

Stage 2 – Station Gateway Business Case

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INTRODUCTION

1. INTRODUCTION

1.1 Introduction

Purpose of the Business Case

This business case sets out the proposal and rationale for a project titled Station Gateway: Stage 1. This and its stage two project will pave the way for the transformation of the Station Gateway major opportunity area (in planning policy terms known as Central Core West) transforming a fragmented area currently characterised by roads, surface level car parking and poor-quality buildings into a new thriving quarter for the town. This will enhance investor confidence in the town, establish it as an office and commercial location of regional significance within the UK Innovation Corridor and provide a catalyst for the attraction of world class employers into the town.

Background to Towns Fund and Stage 2 process

In November 2019, Stevenage was included in the 101 places eligible to develop and submit a Town Investment Plan. This presented an opportunity for Stevenage to bid for up to £25 million of capital funding to support and address key challenges facing the town. Towns were also invited to bid for over £25m if exceptional circumstances could be demonstrated.

Working closely with key public, private and third sector partners the Stevenage Development Board was established and a Stevenage Town Investment Plan was created and submitted to MHCLG (now renamed DLUHC) in October 2020; In March 2021, the partnership was notified of its award of £37.5m of funding.

The investment plan was predicated on maximising the success of our businesses in the science and engineering sectors, regenerating the town centre, and delivering opportunities for local people including enhanced skills & training. Ten projects were submitted as part of the ask to central government, ranging across Transport and Active Travel infrastructure, Skills and Enterprise, Arts, Heritage and Cultural and Town Centre Regeneration.

Building on the Town Investment Plan, this document sets the strategic, economic and financial case for the Sport & Leisure Hub project, the commercial arrangements for procuring its delivery and the processes and arrangements for the governance and management of the project.

Scheme Promoter: The scheme promoter is Stevenage Borough Council

1.2 Summary of the Scheme

The scheme being supported by the Town Fund is to cover initial enabling works to create the conditions for the above transformation. This scheme, to be implemented in two stages as a precursor to the development phase, as illustrated below. Stage 1 will complete the Sustainable Transport Hub and preliminary public realm works and in parallel set out the development masterplan for the Station Gateway major opportunity area including the exploration of what enabling works will be required. Informed by the masterplan, Stage 2 will then focus on site relocations and carrying out the enabling

works to create the conditions for comprehensive transformation to proceed and reviewing potential delivery options.

Activity	Underway or completed	Enabling Phase		Development Phase
		Stage 1	Stage 2	
Construction of 5 th Platform	√			
Creation of new Bus Interchange (part of stage 1)	√			
Multi Storey Car Park & low carbon support infrastructure		√		
Cycling storage hub & adjacent routes		√		
Public realm improvements – preliminary		√		
Masterplan for the Station Gateway major opportunity area		√		
Options Appraisal for delivery		√		
Investment promotion to attract international companies		√		
Remodelling of Lytton Way (Subject to AAP outcome)			√	√
Relocation of Leisure facility		√		
Relocation Options for the Theatre			√	
Site preparation works, Lytton Way sites and surface car parks			√	
Public realm improvements – advanced			√	
Site investment promotion				√
Construction of Grade A offices				√
Construction of mixed-use schemes and hotel				√
Substation investment or upgrade of Stevenage Station				√

As part of preparatory works for the creation for the business case there have been a series of activities with external specialist advisors to inform this summary of activities to ultimately unlock and then delivery the Station Gateway. These activities have included:

- Engagement with Mace regarding station development preparation
- Studies to consider high level masterplan options, capacity and phasing report by Barton Wilmore
- Indicative Development appraisals by Cushman and Wakefield.

Elements of these materials are throughout this document, and are also available for consideration.

1.3 Business Case Structure and Content

The full rationale for the project, covering the context, challenges to be address objectives and approach to delivery, are set out below under the following headings.

- Strategic Case
- Economic Case
- Financial Case
- Commercial Case
- Management Case.

STRATEGIC CASE

2. STRATEGIC CASE

2.1 Introduction to the Strategic Case

This strategic case defines the scope of the project. It explains how the project will create the conditions for the release key sites for redevelopment and provide the catalyst for kick-starting transformation of the Station Gateway. This is a major opportunity area which has the potential to provide substantial levels of commercial space and high quality town centre homes alongside an integrated public transport hub enabling swift and convenient access to local, national and international destinations from Stevenage.

The demand for the residential and some commercial sectors is good, and in some cases private developments are deliverable without public intervention. However, this tends to be on simpler sites and development is unable to fund the physical and social infrastructure required to deliver large-scale transformation; public sector intervention is still required to make this possible e.g. consolidation of parking to release sites from the obligation for re-provision. This strategic case outlines some of these pressures and the business case seeks to outline the appropriate activities required to unlock this integral part of the town centre.

2.2 Case for Change

Current Context, Challenges and Arrangements

Regeneration Challenges and Priorities

Stevenage Town Centre has become severely run down due to time expired buildings and infrastructure. It was the first of the New Towns, but now has a decaying appearance. Its current public realm and hospitality offer are failing to attract people. Its shopping centre is losing business and major retailers have moved out. Leaving an oversupply of older retail space that is no longer fit for purpose.

Stevenage New Town was originally designed to serve a population of 60,000. The population already stood at 84,000 in 2011 and is forecast to increase to just fewer than 93,000 by 2035 – growth of 50% of that of the original new town, yet there has been no increase in the size of the town centre and growth of surrounding districts will have a significant influence on the town centre.

Meanwhile the economy of Stevenage has grown beyond the regional and national average over the past 15 years principally through expansion of knowledge-based industries and with the presence of an impressive array of world class businesses in life sciences, agri-tech, IT, advanced engineering and high value manufacturing.

The area is fragmented with disjointed routes for walking and cycling. The town centre is currently 'cut off' from Gunners Wood, now the largest employment site in Hertfordshire.

Current challenges that need to be addressed can be summarised as follows.

- Town centres will have an important role to play in the post-Covid world. They now have to assume greater importance as employment and residential locations, focal points for community, social and recreation activity and as hubs for integrated transport.

- Significant investment in new infrastructure and buildings is needed to meet these conditions and to rectify the current shortcomings of Stevenage town centre.
- Development sites for housing and employment are in short supply. To transform the town centre, public sector intervention is needed to enable more to be brought forward for development.

Stevenage Central Framework

The Stevenage Central Framework published in 2015 identified the need for significant amounts of new employment space and residential development to make investment in upgraded retailing, food and beverage and other key town centre amenities viable and fit for the 21st century. The Stevenage Central Framework has defined six major opportunity areas.

- Southgate Park
- Central West (Leisure Park)
- Park Place and Town Centre Gardens
- Stevenage Central Core
- Station Gateway
- Northgate

Regeneration Proposals for the Station Gateway

There has been a lot of progress in Stevenage Town Centre regeneration but due to the lead-in times for delivering transformational projects, much of the progress is provisional and will take more time to start to significantly drive values. The Station Gateway (known as Central Core West within the central Framework) is identified as a major opportunity area within the Stevenage Central Framework 2015. With an expanse of that land that takes up a large proportion of the western side of the overall town centre space, the opportunity is significant, and holds the key to connecting the East and West sides of the train line in to one place.

Its delivery involves two key phases.

1) Station Gateway: Creation of a Sustainable Transport Hub

- A new multi-story car park alongside the station
- New bus interchange relocated alongside the station
- Remodelling of the station including a 5th platform and dual facing access

2) Station Gateway: New Development

- Two major Grade A office developments either side of the station
- Two mixed use developments including residential and supporting retail and hospitality
- Relocation of the Theatre and Leisure complex within the town centre regeneration
- Civic space for arrival and connection between the station and Town Square
- Exploration and potential remodelling of the area to help support a thriving quarter

- A new hotel

Redevelopment of the Station Gateway will be pivotal to the transformation of all six major opportunity areas in the town centre due to significant impacts it can bring about.

- Recycling and redevelopment of inefficient sites
- Opportunities to create offices and workspace matching post-Covid requirements
- Uplifting the area's image
- Positioning Stevenage town centre as a high quality, strategic office location
- The building of investor confidence
- Improvements in the quality and efficiency of public transport journeys and
- Contribution to carbon reduction targets.

The area acts as a nexus and interchanging point between a variety of significant spaces within the town centre. The figure below outlines the relationship of Stevenage Gateway (Central Core West) area and the spatial foundation it lies with the wider context of the town; connecting retail, commercial, cultural and with key infrastructure at the core to enable these uses to thrive.

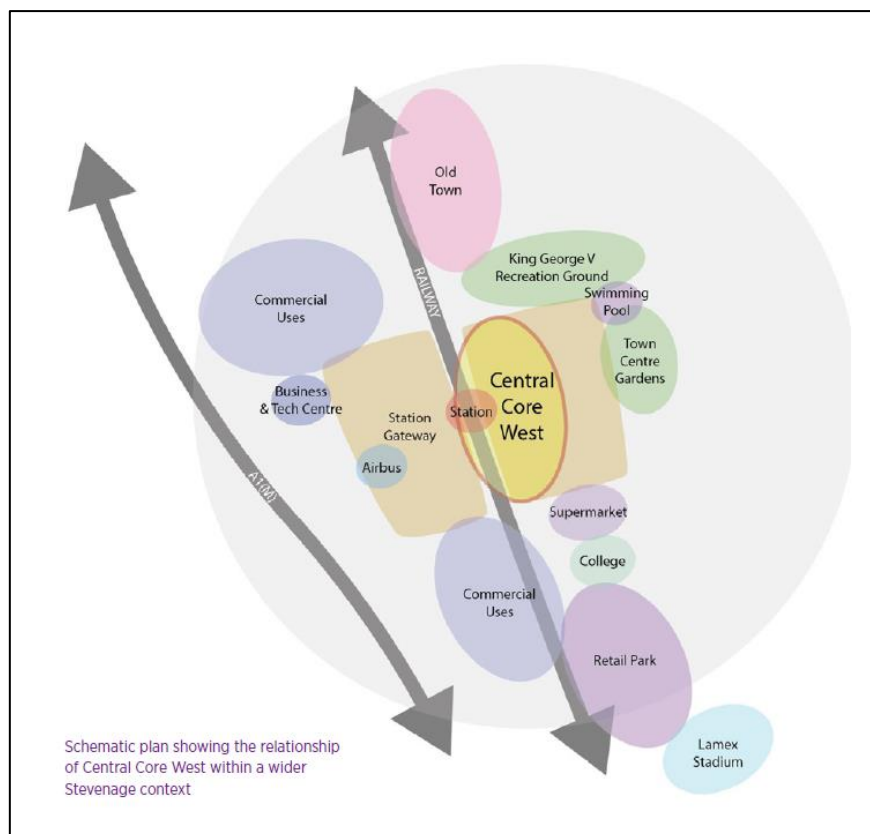


Figure: Schematic plan showing the relationship of Gateway / Central Core West within a wider context.

Transformation of the Station Gateway is a key place-making element that could perhaps have the biggest impact on values, and unlock growth in Station Gateway and Leisure Park. It is clear at this stage this will require:

- Co-ordinated plan for area including transport routes such as Lytton Way, land use, design and sustainability (through the Area Action Plan)
- Masterplanning to ensure the right blend of place-making and commercial interventions
- Significant public infrastructure funding; station, Lytton Way and sustainable transport network

Further detail on the project proposals are in Section 2.4.

