

COAST TO CAPITAL LOCAL GROWTH FUND BUSINESS CASE

Project Title:	Teville Gate Site Preparation (as part of Worthing Central Phase 1)
Lead delivery organisation:	Worthing Borough Council (as part of Adur & Worthing Councils)
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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:

Teville Gate (TG) forms part of the Worthing Central Programme (Phase 1) to transform key brownfield sites in Worthing town centre. Worthing Central (Phase 1), which includes Union Place and TG, has been allocated £5.69m Local Growth Fund (LGF) investment. This project seeks to facilitate the redevelopment of the site by undertaking site preparation works, consisting of the demolition of all buildings within the redline and provision of a temporary surface car park, through the immediate drawdown of £2.09m (approximately £131,644 in this financial year and £1,958,356 in the next).

This, coupled with an agreement for our sister bid to acquire Union Place, would mean the full allocation of £5.69m will be assigned in readiness for drawdown in the next two years.

Worthing Borough Council (the Council) has, over the last two decades, identified TG as its most important regeneration site. This is substantiated by its proximity to Worthing railway station, its identification as an 'Area of Change' (p.61) in the Worthing Core Strategy (2011) but also the intense public interest it generates. It is, without doubt, the site that draws the most attention and has the most damaging impact on the overall appearance and economic performance of the town centre. In accelerating the site preparation this will provide the catalyst to bring forward the comprehensive redevelopment scheme.

The project:

The Council is seeking £2.09m LGF investment for the immediate **demolition of TG multi-storey car park (MSCP), and the surrounding, derelict buildings, as well as the provision of a temporary surface car park**. Thereafter the Council will continue to support the freeholder, Mosaic Global Investments (Mosaic) to submit a viable planning application in order to deliver the £81m scheme. The Council has a direct interest in this site as it has a long lease over the MSCP (with 78 years remaining), however due to its outdated design, the Council is seeking to demolish the MSCP in favour of a temporary surface car park, until such time as the full scheme commences. Heads of Terms to a Deed of Variation under the long lease has been agreed with Mosaic.

Following the demolition of all buildings this 1.4 ha site has the potential to deliver:

- **375 new homes**
- **3,410 sqm of commercial floorspace (restaurants, cafes and on-site gym)**
- **6,740 sqm of retail floorspace (state of the art supermarket)**
- **493 gross jobs (net jobs 314)**
- **Modern car parking infrastructure (over 160 spaces for residents and visitor use)**
- **New public realm (approx 4,000 sqm, creating an improved public corridor from Worthing station to the town centre)**

This business case represents a revision to the originally submitted funding application but only insofar as reverting from the purchase of Teville Gate House (TGH), which currently isn't in the Council's control, but focus efforts on the main site to facilitate the delivery of the comprehensive scheme (as itemised above). The Council is negotiating with the owner of TGH to also bring this site forward for development as a separate phase.

The site:

The site, which links Worthing's central railway station with the town centre (a main gateway), currently houses a number of disused, dilapidated buildings and a tired and outdated 1970's multi-storey car park across its 1.4 hectare footprint. This arrangement combines to provide an unrelenting and unsightly parcel of land giving a grim first impression of Worthing to anyone arriving on foot from the railway station or approaching via the A24.

The main part of the site, which is currently owned by Mosaic previously accommodated a number of shops and other businesses within buildings developed in the late 1960s and early 1970s. Over the last few years leases have gradually expired and businesses have vacated to make way for redevelopment.

The existing MSCP was constructed under an agreement between the Council and Norwich Union Life Insurance Society which was formed in 1969. Since then, the Council has leased the property from a succession of freeholders under a long lease which now has 78 years left to run, the Council's immediate Landlord is Mosaic. The MSCP is in a poor state of repair which, in turn, has led to vandalism, anti-social behaviour and significant wellbeing issues.

The delivery:

The original intention was to acquire and demolish TGH, which sits to the northern boundary of the site. TGH is in a third party ownership, but following lengthy discussions an acquisition deal couldn't be agreed. However, the freehold owner of TGH is now actively pursuing a redevelopment scheme and the Council is now confident that this site will be redeveloped in the near future. As a result, the Council has turned its focus towards the main site and has been negotiating with Mosaic to bring forward the greater site through early demolition of the MSCP and other buildings, in order to accelerate pace.

This change in strategy is seen as a positive event, which shows the Council's commitment to facilitate delivery of the main site, thereby bringing forward political and public aspirations for new retail and residential development. This approach, and the plans, has received Political and local community support.

The Council has already kick-started the project, with hoardings to be installed early in December. The hoardings will prevent members of the public from continuing to access the site and secure the buildings so that site investigations, including needle removal and intrusive asbestos surveys, can be carried out prior to demolition. It is widely recognised this site preparation project will provide the following benefits to the town:

- Demonstrable commitment to redevelopment and regeneration
- Resolves the issues vandalism and antisocial behaviour
- Accelerates the pace of redevelopment
- Enables a fresh, modern new gateway to be created on this site (the first for over 20 years)

Ready to proceed with LGF investment:

This project has been in progress for the last three months, with the following actions having taken place:

- Property consultants Robinson Low Francis (RLF) and ECE Architecture have been commissioned to specify and tender all of the works required
- Party Wall Surveyor, Crowther Overton-Hart has been appointed to identify any potential awards required under the Act and to provide general advice on neighbour and boundary issues
- Heras fencing has been erected around the site to deter access to derelict buildings, protect the public from uneven ground, and signal that the works may be imminent

- The Council and its consultants have liaised with West Sussex County Council (WSSC) Highways and street lighting team, with requirements for 'stopping-up' and hoarding licences having been established
- Neighbouring businesses such as Morrisons supermarket and Kwik Fit have been approached and contact has been made with utility providers
- A permanent hoarding contract has been tendered, ready to install in early December (subject to stopping up of Highways and agreements with adjoining owners)

It is anticipated that **demolition drawings will be ready for tender by the end of the year so that works can start early in 2018**. The drawings will be tendered to local, tried and tested specialist contractors.

As the demolition works take place, a Planning Application will be submitted for a new surface car park; a ground works contract will be tendered for this installation. The hoardings will continue to protect the site for the proposed redevelopment works once finalised.

The Council is requesting to drawdown LGF in the sum of £2.09m in order to demolish all buildings on Teville Gate (excluding Teville Gate House) in order to facilitate the significant regeneration of the area. This will see the Council drawing down up to £131,644 this financial year and £1,958,356 in 18/19.

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

Coast to Capital Strategic Economic Plan [SEP]

The SEP has ambitious targets to deliver 60,000 jobs, 26,000 homes and 970,000 sq.m of new employment floorspace. This regeneration project helps support all of these targets by enabling up to 10,150 sqm of commercial floorspace, around 375 homes and 493 (gross) jobs to come forward.

This provides a compelling case for change as the economic future of Worthing is crucial as the “*geographical centre*” of the coastal corridor (p.69). Notwithstanding the SEP seeks to support “*getting approved development off the ground*” and “*ensuring an adequate pipeline of new development sites exists*”. It also “*actively seeks funding to assist with enabling infrastructure to get stalled development moving*” (p.151). Site preparation at Teville Gate would support this vision.

This project forms part of the Worthing Central Programme that, over the longer term, will provide up to 600 new homes and up to 2,700 new jobs in the town centre. As part of the overall programme, public realm improvements will also be delivered to transform the town’s image and place Worthing as a significant economic contributor in the region.

The “*Successful Growth Locations*” priority within the SEP commits the LEP and its partners to “*deliver interventions in brownfield and greenfield sites which will provide the capacity for employment and housing growth*” (p.9). This project will do precisely this.

Redeveloping Worthing town centre is a key strategic aim. The SEP states that Worthing “*can be a place which supports industries that are seeing a massive investment at a global level*” and should be “*ready to accommodate businesses looking to relocate from Brighton and further afield*”. This is wrapped up in “*Worthing - a changing growth story*” (p.70).

The SEP also recognises that you cannot deliver economic growth without housing that is accessible and affordable for people to live in. It states that “*the shortage of housing which people can afford to rent or buy is a barrier to growth because it is not possible to attract the younger workforce and older skilled workers and their families*” (p.147). This scheme will provide these new homes and would make an important contribution to both Worthing’s and the LEP’s housing targets.

Industrial Strategy Response [ISR] and Business Plan 17/18 [BP]

This articulates Coast to Capital’s contribution and approach to delivering against the Industrial Strategy. Worthing is referenced as a key contributor to the region as it “*has the second highest exports per job in the country and is one of only 12 towns ranked above average for productivity in a recent Centre of Cities report*” (p.2). This demonstrates Worthing’s capability.

This project contributes to, and provides a solution for, a number of areas highlighted in the reports.

Most notably:

- This project will improve housing and business capacity as “*the availability of affordable housing and business space is one of the major barriers to economic growth in the Coast to Capital region*” (ISR p.16). This project not only meets this need, it’s design also addresses “*the demand for dwellings of all types will for single people and couples is growing more rapidly than that for family homes*” (ISR p.16).
- This project support’s Coast to Capital key theme of regeneration, business space and housing. TG has the potential to deliver a ‘game changing’ economic scheme. With the Council working with Mosaic, this supports Coast to Capital’s commitment to “*increase investment in the region from the private sector*” (BP, p.11).

