

COAST TO CAPITAL LOCAL GROWTH FUND BUSINESS CASE

Project Title:	Southern Gateway Regeneration, Chichester
Lead delivery organisation:	Chichester District Council
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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 that 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:

This project entails the regeneration of an area of circa 12 hectares (30 acres) of predominantly brownfield land in a mix of public and private ownership with housing (365 units), business, leisure and commercial uses (21,600sqm). The sites are located within a key entrance gateway to the south of the city. The project will also bring significant improvements to the public transport interchange (the bus and rail termini are within the masterplan site), public realm, transport infrastructure and environment, including walking and cycling, and the final element being the regeneration of the only canal basin in West Sussex. It will generate £160m of economic value to the local economy over a 20 year period and create over 1,100 new jobs whilst protecting a further 200.

The project is supported by both the Rural and Coastal West Sussex Partnerships; local government at all levels and is a key element of the recently approved Chichester Vision and One Public Estate Programme for West Sussex. The major landowners have entered into a memorandum of understanding confirming that they will collaborate constructively to ensure the project is delivered. The project area has been masterplanned which has been subject to full public scrutiny and consultation. An aerial view of the site, masterplan map showing the key development sites and all the documents detailed above are enclosed as supporting evidence to this application.

The LGF funding bid will cover abnormal site costs; relocation costs of existing businesses (where these cannot be covered by the value of the sites released) and public realm and transport infrastructure costs which have prevented this regeneration being completed.

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).

- Investment in capital expenditure items that promote digital transformation and digital infrastructure
- New Innovation and start up business creation
- Facilities to provide teaching and research facilities and/or skills based training in digital and innovation areas, across further and higher education sectors in close proximity to the M23, A23 corridor
- Increased capacity in sustainable transport and 'key' arterial routes where there are 'bottlenecks', together with flood resilience and digital infrastructure investment
- Investment in capital projects where there is a demonstrable case that such investment will generate proportionate foreign direct investment and international trade
- Regeneration and housing infrastructure projects that increase capacity and footfall and unlock new employment space
- Capital investment to increase high value tourism to the Coast to Capital region

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

The Economic Impact Estimate provided by Marshall Regen Ltd in support of this bid (see supporting documents pages 2/3 and 6/7) summarises the contribution that this project makes to C2C LEP priorities. Further detail is provided below.

Coast to Capital Strategic Economic Plan: The C2C SEP (2014 and currently under review), which the District Council was fully involved in developing and is a signatory to, proposes to invest £550m of public sector funding from local authorities, higher education and others and thereby lever-in £2.78 billion of private sector funding to directly support Growth Deal proposals for which £238m funding has been secured; invest £61m of ESIF and EARFRD funding, and find the match funding to create:

- o 60,000 new jobs
- o 26,000 additional homes
- o 970,000 square metres of new employment space

The project (based on Option A in the Masterplan consultation document) is estimated to deliver (see Economic Impact report by Marshall Regen Ltd):

- 1137 new jobs;
- protect at least 200 existing jobs (Stagecoach and Royal Mail);
- 365 new homes of which 30% will be affordable;
- 21,600 sqm of business/retail and leisure floorspace (onsite) plus 4,000 sqm of off-site relocation space if required.
- The LGF funding will lever in £155.7m of private sector investment of which £83m are direct construction costs
- £160m of economic value to the local economy over a 20 year period

These proposals therefore make a significant contribution and directly support the C2C case for investment (for all Strategic Priorities but especially in relation to Housing and infrastructure) by unlocking brownfield site regeneration that has stalled for decades as a result of the abnormal costs associated with some of the development sites. Our proposals include investment in infrastructure (Waste Water Treatment, bus/rail interchange, improved access for pedestrians and cyclists) together with enhancements in public realm).

This project will build on current economic success in an area where performance is already good and where the private sector, by their previous involvement in nearby developments, have demonstrated that they are eager to be involved. Public funding will ensure that these final opportunities are realised.

We will directly market our new employment space to high growth, high value sectors identified in the C2C SEP such as high end finance; digital; life sciences and creative industries. In doing so we will ensure that this regeneration contributes to ensuring that the Coast to Capital area makes progress towards performing well

above the UK average. (GVA per head across Chichester, Arun, Adur and Worthing was £21,274 - below both the regional (£27,012) and national (£25,367) figures. Source ONS December 2015 – latest available data)

This 12 hectare/30 acre regeneration scheme will be operating at scale in a key gateway location for the city. The largest regeneration project in Chichester city centre for a generation it will enable missing elements of provision for young people (Chichester is the only University city in West Sussex) and tourist facilities (Chichester is the strongest tourism location in West Sussex – see table below) to be delivered. Examples include the provision of much needed hotel accommodation and entertainment space to further grow the city’s visitor and night time economy.

Visits (millions) Expenditure (£m)

	Visits (millions)	Expenditure (£m)
Adur	No Figures available	
Arun	4.351	£154
Chichester	4.500	£206
Crawley	2.476	£144
Horsham	3.054	£117
Mid-Sussex	1.993	£61
Worthing	1.587	£41

Source: Visit England Three-Year Averages 2013-2015 of Total Tourism (Day Visits and All overnight tourism combined)

The local housing market and its ability to support graduate/skills retention and encourage younger persons to relocate are fraught with structural challenges. The average house price for Chichester is £383,763 (national average £214,747) (source: Land Registry June 2017) – a ratio of median house prices to median earning of 12.57 compared to national figure of 7.63 (Source: 2015 House price statistics via WSCC) making it one of the least affordable places in the UK to live. Also Chichester has the largest local authority housing waiting list in the county with 1,780 awaiting housing (DCLG 2016). This is compounded by having the highest number of second homes in the county (14%/7549) compared to a county average 7.7% (3921) (Census 2011).

This project will be in a strong position to take advantage of the Starter Homes initiative once the guidance is issued (expected Autumn 2017). The scheme is supported by the HCA who are also a strategic partner to this project. An alternative range of housing options will be utilised, such as shared ownership, to encourage graduates to stay in the area and contribute to the growth and productivity of our local economy and deliver the objectives of the C2C SEP in this regard.