Progress in to Date in Delivering the Stevenage Central Framework

An early start has been made in delivering the objectives of the Stevenage Central Framework with a number of key building blocks already in place to accelerate transformation and new development.

- A dynamic development board, comprised of prominent business leaders, university and local authority representatives has been assembled. A proactive vision has been formulated. High powered regeneration solutions have been defined and are being initiated.
- A development agreement has been signed between the Council and Mace as a private sector development partner, enabling fast track approaches to be new development.
- In addition to SBC's initiation of the SG1 and Queensway, a number of private sector developments have already been completed including Park Place, Vista Tower and Skyline, creating just under 500 new residential units.
- A number of redevelopment sites in the central core, northern and southern gateway major opportunity areas, pivotal to kick starting transformation, have been acquired. Preliminary enabling works are either underway or are scheduled.
- Selected preliminary public realm improvements are currently being implemented or are programmed around key sites with a view to building investment confidence amongst developers and future occupiers and promoting high quality development outcomes.
- Construction of a new bus interchange on a new site alongside the station has been approved for funding and construction has now started. This has released a major development site which provides a major catalyst for transformation of the town centre. The new bus interchange, the transformation of Stevenage station and the addition of a 5th platform are the first building blocks towards creating a sustainable transport hub for road, rail, cycling and walking, which will be completed by the project included in this scheme.

A key part of creating this business case was to understand what progress has been made against the framework since 2015 and then reflecting at a high level how this might impact this particular space. This work acknowledged the progress of the completed schemes, other developments that are in the pipeline to be delivered, the shift in market in a post- covid world. This was accumulated together to the produced an indicative masterplan document evidenced with commercial advice regarding market levels and viable/ suitable uses for this area. Earlier studies had been completed in 2015, and updated in 2021 to understand the change in potential market demand and investment available. Note these are illustrative at this stage, with further work to be developed in depth via the masterplan and aligned with the Area Action Plan.

Schedule of Development Totals	Comparison with Central Framework			
	2021	2015	Difference	
	m2	m2	m2	
Office	47,698	36,157	11,541	
Retail	8,097	8,152	-55	
Residential - Area	61,300	27,516	33,784	
Residential - Spaces	864	405	459	
Theatre	4,115	4,072	43	
Hotel	7,291	7,200	91	
	129,366	83,502	45,864	

Evidence of Need

The first phase Station Gateway project addresses three of the challenges set out in the Strategic Town Investment Plan.

Challenge 1: Ageing Infrastructure – Urban Disconnections and a Brake on Growth. The town's infrastructure is reaching the end of its useful life. The bus station dates from 1965, rail station from 1973 and cycle network from 1955. Investment in the town's infrastructure has not kept pace with the growth of its population and economy. As Stevenage has continued to grow, these issues are becoming more pronounced. The infrastructure challenges, not least of all the current arrival experience by rail, deter business investment and constrain the viability of new offices, housing, wider regeneration and the take up of more sustainable modes of travel.

Challenge 3: Town Centre Transformation. The town centre has aged; retail is losing business due to dated floorspace, catchment leakage, high representation of lower value outlets, and an over-reliance on traditional retail, with limited diversification. Expansion of housing and employment space in the town centre are needed to create natural footfall and increase demand sustainably. To address this, the Stevenage Central Framework adopted in 2015 sets out a £1bn programme to transform the town centre delivering over 3,600 new homes and 55,750 sqm of offices and other commercial space. To achieve this, Stevenage needs to create the conditions for investment in the town centre and whilst the early phases of our regeneration programme have begun to improve values in the town, development viability remains challenging without public sector intervention.

Challenge 5: Lack of Suitable Modern Space for Growth. The lack of suitable space is constraining market and growth of sectors that hold national significance. Life sciences, agri-tech, advanced engineering and manufacturing, where Stevenage is very strong are generating significant demand for modern space. Increasing demand is emerging for space the town centre. Over the last 10 years, 67,000sqm of commercial floorspace has been lost in Stevenage, 75% to residential. This lack of supply threatens Stevenage's potential to maintain its competitive edge, meet the demand that is coming and the ability to retain key businesses. Achilles Therapeutics, which raised more than £100m of investment moved away from Stevenage to Hammersmith to continue its expansion in 2020. Addressing the demand for town centre space would also drive investment in the broad range of facilities that will help attract and retain skilled employees and

businesses, enhancing footfall. This will propel the town centre's revitalisation, wider regeneration and post-Covid resilience.

Future Needs

In order to maintain its position in the UK Innovation Corridor (UKIC), Stevenage needs to retain and further develop its significant bioscience industry and attract international investment in these, space and other advanced technologies. These businesses are mainly based in the Gunnels Wood area. As noted above, it has become apparent that a number of these types of businesses are now seeking business locations in a town centre environment close to good national and international transport links.

Parallel evidence is mounting that post-Covid 19, new models and layouts of office and workspace layouts will be in demand in highly accessible locations where all the support amenities are at hand, for which development-ready town centre sites are the most attractive. (Source: JLL: The Future of UK Regional Office Demand Office in Markets Outside Central London After COVID-19; March 2021).

The UK has a very strong cluster of Advanced Therapy companies forming in Stevenage around the Cell and Gene Therapy Catapult, highlighted in the Government Life Sciences Vision (2021). This has become apparent in Stevenage where a number of major bioscience companies have come forward with requirements for office and R&D laboratory space in locations within or close to the town centre.

The Station Gateway scheme is key to stimulating the demand for office space in the town centre. For this, it is essential to create development sites alongside the proposed new station building accompanying the 5th platform being constructed by Network Rail, to establish a market for commercial development and compete with comparable locations such as Reading and Milton Keynes, since Stevenage enjoys an advantage over both with quicker journey times into London.

A parallel need is meeting the current government targets for net zero carbon, in particular the imperative for a move away from fossil fuels, whose solutions would need to be interwoven into future redevelopment proposals for the town centre.

Barriers and Market Failures

Site Shortages

There is a severe shortage of employment space within the town centre. The development of the original new town focused major employment development at Gunnels Wood, so provision in the town centre has always been limited. Moreover, much of the borough's employment space has been lost due to a series of permitted development (office to residential) as outlined in the LEP's employment space research.

To provide the level of office and R&D needed to meet emerging demand in the town centre, additional development sites for employment would need to be brought forward, as clear aspiration as highlighted in the Town Investment Plan. Currently, none are readily available. A testament to this and the opportunity for Stevenage and life science can be seen in the recent endorsement of Marshgate Town's Fund project; 60,000 sqft of R&D life science office space and a headquarters for a company that is currently resident in Stevenage but across multiple sites.

Market Failures Constraining Redevelopment of the Town Centre

The private sector has proved unable to bring forward these opportunities as development schemes cannot self-fund the necessary land assembly, site preparation and supporting infrastructure required particularly, in relation to the public sector facilitates relocation and significant upgrade of facilities (Leisure and Theatre). This market failure needs to be addressed by releasing and maximising land's potential and creating the appropriate enabling conditions to support regeneration.

Moreover, there is inefficient use of space within the town centre, with over 7 hectares of surface level car parks in close proximity to the station, much of which is under-utilised. Though existing car parks could be considered for redevelopment, there is no replacement parking readily available to substitute for these if they are taken out of use.

Market Failure in Achieving Sustainable Connectivity to and from the Town Centre

As the UK moves towards cleaner air through the transformation of its transport system and future housing growth in town centres drives demand for non-car transport with access to the rail network, profound change to supporting infrastructure is needed. The Local Plan proposes net neutrality on parking numbers as part of the overall transport strategy, so alternatives to car use need to be provided to service the transport demands from growth, whilst creating the conditions for the switch to zero emission vehicles and cycles.

Without investment in sustainable transport and a modal shift away from private car use, growth in the local population may have an unacceptable impact on the local highway network and the local economy. Measures to segregate travellers in the light of current and future pandemic threats need also to be adopted.

Within Stevenage there is a very limited existing network of green transport infrastructure, such as electric charging points and secure & covered cycle storage.

In consequence, there remains over-reliance on private car journeys, a lack of integration between different modes of sustainable transport and poor non-car connections between the town centre and surrounding business districts.

Whilst manufacturers are moving towards to introduction of electric vehicles, the private sector has been slow to take the challenge of providing the infrastructure for low or zero emissions vehicles and other transportation modes conducive to clean growth.

Addressing Conditions in the Post Covid-19 Era

Changes to Working Practices

According to the ONS, half of all workers worked from home in the first lockdown, 86% as a result of the coronavirus pandemic. Patterns differed according to occupation; 70% of white collar workers worked from home, compared with only 20% of those in manual and elementary occupations.

Employers have identified beneficial effects from the move towards home working. According to the

Chartered Institute for Personnel and Development, 71% of employers found that productivity had either improved or at least stayed the same, with the main benefits of homeworking being avoiding long commutes, enhanced employee well-being and reduction in distractions. (*Source: Flexible working: lessons from the pandemic; CIPD; April, 2021*).

A survey conducted in collaboration between the World Economic Forum and VoxEU similarly found that the 76% of respondents claimed their view on working from home has improved, half reported no loss of productivity and 59% of respondents said that they felt 'positive' about working from home two to three days a week in 2022. Their report concluded that two days a week at home in the post-COVID world is expected to become the norm (*Source: Working from home is revolutionising the UK labour market'; WEF and VoxEU; March, 2021*). As companies begin to plan for growth again, future working arrangements will no doubt be focal. British accountancy firm RGM found that of 405 executives surveyed, 80% of them responded that they would consider allowing some of their employees to work from home full time.

In February of this year, the *Financial Times* reported many major companies and banks like Lloyds, Natwest, Deutsche Bank, Aon, Virgin Media, Revolut, HSBC and many others were considering a move to flexible working for many of their staff.

Implications for the Use of Employment Space and the Future of Offices

The emerging picture is that, where possible, employers will adapt the size, location and configuration of their office buildings given new models of flexible working.

With companies all over the country adapting to the fallout of the pandemic and trying to return to some sense of normality in the post-COVID world, most data shows that offices will not strictly be a thing in the past but will mostly adapt to a new framework. The above *Financial Times* article also reported that BT were also planning reducing their number of offices from 300 to only 30, showing that it has a commitment to offices but more as a place for 'collaboration and knowledge sharing'.

The above RGM survey reported that three-quarters of medium-sized businesses are considering reducing the volume of their office space. (*Source: RGM; Business Leader's Summit 2021: In Review; January, 2021*).

Office space configurations and densities are also likely to change. The regional head at Deloitte Real Estate was recently quoted as that tenants were focused on space that was attractive to staff rather than purely functional and that: "The new start office space under construction is being marketed as amenity-rich, with well-being and community high on priorities." (*Source: Financial Times; UK businesses think big about smaller office spaces'; 4th March, 2021*.)

This new framework for offices is intended to enhance 'employee experience' and not just overhead. A report conducted by JLL states that offices are now seen more as environments that promote collaboration, innovation, recruitment and retention. Offices have already implemented spaces specific for meetings, collaboration, concentrated work and other rooms solely for to provide for a variety of working contexts. More attention is being placed on well-being, with rooms set up solely for mindfulness meditation, yoga, event spaces and cafes. The outside area is also becoming more of a focus from planners to improve employee well-being, with attention being put to improve air ventilation and having more outdoor leisure space. This may lead to offices having less desk spaces, but more collaboration space, with a hybrid model and homeworking on the rise this will end up offsetting a trend of space per

worker decreasing since the early 1990's. (JLL: The Future of UK Regional Office Demand Office in Markets Outside Central London After COVID-19; March 2021).

