strategic Asset Manager, Doug Hill - Strategic Network Resilience Manager, Oliver Gill - School Commissioning Officer

6.6) Governance, oversight and accountability

As detailed in 6.5, the Programme will be managed by the Major Regeneration Schemes Programme Manager who will report to the Programme Sponsor (Louise Round, Chief Executive).

The Programme will be monitored by the RegenOxted Project Board and the Lead Members. The Council’s Resources Committee will be responsible for overall governance of the Programme.

Both the Oxted Town Centre Working Group and Joint Infrastructure Team will provide Advisory support.

6.7) Communications and stakeholder management

As per the Council’s Project Management Strategy requirements (Appendix J), an updated Stakeholder Engagement and Communication Plan will be produced for this project. This requires all key stakeholders, types of communication and key messages to be identified.

This will build on the extensive consultation and engagement carried out so far by the Council and its partners. This has included the development of RegenOxted website, which all partners (Tandridge District Council, Surrey County Council and St William Property Developers) regularly update – www.regenoxted.co.uk

Partners have also carried out a variety of stakeholder engagement events and consultations. Online, and on-street surveys have been carried out by partners to gauge the views of the public and businesses. This has been supported by a range of media and social media coverage including, flyers, newspaper articles, Facebook, Twitter, email alerts and Council and business newsletters.

6.8) Benefits management

As per the Council’s Project Management Strategy requirements (Appendix J), benefits management will be carried out throughout the Programme.

6.9) Project evaluation

As part of the Council's Project Management Strategy requirements (Appendix J) staff are required to evaluate any programme or project through a post-project survey and end of project report.


Recommendation/ Declaration

Recommendation- please state clearly the recommended action this business case supports.

Tandridge District Council is seeking £1.434 million of Local Growth Funding which would be matched with £1.434 million pounds by Tandridge District Council to enable the Ellice Road car park site to be unlocked for redevelopment to provide additional parking capacity.

The redevelopment of this site is critical to unlocking the Johnsdale car park site for housing and will also improve the viability of the Gasholder site. The marriage of these two sites will enable an additional 115 homes to be delivered. This project will also safeguard 150 jobs in the town centre that could otherwise be lost due to a lack of parking infrastructure.

Whilst the Council will provide a 50% match, the level of match is likely to be much higher when factoring in the other outcomes which will be delivered in this Phase (redevelopment of the Gasholder site and Johnsdale car park). We are awaiting the final figures from St William however we estimate that true match for this phase will be in the region of £13 million.

Declaration:	I certify that the information provided in this Business Case is complete and correct at the time of submission.
Signature:	
Print Name:	Belinda Purcell
Title:	Corporate Policy Manager
Date:	8 September 2017

Before submitting your Business Case ensure you have all the required supporting documentation:

- One electronic copy of the business case template, signed and dated
- Excel Spreadsheet (both tabs completed)
- Full risk register
- Any other Supporting documents and evidence required (e.g. letter of support from Area Partnership)
- Written evidence to the satisfaction of the Coast to Capital Accountable Body from a practicing solicitor / Counsel that the project is compliant with the EU state aid rules.
- VAT external advice if applicable.