This is more likely to succeed in Chichester since many of the environmental/attraction building blocks essential to encourage high value/high growth business entrepreneurs to relocate (taking advantage of the close proximity to London) are already here; Chichester Festival Theatre, Pallant House Gallery, University city with established research base, Chichester harbour/marina, Goodwood estate, coast and the South Downs etc.

The C2C Industrial Strategy Response:

The C2C LEP responded to the Secretary of State in relation to the proposed Industrial Strategy Green Paper on 10 April 2017.

The response emphasises the importance of the Coast to Capital area as a digital and innovation corridor with our efforts directed to building on our strengths in digital infrastructure and technology, research and international connectivity. As the only University city in the County of West Sussex, Chichester is well placed to build on these strengths.

It also stresses the unique cultural, lifestyle and heritage offering of the area. These elements are most powerfully represented within Chichester with its marina, Goodwood and Cowdray Park offerings, National Park, an internationally renowned Festival Theatre and Pallant House Gallery providing the strongest tourist/cultural offer present within West Sussex.

It is within the coastal growth corridor and well located on the main line to London Victoria, and within 17 miles of the continental ferry port at Portsmouth and 1 hour by train to Gatwick airport. As such this regeneration is perfectly placed to take advantage of the improvements to the rail network demanded of government in the C2C response.

The response also highlights the GVA deficiency in some parts of the County. The proposals contained in this regeneration project include initiatives to deliver business premises that will be attractive to and marketed to the Life Sciences, Hi-Tech, Creative digital and high end financial and professional services sectors. These sectors will drive up GVA and will be attracted to the unique environment that already exists in Chichester and the surrounding area.

The proposals within this regeneration project will directly contribute to the aspirations espoused in the C2C response by providing affordable, quality space (including freehold opportunities) to allow small business to scale up and realise their potential as “the engine for future growth” across our region. The premises to be delivered will complement the start up space (Enterprise Gateway) currently being constructed by CDC and to be operated by Basepoint. This project is also designed to improve the survival rate of start-ups from their current 3 year survival rate of 64.7% in Chichester (ONS 2016). It will take advantage of the integral support network that will operate from the Gateway to ensure that when businesses move or establish within the regeneration area that they still have access to a support network which will include advice on exporting and participation in the proposed Export Ambassador Scheme. It will build upon the relationship with our university to match skills needs to the demands of business. It will be well placed to incorporate the proposed Knowledge Exchange Frameworks to enable the mutual exchange of knowledge between higher education and business being developed as part of the C2C SEP review.

We will also explore ways in which the aspirations to support collaborative working and mentoring between business and academics can be embedded into this regeneration project. This project will ensure that the University of Chichester can play a fuller part in the solution to skills gaps and innovation. The concepts of the “innovation centre” model and digital catapult can be explored and applied to this

regeneration and we would welcome further discussion regarding these aspects with the C2C team before selecting our development partner.

Opportunities to capitalise on the “gigabit” programme across West Sussex via the recently approved (3 September 2017) DCMS funding programme will also be applied to this project to enhance its attractiveness and ability to further drive the digital connectivity targets.

The inclusion of both affordable and starter homes in the proposal will help to deal with the exceptionally high housing costs (they are the most expensive across the whole County in Chichester and one of the most expensive in the country) that in turn will help retain and attract skills to our locality. A good proportion of the housing proposed will be suitable for single people and couples. High house prices are often quoted by our businesses as being a barrier to recruitment and the in-migration from lower cost localities such as Bognor and Havant adds to congestion on our already unsatisfactory road network. This will also assist with recruitment difficulties in the areas of social care and tourism which are identified in the response.

The improvements planned to both the bus and rail interchanges and the removal of non-essential traffic movements from the area will improve the resilience of our transport network and improve the environment for pedestrians and cyclists.

The construction phase of the project will make best use of the apprenticeship opportunity via links to the construction related courses at Chichester College and Facility Management functions once the development is completed. A total of 46 placements, apprentices, support activities and sub-contractor training programmes are expected to be directly related to this regeneration project (see Economic Impact report by Marshall Regen Ltd pages 6/7).

Much of the redevelopment area sits within the Chichester BID area which provides several opportunities to improve the sustainability of the BID operation and benefit the new business that will move in with the extra services and investment provided by the BID.

We will also market this opportunity via suitable events such as the C2C DIT Inward Investment programme, SiteMatch and the Portsmouth and Southampton Property Association to increase the exposure and chances of attracting investor interest. We would gladly participate in any similar event organised by the C2C International Trade Task Force. The Coastal West Sussex Marketing Brochure and CDC Chichester Business Guide (included as supporting documents) will be used in this promotion activity to increase the exposure of the area as a place within which to do business and where the unique opportunity presented can be communicated.

The regeneration will take advantage of the District Council’s renewed investment in the visitor economy. Its resolution to fund its private sector led Destination Management Organisation (Visit Chichester) and the refreshment of its Destination Management Plan to exploit the potential of this sector will support the C2C response by delivering missing elements of the local visitor offer such as a hotel and entertainment space. As the leading visitor destination in West Sussex we will be pleased to work with the LEP to further understand and deliver the potential of this sector.

Therefore this project, once delivered, will directly contribute to those business growth investment priorities identified by C2C by bringing an estimated £155.7m of new private investment to the region; increase the amount of housing, visitor and business floor space, increase footfall and integrate business support into the development. The funding requested will help unlock those barriers that have prevented this opportunity being exploited by the private sector for many years.

Business Plan 17/18:

This submission sets out below how this regeneration will deliver The Coast to Capital Business Plan top-level priorities for 2017/18:

1. Renew our Strategic Economic Plan (SEP) to align with the Government's Industrial Strategy, recognising that the context in which we operate has changed radically – this project fully supports the outcomes of the currently approved SEP and delivers many of the aspirations contained in the governments Industrial Strategy Green Paper (as more fully described on pages 4/6 above).