Implications for Town Centres Post Covid

Hybrid and remote-working will create a new set of benefits but also challenges to local economies with its wide-spread adoption.

Research from KPMG says that it is clear things will not return to the way things were before the pandemic. With the reduction in commuter footfall and reduction in commercial rent, city centres may now have to consider serving their inhabitants in a different way. According to the same report, high streets could lose anywhere from 20-40% of outlets. New models could be emerging from the shift to online, with consumers buying online and getting better pricing whilst some stores may adopt a hybrid model where they have their stores as a showroom before the customer buys the product on their website. However, some speciality stores may keep their physical locations intact. (*Source: The future of towns and cities* (January 2021) KPMG).

Research by Legal and General and Demos showed that in a post-COVID world, the new working models will provide opportunities for parts of the country like rural areas and neighbourhoods that were previously ignored, potentially at the expense of city centres. However, the report concludes that mass exodus from cities is overblown as young people and those with jobs that cannot be done remotely made up the majority of those that moved last year and moved within larger cities.

The view that city centres will still play a key role in the future is corroborated by various findings from the Centre for Cities:

- Evidence has shown that East Asian countries that have suffered threats of pandemics in the past at a more frequent rate than the West, have continued to urbanise and have seen their cities grow
- Companies from similar sectors geographically have tended to cluster together because connections, collaborations and shared ideas create new ideas, innovation and other synergies
- Amenities with a large or specialist customer base need to be in city centres
- Local neighbourhoods cannot match the breadth of jobs that a city centre can offer.

These findings seem to indicate a halfway point between the “15 minute city” and the current reliance on city centres, whereby more local amenities will be situated across neighbourhoods and cities whilst more specialist forms of amenities will remain in city centres in the post pandemic world.

Opportunities

A number of factors have come together that can help accelerate the Station Gateway project.

There has been a recent surge of interest by major companies already in Stevenage in taking up space in the town centre. For global businesses, Stevenage town centre offers a strategic location with road, rail and air connections that place it within 20 minutes of London and less than 45 minutes of Heathrow, Gatwick and Luton airports. To attract them and retain the existing businesses, high quality development and R&D space will be necessary.

With the momentum gained through the progress against the Stevenage Central Framework and the allocation of Town's Fund monies, there is a real now an opportunity to release further land within the Gateway MOA , but this can only be realised if there is no net loss of parking, to protect the existing local economy, as highlighted in the local plan. By increasing the capacity of one single parking facility, ultimately consolidating the car parking be released. This project will enable low-density car parks within the Station Gateway Area to be released for redevelopment by providing a new multi-storey car park and cycle hub immediately adjacent to the station. In so doing, it will address three of the five major opportunities defined in the Strategic Town Investment Plan.

Opportunity 1: National & International Gateway for UK PLC. It will propel delivery of a new urban quarter at scale, based around a substantially improved station enabling rapid access to 3 airports and central London. This and the creation of a high-profile arrival gateway, will stimulate the attraction of international companies and a massive flow of investment to deliver transformational change.

Opportunity 2: Innovation Hub, High Growth Potential and STEM City. These effects will truly position Stevenage at the heart of the UK Innovation Corridor, enhancing its status as High Potential Opportunity location and a business location of international significance.

Opportunity 5: Reviving Stevenage's Sustainable Travel Network. Stevenage benefits from sustainable travel infrastructure as part of its original planning and its ambitions for 'clean growth' and carbon zero commitments by 2030, create the opportunity for Stevenage to be a blueprint for sustainable urban travel connecting our businesses, residents and visitors.

This will transform the town centre and harness the strategic potential of the town centre as a key employment hub due to its proximity to excellent rail and road transport links. This will help maximise the number of jobs created in the town and support the local economy, especially as part of the Covid-19 recovery plan.

2.3 Policy Alignment

National Policy Alignment

UK Innovation Corridor

Stevenage is situated centrally within the UK Innovation Corridor (UKIC), part of a dynamic cluster connecting London to Cambridge, supports an economy worth £189 billion, 2.8 million jobs, outperforms the Oxford to Cambridge Arc and is now Britain's Fastest Growing Region. Amongst industries focussed on commercial innovation, advanced technology, and bioscience, Stevenage specifically is home to global household names - GSK, Airbus, MBDA, and Fujitsu - industries with a bright future. More than 70 companies in the life sciences field have clustered around Stevenage over the past 8-10 years, more than 60% of them focussed on R&D in the Cell and Gene therapy.

Stevenage is one of six Life Science Opportunities Zones identified by the Government and has recently been designated by the DIT as a High Opportunity Area. The opportunity for Stevenage is not only to retain but to grow its share of the global market and be promoted nationally and internationally.

Net Zero Carbon Policies

The Move Towards Clean Transportation

In 2015, the Government set a target to "ensure almost every car and van is a zero-emission vehicle by 2050" and in 2017, the Government announced that it will end the sale of all new conventional petrol and diesel cars and vans by 2040 and in 2018 that all new cars and vans should be effectively zero emission. In the Road to Zero strategy, the Government set an ambition for between 50% to 70% of new car sales to be ultra-low emission by 2030, alongside up to 40% of new vans. Electric vehicles will require locations for short term hire and charging points. There is no overarching strategy across all the arms of government, organisations and bodies for an EV charging network to be rolled out in the way the policy makers have envisaged and to facilitate a totally electric UK vehicle fleet. This project will accelerate the adoption of EV's by providing copious charging points adjacent to a central urban transport hub and enable approaches to for the management and pricing of charging facilities to be tested, evaluated and optimised.

In May 2020, the Transport Minister, Grant Shapps has announced an ambitious programme to be published in early June with the aim of doubling cycling and increasing walking to work by 2025. Measures will include pop-up bike lanes and wider pavements as well as cycle and bus-only streets. The minister has indicated that outside London, half of all journeys are under three miles and that if cycling increased by 5%, it would mean eight million fewer car journeys, nine million fewer rail journeys and 13 million fewer bus journeys.

This is in response to the likelihood that commuting habits using public transport will change dramatically due to the impact of Covid-19. How and when people travel is having to be fundamentally re-thought and when the transport network is running at full capacity, the two-metre social distancing rule cuts capacity significantly.

Sub-regional Policy Alignment

Hertfordshire Covid Recovery Plan

Stevenage has a pivotal role to play in the delivering the Recovery Plan for Hertfordshire. Its current regeneration strategy and Town Fund projects directly address the plan's two transformational programmes:

- equipping Hertfordshire's places for mid-21st Century living supporting town centres and town-level economies.
- connecting Hertfordshire for mid-21st Century living and working building digital connectivity.

Through this and other Town Fund projects, Stevenage will lead on the delivery packages for:

- 1) Enterprise and Innovation – Stevenage's businesses, many of them SMEs are key to economic recovery.
- 2) Skills and Creativity –the extent to which businesses have the confidence to recruit and invest in their staff will be critical to unlocking recovery and will be greatly assisted through our priority projects
- 3) International Trade and Investment – focused on securing new investment for Hertfordshire. This project is aimed at changing Stevenage's image, attracting and retaining investment.

Hertfordshire LEP Strategic Economic Plan

The project addresses each of the four priorities within the current Hertfordshire LEP Strategic Economic Plan.

- Priority 2: Harnessing our relationships with London and elsewhere will be addressed due to delivering smarter forms of connectivity, walking, cycling and ultra-low emissions vehicle access to the rail station.
- Priority 3: Reinvigorating our places for the 21st-century. The strategy calls for high-density solutions recognising particular opportunities linked to railway hubs and transforming town centres into vibrant lively urban hubs underpinned by new models of living and working. The Stevenage Central Framework and this scheme align closely with this approach. This will be directly addressed by this project, given the proposal to release car parking land adjacent to the station for high density redevelopment.

Local Industrial Strategy Grand Challenges

Grand Challenges for Hertfordshire highlights the importance of clean growth challenges. This project provides the conditions for accelerating the adoption of clean transportation throughout the borough for the long term. Regarding other Grand Challenges, better facilities for cycling and walking and improved access to recreational activities will be conducive to helping the increasing numbers of older people to stay active, productive and independent.

Life Sciences in Hertfordshire and the emergence of a global cell and gene therapy cluster- LEP Sector Action Plan

With the emergence of a significant activity within the life science sector within Hertfordshire there are now over 200 life science businesses in the county. The most prevalent for Stevenage is the biopharmaceutical businesses that are concentrated within it's geography. Currently it is estimated that the cell and gene therapy campus in Stevenage- including the Catalyst and Catapult- is delivering over

1000 jobs and is home to over 45 companies, 13 of which are in the cell and gene therapy space. Many of the cell and gene therapy businesses also have strong international connections and look to utilise the locational opportunity of Stevenage to its advantage, being on 20-30 mins from London. Stevenage's strong cluster of advanced therapy companies has Stevenage placed as the UK's largest cell and gene therapy cluster, and the third largest globally. To highlight the scale of the opportunity, in 2020 private equity investment in R&D activities linked to biotechnology was higher in Stevenage than for the clusters in Cambridge and London, and very close to the figure for Oxford.

This action plan highlights the need to harness the momentum and sustain the future of the cluster's further growth.

In particular:

- That there is provision of sufficient and appropriate sites and buildings, both to accommodate scaled up production and facilitate that growth of the wider supply chain, including with regard to specialist logistics
- That it is possible to staff those facilities with appropriately trained and qualified personnel
- That Stevenage is regenerated as a vibrant 21st century New Town in which the cell and gene cluster can thrive.

At the end of the report, there are a series of actions to complete to achieve these aspirations.

Addressing Sub-regional and Local Transport Policies

The project will support the aims of the Hertfordshire County Council Local Transport Plan 4 by helping to create a built environment and improved accessibility infrastructure that will enable key services to be accessed by walking and cycling, reduce travel demand and the need to travel, promote the conditions for clean forms of advanced transportation and encourage a change in people's travel behaviour. This project will provide a parking facility equipped with an initial 50 electric vehicle charging points, but configured to install additional points as demand develops.

Local Policy Alignment

Stevenage Local Plan 2019-2031. This was adopted in 2019 following Examination in Public and sets the overall spatial vision for the borough and growth direction to 2031. In total 7,600 homes are planned, 3,000 of these targeted for a regenerated Town Centre. The Local Plan looks to provide at least 140,000 m2 of new B-class employment floorspace and is promoting new employment opportunities as a critical component of the town centre regeneration. This project directly reflects the Local Plan's ambitions.

Stevenage Central Framework. This was prepared in 2015 to set a direction of change for the regeneration of Stevenage Town Centre. Now supported by the Local Plan, the Framework sets out a strategy for accelerated employment and housing provision on a large scale in the town centre to meet the demands of significant population growth and revitalised and enhanced and modernised amenities to service it.