Summary

The demolition of the MSCP and disused buildings on this site, with the required LGF investment, will create a 'step-change'. With the lackluster, and frankly revolting, buildings eradicated this will significantly change the site's appearance and create fresh local optimism. In addition, this will also resolve the anti-social behavior and social issues that are inherently associated with the site. Furthermore, this will allow the scheme to quickly advance, resulting in a generational transformation, connecting Worthing's central railway station to the town centre.

Finally, by the Council managing the demolition, greater leverage will be secured to ensure Mosaic delivers the right mix of uses to best meet the needs of the local residents and businesses to "enable new homes to be built to help meet the housing needs of our communities". This scheme also meets the SEP's ambition to be "ready to go" (p.2) as this project is already in train, with legal negotiations well progressed and amendments to the lease agreed.

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	£81,000,000	100%
Applicant own funds	£10,000	0.01%
Other public funds	£0	0%
Private sector funds	£78,900,000	97.49%
Funding requested from Coast to Capital LEP	£2,090,000	2.5%

*To reiterate, this project seeks to complete the site preparation (predominantly early demolition) to accelerate the pace of this scheme and enable private sector monies to be leveraged.

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.	493
Businesses assisted- financial and non- financial	No.	N/A
Skills- new learners and/or apprentices	No.	N/A
New housing unit completions	Units	375
New floor space constructed/refurbished- learning	Sq mtr	N/A
New floor space constructed/Refurbished- Commercial	Sq mtr	10,150
Length of new roads/cycle ways	km	N/A
Improvement to journey times	Minutes per mile	N/A
Carbon reduction	Tonnes of CO2	N/A

*new public realm (approx 4,000 sqm) and parking spaces (over 160) will also be provided.

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

An assessment of the inherent and site specific risks associated with the demolition proposals has identified five main risk areas that will require mitigation and management. These are:

Statutory Utility Services

It is known that there are live below-ground services connected to existing buildings across the site. Connections will have to be disconnected and capped off by the demolition contractor. This process can be delayed if utilities companies are slow to respond and give their approval to works.

There are also two electricity substations, one is located in the Morrison's supermarket goods yard (on the boundary with the MSCP) and the other is situated in the undercroft of the MSCP. UK Power Networks (UKPN), who own and manage the infrastructure will have to give approval to carry out works around, and over the top of the substation housings and live voltage cables.

Adjoining owners

There are a number of businesses that own premises bordering the site. The operations primarily affected will be:

Morrison Supermarkets Plc

The large-scale supermarket is located on the east side of the A24 Broadwater Road bridge and owns a goods yard which passes from Railway Approach under the Highway to the goods inwards entrance to the building. The goods yards shares a tight boundary with the MSCP and some pedestrian access to the store is currently provided via the existing MSCP.

An agreement will have to be reached to remove a boundary fence and replace with hoarding and potentially additional barriers erected on Morrisons owned land to prevent shoppers from attempting to use the pedestrian subway which will be blocked off by the demolition works.

Kwik Fit

One of the buildings scheduled for demolition shares a boundary wall with the Kwik Fit operation. An agreement for protecting the area to prevent disruption to the business will need to be put in place to allow the contractor to carry out the works without complaint from Kwik Fit.

Grand Victoria Public House

The pub, club and guest house are in close proximity to the proposed works. An escape gate is positioned on the boundary of the site and this will have to be kept clear at all times. The contractor will need to ensure that works do not interfere with the day to day running of the business.

Highways

The site is crossed by a Public Right of Way owned by WSCC Highways. This will have to close in order for the hoarding to be installed and the works to be carried out.

WSCC has suggested that a Traffic Regulation Order (TRO) be entered into to cover this closure and the link from the existing MSCP to the A24 Broadwater Road bridge.

Health and safety - dust and noise

Given that the site is in the town centre, close to homes, businesses and public transport links, there may be some disruption including dust, noise and demolition/construction traffic during the works.

The whole site will be hoarded to prevent access by the public and industry standard methods will be utilised to prevent falling debris near the Highway, to damp-down resulting dust and to minimise noise.

Vandalism and illegal occupation

The MSCP and the various derelict buildings on the site have all been subject to vandalism and illegal occupation over the years. In order to prevent unauthorised entry to the buildings the permanent hoarding will be of robust construction with robust padlocks. A security patrol will be deployed to deter unlawful settlements and antisocial behaviour.

DOCUMENT STATUS

REVISION HISTORY

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2. The Strategic Case

2.1) Describe the compelling case for change.

The Coast to Capital Local Economic Partnership (the LEP) has identified Worthing as a strategic business and employment location within the LEP Area. As such the LEP sees Worthing as the “geographical centre” (p.69) of the coastal corridor, which implies the town is expected to provide growth now and in the future.

This project will contribute to the LEP’s core outcomes (i.e. Successful Growth Locations, Successful Businesses and Housing and Strategic Infrastructure) but the case for public intervention rests on identifying:

- a) Whether there is market failure; and
- b) Whether public intervention would make a tangible improvement

Both of these criteria are addressed by this project:

A. Evidence of market failure

Mosaic is showing promise, with public consultation undertaken in November but unfortunately they have not been able to progress any improvements on site in the two years since it took ownership of the land. This follows the previous two decades of market inactivity, this currently represents a stalled site (and market failure).

As demonstrated by the attached Planning History document, numerous attempts have been made to redevelop the site over the years. Following site investigations post-purchase, it has become clear to Mosaic that there are clear viability issues that cannot be overcome without external intervention. The site is complex and constrained by site conditions such as below-ground services and therefore the necessity to complete site preparation ahead of redevelopment has become ever more pressing over the course of 2017. Without LGF intervention it can be assumed that the redevelopment wouldn’t progress, and the decaying buildings could still dominate the site in years to come.

After a lack of positive activity over the last 20 years, the Council needs to take a proactive stance with this site and facilitate the development through early site preparation. TG is identified as an Area of Change within the Worthing Core Strategy, adopted in 2011 and again included within the draft Worthing Local Plan (Reg 18 Spring 2018), therefore there is a real commitment to remove all obstacles, with a view to paving the way for a comprehensive scheme to come forward. Public intervention will facilitate £78.9m of private sector leverage.

B. Public intervention making tangible improvements

Whilst there is a possibility that Mosaic could manage the site preparation itself, it is not in a position to carry out works ahead of Planning Permission. Given the site constraints and viability case, it’s clear that intervention is needed to unlock the site. If the Council does not contribute the existing MSCP, or manage the demolition and temporary surface car park works (investing extensive officer time and resource) the site is likely to remain a key brownfield location but would not progress as a transformational project with all the additional economic benefits of town centre renewal.

The public sector must invest and intervene - demolition will accelerate the pace of this scheme and, with a Planning Application in progress, this creates the clearest path to redevelopment in over twenty years.

As stated in the Worthing Investment Prospectus, the redevelopment of Worthing town centre isn’t viewed site by site, or on a piecemeal basis, but a package of delivery that will revitalise the local and regional economies. The demolition of the buildings at TG, coupled with funding for Union Place will support the ambition for Worthing to become;

“a highly desirable place to live, work and visit, continuing to attract high calibre businesses and significant inward investment that will help the town’s economy to grow and improve its regional competitiveness” (Investment Prospectus).

The Council also considers the following additional factors:

Housing:

A lack of available land within the Borough has contributed to significant housing need. The latest Objectively Assessed Housing Need Report (2016) (OAN) predicts “population growth of 18,135 in Worthing over the plan period” (p.3) and identifies a need for over 10,000 new homes and an increase in housing supply from the current Core Strategy of 200 d.p.a. to 636 d.p.a. Given the scarcity of suitable sites, even if all greenfield sites were developed, the Council would have a 5,000 dwelling shortfall against OAN. This proposal to clear TG, enabling redevelopment, would bring forward new homes and make an important contribution to meeting the overall housing need.

Equally, the housing market in nearby Brighton & Hove is characterised by significant levels of recent population growth and movement of people both within and from outside the area, most notably net in-migration from Greater London. The growth of Greater Brighton is interlinked with surrounding areas with overlapping labour and housing markets and transport networks. With population growth set to continue, the practical challenge for housing in Greater Brighton is how future needs can be accommodated in a way that competitiveness is not constrained. TG represents a realistic opportunity to capitalise on the momentum of Brighton & Hove’s recent economic performance and the ‘longshore drift’ that is being created.

Finally, it is well documented that more housing units are needed to relieve pressure, but at the same time a mixed economy needs to be developed so areas do not simply become the overflow for Brighton with residents all out-commuting back into the city. Ensuring local employment opportunities therefore needs to go hand in hand with new homes. The overall scheme has the potential to contribute to this economic arrangement.

Employment:

The continued threat of TG not coming forward could have serious implications for the town leading to decline in market share over the next few years.

“Teville Gate is located beyond the Primary Shopping Area and the town centre boundary of Worthing town centre, but we have included this character area as it forms a key entrance point or ‘gateway’ to the town centre.” (Retail and Main Town Uses Study 2017).