2. Demonstrate policy and strategy leadership for the region, highlighting the things that matter and engaging with our partners to bring about change – should the LEP approve this submission we believe it will provide C2C with a major opportunity to engage with CDC as a trusted, results driven partner that has a successful track record of delivery in major property related project work. The project will also draw in other key partners that the C2C LEP has expressed a desire to become engaged with such as the Chichester BID, Visit Chichester (the District's Destination Management Organisation), the University of Chichester, Chichester College, HCA, WSCC as well as the expertise of a private sector investor and developer.

3. Deliver our Local Growth Fund projects on time and on budget. Leverage in and deploy future resources more strategically in pursuit of excellent economic growth – this project will attract an estimated £155.7m of private sector investment in a location that is already attractive to the private sector and where the majority of land is already in public sector ownership. The C2C LEP can therefore be confident that, given CDC's track record, this project can be delivered on time to improve the offer of a potential growth area that will be attractive to relocators/investors and drive GVA and footfall through providing opportunities for high growth and value sectors.

4. Deliver our services to businesses and their workforces, including the Business Navigator Growth Hub and the Enterprise Adviser Network, to increase economic competitiveness – this regeneration will provide an opportunity for the C2C LEP to deliver these services to more businesses and the scheme will publicise and open up opportunities for this to take place.

5. Set up and run our new regeneration and housing function and demonstrate progress in unlocking key sites and increasing investment – this is a key objective of this regeneration project and with C2C LEP investment provides a unique and exciting opportunity to unlock this brownfield site which has remained undelivered for many years.

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	155,664,597 ¹	100%
Applicant own funds	155,000	0.09%
Other public funds	5,000,000	3.2%
Private sector funds	145,509,597	93.47%
Funding requested from Coast to Capital LEP	5,000,000	3.2%

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.	1137/200
Businesses assisted - financial and non- financial	No.	66
Skills - new learners and/or apprentices	No.	46 (see Economic Impact report by Marshall Regen Ltd p5/6)
New housing unit completions	Units	365
New floor space constructed/refurbished - learning	Sq mtr	0
New floor space constructed/Refurbished- Commercial	Sq mtr	21,600
Length of new roads/cycle ways	Km	738.3m
Improvement to journey times	Minutes per mile	0
Carbon reduction	Tonnes of CO2	n/a

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 – completed

1. The costs of relocating some of the existing non-conforming users exceed the value of the site released and the funding estimates provided.
2. Commercially unviable uses desired exceed value generated by funding.
3. The waste water treatment capacity issue cannot be resolved.
4. The public realm and transport interchange enhancements do not receive public sector funding support
5. Other abnormal costs such as contamination, utilities (other than waste water) and flood risk measures make the regeneration commercially unviable without public sector support
6. Planning permission refused
7. All locally listed buildings need to be retained
8. CPO required and not approved
9. A27(T) proposals do not advance
10. Inability to find a development partner

DOCUMENT STATUS

REVISION HISTORY

Revision Date	Version	Summary of changes	Author/editor
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¹ Includes contingency and land purchase but excludes developers profit

	No.		
24 th August 2017	1	Original draft	Paul E. Over
6 September 2017	2	CDC internal review (Project Team)	Paul E. Over & Project Team

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2. The Strategic Case

2.1) Describe the compelling case for change.

The Council first envisaged improvements in the Southern Gateway area and approved Supplementary Planning Guidance in 2001. Whilst the commercially viable redevelopment has been completed (e.g. former Osborne’s site south of the Canal basin and the McCarthy and Stone development north of the railway line) the sites contained within this proposal remain unrestored for 15 years since the Guidance was approved as a result of the need for public sector funding support to unlock them.

Chichester has fantastic potential as a place to live, work, visit and study. However, this potential is hampered by:

1. A lack of business space of sufficient quality to attract high value businesses to relocate.
2. High house prices that make it unaffordable to live locally (see 1.3 above).
3. A skills drain – just 216 (19%) of graduates from the University of Chichester are working within PO9/10/18/19/20/21 or 22 postcode areas after graduation (Source: Maximising the Student Economy 2016 and University of Chichester data 2015) – most cite lack of well paid jobs, poor night-time offer and affordable housing. Indeed nationally 57% of graduates work within the region that they studied in. For the South East only 43.7% of graduates who studied in the South East stay in the South East to work. This is the second lowest regional figure, just ahead of the East Midlands at 42.1%.
4. A lack of facilities to support and grow the visitor economy (Source: The

Chichester Vision).

5. A lack of facilities for younger people (Source: Maximising the Student Economy 2016).
6. An unpleasant and unwelcoming environment dominated by traffic (source: The Chichester Vision) and City Centre Audit – An Observational Study (2016).

The Chichester Vision, included as a supporting document, sets out the strategic case and the way in which the Southern Gateway regeneration will supports those strategic objectives within the Vision. The Vision is a multi-agency document.

As well as the strategic imperative associated with the C2C SEP; Industrial Strategy response and Business Plan described in Section 1.3 above, there are important local strategic objectives that are delivered by this project and described in local strategies.

These contain important pointers to the critical need for this project and the timeliness, particularly in relation to the hoped for A27(T) improvements and the construction of the Chichester Enterprise Gateway. It is critical also to take advantage of the willingness, in principle, of landowners to participate and the sense of public support to improve the area (evidenced from the consultation undertaken in the preparation of the Chichester Vision and letters of support received from key land owners).

This can be further evidenced by reference to the Council's corporate priorities expressed within its **Corporate Plan**:

- Improve the provision of and access to suitable housing.
- Support our communities.
- Manage our built and natural environments.
- Improve and support the local economy.
- Prudent management of the Council's finances.

These Corporate Priorities are further evidenced within the Council's Economic Development and Housing Strategies.

The need for the project is also evidenced in the Council's approved **Economic Development Strategy 2013-2019**. This project directly supports three of the four strategic priorities contained therein as follows:

- Attract and Retain Working Age Talent – the business space, leisure and starter homes proposals in this bid will directly support this priority
- Create the Conditions to Support Growth-Oriented Businesses – the business space and its direct marketing to high growth sectors, together with the availability of the Enterprise Gateway will directly support this priority
- Make Best Use of the District's Natural and Cultural Assets – the leisure, entertainment and tourism related proposals contained herein utilise these assets to encourage inward investment from high growth businesses.