Objectives of the emerging AAP framework points towards complimentary objectives that instil the vision of the original framework, but also encompass the various options from the AAP:

The objectives of the AAP include:

- New gateway and arrival experience

- Enhanced movement access for all modes
- Green infrastructure integrated throughout
- New mixed use development to unlock economic opportunity
- Creating a low carbon urban village
- Sustainability in mobility, built form and landscaping
- Celebrating the heritage of the town

Following this, the AAP discusses key principles:

- Enhance the station arrival experience to create a people friendly place
- Improve step free and accessible pedestrian links with town centre
- Improve links between rail and bus stations
- Turn Lytton Way into a town street
- Create good access for all travel modes with quality attractive cycling facilities and prioritising sustainable and active modes
- Make ground level the place where pedestrians move
- Consolidate surface car parking to make better use of land and enable development opportunities
- High quality public realm, green infrastructure and creating space and opportunities for landscaping through rationalisation of vehicle space
- Future proof for possible station upgrade, replacement of the Leisure Centre and improved links and development west of the rail station
- Design in flexibility to accommodate changing behaviours and new technology
- Celebrate the heritage of the town in the fabric layout and design of the station gateway
- Creating a lasting legacy of high quality placemaking
- Putting people first, at the heart of the decision making process

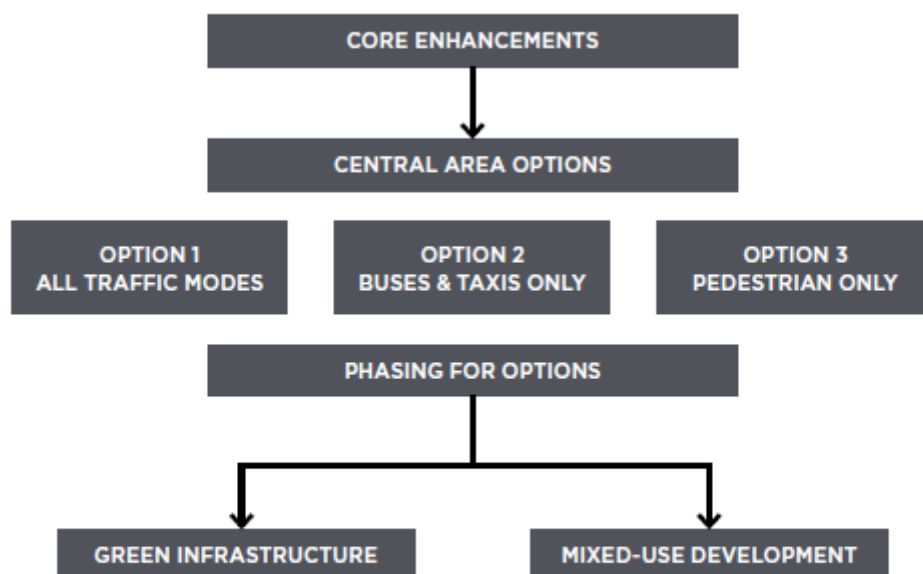


Figure : Taken from the 2021 Area Action Plan document

The last part of this is that the emerging AAP framework considers parking consolidation as a key enabling step. The surface car park adjacent to the railway station provides around 450 parking spaces and is typically well-used. Consolidation of the existing surface parking will be an essential component of delivery the objectives of the AAP.

The next stage of the process of preparation of the AAP will be a formal public consultation on more developed options that have been influenced by feedback from this report - this consultation at the time of this report is on going.

2.4 Vision and Objectives

Vision

This project will bring about a major step forward in transformation of the Station Gateway major opportunity area and the rest of Stevenage Town Centre.

- A vastly improved and inspiring arrival experience and high-quality public realm at the gateway to the town.
- The stimulation of major investment commitments of developers and international companies to the development and occupancy of an extensive portfolio of new, high quality commercial space within the town centre.
- An exemplary sustainable car parking facility comprising 600 spaces demonstrating advanced practices in EV charging and the wide adoption of electric vehicles, bikes and scooters, all powered from renewable energy sources.
- Realisation of a sustainable, integrated transport hub enabling interchange between rail, road, cycle, bus and pedestrians. Capacity for ultra-low emission vehicle parking alongside rail and bus operations and cycling and walking.
- A sequential flow of investment in high quality floorspace and housing on three Station Gateway sites and throughout the rest of the town centre.
- Recognition of Stevenage Town Centre as a high prestige location for headquarters and R&D for state-of-the-art technology companies prominent on the world stage.

SMART Objectives Related to the Project

- 1) To create a sustainable transport hub, through a consolidated vehicle and cycle park integrating commuter and short-term parking and cycle storage with the rail station, new bus station and upgraded inter-connections to the rest of the town centre and Gunnels Wood Road, to be designed completed by January 2022.
- 2) To replace vehicle parking capacity taken up by the construction of the new Stevenage Bus Interchange project and other schemes by Q1 2023/24.

- 3) To create an inspirational, viable and deliverable masterplan setting out the vision for the Station Gateway and Central Core area of Stevenage Central and the blueprint for its successful transformation by 2025.
- 4) To release 3 site development opportunities in the central core of the town centre and station gateways to advance completion of the Stevenage Central regeneration strategy by March 2022 and a further 3 sites by 2027.
- 5) To provide exemplary infrastructure conditions for accelerated adoption of zero emissions and active transportation in Stevenage by amplifying electric vehicle charging provision and cycling infrastructure, to be completed by 2023.
- 6) To kick start the transformation of the Station Gateway and accelerate site redevelopment by providing conditions for secure early development commitments on three sites former car parks by 2025.

Measures of Success

Successes to be measured and the method of measurement each of element of the Station Gateway: Stage 1 scheme are summarised below.

Project	Successes to be Measured	Method of Measurement
Multi Storey Car Park	Car park usage	Footfall data Parking revenues Analysis of usage by day of week and time of day
Low carbon support infrastructure	Increased EV usage and charging revenue	Annual kilowatt hours of charging utilised
Realisation of sustainable transport hub	Extent of benefits and impacts from better integrated public transport services	Surveys of transport users
Cycling hub	Take-up of cycle hire services	Cycle hire revenue
New cycling routes	Usage of newly provided cycle routes	Analysis of sample footage from CCTV to capture cyclist counts
Public realm improvements	Acceleration of site investment	Timescales achieved for development commitments, starts and completions
Station Gateway Masterplan	Acceleration of site investment	As above
Enabling works	Improved viability of the schemes	Development Appraisals post enabling works
Investment promotion	Investor confidence	Rate and quality of inward investment enquiries and occupancies by international companies

2.5 The Proposed Investment

Options Considered

The Do nothing and Do minimum options considered in the first instance to deliver the solutions to meet the above objectives were:

- a) Do nothing: No replacement for car park displaced by new bus station and no new or upgraded cycle ways or public realm improvements.
- b) Do minimum: To reduce costs, proceed with the project with a standard temporary car park and without investment in sustainable measures such as charging points and cycle facilities.

A full list of the options considered is set out in Section 3 along with the criteria adopted in shortlisting them.

Preferred Option

The preferred option is to progress the enabling works outlined in, specifically:

- a) Bring about the final part of the sustainable transport hub serving the Station Gateway Central Core, the rest of the Stevenage Central area and providing links to the Gunnels Road employment area.
- b) Define a coherent vision and masterplan for the Station Gateway/Central Core major opportunity area of Stevenage Central.
- c) Complete the preparatory activities required to create the appropriate conditions to enable significant office and R&D space and residential development to be accelerated within the Station Gateway / Central Core.

This will include a series of works that will be programmed within the Town's Fund window, and these actions will lay the foundation for unlocking the significant development in the Station Gateway Area. Predominantly, the first 18 months of activity will be focussed on consolidating the car parking sites in to one facility. This creates the enabling conditions to unlock the other sites, as well as creating a sustainable vehicle park to replace capacity displaced by current and future developments which also connects to the cycleways. This has been selected for the following reasons.

- It provides a sustainable solution to the loss of parking provision as a result of the development of Stevenage Bus Interchange and other regeneration schemes. Seek to mitigate pressure on car parking, and releases the potential for other parking sites to be used for future redevelopment, accelerating the completion and realisation of the SG1 regeneration proposals.
- It encourages significant switch to cycle use away from cars. Provides flexible access to the town from business visitors at shoppers and promotes cleaner air through use of electric vehicle and cycles. Proposed public realm improvements adds to the enhanced inter-connectivity and improves investor confidence and appeal of new housing to prospective buyers and tenants.
- New cycle connections and hubs across the town centre will increase capacity for modal shift towards ultra-low emission vehicles and sustainable transport and encourage a significant switch to cycle use away from cars. These will provides flexible access to the town from business visitors and shoppers and promote cleaner air through use of electric vehicle and cycles.

- The proposed public realm improvements will provide clear access into the town centre adding to the enhanced inter-connectivity. They will help create a safe, accessible and fully pedestrianised Town Centre, embracing Stevenage's heritage. They will also improve investor confidence and increase the appeal of new housing to prospective buyers and tenants.

In summary utilising Towns Fund to deliver the infrastructure required for Phase 1, and carry out further masterplanning and design work for Phase 2 onwards, provides the best option for unlocking development quickly and delivering the scale and quality of transformation required to deliver on the objectives of the local plan and fulfil Stevenage's potential.

Project Risks, Constraints, and Interdependencies

Description of the Project

Purpose and Key Elements of the Project

The purpose of this project is to:

- A. Bring about a sustainable transport hub serving the Station Gateway / Central Core, the rest of the Stevenage Central area and providing links to the Gunnels Road employment area.
- B. Define a coherent vision and masterplan for the Station Gateway/Central Core major opportunity area of Stevenage Central.
- C. Complete the preparatory activities required to create the appropriate conditions to enable significant office and R&D space and residential development to be accelerated within the Central Core.

Key elements of the project are:

- Preparation of the masterplan and site development briefs
- Creation of a sustainable multi-storey car parking facility
- Site preparation and enabling works for three sites released for redevelopment
- Programme of public realm improvements
- Investment promotion to attract occupiers and accelerate development starts
- Fit out of the multi-storey car park with renewable power, EV charging, cycling storage and hire facilities
- Enhancements to cycling and walking infrastructure.

Construction of the Multi-storey Car park

SBC went through a two stage tender process where Huber came out as the winning contractor due to the high quality of their submission and price that was within the target £9M budget. During the first stage, PCSA, a design has been developed in collaboration with Fatkin architects, who subcontract to Huber.

The initial design provided by Huber at the tender stage was developed further. The design (**Appendices B, C**) was presented to the Leader, Portfolio Holder and Members for comments in July 2021 where it was requested that the design should reflect what Stevenage should represent. The new design was and presented to Members and Project Sponsor in early October. The design for this has been appended within this document.

The new MSCP design features:

- 622 spaces; including 30 Blue Badge spaces (with an equivalent proportion of EV space for BB holders);
- 25% of overall spaces are EV charging bays with an EV infrastructure put in further 50% of the MSCP to futureproof it
- Secure bicycle hub for approx. 80 bikes and 3 accessible bikes
- Modular building with perforated metal cladding providing natural ventilation meeting Fire Strategy standards. The design includes Stevenage specific images that reflect the town.
- A textured coloured pre-cast concrete stair cores adding colour to the design and avoiding the need for use of more metal
- Coloured parking bays and lights at night will make the colour illuminate from the inside of the car park to outside

The multi-storey car park will be the first step in unlocking further development sites within the Station Gateway major opportunity area, which has always been a high priority for a variety of key stakeholders across the town.. By releasing three other car park sites for redevelopment, it will enable the transformation of the Station Gateway MoA to be kick started. Further sites will be released in the Marshgate and Danestrete areas. It will ensure that wider town centre regeneration projects are not delayed due to a lack of replacement parking/impact on the highway network.