Furthermore:

“The site is considered suitable for mixed use development incorporating leisure, residential and supporting retail uses, which complement the town centre’s existing retail offer. Integration of pedestrian and cycling routes will be important on site to maximise the strategic transport link which Broadwater Road creates.” (Retail and Main Town Uses Study 2017).

Further challenges from competition posed by internet shopping trends, multi-channel retailing and out-of-centre developments will continue, and Worthing needs to have an exciting, diverse offer in order to effectively compete, this includes the supporting ‘uses’ from TG. This, coupled with other developments in the town, will certainly improve the landscape and give resilience to the local economy.

Finally, Worthing is performing adequately, but substantial opportunity has been identified to transform Worthing to take a step change upwards in terms of the centre's attraction and competitiveness. The town centre has a strong physical and operational base to build upon, with some signs of small improvement in recent years. There is much potential for an exciting period of change ahead, taking advantage of key development opportunities, such as TG, the seafront and an improving economic catchment profile.

In summary:

The demolition of the site, and ultimately redevelopment of the TG, with LGF intervention, would deliver economic change to this key gateway location, helping to:

- Create a new distinctive gateway, linking Worthing station to the town centre
- Transform a drab and uninviting area into a thriving modern community base
- Create new commercial facilities suitable for a mainline station location
- Provide attractive and sustainable town centre properties
- Deliver new modern parking facilities

This project also fits with the Industrial Strategy which highlights “*we will also take action to support more private infrastructure investment*” (Industrial Strategy 2017). Public sector investment into site preparation is greatly needed to support this private sector venture.

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

The Council has taken a proactive approach to facilitate the redevelopment of TG, since Mosaic acquired the land in 2015. These discussions have gathered pace in the last 3 months presenting an opportunity to demolish all buildings to help facilitate the main redevelopment. Set against investment vehicle characteristics, the objectives of this project include:

1.) **Drive economic performance** - as shown in section 3.5, this programme will provide £7.3m GVA impact per year to Worthing (and region) once the scheme is completed. This clearly demonstrates a long term benefit for the area, the Borough as a whole and wider sub-region. Beyond the figures, the significant improvement in the aesthetic appearance of the new development will improve local wellbeing and signify to potential investors that Worthing is economically strong.

2.) **Growth and income** - as Councils continue to tackle economic challenges, the requirement to analyse, assess and deliver income solutions is ever more apparent. The current income projects a small annual return against a significant maintenance cost. Given the strategic direction, and the need to best utilise public money, the Council has already agreed a minimum level of public parking to be provided within the redeveloped scheme, thus maintaining an income stream for the Council.

As this is a medium-long term redevelopment scheme, we have analysed risk and assessed against potential returns. As detailed in later sections, the Council could ‘do nothing’ but there is a strong commitment to support the delivery of the site and deliver the wider economic impacts for the region, together with the town’s aspirations for other Investment Prospectus identified sites.

2.3) Stakeholder Engagement carried out.

The initial consultation already carried out includes:

Mosaic Global Investments:

Legal negotiations have taken place over the last 3 months to demolish the MSCP, and other buildings. under a Deed of Variation to the existing MSCP lease.

Worthing Borough Council:

Members of the Worthing Major Projects Board contributed to the decision to proceed with the site preparation; this was approved by the Joint Strategic Committee (JSC) on 12th September 2017, subject to LGF investment. This decision also included the provision of the temporary surface car park. Both strategic groups are made up of senior Members elected to serve the communities of Worthing; including the Leader of the Council and Executive Member for Regeneration. The Worthing Major Projects Board has been informed of the headline progress on the proposals at monthly meetings. As this project progresses the Board will also have oversight of delivery.

West Sussex County Council:

West Sussex County Council's interim Growth Lead for Adur and Worthing, has advised on developments via monthly catch-up meetings with the Council's Major Projects team. The transformation of Worthing town centre, including TG, features heavily in the jointly agreed Worthing Place Plan and Growth Deal (2016). This is in addition to the operational support received regarding items such as 'stopping up' orders. A letter of support accompanies this business case.

Local Area Partnership - Coastal West Sussex:

Active dialogue has been held with the Director of Coastal West Sussex Local Area Partnership, with regards to the desired outcomes for the scheme and the ongoing progress. As the site has the ability to contribute to their Economic Plan (2016 - 2020), a letter of support was previously submitted with the original Worthing Central Phase 1 application.

Greater Brighton Economic Board:

The redevelopment of TG has been identified within the Greater Brighton project pipeline, over the last three years. This recognises the opportunities for the site to significantly change the housing and commercial offer, and be a catalyst for additional investment. This scheme was previously endorsed by the Board when the original application was submitted.

Local Member of Parliament:

Due to the economic benefits and transformational change associated with this project, our Members of Parliament for East Worthing and Shoreham (Rt Hon Tim Loughton) and for Worthing West (Rt Hon Sir Peter Bottomley) provided a letters of support to the original Worthing Central Phase 1 application. Special mention was given to the potential to enable more jobs and homes.

Neighbouring Properties:

Positive discussions have already been held with adjoining owners regarding the demolition of the MSCP and other existing buildings. This includes Kwik Fit, Morrisons supermarket and the current owner of TGH.

General Public:

TG has been officially classified as an 'Area of Change' for the last 6 years through the Local Plan process. The Council has been open about the need for redevelopment on this site for the last two decades. Mosaic and the Council, have published a series of public exposure releases to gauge popular opinion; this included public consultation for the Planning Application on 9th and 10th November 2017. The final, detailed scheme is expected to be submitted by spring of next year. The consultation exercise has established that there is real local appetite to see this site come forward.

2.4) List the key stakeholders and their interest areas.

Stakeholder	Interest area
Mosaic Global Investments	Freehold Landowner
Worthing Borough Council (MPB and JSC)	Jobs, homes, success, welfare of residents and local enterprises and effect on local economy
West Sussex County Council	Jobs, homes, environment and effect on local economy
Coastal West Sussex Partnership	Jobs, homes, environment and effect on local economy
Greater Brighton Economic Board	Jobs, homes, environment and effect on local economy
Local Member of Parliament	Jobs, homes, success, welfare of residents and local enterprises and effect on local economy
Neighbouring properties	Noise, traffic, disruption, public safety, aesthetic improvements and economic growth
General Public	Jobs, homes, success, welfare of residents and effect on local economy

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

Over the last few years the stalled progress of the redevelopment has disappointed the local community, businesses and the Council who all want to see the sort of transformational change pledged by countless previous Planning Applications.

Mosaic and their appointed team are working hard to bring a genuine scheme to Planning that takes into account the various complexities associated with the site. The new proposals will be appropriate, technically deliverable and commercially viable.

However in order to deliver the aspirations for a mixed-use development that not only provides jobs and supports economic growth, but enhances public realm and the built environment, Mosaic requires public sector support via this site preparation project.

Without the Council's practical intervention, the previously outlined regeneration benefits will not be brought forward in the short term and the site will remain as it is now - decaying and dangerous.

A public consultation, outlining current proposals recently took place. The event attracted a wealth of interest from the public and relevant stakeholders with hundreds of written responses being submitted on the day and via social media.

It is considered that the Council must capture and harness this surge of public enthusiasm, strive to meet expectations and not allow Worthing to suffer the considerable reputational damage that will surely result if the proposals do not proceed as planned.

Negativity around the market's perceived inability to implement change would be likely to spread beyond the town and across the region.

2.6) Project Dependencies

The main project dependencies are broken down as follows:

The project is the early demolition of all buildings on the site and installation of a temporary surface car park. Having negotiated with Mosaic, the Council has made the decision to facilitate the overall scheme by proactively moving forward with the demolition.

The Council cannot allow this site to remain a redundant brownfield site therefore acting now will support the developer in the expedient submission of a Planning application and the subsequent delivery of the redevelopment.

Project dependencies can be summarised as follows:

Part	Dependency	Outcome
1	Council Governance agreement (at Joint Strategic Committee)	This was completed on 12th September 2017 that allowed demolition discussions to begin in earnest (subject to LGF investment)
2	Coast to Capital LEP Investment Committee funding approval	This will enable the Council to proceed with the demolition of the MSCP and all other buildings on the site
3	Legal arrangements for the site confirmed - A Deed of Variation under the lease between the Council and the freehold landowner to enable demolition of the MSCP. Written consent from the freehold landowner to demolish other existing buildings outside of the demise of the Council's lease	Allow the timely progression of the demolition and mitigation of legal challenges for both parties
4	Legal arrangements with adjoining landowners confirmed - this includes NCP to vacate their surface car park space so that hoardings can be installed (notice to quit has been served)	Allow the timely progression of the demolition and mitigation of risks
5	Delivery arrangements confirmed - Traffic Regulation Order (TRO) for Highways land around site Public Rights of Way, Section 80 notice to Building Control, intrusive asbestos surveys etc.	Allow the timely progression of the demolition and mitigation of risks
6	Town Planning - planning permission for a temporary surface car park	Well considered and viable scheme that has taken into account all site constraints and mitigated risks.

Without the confirmation of LGF investment (Part 2) none of the next steps will progress.