It also supports key policies in the Council's **Housing Strategy 2013-2018** (2016 review) as follows:

- To maximise the supply of Housing to meet local needs. This includes:
- To put in place a Local Plan and policy base that delivers homes for local people and responds to local housing needs – this is particularly important in view of the recent planning appeal decision that found a lack of 5 year housing land supply. Whilst allowing the appeal ensures that there is a 5 year housing land supply the delivery within Southern Gateway will give greater security to demonstrating certainty around that supply – envisaged to be 7,000 new homes by 2029 in the **Chichester Local Plan (2014-2029)**.
- To develop mechanism's to secure the infrastructure required to meet the future housing needs of the district
- To boost affordable housing delivery where opportunities arise by utilising council funds and registered provider assets to lever in investment
- Delivery of increased smaller family housing to meet the needs of young forming households, downsizers and to retain and attract young working families and support economic growth.
- Enabling local people to find their own solutions. This includes:
- Promote and increase opportunities for first time buyers and economically active households to access the housing market.

These outcomes that will only be delivered with public sector support, as evidenced by the lack of progress over the past 15 years and beyond, make a compelling case for intervention.

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

There are 5 key investment objectives that require public sector funding if the objectives are to be achieved:

1. The costs of relocation of the two existing non-conforming users at £13m exceed the value of the sites released.
2. Some of the uses that the public sector wishes to include in the proposals are not commercially viable e.g. entertainment facilities and hotel and are unable to compete with surrounding residential land values.
3. The waste water treatment facilities are inadequate and expensive to resolve. This project is likely to exceed the available headroom in the current treatment plant. This will require further investigation/research and debate with the statutory bodies via the Water Quality Group before costs can be determined. In the absence of a mains solution an on-site solution might be required. (estimated at £1m)
4. The public realm and transport interchange enhancements will require public sector support if they are to be delivered (estimated at £2m)
5. Other abnormal costs such as contamination, utilities (other than waste water) and flood risk measures make the regeneration commercially unviable without public sector support (estimated at £1m)
6. Highway solutions will need to be implemented to calm the approach to the city from the south (minimum of £5.3m excluding the utility diversions outlined in 5 above)

2.3) Stakeholder Engagement carried out.

Two major pieces of stakeholder engagement have taken place over the past 12

months to support and provide justification for this project:

1. Chichester Vision – this strategic document defines what we want Chichester to be/become. It is a deliberately visionary document and was the subject of full public consultation with the widest group of residents, visitors, businesses and students. The Vision project was overseen by a Steering Group that had comprehensive representation including local government (WSCC, CDC and Chichester City Council); and a project group comprising representatives from major attractions (e.g. the Cathedral, the Festival Theatre and Pallant House Gallery) the Chichester BID; Visit Chichester (the districts Destination Management Organisation); the University of Chichester, transport operators and residents groups. This engagement demonstrated overwhelming support for a range of initiatives (see Chichester Vision attached as a supporting document) that are delivered in part by this regeneration project. The Vision is formally adopted by all Strategic Partners (subject to some minor final text and visual amendments and WSCC are due to sign it off within the week).
2. Southern Gateway Masterplan – the masterplan has been subject to public consultation as required before formally adopting a Supplementary Planning document. The consultation closed on the 10 August and shows strong support for the proposals. The Masterplan is scheduled for adoption as a Supplementary Planning Document (SPD) in November 2017.
3. In addition the area partnerships, WSCC, LEP, University, BID, VC and local members have been kept apprised of progress and been given briefings on the project. The project has already been approved at a strategic level by the District Councils Cabinet. The Overview and Scrutiny Committee of the District Council (as the lead partner) will be considering the process of implementation at their meeting on the 12 September.

2.4) List the key stakeholders and their interest areas.

Stakeholder	Interest area
Residents	Local facilities; traffic and access
Students	Night time economy; retail and graduate jobs; value for money
Businesses (including the BID)	Accommodation; footfall; spend and access
Visitors (including Visit Chichester)	Access; attractiveness of environment; facilities; value for money; places to stay
Politicians	Housing; support for the economy (including inward investment) and community wellbeing

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

1. That the waste water treatment capacity issue cannot be resolved – mitigated by study currently being undertaken by CDC as part of the local plan review
2. A CPO is required and not approved – mitigated by adopted masterplan and developer appointment
3. The A27(T) proposals do not advance or uncertainty remains – mitigate by current work being led by WSCC on community engagement and intervention of the MP

4. The inability to find a development partner – mitigated by continual viability review of the project by externally appointed expert consultants.

2.6) Project Dependencies

1. The receipt of LEP and other funding to support the project
2. The grant of planning consent – this will be informed by the adopted masterplan
3. The appointment of a private sector developer/partner with funds to execute the regeneration.
4. Market demand for the development proposed is maintained at least to the levels of the viability assessment
5. The starter homes element of the bid is subject to the Government publishing guidance pursuant to the Housing White Paper
6. Resolving the waste water treatment issue
7. Relocation of the 2 non-conforming users and purchase of one private bungalow

2.7) Project disruption

1. During construction there will be local traffic diversions – this will be mitigated by input from WSCC highways engineers and by timing major works so as to avoid peak periods e.g. Goodwood events, Festivities and Christmas
2. During construction there will be noise/dust/fumes – this will be mitigated by conditions in the planning consent, including limitations on working hours
3. There will be a few businesses (4 tenants) that will be disrupted from their existing premises. They do not have long term occupation rights but the impact on them will be minimised by providing sufficient notice and by support from the Council’s Economic Development team e.g. to locate alternative premises
4. The 2 businesses to be relocated will make arrangements with their own staff in relation to their new operational bases – both are expected to be close by so disruption will be minimal

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	Do nothing – this is the non-intervention role that has been pursued for the past 15 years	£0	£0	None based on past experience
Proposed option	Option A in the Masterplan consultation document	£155,664,597	£5,000,000	365 housing units and 21,600 sqm commercial space
Alternative options:	Option B in the Masterplan consultation document	£158,564,597	£5,000,000	335 housing units and 22,950sqm commercial space

Box 2:

Option Name:	Advantages:	Disadvantages:
Do nothing, minimum or status quo	No expenditure or disruption	Less outputs are likely to be delivered and those that are likely to be residential only
Proposed option	Maximum outcomes delivered including environmental enhancements	Resources are required to deliver. Locally listed buildings to be demolished.
Alternative options:	Most outcomes delivered. Marginally improved environmental enhancements	Longer timescale. Listed buildings to be purchased and demolished. More expensive for little gain in outcomes.