Further details outlining the projects progress can be viewed in the Management Case.

Preparation of the Station Gateway Masterplan

In forming this business case, Officers have worked with urban master planning and commercial advisors to consider high level master plan options. . At this stage, this update been produced with initial Development appraisal assumptions for the sites included. This activity also links to the Area Action Plan, which is currently out for consultation regarding on what are the best options for the area.

The future masterplan will define the role and contribution of the Station Gateway in delivery of the Stevenage Central Framework and, taking account of this context, will:

- Set out the development profile for the station gateway and surrounding sites.
- Illustrate development volumes for each of the main uses: offices are R&D space, residential development, retail, leisure food and beverage.
- Illustrate the various parcels of land to be developed, their respective uses.
- Illustrate provision of parkland and open spaces and supporting infrastructure.
- Show how these will be integrated with the sustainable transport hub.

The master plan will be complemented with the preparation of development briefs for each of the Station Gateway strategic sites.

There are four key drivers behind the aspirations of the masterplan which will meet the identified issues or areas for improvement within the MOA, these include:

1. Enhanced Sense of Arrival
2. Exposure to Green Spaces

3. East-West Connectivity

4. Continuity of a Vibrant Public Realm, Streetscape and Town

These 4 “big moves” are further explained in the graphic below:



This work will have significant amount of further detailed work involved- to progress this thinking forward. This can be viewed in the Management Case.

Site Preparation and Enabling Works

As part of this project at least one of the three surface car parks released for redevelopment will then undergo a fast-track planning, following which contracts will be put out for site clearance, any necessary remediation, fencing and installation of essential site services. What works will be required, will be explored as part of the next steps for the masterplanning, to explore and define explicitly what will be the best option for creating the suitable conditions to enable development.

Public Realm Improvements

The public realm will be upgraded on land adjacent to the development sites and wider Station Gateway area, this could include the provision of a new Theatre Square, significant linkages routes to the eastern town centre and an arrival space/ square. High level designs for the public space will be produced in line with the more detailed work for the Station Gateway masterplan, and this will feed in to the development appraisals of this space. Prioritising active travel- cycling and pedestrian linkages, will form a key part how the public realm responses to maximising opportunities for sustainable modes of

transport and healthy spaces, aligning with the standard and quality set out in the Public Realm Design Guide.

Enhancements to Cycling and Walking Infrastructure

The enhanced transport hub will be inter-connected with the rest of the town centre and Gunnels Wood Road through investment in better integrated streets and modernised cycleways within this Station Gateway Area. The Sustainable Transport Hub (Phase 1) will include a secure bicycle hub for approximately 80 bikes and 3 accessible bikes. This element will be closely linked to the Pedestrian and Cycling Connectivity Town's Fund project. Providing secure cycle parking and improving the routes to and from the station it should encourage residents to utilise these services and supporting the climate change agenda.

Investment Promotion

A highly focused communications programme will be implemented to raise awareness of the office development proposals arising from the new site development opportunities and emerging masterplan for the Station Gateway. This will be targeted at investors, developers and potential corporate occupiers.

Risk and Constraints

Below outlines the key risks and constraints of the project

Interdependencies

The main inter-dependencies from the completion of the new multistorey car park, which forms part of the Station Gateway Phase 1 TIP project are other Town Fund projects including the Marshgate Bioscience Office, the Town Enterprise Centre and Station Gateway Phase 2. In addition are future schemes that will be developed on the existing car parks which this project will release for development. These each depend on this project if they are to be taken forward. Further detail is discussed in the management case.

How the Project Addresses the Objectives and Vision

The vision and objectives will be addressed and met as a result of the following outcomes.

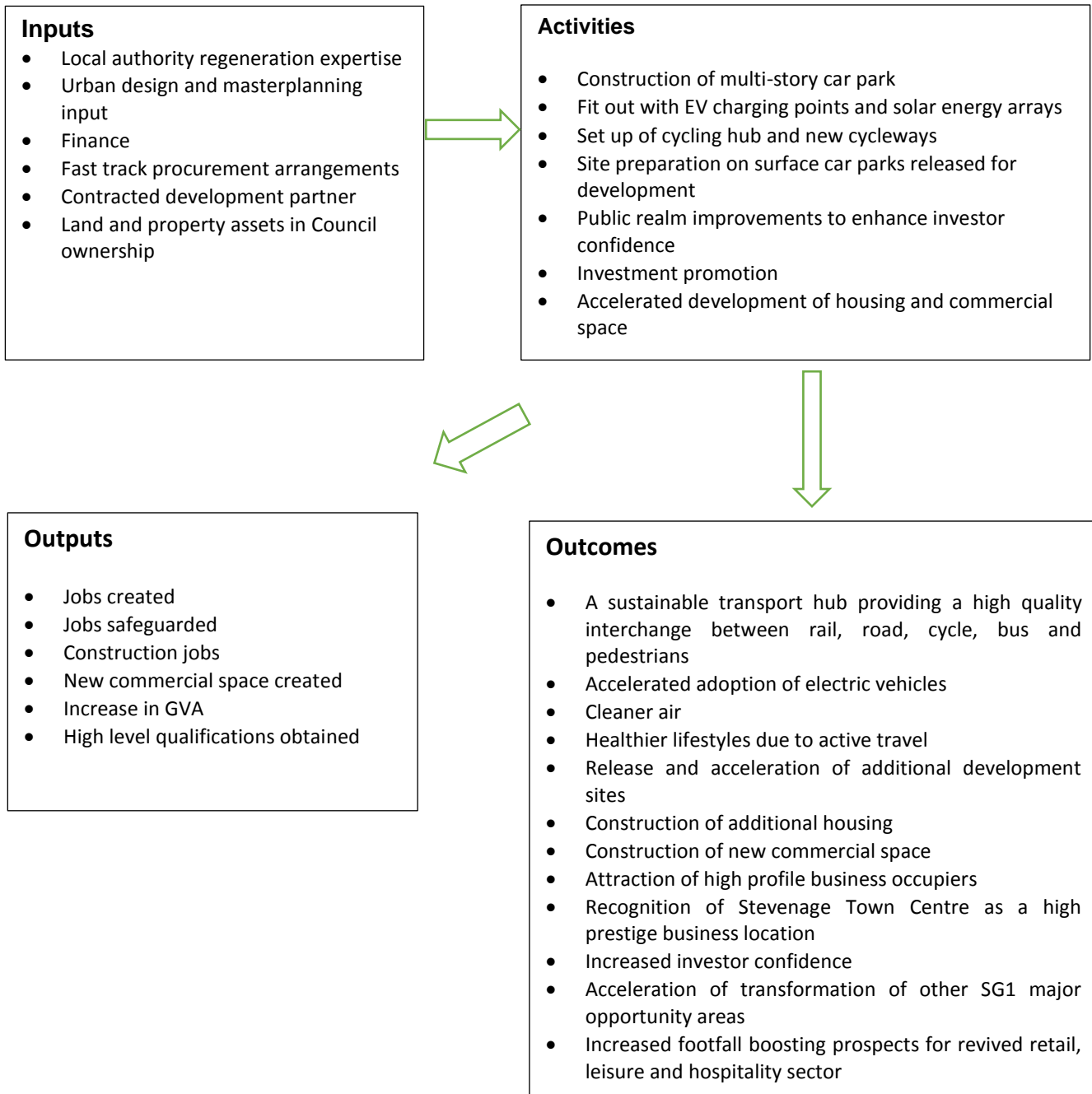
- Releasing the smaller car parks for redevelopment will accelerate the regeneration of the rest of Stevenage Central by enabling assembly of additional redevelopment sites and by bringing about more integrated public transport and thereby higher levels of investor confidence and lower risk.
- High-quality public realm improvements will boost investor confidence and accelerate investment commitments by developers and international occupiers new, high quality commercial space within the town centre, and the potential for cultural and leisure uses.
- This will build recognition of Stevenage Town Centre as a high prestige location for headquarters and R&D for state-of-the-art technology companies prominent on the world stage, providing a catalyst for a sequential flow of investment in high quality floorspace and housing throughout the rest of the town centre.
- In addition, Stevenage will benefit from the development of a substantial number of additional housing units which otherwise might never take place if left to normal market forces or take up

space in the Green Belt, plus the development of a significant amount of additional commercial floorspace.

- The project will be a key feature of the sustainable transport measures being created in the heart of the town centre around the rail and bus station. It will address imperatives for Covid-19 pandemic shielding and continue the momentum of investment in Stevenage, whilst simultaneously contributing to the target for zero emissions in line with current central Government priorities.
- The enhanced capacity for ultra-low emission vehicle parking alongside rail and bus operations and cycling and walking will deliver a sustainable transport hub providing a high quality interchange between rail, road, cycle, bus and pedestrians. In parallel it will provide a test bed for the management and pricing of electrical vehicle charging and models for short term cycle and vehicle hire, sale and repair and provide scope for electric vehicle and bicycle hire schemes to be introduced and evaluated. On this way it will provide an exemplary model for demonstrating advanced practices in the charging and adoption of low emission vehicles. This capacity will in turn help to maintain and enhance the viability of the town centre.

Project Theory of Change

The following logic model explains the theory of change.



Expected Outputs and Outcomes

Quantified Outputs

Summary of Outputs – Combined Stage 1 & Stage 2

Direct Outputs

Commercial Floorspace Developed or Upgraded sqm	20,000
Net Increase in Commercial Floorspace	20,000
Additional homes brought forward	500

Possible indirect outputs, subject to the completion of the 2nd stage and then delivery (Masterplanning and enabling)

Indirect Jobs	177
Jobs Safeguarded	0
Jobs Created	1683
Additional GVA Generated per Annum	£107,379,176
Additional Annual High Level Skills Qualifications Attained	27

Wider Outcomes and Benefits

Economic

- Acceleration of the redevelopment of key sites in the Major Opportunity Areas, in turn accelerating the on-going regeneration of the town centre.
- Enhanced integration with public transport, improved travelling times and enhanced workforce productivity
- Capacity for ultra-low emission vehicle parking alongside rail and bus operations and cycling and walking
- Better accessibility between businesses and employees
- An extensive number of construction jobs will be created.
- Providing an improved town centre environment with the infrastructure to enable more integrated public transport will generate higher levels of investor confidence, conducive to acceleration of the rest of the redevelopment of Stevenage Central.
- Stronger perception of Stevenage as a place to invest to the private sector.
- Significant job creation and generation of additional GVA

Environmental

- Provision of extensive infrastructure for vehicle and cycle charging will speed up the adoption of electric vehicles in Stevenage, contributing to a reduction in CO2 emissions.
- Superior public transport services and facilities for pedestrians and cyclists will benefit personal wellbeing by reducing car usage in the town centre, enabling cleaner air and promoting healthier lifestyles.

Social

- New homes will be created to offset housing shortages.

- Local residents will have better access to key civic and social services which will become more accessible through public transport improvements and through the creation of an integrated public and voluntary sector services hub.
- Local people will benefit from high quality and more frequent journeys due to better integrated public transport services, improving quality of life and access to health services, shopping, leisure facilities, and education and job opportunities.
- Provision of new affordable homes which will be allocated to local people
- Some new qualifications will be generated as a result of the scheme

Expected Different Impacts by Protected Characteristics and/or Income Groups

2.6 Stakeholders

Key stakeholders and their role or interest in the project are listed below.