2.7) Project disruption

The parcel of land is in a constrained urban area with a number of adjoining properties and areas of Highway, including the A24 Broadwater Road bridge. Relevant consents and agreements will be sought before hoardings are installed and any demolition commences.

In recent years there have been a number of incidents of break-ins, vandalism and anti-social behaviour associated with the derelict shops and offices on the site. There have also been accidents and suicides associated with the MSCP. It is anticipated that the demolition will reduce the number of incidents and prevent the emergency services from needing to frequently attend the site.

It is intended that the plot will be fully hoarded as soon as possible to prevent access by the public and reduce the risks to public safety.

During any demolition works there is likely to be some noise and dust created, however the Council will only tender the work to specialist, local demolition contractors that are experienced in working under these conditions and will ensure that disruption is minimised using industry standard techniques.

Access to Public Rights of Way (PRW) across the site and under the A24 pedestrian subway (leading to Morrisons supermarket) will be blocked off during works. Alternative pedestrian routes are available on Oxford Road, Teville Road and Newland Road.

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)
<p>Do nothing, minimum or status quo</p>	<p>The Council would continue to invest to maintain the MSCP, preventing comprehensive redevelopment of the site.</p>	<p>£2,106,000 (for 0 - 4 years to maintain the carpark, for the life of the lease this will equate to £39.5m)</p>	<p>£0</p>	<p>Unknown; Mosaic may progress and deliver a scheme on part of the site but this would not provide the regeneration benefits or provide any of the public realm improvements. In addition this piecemeal approach would be contrary to current Local Plan policies for the site.</p> <ul style="list-style-type: none"> - Limited employment space created - Fewer jobs created - Reduced economic impact

Proposed option	The Council negotiates and agrees with Mosaic to demolish the MSCP and other buildings (with a view to Mosaic delivering the comprehensive regeneration of Teville Gate)	£81,000,000	£2,090,000	<p>The Council completes the demolition of all buildings, allowing Mosaic to bring forward a scheme at pace;</p> <ul style="list-style-type: none"> - 493 gross jobs (221 net new jobs) - 10,150 sqm of new commercial space - 375 residential units - New parking provision (over 160) - New public realm (4,000 sqm)
Alternative options:	The Council exercises Compulsory Purchase (CPO) powers to acquire the site - on the presumption Mosaic will not progress to deliver the Council's aspirations for the site.	Unknown	Unknown	<p>Please see the attached Compulsory Purchase Powers statement.</p> <p>This avenue is likely to result in significant delays and in the short term will mean;</p> <ul style="list-style-type: none"> - No employment space created - No jobs created - No economic impact

Box 2:

Option Name:	Advantages:	Disadvantages:
Do nothing, minimum or status quo	The Council could continue to operate the MSCP and take a small income from the parking fees.	<p>A huge ongoing maintenance cost would outweigh the value of the income over time.</p> <p>The current use does not unlock any additional economic growth for Worthing or the wider region and overlooks the development opportunities afforded by a strategically important, brownfield site.</p> <p>A lack of development would not</p>

		improve the visual appearance or built environment of the town centre
Proposed option	<p>Unlocking and bringing forward the redevelopment by carrying out site preparation with LGF investment has numerous projected economic, social and regeneration benefits.</p> <p>The proposals offer an achievable solution to a well documented undersupply of employment space and homes in the area, and can be delivered in the short term.</p> <p>This option would see hoardings installed this year and will remove a dangerous eyesore from the approach to Worthing town centre.</p>	<p>There are still a number of risks and issues that require mitigation as set out at item 1.6 and the attached Risk Register.</p> <p>However, given the robust project management processes adopted by the Council and the expertise appointed these risks will be effectively managed.</p>
Alternative options:	If the Council were to acquire the site via a Compulsory Purchase Order (CPO) it would have full control over redevelopment.	CPO powers are complex and it is for this reason that they are not often exercised as they are still regarded as a measure of last resort. As the attached summary of the guidance illustrates, to demonstrate a “compelling case” to the Secretary of State key issues of funding, viability and deliverability have to be resolved as well as demonstrating that attempts to acquire the site have failed.

3.2) The preferred option

As detailed in the sections above, the Council’s preferred option is to demolish the MSCP, and other buildings at TG, to facilitate a comprehensive redevelopment of the whole site which would:

- **create visible traction on a site that has progressively declined over the last 20 years, thus shifting public opinion away from ‘nothing will ever happen’**
- **establish a new modern gateway to Worthing town centre, when combined with improvements to Railway Approach and TGH**
- **provide a significant number of new residential dwellings to support the ongoing housing need in Worthing**
- **create a new sense of ‘place’ and move Worthing to become a significant economic contributor in the region**

It is recommended that the proposed option is pursued, as this will bring forward the greatest economic and strategic gain. Not only does this option represent good value (2.5% LGF contribution to the overall scheme) when combined with sister developments in the town centre (i.e. Union Place, Grafton MSCP

and Aquarena, a non-LGF project) it will dramatically raise the profile of Worthing and improve economic performance.

However, the most compelling point is this will be the first significant work undertaken on the site since 1995 and as such it will move the site towards successful redevelopment. In addition, the Council has already agreed lease amendments with Mosaic and agreed a procurement strategy. This project is now 'ready to go'.

This project demonstrates the Council's overwhelming commitment to bring this site forward for redevelopment and has the potential to draw-down the full £2.09m within the next 12 months (as per the financial breakdown).

3.3) Issues with preferred option.

As detailed at item 1.6 above, there are a number of issues with this preferred option, however the Council is confident that these can be mitigated.

However, the main outstanding issue is the unknown scope of protection measures that will be required for the UKPN owned substation that is located within the MSCP under a separate lease (with a Deed of Easement covering the below ground live voltage cables).

Three floors of the existing MSCP currently oversail this substation and these will have to be removed without allowing any falling rubble to cause damage to the power equipment below.

Demolition of the MSCP will also take place in very close proximity to another existing substation that is situated within Morrisons' goods yard.

The Council must not carry out any works that may cause Mosaic to be in breach of the lease with UKPN and cannot start works until an agreement for the protection of the substations has been reached with UKPN and Morrisons.

This issue can only be resolved once the works have been tendered, a specialist contractor has been selected and a proposed method statement has been produced.

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

These are as follows:

1.) Temporary closure of highway access, public rights of way and pedestrian subway

Discussions with WSCC have indicated that a Traffic Regulation Order will need to be agreed for the highway land that crosses the site and the temporary closures of rights of way. This process has started and it has been indicated to the Council that the notice period usually required may be reduced in this instance.

2.) Adjoining owner disputes including Party Walls, protection of property, boundaries and oversailing

Agreements will need to be put in place with adjoining owners as detailed at item 1.6 above. Negotiations may delay the start on site if agreements cannot be reached in a timely manner. Crowther Overton-Hart surveyors have been appointed to assess Party Wall matters and an open dialogue with affected businesses has been opened up.

3.) Illegal occupation following installation of hoardings

There have been recent instances of squatters breaking into the disused buildings and there is a possibility that the surface car park may be targeted by illegal campers once vacated. The intention is to install concrete ballast hoarding that will be difficult to break into. Vehicular gates will be of of robust metal mesh which will also be hard to breach and will provide sight lines into the land. A security company will patrol the site on a daily basis.

4.) Health and safety, noise and dust concerns over demolition in constrained town centre site

At present the site and its surroundings are well used by the public as people park their cars and use the public rights of way, meaning that, at certain times of the day there is heavy foot traffic criss-crossing the site. By installing hoarding to the entire perimeter of the site the Council will reduce the flow of pedestrians and therefore the risk of injury.

Only experienced contractors will be included in the closed tender and an evaluation of the competency to work on a constrained and complex site will form part of the tendering process with comments made in the tender report. The contractor will use their own experiences and 'lessons learned' to advise on the demolition methodology and working practices.

5.) Statutory services - disconnection and capping, approval for protection measures

Specialist consultants Premier Energy have been appointed to manage the process and start early communications with utilities companies that can be slow to respond to requests for changes to their infrastructure. In addition, ballast hoarding will be erected to prevent any digging that could result in clashes with underground services.

Finally, agreements will be sought with UKPN to address substation issues as detailed at 3.3 above.

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

An independent Headline Economic Impact summary report produced by marshall regen ltd and Nairne Limited is provided as a supporting document to this application.

The summary economic impacts are set out in the table overleaf and summarised as:

- £81m inward investment in the heart of Worthing and supporting the economic growth ambitions of the Greater Brighton and Three Southern Counties Devolution prospectus;
- £57m construction spend;
- 10,150 sq.m (109,000 sq.ft) of new commercial and retail floorspace created;
- Up to 493 FTE gross jobs on site, based on standard employment:floorspace ratios, assuming 100% occupancy;
- Up to 314 FTE net new jobs created (including 221 direct net new jobs and 46+ additional indirect and induced jobs) in the wider economy;
- Up to £1.2m of new business rates contributions each year;
- Up to £0.575m in new Council tax receipts each year;
- £3.9m in Community Infrastructure Levy contributions; and
- A £7.3m GVA impact per year to the region once the scheme is fully operational.