3.2) The preferred option

The preferred option will be determined when the Council considers the representations received to the consultation process in November 2017. This bid is based on the assumption that Option A is selected. It delivers the outcomes described in 1.3 above and the supporting spreadsheet. Full details can be found in the Masterplan supporting document.

3.3) Issues with preferred option.

See 2.5 and 2.6 above

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

1. The costs of relocation of some of the existing non-conforming users exceed the value of the site released and the funding estimates provided.
2. Commercially unviable uses desired exceed value generated by funding.
3. The public realm and transport interchange enhancements do not receive public sector funding support
4. Other abnormal costs such as contamination, utilities (other than waste water) and flood risk measures make the regeneration commercially unviable without public sector support
5. Planning permission refused

These risks, together with the mitigation planned is fully set out in the risk log which is included as a supporting document.

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

These are fully set out in 1.3 above and the Economic Impact report by Marshall Regen Ltd (enclosed as a supporting document) and are summarised here:

- 1137 new jobs – the regeneration will create new jobs and 46 new apprenticeships, placements or training opportunities.
- protect at least 200 existing jobs (Stagecoach and Royal Mail) from the effective local relocation of the existing operations from their current location

within the redevelopment

- 365 new homes/student accommodation – by providing starter homes/young person's accommodation this will have a direct economic benefit by facilitating the retention of graduate skills (which at present leave the area); improving the attractiveness of the only university in West Sussex and encouraging high value/growth businesses to relocate to take advantage of the already rich environment and heritage
- 21,600 sqm of business/retail and leisure floorspace (onsite) plus 4,000 sqm of off-site relocation space if required – this will be marketed to high value business/relocators to improve the GVA of the area and C2C region. It will also improve the attractiveness of the area and build on the already outstanding visitor offer generating new income streams to local businesses
- By building on the close links with the university/college and developing the Knowledge Frameworks the development will improve the survival rates of businesses and encourage business expansion.
- The C2C LGF funding will also lever in £155.7m of private sector investment - a ratio of 1:32 (LEP funding v Private sector investment)
- Assuming an equal attribution of the £5m C2C LEP funding applied for, each home would cost £4,520; each job would cost £1,451 and each sqm of commercial floorspace would cost £78.87
- Additional spend in the local economy and additional public sector income generated e.g. Council tax, NNDR etc. is estimated at £160m over 20 years

3.6) Environmental Impact

A full Strategic Environmental Assessment (SEA) (June 2017) has been commissioned as part of the masterplanning exercise. It is attached as a supporting document. The SEA provides for a high level of protection of the environment and to contribute to the integration of environmental considerations into the preparation and adoption of plans and programmes with a view to promoting sustainable development in accordance with Article 1 of the European Directive 2001/42/EC.

In conclusion the SEA finds that:

- The implementation options scored better than the 'no development' alternatives
- The masterplan proposed options highlight a number of positive impacts, including in relation to:
 - o Likely improvements to air quality;
 - o Remediation of contaminated land;
 - o Potential inclusion of sustainable urban drainage;
 - o Improvements to built form;
 - o Creation of new views of the Cathedral;
 - o Significant public realm improvements;
 - o Increase in tree planting.
- Predicted negative impacts in relation to the water environment have potential to be mitigated through proposals that can demonstrate no net increase in flow or make alternative provisions.

- The key negative impacts relate to:
 - o potential loss of locally listed bus depot and magistrates court, and
 - o potential loss of three Grade II listed buildings as a result of Option 11a highway options (note this option is not the option included in this bid).

3.7) Social Impact

The significant social impacts of this project are already well described in Sections 1 & 2 of this bid document as they relate to new housing provision, public realm, and business space and visitor economy.

However, the development will also be undertaken in accordance with the Council's approved Developer Charter (copy enclosed) so as to maximise the social impact in areas such as local employment, training opportunities etc. The C2C Business Navigator Growth Hub and the Enterprise Adviser Network together with the Council's Business Support Officers will provide guidance to potential businesses wishing to take premises and will also signpost to the business support centre that is being delivered as part of the Enterprise Gateway project.

Through the One Public Estate Programme, of which this scheme is a part, the opportunity to deliver a community health hub as part of the development is also reserved within the brief. This is subject to confirmation of partner funding and demand and will bring together a wide range of health related programmes in one location.

The generation of additional New Homes Bonus funding from the residential element of the development will provide further potential to support the voluntary/third sector via the CDC grant aid programme and deliver other regeneration projects that support society.

As the project develops further detailed indicators/outcomes for social value will be developed to quantify the social value impact of the project. Developers will also be invited to make proposals that enhance social value as part of their bids to develop.

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

Residents – the population of Chichester city is 26,795. The population of the District is 113,794 (census 2011) and is expected to grow to 132,328 by 2036 (WSCC population estimates). Many of them use Chichester city as a shopping destination or workplace. All will benefit from the enhancements proposed.

Businesses – 21,600sqm of new commercial floorspace will be provided which will benefit those existing businesses that wish to move and new business that will move into the city or District. 1,137 people will benefit from the new jobs created by this regeneration and 200 people will have their jobs protected (subject to normal business decision making) by local re-provision of space for Royal Mail and Stagecoach.

Visitors – 4.5m visitors per annum to the District will have their experience enhanced, including those who arrive by public transport. The scheme will also improve the popularity of Chichester as a visitor destination resulting in the

number of visitors growing.