Project	Sub project	Primary Stakeholder	Comment
Station Gateway Phase 1	Multi-storey car park	Local residents	As regards consultation with local residents, the aspiration to create a consolidated vehicle park has formed part of the SG1 proposals which were presented at a dedicated visitor centre which received over 4000 visits and through a targeted consultation exercise with 600 residents.
		Network Rail	SBC own the space allocated, however key engagement will be needed with Network Rail. NR was included in the discussions for this site's allocation through Local Plan.
Station Gateway Phase 1	Cycling infrastructure	HCC	Cycleways are an HCC asset. SBC have frequent contact with HCC regarding Regeneration and Cycleways improvements. This investment is one that would be welcomed by HCC and aligns with their strategies.
Station Gateway Phase 1	Release and preparation of surface car park sites	Local Residents	A communication programme will be taken forward at the outset of the project to make local residents aware of the works to be undertaken and to take account of any concerns of those who may be affected.

Summary of Engagement to Date and Evidence Gathered

Over the last eighteen months, the approach to engagement has focussed on ensuring that residents and other key stakeholders have a space to receive regular updates on projects as well as having the ability to have a dialogue regarding the future of their town. The infographic below epitomises our continued efforts to involve the people of Stevenage within the regeneration of their town. This range of engagement has been performed across multiple formats; from school visits, business network it is from this foundation work that we have managed to build and collate a broader picture, beyond just the MyTown feedback, and uses this to form our values, themes, propositions and priority projects.

Alongside this, we have strengthened the relationships with businesses through a number of project-based consultations. Over the last three years, this has included the Local Plan, SG1, and more recently, the Bus Interchange. We have also held a number of roadshow events. We will continue this engagement with residents and stakeholders throughout delivery of the Town Deal. Our engagement

specific to this project has been with representatives of the LEP, key figures in the local and regional life sciences sector and relevant business support organisations.

The overall Planning policy for the area is established in the adopted Local Plan (2019) which was subject of extensive engagement and public examination. In addition, over the past 6 months, one key piece of engagement, of which is still on-going is surrounding the Area Action Plan which is in public consultation at the time of this business case submission. There have currently been over a 1000 responses to the consultation and the options that have been presented. Further work is on going, but it is this consultation that will be taken in to consideration for future steps.

Lastly, as per all other Town Investment Plan projects, a full stakeholder engagement and consultation plan will be required as the projects move in to delivery phase. This will also be managed at a programme level from the Town's Fund PMO.

Summary of Stakeholder Viewpoint of the Project and How it Has Influenced the Strategic Case

The key themes that have emerged from residents, business and community groups: 1. Create inclusive accessible transport 2. Create great spaces to live in and socialise 3. Create a vibrant town centre offer that is a destination for all 4. Create aspiring communities and opportunities that create a lasting legacy.

Of these, this project seeks to address theme No. 4, as it will without doubt create a lasting legacy with impacts intended for many decades to come. It will change perceptions about Stevenage amongst local people as more high-quality jobs are created and raise aspirations.

Furthermore, the stakeholder engagement exercise completed for the Life Science Action plan, directly impacted the project through its rationale for more space, expansion of the cell and gene therapy cluster and the need to accelerate the delivery of the Stevenage Town Investment Plan. In particular, it states that 'Stevenage will need itself to function as an international hub where internationally mobile people choose to work. Delivery the Station Gateway will have a bearing on perceptions of the place and this is likely to be very important'.

ECONOMIC CASE

3. ECONOMIC CASE

3.1 Introduction

This economic case defines the benefits from the scheme identified and how they will have come about, the geographical scale of the benefits by way of a place based analysis and how the how benefits estimated link to the theory of change and strategic case set out above. Quantified benefits have been calculated and an assessment made of non-quantifiable benefits. The economic case indicates which benefits have been monetised and how these will be generated year by year. Factors such as additionality, deadweight and displacement of benefits and double counting have been considered as have distributional impacts.

3.2 Approach to the Economic Case

Options Initially Considered

In the first instance, the following long list of options was considered for addressing the opportunities and constraints described above.

- Do nothing: No replacement for car park displaced by new bus station and no new or upgraded cycle ways or public realm improvements
- Proceed with the project with standard temporary car park and without investment in Sustainable Transport Hub and Charging Points to reduce costs.
- Provision of a sustainable vehicle park to replace capacity displaced by the bus station plus extensive provision of cycleways in town centre and upgrades to existing links to Gunnels Wood and beyond and upgraded cycleways and improved public realm.
- Develop Sustainable Transport Hub and cycle ways but leave public realm improvements around Plot A to private sector.
- Develop Sustainable Transport Hub and public realm upgrades but limit provision of upgraded cycleways to reduce costs.
- Extensive provision of cycleways in town centre and upgrades to existing links to Gunnels Wood and beyond.

How Project Options Were Shortlisted

The following criteria have been adopted in shortlisting options. Projects must be able to:

- Address the stated objectives of and benefits sought from the project and those of associated strategic policies
- Be delivered within a 6-9 month timescale. (Work has begun on a number of the suggested projects).
- Significantly accelerate delivery of the Stevenage Central SG1 Regeneration Strategy

- Significantly improve accessibility in an out of the Town Centre
- Demonstrate a significant impact on air quality, adoption of ultra-low vehicles and reduction of traditional car usage

Shortlisted Options

Option 1 Do nothing: No replacement for car park displaced by new bus station, no new or upgraded cycle ways or public realm improvements	<p>Constrains access to the town centre and use of public transport modes. Impedes completion of the Stevenage Bus Interchange project. Removes opportunity to release additional redevelopment sites. Leads to sub-optimal site redevelopment and wider town centre regeneration outcomes.</p>
Option 2 Do Minimum Scenario: Proceed with the project with standard temporary car park and without investment in Sustainable Transport Hub and Charging Points to reduce costs.	<p>Fails to address move towards ultra-low emission vehicles. The proposed vehicle park would be suitable only for petrol and diesel fuel vehicles, removing any beneficial impact as regards environmental quality and clean air and the introduction of advanced transportation. It would hold back measures to bring about accelerated adoption of electric vehicles from residents and employees in Stevenage and hold back a major opportunity to introduce electric vehicle hire schemes that could avoid car journeys into the town.</p>
Option 3 Develop Sustainable Transport Hub and cycle ways but leave public realm improvements to private sector.	<p>Development of sites released delayed. Sub-optimal regeneration outcomes for released sites and the rest of the central core due to reduced investor and public confidence.</p>
Option 4 Provision of a sustainable vehicle park to replace capacity displaced by the bus station plus extensive provision of cycleways in town centre and upgrades to existing links to Gunnels Wood and beyond and upgraded cycleways and improved public realm.	<p>Provides a sustainable solution to the loss of parking provision as a result of the development of Stevenage Bus Interchange. Releases other site for future redevelopment, accelerating the completion and realisation of the Stevenage Central Framework.</p> <p>Encourages significant switch to cycle use away from cars. Provides flexible access to the town from business visitors at shoppers and promotes cleaner air through use of electric vehicle and cycles. Proposed public realm improvements adds to the enhanced inter-connectivity and improves investor confidence and appeal of new housing to prospective buyers and tenants.</p>
Option 5 Develop Sustainable Transport Hub and public realm upgrades but limit provision of upgraded cycleways to reduce costs.	<p>Reduces viability and use of the cycle facilities in the Sustainable Transport Hub. Deters and limits switch to cycle use in general.</p>

Preferred Option

The preferred option is No. 4: Provision of a sustainable vehicle park to replace capacity displaced by the bus station plus extensive provision of cycleways in town centre and upgrades to existing links to Gunnels Wood and beyond and upgraded cycleways and improved public realm.

3.3 Economic Benefits

Quantified Benefits

Summary of Outputs – Combined Stage 1 & Stage 2

Direct Outputs

Commercial Floorspace Developed or Upgraded sqm	20,000
Net Increase in Commercial Floorspace	20,000
Additional homes brought forward	500

Possible indirect outputs, subject to the completion of the 2nd stage and then delivery (Masterplanning and enabling)

Indirect Jobs	177
Jobs Safeguarded	0
Jobs Created	1683
Additional GVA Generated per Annum	£107,379,176
Additional Annual High Level Skills Qualifications Attained	27

Stage 1 outputs will be directly attributed to this element of Towns Fund grant funding to enable stage 2 outputs to be utilised for future funding bids.

How Benefits Have Been Monetised

GVA impacts from employment and income projections have also been projected. These have been projected over a 30-year period. A benefit and cost analysis has then been carried out with impacts modelled and monetised over a 30 year period.

Relevant Modelling Results

	Present Value	Undiscounted
	30 Years	30 Years
Cost	£14,464,862	£15,500,000
Benefits		
GVA	£1,495,659,824	£2,625,621,649
Income Generation	£4,895,488	£8,355,100
Total	£1,500,555,312	£2,633,976,749
Net Present Value: Benefits Less Cost	£1,486,090,449	£2,618,476,749
BCR Calculations		
GVA	103.40	169.39
Income Generation	0.34	169.39
All Benefits	103.74	169.93

Additionality, Deadweight, Displacement and Substitution of Benefits

The following assessment has been made of additionality, deadweight, displacement and substitution of benefits.

Additionality	<p>Additionality affects that would not have been realised but for this project are:</p> <ul style="list-style-type: none"> • Zero-carbon ready vehicle park • New floorspace created and associated job creation • Additional housing that would not have been possible without the project • Enhancement of Stevenage Town Centre's profile as a high-quality business location for international companies
Leakage	This project is about place specific site development which cannot take place elsewhere so no leakage is anticipated.
Deadweight	The benefits from this project could not have happened anyway given identified market failures and the amount of investment needed to release and prepare the proposed sites ready for development.
Displacement	Possible relocation of high-tech businesses from Gunnel's Wood to the town centre may occur, but given the intensity of demand from the clustering effects within the biosciences sector coupled with a shortage of employment space borough-wide, replacement investment would be found quickly, creating jobs that would cancel out any displacement effects.
Substitution	<p>Not expected to apply as:</p> <ul style="list-style-type: none"> a) Stevenage is being positioned for attracting investment and jobs from international companies b) Given the proposed innovation hub and STEM skills project complementing this project as part of the Town Fund proposals, skills levels will be enhanced.

Assessment of Non-Quantified Benefits

Project	Impact	Assessment of Benefits
Multi-storey car park, cycle hub and new cycling routes	Completion of sustainable transport hub	<ul style="list-style-type: none"> • Enhanced integration with public transport, improved travelling times and enhanced workforce productivity • Higher quality and more frequent journeys due to better integrated public transport services. Improved quality of life and access to health services, shopping, leisure facilities, and education and job opportunities. • Better accessibility between businesses and employees • Adoption of advanced practices in the charging and adoption of low emission vehicles conducive to higher air quality • Contribution to meeting of net zero

Project	Impact	Assessment of Benefits
		emissions targets
Masterplan, public realm improvements, site preparation and investment promotion	Higher levels of investor confidence	<ul style="list-style-type: none"> • Acceleration of development commitments and completions. • Providing an improved town centre environment with the infrastructure to enable more integrated public transport will generate higher levels of investor confidence, conducive to acceleration of the rest of the redevelopment of Stevenage Central. • New homes will be created to offset housing shortages. Faster provision of new affordable homes that can be allocated to local people. • Enhanced investment on upgraded food and beverage outlets. • Wider choice of high quality jobs for local residents • Increase in town centre residents, employees, visitors and spending.