In addition, the overall development has the potential to provide 473 temporary jobs.

Table 1: Summary economic impacts

Jobs and Spend		Annual	Total 2017/18-2026/27
Temporary Construction Jobs	473		
Gross Other Jobs	493		
Net Direct Jobs	221		
Indirect Jobs	46		
NET New Jobs	314		
Additional GVA		£7,276,559	£43,659,353
Public Sector Receipts		Annual	Total 2017/18-2026/27
Council Tax		£575,044	£3,306,502
Business Rates		£1,205,550	£7,233,299
TOTAL Benefits		£1,780,594	£10,539,800
Net Present Other Benefits			£44,920,604

Note: Based on Current Prices

The substantiation and methodology for these figures can be found in the Economic Impact Assessment in the appendices, however the main sources include:

- Homes and Communities Agency Employment Density Guide - 3rd Edition 2015
- CEA/BIS Occasional Paper 1: Research to Improve the Assessment of Additionality
- Skills Sector Assessment - Retail & Wholesale (2012)
- Multi-Factor Productivity Estimates - Market Sector GVA per Worker (ONS 2017)
- Average GVA per job for West Sussex south west NUTS 3; Office for National Statistics
- Homes and Communities Agency: Additionality Guide - Fourth Edition
- Worthing Borough Council's Tax Bands - 2017/18

3.6) Environmental Impact

The site is one of the worst edge of centre sites in the south-east in terms of its environmental appearance and impact on the local townscape. The site is a key gateway into the town centre and as a result of its current poor appearance impacts on all visitors to the town whether arriving by foot, car, train or bus.

The site lies adjacent to a number of heritage assets and the current appearance of the site seriously detracts from the character and appearance of these Grade II Listed buildings.

The importance of the pedestrian route through the site cannot be underestimated and despite its current appearance it is heavily used as a link through to the town centre albeit only during daylight hours.

Negotiations on the redevelopment scheme have been ongoing for 18 months and this has involved the Council's Design and Conservation architect, the Coastal Design Panel (managed by Design South-East) and Planning Officers including the Head of Planning and Development. The design has

also been influenced by the Investment Prospectus co-produced by Allies and Morrison Architects, Worthing Borough Council and West Sussex County Council.

The public consultation exercise undertaken by Mosaic has illustrated the commitment to deliver a high quality design and layout with particular emphasis on an exceptional public realm being created through and around buildings of significant architectural merit.

3.7) Social Impact

The Council recognises its corporate responsibility to consider the social impact of all the decisions that it makes and the actions that it takes.

The anti-social behavioural problems associated with the site have been a drain on local policing resources and has created a 'no go' area at night seriously affecting the local community. The adverse social and wellbeing impacts on the local community are significant and there is an increasing urgency to demolish the buildings on the site and help facilitate redevelopment.

The redevelopment will provide new jobs and homes, of which a proportion will be affordable homes (subject to final scheme viability) providing a mix of tenures within the development. This site previously contained a number of flats above the shops on the site but in view of the significant anti-social problems on the site these have been unoccupied for several years, and a number of shops and flats were demolished some time ago. The proposed scheme would provide around 375 new homes making a significant contribution to meeting future housing needs.

The provision of a new supermarket will meet a local need, and new cafes, restaurants and a gym will provide local employment and ensure natural surveillance and activity at night significantly reducing future problems of anti-social behaviour. The scheme will also significantly improve the overall viability of the town centre by increasing footfall and assisting the night time economy. The overall economic performance of the town centre will be greatly enhanced.

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

The 2011 census reported a 105,000 population for Worthing, with a 3.4% increase in the number of economically active people, in the preceding ten years. Worthing has the largest population of all the towns in West Sussex and in 2016 843,765 people were estimated to be resident in the County as a whole. This was 7,509 more than in 2015, an increase of approximately 0.9%.

Up to 375 new dwellings will provide much needed housing within the town, with increasing pressure on houses and house prices, due to overheated residential markets in neighbouring areas. New homes will be a welcome relief for the Council and its residents.

With approximately 10,150 sqm of new commercial floorspace created, it is expected that 493 gross new jobs will be created (this excludes jobs created through the construction phase). This new commercial floorspace will support the town centre but, more importantly, will provide an economic boost to an area which is currently providing very limited outputs. The prospect of 5 - 10 new businesses on the site may cause some displacement, however it's anticipated there will be an overall gain in the business stock.

The revitalisation of TG, especially the new public spaces, will increase pedestrian traffic to and around this site which in turn will draw people into the town centre. Anecdotal evidence has shown that improving the Worthing station gateway, which includes the transformation of TG, will re-connect to the established routes into the town benefitting those businesses in the retail heart.

In summary, the intervention will positively influence people in the following ways:

- Direct job creation
- Direct jobs safeguarded
- Direct construction jobs created
- Indirect job creation as a result of additional resident and supply chain spending
- Indirect additional spend at neighbouring business
- Creation of new residential units
- Creation of new commercial leisure space
- Creation of new public realm and aesthetic improvements for local residents and the general public

3.9) Follow on Investment

As this project primarily focuses on the demolition of all buildings at TG, including the MSCP, the private sector leverage of an estimated £81m should be recognised. In this instance this would be deemed as 'follow on investment' but, outside of this there are a number of other areas.

WSCC and the Council are committed to the improvement of Worthing through strategic investment throughout the town centre, including the seafront, through the Growth Deal. This will provide £5m of investment by WSCC:

“Worthing Town Centre - a comprehensive and coordinated regeneration programme with scope to secure new homes, new commercial, and leisure and retail floorspace achieved through bringing together the delivery of 6 key sites and 5 areas of public realm as identified within the Worthing Investment Prospectus”.

Due to TG's high profile, it's anticipated the development will be a catalyst for further interest and inward investment into the town centre as, finally, this scheme will be contributing to the local economy and have a significant bearing on regional attractiveness.

In terms of direct proximity to the TG site, additional plans for investment could include:

- Worthing Train Station improvements - as TG comes forward, this will trigger a strategic conversation with Network Rail about an upgrade to Worthing station. As the capacity of TG expands, this may require Network Rail to upgrade the existing platforms and access to deal with the additional demand and interest. This is currently aspirational but important nonetheless.
- Highway improvements - the Growth Deal, alongside a 'new Teville Gate', promotes changes to the highway to create a better entrance into the town centre. This strategic project could see the two roundabouts, in close proximity to the site, being adjusted to enable a better flow of traffic, taking into consideration sustainable transport methods.
- Public Realm improvements - as part of the Growth Deal commitment of £5m on infrastructure improvements within the town centre. This includes Phase 1, Montague Place, which saw £1m of investment in public realm enhancement (new paving, street furniture and bandstand). Further phases to be confirmed by WSCC, however directly supporting this scheme will be upgrades to Railway Approach, the main thoroughfare from Worthing Station.

3.10) Skills projects only- Impact on Skills Provision

This is not a direct skills project; however the Council is working with Mosaic to explore options to ensure new employment opportunities come forward that match local requirements.

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

This isn't a direct business and enterprise programme but the construction of commercial floor space will enable local growth and local traineeships and apprenticeships. especially through the construction. The impact of business growth will be dependent on the end occupiers.

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?

The existing site is fragmented, rundown and now doesn't relate to any of the surrounding urban environment as well as the overall vision for the town. Demolition of the underused MSCP and the derelict surrounding buildings that have been gradually deteriorating over the last two decades, will send a positive message to the community, visitors, commuters and business, that change is taking place in Worthing and improvements to the built environment will be seen in the near future.

The existence of these neglected, abandoned and vandalised buildings create a dismal impression of Worthing on the approach into the town centre and the seafront, and their demolition, ahead of the redevelopment of this important gateway site, will enhance the streetscene and act as a catalyst for the regeneration of the wider area.

Furthermore, the redevelopment will greatly enhance the frontage to Railway Approach and Teville Road, significantly improving public realm and connectivity with the railway station, A24 and town centre.

Overall the levelling of the site and redevelopment would make a positive and lasting contribution to the physical environment. The inclusion of active uses on the ground floor and of residential units will increase the footfall in this area, which will, in turn discourage anti social behaviour and increase the attractiveness of the area.

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.

Robinson Low Francis (RLF) property consultants have been appointed by the Council to tender and manage the services required to bring about the demolition. RLF has appointed ECE Architecture to provide hoarding designs and demolition drawings for tender.

The land owner has provided some site investigations but further surveys will be required before the works can commence. RLF will obtain quotes for each of these services, providing recommendations for appointments.

The works are in three strands:

- 1) Hoarding of the site
- 2) Demolition of the existing car park and surrounding buildings
- 3) Formation of a temporary car park

1.) Hoarding of the site

In order to secure the site and prevent any further anti social behaviour or illegal occupation, RLF has been briefed to commission hoardings to the entire perimeter of the site, ahead of the demolition works. RLF will obtain quotes from three contractors.

As the site is very complex with differing levels, methods of securing the hoarding, access requirements and liaison with neighbouring businesses, RLF is of the opinion that a known contractor with the right set of specialist skills, experience and knowledge of the area is imperative to the success of this element of work. By selecting the hoarding contractors based on these points, this can be achieved.