Students – 17,500 (Chichester College and University) – the public realm, public transport and night-time economy improvements planned in this project will positively impact on this group and plug a deficit identified in the student research undertaken for the Chichester Vision. It will also provide well paid jobs and suitable/affordable housing that will encourage the retention of their skills in the area.

3.9) Follow on Investment

In addition to the regeneration proposed in this bid there is likely to be further investment in peripheral sites that are identified in the masterplan but which are not proposed at present. This includes the northern side of the Chichester railway station and HMRC office in Southgate which together could generate a further 3,800sqm of commercial floorspace and 62 units of residential accommodation. The positive impact of a development of this scale is also likely to be the catalyst for other nearby sites to come forward for redevelopment or regeneration.

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?

Yes – this is detailed in the SEA (see 3.6 above) and sections 1.3, 2 & 3 above

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

Metric	Baseline		What the intervention will achieve	
	Figure	Year	Figure	By when
New jobs	76,000	2015 (Source: Nomis)	77,137	2020/21
New business/retail and leisure floorspace	602,000sq m	2016 (Source: VOA Business Floorspace Statistics)	623,600sqm	2020/21
New homes	56,931	Sept 2016 (Council Tax Valuation List)	57,296	2020/21
GVA per head	£21,274	2015 (ONS)	£25,367 (equates to the national	

			average) (ONS)	
Visits to Chichester	4,500,000	Visit England Three-Year Averages 2013-2015	Tbc once SLA agreed with Visit Chichester	2020/21
Visitor spend per head	£206	Visit England Three-Year Averages 2013-2015	Tbc once SLA agreed with Visit Chichester – however an extra £1.2m pa spend is predicted from the hotel	2020/21
New Apprenticeships	730	2015/16 - Department of Education figures	736	2020/21
Graduate retention working within PO9/10/18/19/20/21 or 22 postcode areas	216 (19%)	2016	30% initially (Nationally 57% of graduates work within the region that they studied in.)	2020/21
Improved survival rates of business after 3 years	64.7%	2016	65% (Note: Chichester District's current performance is already above the SE average at 61.1% and the UK average at 59.4%)	2020/21

4. The Commercial Case

4.1) Please provide details of your envisaged procurement route.

A memorandum of understanding (MOU) has been agreed and signed by the three major landowners (attached as a supporting document) to commit endeavour and effort to delivering the masterplan.

A delivery vehicle, if required, or a sole partner, will resolve land disputes, legal complications (wayleaves etc.) in order that Heads of Terms can be agreed for

acquisitions/contracts to be concluded, in accordance with the RICS Red Book prior to site marketing. Detailed title searches and site investigations will be carried out and monitored during the acquisition process. These will clarify any physical constraints relating to foundations, drainage, archaeological, flooding and services requirements. Studies will be commissioned prior to the marketing process using funding already secured via the One Public Estate Programme and will remove key elements of uncertainty prior to marketing. This element of the procurement process will satisfy due diligence requirements.

The Partnership will take consideration of existing site values. The major landowners i.e. the Homes and Communities Agency, WSCC and CDC, have discussed the matter with external consultancy support and the conditional sale to a developer is the agreed preferred route to market. This minimises financial exposure/risk to the landowners and retains a degree of control over the content of the eventual development.

A procurement exercise, utilising the HCA framework, has selected JLL as the Development Land Agent & Property Consultant. A procurement exercise utilising a select list has appointed Davitt, Jones, Bould as legal consultants. CDC and OPE funding is in place to cover these appointments.

Following the production of a marketing pack (which will incorporate site plans, land registry title information, all site investigations, any Development Brief / SPD and Heads of Terms or draft contract documentation) the site promotion stage will commence. An agency contract will be concluded, as allowed for in the JLL appointment.

In order to shortlist a preferred Developer partner consideration will be given to using an existing developer partner Panel, for example the current HCA DPP2 or Surrey County Council Developer Framework, with which the District Council is able to sign up to. This will ensure timely progress is made on developer selection. Alternatively, an OJEU compliant process will be utilised. A shortlist will be selected and each developer will submit illustrative proposals for the site, to ensure that the Partnership objectives are achieved.

Detailed development proposals will be tested to meet all criteria and viability requirements. The Partnership will then select a preferred development partner based on such matters as the ability to deliver, price and quality. Phasing and delivery requirements will be agreed at this stage, including a programme for taking the development forward and planning application submitted.

A Development Agreement will be agreed confirming development proposals and obligations in promotion and delivery.

Following the submission of a Planning Application and Planning Approval (incorporating associated consultation) the development will be undertaken in accordance with the obligations contained within the Development Agreement. The Partners will carefully monitor delivery to ensure that the scheme is constructed in accordance with developer obligations. Following successful completion of the development ownership will pass to the developer, on a freehold or leasehold basis.

4.2) Involvement of private development partners.

This is set out in the procurement process detailed in 4.1 above

4.3) Procurement plan and timescales.

Task No.	Task / milestone	Completion Date	Responsible Owner	Dependency
Stage 1- Funding Applications/ approvals				
1a	HCA	November 2017	Steve Carvell	Completed
1b	LEP	November 2017	Paul Over	
1c	WSCC	September 2017	Jane Hotchkiss	
1d	One Public Estate grant	September 2017	Paul Over	Completed
1e	DCLG housing bid	July 2017	Linda Grange	Completed
1f	Housing Infrastructure Fund (HIF)	September 2017	Paul Over	
1g	Other funding streams	December 2017	Amy Loaring	
Stage 1a – Communications Strategy				
1a.1	Complete Communications Strategy	December 2017	Sarah Parker	Phase 1 Masterplan
Stage 2 – Appointment of Consultants				
2a	Funding For Consultants	February 2017	Paul Over	Completed
2b	Procurement process to begin	April 2017	Patrick Harrison	Completed
2c	Appointment of Consultants	August 2017	Paul Over	Completed
2d	Commission studies: WWT; Contamination and Flooding	November 2017	JLL	2c
Stage 3 – Development of Partnership				
3a	Engagement with Partners	Jan 2017	Paul Over	Completed
3b	Agree development Delivery vehicle	April 2017	Paul Over	Completed
3d	Enter into development partnership/MOU	Sept 2017	Paul Over	Completed
3e	Agree strategic approach to CIL	Sept 2017	Paul Over	
3c	Agree partner investment approach	December 2017	Paul Over	Phase 1 Masterplan
Stage 4 – Relocation and Acquisition of strategic partner sites²				
4a	Identification of relocation sites	December 2017	Patrick Harrison & Mark Regan	
4b	Completion of acquisition of Law Courts by HCA	February 2018	Gerard Overton (HCA)	MoJ decision on release
4c	Completion of acquisition of Police station site	March 2018	Mark Regan/HCA	Masterplan
4d	Enter into development partnership on High School	March 2018	Nick Smales (WSCC)	Masterplan