Consideration of Distribution of Impacts

Employment and income

High quality office development employment opportunities will predominantly benefit white collar occupations.

F&B and retail development will provide employment opportunities for service sector, manual and elementary occupations.

Geographical

Beneficiaries will be primarily current residents of Stevenage and future residents of the town centre plus those within Stevenage and its travel to work area.

Protected Groups

No adverse effects are identified.

3.4 Economic Costs

Costs for the MSCP have been obtained by commissioning a cost report from Calford Seadon. Capital costs are set out below. Costs for the Site Development Facilitation are at present estimated.

Multi-storey Car Park

Construction of Multi story car park of 626 spaces	£8,124,000
Electrical substation, water and telecom supply infrastructure	£148,620
Landscaping to Litton Way	£30,000
Ancillaries	£477,475
Design risk contingency	£131,702
Cycle Hub	£200,000
Sub Total MSCP Construction	£9,111,797

Site Development Facilitation

Masterplanning	£180,000
Site preparation and acceleration measures	£3,158,203
Enabling infrastructure and other works	£3,000,000
Investment Promotion	£50,000
Sub Total Site Development Facilitation	£6,388,203
Grand Total	£15,500,000

3.5 Value for Money Assessment

The value for money assessment below sets out 30 year discounted monetised costs and benefits of the Core project scenario and a BCR. The discounted monetised impacts are also set out based on the scenarios of:

- No ensuing commercial development taking place on available sites
- No ensuing commercial or housing development taking place
- No Vehicle charging or cycle hub facilities being provided.

VFM Assessment			
Discounted at 2021 Prices	Scenario	Scenario	Scenario
Economic benefits	Core	No Vehicle Charging or Cycle Hub	Housing But No Ensuing Commercial Development
	Value	Value	Value
GVA	£1,495,659,824	£1,495,659,824	£86,108,929
Income generation	£4,895,488	£0	£4,895,488
Total	£1,500,555,312	£1,495,659,824	£91,004,417
Costs			
Total	£14,464,862	£14,130,862	£14,464,862
NPV	£1,486,090,449	£1,481,528,962	£76,539,555
Benefit Cost Ratio	103.7	105.8	6.3

Steps taken to maximise VfM

Appropriate measures are being applied to ensure that the construction works for the project can be delivered in the most cost-effective manner possible, without sacrificing on the quality and functionality of the end product.

To this end, the appointed contractors will be asked to assess scope for further savings from the supply chain, alternative configurations and materials with a view to optimise value for money. In addition, quotes for ongoing design and survey activity will be retendered should this be considered to have scope for further savings.

3.6 Place Based Analysis

Benefits related to the preferred option which are quantifiable and those wider in scope or non-quantifiable are set in the place-based analysis described below, taking account of local employment impacts.

Place Based Analysis																			
Target Area	Stevenage Gateway / Central Core, Stevenage Town Centre, SG1																		
External dependencies	None affecting project implementation Site occupancy dependent on market demand, though occupier demand for commercial floorspace in town centre has been identified																		
Benefits to the Target Area: Quantified	<p>Summary of Outputs</p> <table> <tr> <td>Jobs Created</td><td>1683</td></tr> <tr> <td>Commercial Floorspace Developed or Upgraded sqm</td><td>20,000</td></tr> <tr> <td>Net Increase in Commercial Floorspace</td><td>20,000</td></tr> <tr> <td>Additional homes brought forward</td><td>500</td></tr> <tr> <td>Indirect Jobs</td><td>177</td></tr> <tr> <td>Jobs Safeguarded</td><td>0</td></tr> <tr> <td>Construction Jobs</td><td>1,369</td></tr> <tr> <td>Additional GVA Generated per Annum</td><td>£107,379,176</td></tr> <tr> <td>Additional Annual High Level Skills Qualifications Attained</td><td>27</td></tr> </table>	Jobs Created	1683	Commercial Floorspace Developed or Upgraded sqm	20,000	Net Increase in Commercial Floorspace	20,000	Additional homes brought forward	500	Indirect Jobs	177	Jobs Safeguarded	0	Construction Jobs	1,369	Additional GVA Generated per Annum	£107,379,176	Additional Annual High Level Skills Qualifications Attained	27
Jobs Created	1683																		
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Jobs Safeguarded	0																		
Construction Jobs	1,369																		
Additional GVA Generated per Annum	£107,379,176																		
Additional Annual High Level Skills Qualifications Attained	27																		
Benefits to the Target Area: Qualitative	<p><u>Economic</u></p> <ul style="list-style-type: none"> Acceleration of the redevelopment of key sites Enhanced integration with public transport Improved travelling times and enhanced workforce productivity Improved town centre environment Stronger perception of Stevenage as a place to invest Higher levels of investor confidence conducive to acceleration of transformation throughout Stevenage Central <p><u>Environmental</u></p> <ul style="list-style-type: none"> Significant reduction in car usage and contribution to net zero targets Cleaner air and healthier lifestyles due to increased active travel <p><u>Social</u></p> <ul style="list-style-type: none"> New homes will be created to offset housing shortages Better accessibility between businesses and employees Local residents will have better access to key civic and social services 																		
Possible collateral effects in the target area or wider spatial area	<p><u>Positive effects</u></p> <ul style="list-style-type: none"> Acceleration of on-going regeneration of the town centre. Reduced car usage cleaner air and healthier lifestyles <p><u>Negative effects</u></p> <ul style="list-style-type: none"> Possible attraction of employers from Gunnel's Wood employment area 																		
Adverse effects on																			

Place Based Analysis	
Target Area	Stevenage Gateway / Central Core, Stevenage Town Centre, SG1
protected groups	None so far identified
Different impacts by income group	High quality office development likely to benefit white collar occupations F&B and retail development will provide opportunities for manual and elementary occupations
Views of local stakeholders	TBC
Alignment with wider public policy in the relevant area/s and the UK as a whole/s	<u>National</u> Boost to: Prospects for the UK Innovation Corridor Net Zero Carbon Policies <u>Sub-regional</u> Hertfordshire Covid Recovery Plan: contributes to equipping Hertfordshire's places for mid-21st Century living supporting town centres and town-level economies building digital connectivity. Boosts enterprise and innovation and international trade and investment. Local Industrial Strategy Grand Challenges: addresses clean growth and helping the additional older people to stay active and independent through more walking. Sub-regional and Local Transport Policies: helps create a built environment conducive to improved accessibility; reduces the need to travel; promotes conditions for clean forms of advanced transportation; encourages change in people's travel behaviour <u>Local</u> Stevenage Local Plan 2019-2031. Directly addresses Local Plan's ambitions for new homes and additional employment floorspace. Stevenage Central Framework. Recycling and redevelopment sites; opportunities to create offices and workspace matching post-Covid requirements; uplifting the area's image and investor confidence; improvements in the quality and efficiency of public transport journeys and contribution to carbon reduction targets.
Dependency on the successful delivery of other proposals	Completion of new bus interchange and rail station upgrade, both approved and funded
Link of Benefits Estimated Link to Theory of Change and Strategic Case	<ul style="list-style-type: none"> • A sustainable transport hub providing a high quality interchange between rail, road, cycle, bus and pedestrians • Accelerated adoption of electric vehicles • Cleaner air • Healthier lifestyles due to active travel • Release and acceleration of additional development sites • Construction of additional housing • Construction of new commercial space • Attraction of high profile business occupiers • Recognition of Stevenage Town Centre as a high prestige business location • Increased investor confidence • Acceleration of transformation of other SG1 major opportunity areas • Increased footfall boosting prospects for revived retail, leisure and hospitality sector

3.7 Summary of Preferred Option for Investment

Purpose and Key Elements of the Project

The purpose of this project is to:

- d) Bring about a sustainable transport hub serving the Central Core, the rest of the Stevenage Central area and providing links to the Gunnels Road employment area.
- e) Define a coherent vision and masterplan for the Station Gateway/Central Core major opportunity area of Stevenage Central.
- f) Create the conditions for significant office and R&D space and residential development to be accelerated.

Key elements of the project are:

- Creation of a sustainable multi-storey car parking facility
- Fit out of the multi-storey car park with renewable power, EV charging, cycling storage and hire facilities
- Enhancements to cycling and walking infrastructure.
- Preparation of the masterplan and site development briefs
- Scope of enabling works required
- Programme of public realm improvements
- Investment promotion to attract occupiers and accelerate development

The project provides a sustainable solution to the loss of parking provision as a result of the development of Stevenage Bus Interchange and releases other smaller car parking sites for future redevelopment, accelerating the completion and realisation of the SG1 regeneration strategy.

It encourages significant switch to cycle use away from cars. Provides flexible access to the town from business visitors at shoppers and promotes cleaner air through use of electric vehicle and cycles. Proposed public realm improvements adds to the enhanced inter-connectivity and improves investor confidence and appeal of new housing to prospective buyers and tenants.

New cycle connections and hubs across the town centre will increase capacity for modal shift towards ultra-low emission vehicles and sustainable transport and encourage a significant switch to cycle use away from cars. These will provides flexible access to the town from business visitors and shoppers and promote cleaner air through use of electric vehicle and cycles.

The proposed public realm improvements will provide clear access into the town centre adding to the enhanced inter-connectivity. They will help create a safe, accessible and fully pedestrianised Town Centre, embracing Stevenage's heritage. They will also improve investor confidence and increase the appeal of new housing to prospective buyers and tenants.

The release of surface car parks for redevelopment and related site preparation and enabling works for three sites released for redevelopment will provide opportunities for new housing and commercial development. New office development made possible will reposition Stevenage as office location of international significance providing high quality jobs and career opportunities to Stevenage residents.

FINANCIAL CASE

4.1 Introduction

This section sets out the financial case for the project first describing the approach and funding options, details of the buildup of costs, proposed funding and an affordability assessment.

4.2 Approach to Financial Case

Funding Options Considered

Stevenage Borough Council

Stevenage Borough Council has been investigating a range of funding opportunities to fund projects within the Regeneration programme and working across the organisation to create a centralised review of available funding opportunities and determine which projects are most appropriate. The financial impact on the council following COVID 19 will be significant, and it is anticipated that the capital programme will be affected. Were this project to be solely funded by the Council, it would divert funds earmarked for other initiatives essential to accelerating the regeneration and renewal of the SG1 area, such as strategic site acquisitions and associated enabling works.

Other Public Sector Funding Options

Other funding options such as Future High Street, One Public Estate and Levelling Up funding are less aligned in terms of criteria and the urgency surrounding the scheme, though these are being explored in conjunction with the Town Development Board.

Private Sector

There are good prospects for mobilising the private sector to invest in and take forward the latter stages of the project. However, to be a viable scheme, public investment is required to help enable development.

Preferred Funding Option

The Town Fund is considered to be an ideal option for this scheme, to support and enable delivery, release of land and comprehensive masterplanning. This can realistically be expected to create the level of confidence needed to secure the investment and development commitment necessary for the Gateway to come forward.

Funding Profile and Scheduling

The funding profile is summarised as follows. It is proposed that the Town Fund provides the resources for whole development of the project.