2.) Demolition of the existing car park and surrounding buildings

RLF has produced a cost plan which gives an estimation of cost of the works. In order to achieve the proposed programme dates, a single stage traditional tender is the chosen procurement route.

RLF has selected five local, tried and trusted, demolition contractors to tender for this strand of the project. It is considered that selecting more than five tenderers can have a negative effect, as it reduces a contractor's chances of being successful and can therefore lead to fewer returns.

The Council could put out a scheme of this size and nature to an open tender, however it is accepted that this could lead to contractors submitting returns without the correct skills, qualities, experience and management, that this complex project requires. The process would also require a potential PQQ stage followed by a tendering process, which would add significant time to the current programme.

The site has a number of risks and logistical issues that will require careful management and experience to ensure the scheme is delivered to the programme and is carried out in a safe manner with minimal environmental impact.

Based on these key facts and the desire to start on site within a short timeframe, RLF has recommended tendering the scheme to the following demolition contractors:

1. Dorton Demolition
2. Hughes & Salvidge
3. Wessex Demolition
4. Metro Demolition
5. The Rabbit Group

These contractors have been selected based on their experience, locality, financial standing, and RLF's relationship with them. This latter point will be important, with communication and teamwork key components in the successful delivery of the works. All contractors have the relevant accreditations and insurances to complete a complex scheme of this size and nature.

3.) Formation of the temporary car park

The groundworks contract for the proposed temporary surface car park will be similarly tendered in accordance with the strategy detailed above.

4.2) Involvement of private development partners.

No private development partners will be involved in the defined site preparation project. These demolition works are standalone from the main development that will be commissioned by Mosaic.

4.3) Procurement plan and timescales.

These are as follows:

- Approval to the procurement strategy has been confirmed by the Council's Procurement and Legal teams (October 2017).
- The hoarding contractor will be appointed in November 2017 with a view to installation taking place in December 2017.
- For the demolition works contract, a 'closed tender' will be posted on the Council's InTend portal in early December 2017 **as soon as confirmation of LEP funding is received.**
- An evaluation of the returns will be carried out by RLF with a recommendation to be made within a full Tender Report in January 2018.
- The Council will then agree and enter into the Contract with a view to works starting on site in February 2018.
- It is anticipated that the demolition works will take 20 weeks to complete.
- Whilst the works are taking place, a strategic decision will be taken on whether to enter into a ground works contract for the temporary car park.
- If it is agreed that the ground works should go ahead, procurement will take place in June 2018 with a view to the works completing in October 2018.

4.4) How will the project contribute towards social value?

The Council is committed to ensuring all projects contribute towards social value. The Council's corporate strategy 2017-2020 Platforms for our Places (2017) sets out how it will help to create "prosperous, healthy, happy and connected communities" (p.3) by identifying 5 "platforms" which the Council intends to deliver. These are:

- Platform 1 - Our Financial Economies
- Platform 2 - Our Social Economies
- Platform 3 - Stewarding our Natural Resources
- Platform 4 - Services & Solutions for our Places
- Platform 5 - Leadership of our Places

It sets out the Council's intention to support and enable our communities and businesses to "make great things happen with the minimum of intervention from Local Government" however it recognises that this is not always possible and that the Council will need to intervene "where the market or society can't or won't

be able to” drive forward change. This is certainly the case for TG. The document goes on to highlight housing as one of the most significant challenges faced by the local community.

Platform 2 - Our Social Economies prioritises several key elements including:

- Tackling the challenge of insufficient supply of housing
- Ensuring we target our (and other) resources on the most vulnerable
- Promoting the good physical and mental health of our communities
- Promotion of our communities as safe places

The TG Site Preparation project, to facilitate the wider redevelopment, will support these aspirations in a number of ways:

Community:

- The development of safe and secure public and private spaces to discourage anti-social behaviour.
- An active community engagement programme during the works.

Economy & Employment:

- A mixed tenure development increasing both the supply of new homes as well as accessibility to housing for a wide range of people.
- Providing new premises for businesses, this will include new retailers, as well as attracting a supermarket operator to open within the development.
- Establishment of an apprenticeship plan with Mosaic to ensure the final contractors, and their sub-contractors, identify a number of apprenticeship placements during the project.

Environmental:

- Construction of sustainable buildings, designed to achieve BREEAM certification requirements
- Design to fully consider the health of end users, providing a healthy environment
- Construction process to be considered from the outset with mitigation measures to be incorporated to minimise construction impacts for both local people and site operatives, including noise, dust and traffic

Furthermore it's anticipated the final contractors, on the main scheme, will be members of the Considerate Constructors Scheme and, ideally, have enhanced Considerate Constructor status. However, this is dependant on the final agreements.

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.

Demolishing the Car Park (MSCP):

The Council leases land on which the multi storey car park was built at Teville Gate. The lease is for a term of 125 years commencing on 30th September 1971, there are approximately 78 years of the term remaining. The lease is a full repairing lease, containing user covenants as to use of the land as a car park; that the car park be kept to the same design, with public toilets.

Attached is a Long Term Cost Assessment produced by FT Allen Associates, Chartered Surveyors. You will note that the long term cost of repairing the car park and complying with the lease terms is excessively

onerous to the Council contrasted with the income of approximately £30,000 (thirty thousand pounds) per annum.

The upper two decks of the car park have been closed for some time, so as to manage use and maintenance, the car park is an oversized pre historic dinosaur, capable of draining council funds. It is open to the Council to surrender the lease, but this would have to be for best consideration and the Landlord does not want to accept a surrender with the car park as it is or pay for the benefit of the surrender.

The Council therefore has negotiated the terms of a commercial agreement with the Landlord, in that the Landlord will agree to vary the terms of the lease, to enable the Council to demolish the car park, without complying with the covenant to rebuild to the same designs and run a surface car park without public toilets. This will produce savings to the Council over 78 years avoiding the expenditure set out in the Long Term Cost Assessment, whilst retaining the income from a similar amount of spaces, running of a surface car park.

The question arises will grant funding for the demolition of the car park amount to state aid? The answer to this question is no as all four of the tests set out below are not met for the following reasons:-

- 1.) Is State aid granted through state resources? Yes, the cost of the demolition will be met from state resources.
- 2.) Does the State aid favour certain undertakings, or the production of certain goods? No, as the state resources will only be spent on a demolition contractor who has successfully tendered and proven to be the most economically advantageous tenderer in a lawful and competitive process. There will be no distortion of competition as the tender exercise will comply with the Public Contract Regulations 2015 and the Council's own Contract Standing Orders. The primary purpose for demolishing the car park is to assist the Council and save future costs.
- 3.) Does the State aid distort competition (or threaten to do so)? No, for the reasons set out in paragraph 3.
- 4.) Does the State aid affect trade between member states? No, for the reasons set out in paragraph 3.

Additionally Demolishing the Landlord's Buildings:

In consideration of the Landlord, agreeing to vary the Lease at the request of the Council, the Landlord has requested (as any prudent commercial company would) that the Council also demolishes the remaining buildings at Teville Gate for an approximate cost of £193,000.

The Council's agreement to additionally demolish the Landlord's buildings at additional cost is on the face of it state aid and would not pass the four tests above, however, the Council is obtaining good consideration for the expenditure which very easily meets the market economy investor principle (MEIP) as the Council will be entering into a contractual arrangement, on terms which a private investor operating under normal market economy conditions, would also make. A prudent market investor in the same position as the Council would agree to pay a comparatively small sum for the benefit of the lease variation, thereby reducing onerous repair costs making a massive saving, and increasing the value of its lease (whether or not future development takes place, as the liabilities are removed). If, the knock on effect of that demolition is that the landlord's property is developed and the area regenerated the Council can only benefit from that further as it will have the benefit of a long lease which is either surrenderable in accordance with the rules of best consideration, or will attract increased income.

In conclusion, the Council is paying a very reasonable market price for a lease variation which will avoid onerous repair costs and increase the potential value of the leased land and the entire arrangements falls

within the requirements of the MEIP. Therefore the state money used to additionally demolish the Landlord's buildings would not represent state aid in the sense of Article 87(1) of the EC Treaty.

In the alternative, in the very unlikely event the MEIP was not met, the Council's investment to demolish the landlord's buildings would be kept within the law, and would not be unlawful state aid, by application of the Commission Regulation No 1407/2013 of 18th December 2013 on the application of Articles 107 and 108 of the Treaty on the Functioning of the European Union to de minimis aid.

If applying de minimis aid, the Council will comply with the requirements of the Treaty and in this regard we additionally attach a letter from the landlord making the necessary state aid declaration. The Council would also have no choice but to limit any contractual arrangement with the landlord to the current de minimis level of 200,000.00 euros and re-negotiate certain perhaps less favourable terms.

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.

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	£131,644	£131,644
18/19	£4,219,006	£1,958,356
19/20	£55,350,450	£0
20/21	£21,298,900	£0
Total	£81,000,000	£2,090,000

*To confirm, this project seeks to fund demolition of all buildings, including the MSCP. This will take place in 17/18 and 18/19. Thereafter Mosaic Global Investments will develop the site, therefore we've shown current cost estimates for 18/19 through to completion in 20/21.