² Timeline assumes no CPO is required.

	site Kingsham			
4e	Closure of Basin Road Car Park	tbc	Paul Over	Appointment of development partner and planning consent
4f	Completion of Royal Mail relocation and acquisition	October 2019	Mark Regan	1b & c
4g	Completion of Bus station/Depot relocation and acquisition	October 2019	Patrick Harrison	1b, c and 4a
4h	Engage with Network rail	Sept 2018	Policy Planning	Masterplan
Stage 5 - CPO resolution				
5a	Council Resolution	Tbc	Nick Bennet	
5b	CPO confirmed	Tbc	Nick Bennet	
Stage 6 – Selection of Developer				
6a	Soft market test	February 2018	Alan Gregory	Stage 4
6b	Invite to tender (OJEU)	April 2018	Alan Gregory	Stage 4
6c	Select developer	August 2018	Alan Gregory	6b
6d	Conclude conditional contract to appoint developer	November 2018	Alan Gregory	6c
Stage 7 – Development Delivery				
7a	Design development	December 2018 (prov)	Alan Gregory	6d
7b	Obtain planning permission	May 2019 (prov)	Alan Gregory	7a
7c	Deliver development	June 2019 onwards ³ (prov)	Alan Gregory	7b/Stage 4

4.4) How will the project contribute towards social value?

See 3.7 above

4.5) State Aid Compliance.

Please refer to the State Aid summary provided with the bid application guidance and provide your justification to show that your project is state aid compliant.

In support of the above please provide as an annex to this business case

- Practising solicitor's letter or counsel's advice/ independent legal advice setting out compliance with state aid tests set out in the summary document provided.

³ The police and wsccland can come on-stream earlier as they are already vacant and do not require relocations

As set out in the attached State Aid Report from Foot Anstey LLP (and confirmation from the Council's monitoring officer/practicing solicitor that this advice still stands), some of the funding will not constitute state aid. Where funding does constitute aid, it will be capable of exemption under the GBER.

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	600,000	500,000
18/19	13,000,000	4,500,000
19/20	71,032,298.5	
20/21	71,032,298.5	
Total	155,664,597	5,000,000

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

Please state the date of this estimate – August 2017

Projects costs (delete as appropriate)	Total cost (£)	LGF (£)	Match funding (£)
Land Acquisition ⁴	35,000,000	5,000,000	30,000,000
Planning and Feasibility studies	12,448,500		12,448,500
Surveys	Included in studies above		
Construction, inc-materials, equipment and labour	91,290,000		91,290,000
Fit out (inc. equipment and furnishings not included in construction)	Included above		
Project management	Included in planning and feasibility		
Consultancy	Included in planning and feasibility studies		
Other (please specify)	none		
Contingency*	16,926,097		16,926,097
Total Net Cost	155,664,597	5,000,000	150,664,597
VAT ⁵	31,119,932	1,000,000	30,132,919
Total Gross Cost	186,797,516	6,000,000	180,797,516

Please ensure the matched funding and LGF amount to the total costs and that the LGF requested

⁴ This includes relocation costs

⁵ This will depend on vat status of the developer; whether the developer has opted to tax and the detailed nature of the items of expenditure but for this purpose has been assumed at 20% across all elements of the costs

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.

Options	NPV
Do nothing, minimum or status quo	0
Proposed option	1.11
Alternative option	Not calculated as will be lower (higher costs and smaller benefits) ⁶

Please detail your project assumptions and discount rate used – the discount rate used is 3.5%. The assumptions used are:

- The estimates assume 100% occupancy of the residential and commercial units on the Site.
- Benefits are assumed to accrue at 100% from 2020/21, once the construction phase of the development is completed. Some benefits, for example on the police and WSCC sites might come forward sooner than this.
- New Homes Bonus has been excluded from the benefits, because the benefits are not expected to start until after 2020

Please see the Economic Impact Summary prepared by Marshall Regen Ltd for full details (p.5), along with the NPV calculation spreadsheet, which shows the detailed calculation.

5.4) Value for money

Based on the £5m LGF funding requested:

Cost per new job	£1,451
Cost per new home	£4,520
Cost per sqm of commercial floorspace	£78.87

For every £1 of LGF funding requested an additional £32.01 will be delivered to the C2C economy over a 20 year period.

The ratio of LGF funding to private sector funding is 1:32 (£5m/£155.7m)

All costs have been estimated using “Spons” industry standard pricing tables (4th quarter 2016) or actual CDC tender prices for similar recent developments.

5.5) VAT status

CDC is registered for VAT purposes (VAT registration number 193 5481 38). VAT will be dealt with in the normal course of our business arrangements including with respect to our partial exemption regime.

5.6) Financial Sustainability

⁶ Can be provided if required

Once the abnormal costs have been taken care of (by public sector funding support such as requested in this bid) the development will have no ongoing costs falling on the public sector. The developer will either retain the development in their portfolio and collect the rents or will sell the completed development, typically to an institution, who will manage the development. Residential homes will typically be sold freehold and flats will be sold leasehold with a service charge arrangement that will cover costs of maintenance/insurance by the landlord.

The development will generate New Homes Bonus to the District Council which it utilises to grant aid voluntary organisations and fund one-off project costs that support the local community/economy. The District Council does not utilise NHB to support the delivery of services via its revenue account.

The development will also generate non-domestic rates, a proportion of which will be retained by the public sector locally.