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	N/A	N/A	N/A
Planning and Feasibility studies	Included in Other below	N/A	N/A
Surveys	£10,000	£10,000	£0
Construction, inc- materials, equipment and labour	£1,880,799	£1,880,799	£0
Fit out (inc. equipment and furnishings not included in construction)	N/A	N/A	N/A
Project management	£10,000	£0	£10,000
Consultancy	£70,000	£70,000	£0

Other (please specify) Legal fees, Party Wall, etc.	£10,000	£10,000	£0
Contingency*	£119,201	£119,201	£0
Total Gross Cost	£2,100,000	£2,100,000	£10,000

*To confirm, this project seeks to fund demolition of all buildings, including the MSCP. This will cost £2,100,000 with all works to complete in 18/19. Thereafter Mosaic Global Investments will develop the site spending circa **£78m** by 20/21.

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.

Options	NPV
Do nothing, minimum or status quo	-£2,752,146
Proposed option	£5,199,276
Alternative option	Unknown

Please detail your project assumptions and discount rate used-

A Net Present Value supporting spreadsheet is appended to this application.

		Preferred Option	Do Nothing	Preferred Option (compared with Do Nothing)	Alternative Option
	All Costs	£80,951,483	£3,671,900	£80,951,483	Unknown
A	Net Present Costs	£75,072,370	£3,109,761	£75,072,370	Unknown
	All Benefits	£92,046,876	£450,000	£94,799,023	Unknown
B	Net Present Benefits	£80,271,646	£357,615	£82,829,378	Unknown
C	Net Present Cash Flow Value (B-A)	£5,199,276	-£2,752,146	£7,757,008	Unknown
D	Benefit:Cost Ratio (B/A)	1.07	0.11	1.10	Unknown

Methodology for Estimating Net Present Value

Net Present Value (NPV) Cash Flow has been estimated for the period 2017/18 to 2032/33. For each option, the All Project Costs have been estimated for each year. An annual Discount Rate of 3.5% has been applied to all costs over the period. This produces Net Present Costs (A).

The All Project Benefits have also been estimated for each year, again for the period 2017/18 to 2032/33. An annual Discount Rate of 3.5% has been applied to all project benefits over the period. This produces Net Present Benefits (B).

For the 'Preferred Option – Compared with the Do Nothing' option, the net savings on maintenance and construction costs have been included in the Project Benefits.

The Net Present Value (C) of the Project is estimated by subtracting the Net Present Costs (A) from the Net Present Benefits (B) and the Benefit:Cost Ratio is estimated by dividing the Net Present Benefits by the Net Present Costs

- Preferred Option:
 - Net Present Value +£5,199,276; Benefit Cost Ratio: 1.07
- Do Nothing Option:
 - Net Present Value -£2,752,146; Benefit Cost Ratio: 0.11
- Preferred Option Compared to Do Nothing
 - Net Present Value +£7,757,008; Benefit Cost Ratio: 1.10

Do Nothing:

The Council would continue to maintain the MSCP. The costs of this have been assessed at around £39.6m over the 78-year lease period and £3.7m over the fifteen-year period covered by these estimates, according to FT Allen (March 2017). This represents a Net Present Cost of £3,109,761.

The car park currently delivers an annual revenue of around £30,000, which equates to £450,000, which represents a Net Present Benefit of £357,615.

Preferred Option:

Under the Preferred Option a £2,090,000 Local Growth Fund allocation has been included in the Cash Flow benefits (£131,844 in 2017/18 and £1,958,356 in 2018/19). A £10,000 contribution by Worthing Borough Council has also been included in 2018/19.

Costs and benefits associated with the Preferred Option have all been taken from estimates in the Initial Development Appraisal for Teville Gate, undertaken by PQS Management Ltd in October 2017.

Benefits of the Preferred Option includes:

- Rent from the commercial premises, which is assumed to increase by 5.25% and 6.0% per year.
- Income from house sales.

These benefits are expected to accrue from 2020/21 from when all commercial properties are assumed to be fully occupied. Three-quarters of the residential units are assumed to be sold in 2020/21 with the remainder being sold in 2021/22.

The Preferred Option includes total project costs of £80,961,483, which equates to Net Present Costs of £75,072,370. Total project benefits are estimated at £92,046,876, or Net Present Benefits of £80,271,646.

If the Preferred Option is compared with the Do Nothing Option, the project costs remain the same, but the benefits increase to £94,799,023, or a Net Present Benefit of £82,829,378.

Alternative Option:

Under the Alternative Option, the Council exercises Compulsory Purchase (CPO) powers to acquire the site on the presumption that Mosaic will not progress with the scheme. Potential figures are not currently known and therefore no cash flow estimates have been provided for this option.

5.4) Value for money

The Council is confident this programme provides excellent value for money for the LEP contribution; the key value for money elements are identified as:

Cost Ratio:

The Council is applying for just 2.5% of the overall costs of the wider scheme, to fund the demolition to unlock this strategic site. Once the full scheme is completed, this will support 493 jobs and 375 new homes. The Council is actively supporting Mosaic to bring forward a Planning Permission which, in turn, will lead to £78.9m private sector investment.

Deadweight:

“The Coast to Capital LEP need to determine whether, if the investment was not made, the project would occur anyway.”

As detailed in the Planning History (appended to this application) the site has seen a broad range of possible uses; these have been encouraged by the Council (by the granting of outline planning permission) and supported by planning policy (current policy “Area of Change - Teville Gate”, Worthing Core Strategy, Adopted 2011). However, each of these previous attempts has failed to deliver the redevelopment of the site due to the enabling works required to make this a viable scheme. This has happened for the last 20 years.

Although there is an argument that this scheme may come forward, history suggests that a ‘new approach’ is required. Therefore, the Council have negotiated the MSCP position and provided additional resource to ensure this isn’t another ‘missed opportunity’. Furthermore, Mosaic themselves haven’t been able to bring forward these site preparations in the last two years, therefore it can be deemed (with the Council’s positive inclusion of the MSCP) that the time is right to act.

Displacement:

“Displacement occurs when the development replaces (or displaces existing activity), which can mean that the net benefits are considerably below the gross benefits of a development or a programme.”

The existing site is largely vacant with the Council the only economic activity within the site being existing car parking provision. As previously outlined, the MSCP would require significant investment (£39m over the remainder of the lease) in order to maintain the structure. As there is a small income return the Council are willing to reduce to a surface car park until such time the overall scheme replaces this provision.

The overall scheme shows a number of commercial units therefore the net direct jobs have been estimated by applying a 12.5% leakage and 48.8% displacement rate to the gross job estimates (CEA/BIS

Occasional Paper 1: Research to Improve the Assessment of Additionality). Although there is some displacement we feel there is enough economic ‘return’ to ensure overall growth occurs.

Summary:

Finally, specifically for this demolition project, each element of the project will be overseen by experienced cost consultants, who will seek to obtain at least three quotes for surveys, sub-consultants and works contracts. A detailed procurement strategy has also been set out and approved by the Council’s own procurement team and Chief Financial Officer.

The works tenders will be evaluated before the contract is awarded, with a full tender report to be supplied to the Council on contractor selection.

Valuation of works completed will be certified by a competent Quantity Surveyor during the lifecycle of the project ensuring that no overpayments are made in any given period. This methodology will protect the financial position and also ensures value for money.

5.5) VAT status

The Council is VAT Registered however all VAT is recoverable.

5.6) Financial Sustainability

Under an agreement with Mosaic, the Council will vary the existing Lease over the MSCP, releasing the Council from onerous repair and maintenance liabilities, which have been estimated to lead to considerable expense (circa £39m) over the remainder of the lease.

The Council intends to invest the Worthing Central LGF allocation into demolishing the MSCP and surrounding buildings under the same works contract achieving economies of scale. It will then reinstate a temporary surface car park for public use, until such time as the full redevelopment works commence, with the resulting income returning to the Council.

This is seen as a good commercial investment, as not only will the Council save a much greater ongoing expense, but the demolished land will assist further neighbourhood renewal.

Regeneration rewards will in turn benefit the Council as it will retain a long lease over a new car park within the completed redevelopment scheme.

By managing the site preparation itself, the Council takes control over the project, ensures value for money, and is not simply handing funds to a developer.

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?	2018-19
6.3) Please set out the key milestones related to the project.	

Milestone	Start date	Completion date
Site surveys	04/12/17	22/12/17
Hoarding installation	04/12/17	15/12/17

Tender and appoint Demolition Contractors	11/12/17	05/02/17
Asbestos Removal and Demolition Works	05/02/18	20/07/18
Tender and appoint Car Park contractors	04/06/17	22/06/18
Car park works	23/07/18	26/10/18
Main development	10/18	03/21

*To confirm, this project seeks to fund demolition of all buildings, including the MSCP. This will take place in 17/18 and 18/19. Thereafter Mosaic Global Investments will develop the site; detailed timings are still to be determined, hence showing a generic standpoint for the main development from 18/19 through to completion in 20/21.