6. The Management Case

6.1) In which financial year do you expect your project to commence? Q3 2017/2018

6.2) In which financial year do you expect your project to complete? Q4 2020/2021

6.3) Please set out the key milestones related to the project.

Milestone	Start date	Completion date
Adoption of masterplan as SPD	June 2016	November 2017
Funding Applications/ approvals	September 2017	December 2017
Communications Strategy	September 2017	December 2017
Appointment of Consultants	February 2017	Completed
Development of Partnership/MOU	January 2017	Completed
Relocation and Acquisition of strategic partner sites ⁷	July 2017	October 2019
Selection of Developer	February 2018	November 2018
Development	December 2018	October 2020

6.4) Project management arrangements

The Council will adopt Prince 2 project management disciplines and processes (copy available on request) to monitor and manage the project. Early communication with the community and landowners will ensure that local objections are minimised. Contract arrangements will be put in place/are in place with advisors, landowners, developers and funding bodies to ensure that those dependencies are managed. As much uncertainty as possible will be removed before going to the market, including site conditions and relocation requirements so that these do not present at a late stage – this will reduce the need to draw on any contingency.

A PID will be reported to the Council's Cabinet in November 2017 that will set out

⁷ Note that the Sussex Police land and WSCC can proceed earlier than this as they are both vacant and in public ownership

timescales, risks, resources etc.

Importantly the majority of the land is already in public ownership with very few interests requiring acquisition. This degree of control, once relocation needs are accommodated, gives far greater certainty over delivery.

6.5) Key project roles and responsibilities

The project team is in place and resources confirmed or funded as follows:

Name	Role
Paul Over	Project Sponsor
Jane Hotchkiss	Project lead/Shadow Project Sponsor
Alan Gregory	Project manager (Estates)
Amy Loaring	Project Coordinator/Technical Support
Nick Bennett	Legal (and Monitoring Officer)
Mark Catlow	Finance
Patrick Harrison	Estates (workstream lead)
Mark Regan	Estates (workstream lead)
John Ward	Governance (and S151)
Steve Oates	Economic Development
Mike Allgrove	Policy Planning
Gerard Overton	Strategic Landowner (HCA)
Nick Smales	Strategic Landowner (WSCC)
Sarah Parker	Public relations & Communication Strategy (as required)
Phil Pickard	Procurement (as required)
Michael Green (JLL)	Property consultancy support
Davitt Jones Bould	Legal Consultants

The team collectively have significant experience of managing and delivering major regeneration/disposal projects such as:

- Disposal of CDC housing stock to an RSL (2001) £80m
- Partnership Development of Barnfield Drive retail park (phased since 1994 to date) £32m
- Direct build of a new leisure/community facility in Midhurst (2014) £8m
- Direct build of an Enterprise Gateway, Chichester (on-site 2017) £6m

The external consultants appointed also have significant regional and national experience of major regeneration projects including in Southampton and Bournemouth and can draw on expertise in the widest range of professional disciplines should it be needed.

The project team will report to the Southern Gateway Steering Group until the Growth Board is established (see 6.6 below) or to their own internal approval processes where/if required.

6.6) Governance, oversight and accountability

The Project Team will report to the Steering Group, or the proposed Growth Board, whose membership will comprise senior political and officer representation from the strategic land owning partnership (i.e. CDC/WSCC & HCA) together with the Project

Sponsor providing the link between the Project Team and Steering Group. The Steering Group/Growth Board will provide strategic direction to the project and resolve resource issues that cannot be resolved within the resources delegated to the project team.

The project team has S.151, Monitoring officer, qualified and experienced property professionals and consultancy support to provide oversight at project team level.

CDC standing orders and formal reporting processes via Cabinet will be adopted. Partners will arrange for any required sign off via their own governance routes but it is anticipated that a degree of delegation will be provided to the Steering Group at the outset to ensure timely and informed decision making.

6.7) Communications and stakeholder management

See 2.3 and 2.4 above. In addition an early action of the project is to develop a Communications Plan.

This will ensure elected members are kept informed through the monthly Members' Bulletin, bespoke email communication as necessary, workshops and regular reports (on an exception basis) to the Commercial Programme Board (CDC) and Steering Group/Growth Board. CDC officers will be kept informed through reports to the Corporate Management Team.

Strategic Partners i.e. WSCC and the HCA are kept apprised by their membership of the project team and will ensure that they keep their own organisations are kept up to date/engaged via their own internal mechanisms. Press releases and other publicity material will be agreed jointly.

Key stakeholders who are not strategic partners i.e. not landowners, will be kept closely apprised of progress and be offered the opportunity to feed into the process at key stages. Such groups would include the Chichester BID, City Council and Destination Management Organisation.

Consultation material will be made available on the website and in hard copy at Council offices and public libraries.

All public consultation will be carried out in accordance with the Council's Statement of Community Involvement.

Strategic Partners will utilise their own communications channels to publicise and inform their stakeholders in accordance with the collectively agreed Communication Plan.

The normal regulatory communication and consultation process will be followed when planning related aspects e.g. pre-application and planning application, require consideration.

Key opportunities to engage with the community and other stakeholders will be identified e.g. submission of scheme proposals following the invite to developers and included in the Communications Plan.

6.8) Benefits management

The Council will utilise its PRINCE 2 project management processes to manage these through the process. This will include exception reporting from the project team to the Steering Group/Growth Board. The viability assessment will also be externally reviewed at key stages of the project e.g. appointment of development partner, submission of planning application and approval of planning consent etc.

6.9) Project evaluation

The Council's PRINCE 2 management process will require a Post Project Evaluation after 12 months of practical completion. These will be undertaken as each stage is completed in the event that the development is phased.

Recommendation/ Declaration

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

This business case supports the request to the C2C LEP to provide £5m of LGF funding to support the Southern Gateway regeneration project.

Declaration:

I certify that the information provided in this Business Case is complete and correct at the time of submission.

Signature:



Print Name:

Paul E. Over BSc (Hons), MBA, FRICS

Title:

Executive Director, Chichester District Council

Date:

8th 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.**