6.4) Project management arrangements

The Council will oversee the management of the project in partnership with property consultants RLF. RLF will report progress to the Council's project group, who in turn will have overall oversight of activities such as:

- Undertake necessary due diligence
- Prepare and submit claims/reports to Coastal to Capital LEP
- Ensure the programme contributes to the wider Coast to Capital LEP area and promote success
- Ensure project supports other Worthing Borough Council/LEP investments
- Manage overarching performance of the entirety of the project

The Council has a specific project management approach that adapts itself to the need of various projects. For this programme, a range of officers has and will provide expert advice for legal, financial, planning and regeneration issues. More specifically, the Council's project management methodology involves:

- A named and experienced project manager
- Expert property consultants
- Formation of an internal Project Group
- Publication of a risk and mitigation register, regularly monitored throughout each phase of the project
- Named and responsible Director for major developments
- Through RLF, commissioning contractors and consultants with experience and track-record of delivery

To ensure the correct oversight and scrutiny, the Council will monitor progress and apply appropriate financial controls and checks to ensure efficient delivery and drawdown of funds.

Officers will report progress, funding profiles, risks and deliverability to Members via the Worthing Major Projects Board who will in turn report progress to the Adur & Worthing Joint Strategic Committee. Progress will also be reported to the Accountable Body, Greater Brighton Economic Board, Three Southern Counties Board and the Coast to Capital LEP.

6.5) Key project roles and responsibilities

The key organisations that will contribute to the initial demolition project are as follows:

Worthing Borough Council

The Council has appointed a team of dedicated Project Managers, reporting directly to the Head of Planning and Development, to monitor and oversee the successful delivery of all projects relating to significant changes in Adur & Worthing.

West Sussex County Council

- Agreement to close Public Right of Way through a Traffic regulation Order, to allow hoardings to be installed and the works to be carried out

Robinson Low Francis Property Consultants

- Principal Designer duties under CDM 2015
- Demolition specification
- Arrange and oversee site investigations
- Procurement management and tender report
- Contract administration
- Site progress meetings
- Monthly valuations of works completed
- Snagging and defects

ECE Architecture

- Hoarding designs
- Demolition drawings
- Submit Prior Notification of Demolition to LPA

Crowther Overton-Hart - Party Wall Surveyors

- Preparation and issue of Party Wall Notices
- Statutory letters required under the Act
- Preparation and issue of agreed Party Wall Awards

Safe Site - Hoarding supplier

- Install hoardings to the perimeter of the site in accordance with ECE drawings

Demolition Contractor (TBC)

- Principal Contractor duties under CDM 2015
- Main contractor
- Asbestos removal and demolition works

Car park Contractor (TBC)

- Principal Contractor duties under CDM 2015
- Main contractor
- Works associated with installation of temporary surface car park

Thereafter it will be the landowner's responsibility, and management team, to deliver the scheme by 2020/121. Mosaic's team includes:

- Aros - award winning architectural studio based in Central London
- Carter Jonas - multi-disciplinary property consultants
- Curtins - award winning consultancy specialising in the built environment for almost 60 years

- Ramboll - leading engineering, design and consultancy company founded in 1945

6.6) Governance, oversight and accountability

Adur and Worthing Councils' Joint Strategic Committee (JSC)

The JSC consists of six elected Members from each Council and sits at least ten times a year to agree key decisions affecting both Authorities. Members of JSC have approved the Teville Gate Site Preparation project, and therefore the demolition of all buildings in the site. The JSC approved the demolition works on 12th September 2017.

Teville Gate Project Group

An internal officer board consisting of representatives from key departments, essential to the successful delivery of the demolition project, has been formed and will meet regularly to review the progress.

Members of the group include:

- Director for the Economy
- Chief Financial Officer
- Solicitor to the Council
- Head of Planning and Development
- Head of Place and Investment
- Head of Customer Contact and Engagement

RLF will manage the day-to-day operations, whilst the project group will exist to carry out key decision making and approval of any variations to the brief. The project manager will advise and report to the group on a regular basis, highlighting any changes to the status of the project.

6.7) Communications and stakeholder management

Background:

The aspiration for a mixed use scheme on the TG site has been the subject of various public consultation exercises since 2006 with the publication of the Worthing Town Centre and Seafront Masterplan. At that stage, prior to the recession, it was envisaged that the site together with adjoining land could form part of a comprehensive redevelopment for the town. The key recommendations of the Masterplan for the Town Centre were incorporated into the adopted Core Strategy in 2011.

The Investment Prospectus published in 2016 identifies this site as crucial to providing a new gateway for the town; this document has received a lot of publicity in the local media and was prepared in close consultation with key partners (e.g. West Sussex County Council).

Given the above there is considerable public support for the redevelopment of this uninspiring brownfield site and considerable support for a mixed-use scheme. There has been support for the project from the business community in particular the Town Centre Initiative BID which is eager to see developments that support and compliment the town centre uses.

More strategically:

Council Members and Senior Officers:

Regular reports are provided to elected Members and senior officers via the Worthing Major Projects Board meetings which are attended by the following:

- Cllr Daniel Humphries - Leader of the Council
- Cllr Kevin Jenkins - Exec. Member for Regeneration
- Cllr Paul Yallop - Chair of Worthing Planning Committee
- Alex Bailey - Chief Executive of Adur and Worthing Councils
- Martin Randall - Director for the Economy
- James Appleton - Head of Planning and Development
- Andrew Mathias - Senior Solicitor, Legal Services

This project has been heavily scrutinised as TG, in addition to Union Place and Grafton MSCP, are the most high profile areas in the town. Those overseeing this demolition project have been in constant contact with Mosaic since the acquisition in 2015; it's now time for action.

Local Community

The Councils' Joint Strategic Committee agreed to the demolition of the MSCP on 12th September 2017 (subject to Local Growth Fund investment). This was a public report which, following the agreement, a series of press releases have reiterated the approach. This has been met favourably.

For delivery, all contractors involved in the programme will be required to give utmost consideration to their impact on neighbours and those affected by the work, both prior to start on site and during the demolition period.

Planning Consultation:

Subsequent delivery of the full scheme will involve a series of public consultation exercises prior to the submission of a Planning Application in early 2018. Mosaic has already carried out soft engagement sessions with stakeholders in the town centre (2/11/17) and formal public consultation exercises on 9/11/17 and 10/11/17.

6.8) Benefits management

The Council's utilise the benefits management framework to determine a holistic approach to all projects. The principles used include:

- 1.) **Benefits need to be first understood as outcomes.** Benefits are the reason the investment is made.
- 2.) **The benefits must be aligned to the organisation's strategic goals.** The outcomes and benefits realisation delivered by the change helps achieve strategic goals.
- 3.) **Benefits realisation is an end-to-end process during the full lifecycle of the investment.** Benefit measurement, reporting and evaluation will occur during and after the project / programme has delivered its capabilities and change.
- 4.) **Benefit Management is the cornerstone of a successful business case.** Identification and understanding of benefits will provide evidence that the proposal will be effective and represents value for money.

By understanding the principles, the benefits of the Teville Gate Site Preparation project have been identified as:

- Support the Council's strategic direction against the Worthing Core Strategy and Platforms for Our Places.

- Removes dangerous and unsightly buildings, thus contributing to increased wellbeing of residents and visitors (health and safety)
- Allows for the better use of, currently, a dormant footprint
- Increases the probability of new homes being delivered in the Borough
- Increases the probability of new modern commercial floorspace
- Signifies a step change in the town centre, contributing to inward investment principles.

These will be managed by all stakeholders with special attention by the lead Project Manager and appointed contractors. By ensuring tight controls are in place this will ensure an end-to-end process will be achieved.

6.9) Project evaluation

As part of the Council’s project management methodology, the Project Group will be asked to attend gateway meetings for decision making at key milestones during the project, notably pre-demolition, demolition and new surface car park. The project will be reviewed and evaluated at these stages to ensure that the outcomes of the brief are being achieved.

At the end of each strand of the project a Post Project Review and Lessons Learned Session will take place with representatives from the project management teams, to further mature the Council’s project management capability.

Both advantageous and adverse consequences within a project can result in lessons learned and those that are particularly positive may be communicated outside of the team and promoted as a best practice. These lessons learned will become part of the Council’s procedures to provide future project teams with valuable insight into previous projects that were similar in nature about “what went well” and “what did not go well” or had unintended consequences:

- Lessons learned will be documented throughout the life of the project
- Lessons learned provide invaluable insight to project managers and team members of new projects

In addition Coast to Capital will be informed of the progress with the Council ensuring all PR and successful stories are filtered through to celebrate the relationship and provide a case study for the wider region.

Recommendation/ Declaration

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

This business case supports the need to take a proactive stance to transform Worthing town centre to become a major economic contributor to the Coast to Capital region. This project provides a real opportunity to change the landscape at Teville Gate and move to a stronger position in readiness for redevelopment. For far too long the derelict and unsightly buildings have stood, creating an incredibly underwhelming first impression of Worthing.

The demolition of the MSCP and other buildings at Teville Gate, and the resulting Mosaic scheme, forms part of a Worthing Central Programme commitment to deliver a step-change on all the brownfield sites in the town centre.

Declaration:

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

Signature:	
Print Name:	Martin Randall
Title:	Director for the Economy
Date:	21st November 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.**