Funding Profile	MSCP	Development Facilitation	Total
Private Sector	£0	£0	£0

APPENDIX B

SBC	£3,111,797	£1,888,203	£5,000,000
Town Fund	£6,000,000	£500,000	£6,500,000
Other Public or Private Sector		£4,000,000	£4,000,000
Total	£9,111,797	£6,388,203	£15,500,000

The table below shows the scheduling of the funding.

Sources	21/22	22/23	23/24	24/25	25/26	Total
Private Sector	£0	£0	£0	£0	£0	
SBC	£0	£0	£3,000,000	£1,000,000	£1,000,000	£5,000,000
Town Fund	£200,000	£3,100,000	£2,700,000	£500,000	£0	£6,500,000
Other	£0	£0	£0	£2,000,000	£2,000,000	£4,000,000
Total	£200,000	£3,100,000	£5,700,000	£3,500,000	£3,000,000	£15,500,000

Note SBC match includes capital funding and foregone land value of the direct site.

4.3 Costs

The project costs are as set out below and are divided in to the MSCP and Site Development Facilitation.

The costs outlined below are directly attributed to the Town Fund monies. However it is important to highlight that after creating the conditions for development, it is envisaged that the majority investment would sit with the developer. Options for how this will be approached can be viewed in the Commercial Case, and will be updated after related activities have been completed.

Multi-storey Car Park	
Construction of Multi story car park of 626 spaces	£8,124,000
Electrical substation, water and telecom supply infrastructure	£148,620
Landscaping to Lytton Way	£30,000
Ancillaries	£477,475
Design risk contingency	£131,702
Cycle Hub	£200,000
Sub Total MSCP Construction	£9,111,797
Site Development Facilitation	
Masterplanning	£180,000
Site preparation and acceleration measures	£3,158,203
Enabling infrastructure and other works	£3,000,000
Investment Promotion	£50,000
Sub Total Site Development Facilitation	£6,388,203
Grand Total	£15,500,000

4.4 Affordability Assessment

A BCR has been calculated as shown below, based on present values at 2021 prices discounted over 30 years.

	Present Value	Undiscounted
	30 Years	30 Years
Cost	£14,464,862	£15,500,000
Benefits		
GVA	£1,495,659,824	£2,625,621,649
Income Generation	£4,895,488	£8,355,100
Total	£1,500,555,312	£2,633,976,749
Net Present Value: Benefits Less Cost	£1,486,090,449	£2,618,476,749
BCR Calculations		
GVA	103.40	169.39
Income Generation	0.34	169.39
All Benefits	103.74	169.93

4.5 Financial Risks and Mitigation Plans

Financial Risks	Mitigation Measures
Recovery after lockdown is slow and the future parking demand is uncertain	Continued and timely engagement with stakeholders to maximise inward investment. Programme explicitly agreed and adequately resourced.
Location of the site next to railway station imposes a risk in increased cost during construction phase.	Early engagement with Network Rail will mitigate the risk of unknown cost should any fees/ extra measures be required. Consultant team and contractors appointed will need to have prior experience of working on projects with similar constraints
The construction cost exceeds the limit for the project or other issues arising during the design development	A cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.
Loss of customers using the North car park during the construction period.	Location of nearby car parks with access routes would be widely advertised encouraging commuters to use them. The best time to build would be during the recovery from pandemic when parking levels are still not back to 'regular levels'.
Slow car park usage recovery post-pandemic.	Establish Car Parking Working Group. Ensure rigorous and timely data capture. Parking incentives to optimise usage. Appropriate signage.
Covid-19 Outbreak and introduction of lockdown measures	Client, consultants, and contractors work together to agree common solutions. Innovative approaches to procurement are in place. Allow for time extension in contracts. Monitor financial resilience of supply chains.
Development of surface car parks within the Station Gateway area constrained by unknown site conditions.	Clear and appropriate description of works in technical documents. Clearly defined scope of works e.g. contractor's design obligations and buildability obligations

COMMERCIAL CASE

COMMERCIAL CASE

Introduction

The section sets out the commercial case, describing the potential commercial options for delivery of the project Station Gateway, taking in to account the existing commercial strategy of the Borough Council and on this base the procurement strategy adopted based on a review of the possible options for the preferred procurement route. The proposed procurement process, including milestones and processes for assurance and approvals, is further set out in this section.

This commercial case will be split in to two key themes that cover the project elements as discussed in the Strategic Case

- Construction of the Multi-Storey car park and vehicle centre
- Masterplanning works, Enabling works, Investment Attraction

It is important to note that significant work has already been undertaken with regard to the MSCP, including first stages of design leading up to production of required materials planning application submission which is due to be submitted in Q3 21/22.

Commercial Deliverability

Potential delivery options

1. Multi Storey Car Park

In November 2020, Stevenage Borough Council made the Executive decision to continue with the procurement strategy to procure consultants to support with the production of tender packaged documents for the MSCP. Since then, SBC have appointed Calfordseaden via SBS NHS Framework as a multi-disciplinary consultancy for this project. During this time, an option appraisal was performing to inform the decision of what procurement path would be best for such a project. As a result of this, tender documents for the construction contract were prepared for an open OJEU tender with Selective Questionnaire stage which enabled SBC to select the most relevant contractors for this type of building.

Proposed Delivery Model, Roles and responsibilities

SBC went through a tender process for a two-stage Design and Build contract, from which German contractor Huber provided the winning bid due to the high quality of their submission and price that was within the target £9M budget. During the Pre-Construction Services Agreement (PCSA), a design has been developed in collaboration with Fatkin architects, who are subcontracted by Huber. The project has remained within the PCSA, progressing through to RIBA Stage 3, producing designs and cost plans leading and preparing materials required for planning, led by the Regeneration team with support from Employer's Agent and Quantity Surveyor Calford Seaden.

Following positive discussions with the Planning Authority, the project team anticipate submitting a full planning application in the next two weeks. In order to reduce the programme, non-abortive work will start on the RIBA Stage 4 elements in advance of the Planning committee, which is expected early in the New Year. In December, a report is due to go to the Council's Executive Committee with full details of

the impact of expected development sites on parking capacity in the town centre, with financial justifications to underpin a recommendation to make funding available and progress the project to construction stage. If the recommendation is approved, the Council will enter into a JCT Design & Build contract to build the car park in February 2022, with start on site expected in March/ April for approximately 12-14 months (tbc.)

Huber is a German car park construction specialist, who have managed and constructed a number of high-specification multi-storey car parks across the UK and Europe. They have won a number of national awards for car parks, including the In the UK; they often work with Fatkin, a UK-based architectural partnership.

2. Masterplanning and Enabling

As part of the creation of this business case, funding will be allocated for the first stage of masterplanning and enabling works for the wider gateway, to unleash the full development potential of the area. Regeneration of the gateway has the ability to unlock hundreds of new homes and jobs, and provide a revitalised focal point for the town, serving the needs of businesses and residents. This will require significant intervention, and based on the land use planning and viability work conducted as part of the business case, there will be a need for public funding for the infrastructure works. These infrastructure works need to be planned and explored and development parcels tested, so that a package of fundable interventions is established.

Proposed delivery model

It is proposed that a professional team will be established to work on the gateway area across a wide range of stakeholders, including both private and public sector. The funding secured will be used to deliver key outputs and work packages across the gateway, ensuring that future phases of transformation can be effectively brought to the market and delivered. This will include transport planning, engineering, masterplanners and urban designers.

Risk management through the contract for Fatkins/ Huber

The Council has appointed Calford Seaden in a Client's Representative/Employers Agent role, covering Project Management, Cost Management and other services.

The Council's own project manager meets on a weekly basis with Calford Seaden for updates to the programme, risk register and cost forecasts. These are then reported back to the Project Sponsor on a monthly basis at the client-side Project Team meeting, and on an ad-hoc basis in between as required.

Procurement Strategy

Although there is still significant work to do to deliver the MSCP as the first enabling works, due to the setup of the original contract, there is limited requirement for additional procurement. Any additional requirements would be procurement instructed through client representative/ employer's agents and Huber.

However, for the second part of stage 1 of the project, Masterplanning, it will require a number of procured specialists in order to deliver. This could be done by procuring a lead consultant on behalf of a multi-disciplinary team, or individual work packages could be procured; the project manager will need to establish the most cost-effective method of proceeding. This could include cost consultancy, transport planning, masterplanning, urban design and other related disciplines.

Key milestones, assurance and approvals

The key milestones for the acceptance and progressing of the MSC work is captured more thoroughly in the management case with significant detail captured in the appended MSCP programme. The remaining approval will be for remaining funding which is subject to Executive approval from the Council, as the provider of the remaining funding required.

Turning to the masterplanning/wider station gateway works, it will be essential to ensure that the work is carried out in a way which complements and builds on the MSCP as a key enabler of development. Key milestones will include:

- Establishment of project delivery team
- Scope services / work packages to be delivered and test with stakeholders
- Procure one or multiple packages to facilitate delivery
- Carry out work, including stakeholder and public engagement to inform direction
- Deliver tangible outputs that facilitate redevelopment of the wider Gateway.

Existing Policies and Procurement Strategies

Stevenage Borough Council follows public procurement procedures and complies with public procurement law (s35 Local Government Act 1972 plus current OJEU regulations). Information regarding this can be viewed on the SBC website. Stevenage Borough Council will perform the procurements for the remaining elements.

As part of this there have been recent improves to the procurement strategy of the council to ensure that maximise impact for social value, sustainability and innovation is embedded within tendering and contractor management processes. For these projects, this approach will be continued and monitored through the monitoring and evaluation process which can be viewed in the Management Case of this business case.

MANAGEMENT CASE

MANAGEMENT CASE

Introduction

This section sets out the approach and experience of SBC in delivering similar projects and sets out the proposed arrangements for Project Organisation and Governance. The approaches to oversight and approvals and to assurance and the assurance plan are then described.

The scope of the project and its key elements are described alongside highlighting further requirements, the interfaces with third parties and related management approach and the approach to solution development, confirmation management and acceptance.

The structure of the project programme and principal stages and work streams and related timescales are then described, making reference to interdependencies with rest of TIP and non-TIP projects.

The key milestones and key decision points, assurance, consents, approvals are then summarised. Constraints and assumptions are then summarised and the most likely forecast completion date stated. This section also elucidates on the approaches to risk and opportunities management, project management, stakeholder engagement and benefits, monitoring and evaluation.

As structured through this report, where needed the individual project elements will be separated should there be a need to highlight difference approaches in the management case. If this is not highlighted, then assume that the process encompasses the entirety of the project.

For this project Stevenage Borough Council has two distinct responsibilities- delivery team/ vehicle and Accountable Body for the Town's Fund programme and monies.

Experience of delivery

In the last five years, SBC's Regeneration team have completed:

- 4 Public realm schemes totally 45,520 sqft (£3 million)
- Refurbishment of disused 18,000 sqft of office space and retail space (£6 million)
- Relocation of the CCTV control room, decant and vacant possession of office building (£2.4 million; and
- The construction of a £9.6 million Bus Interchange including highway interventions and public realm (due for completion in Q4)

The accumulative impact of these projects have resulted in the Council have secured 2 developers bringing private development investment of over £500 million. The Council has a dedicated regeneration directorate to deliver a programme of projects with a current capital value in excess of £30 million. This team maintains strong working relationships with HCC in their growth, education, highways and development capacity and with the LEP, who have experience of programme management of major schemes.

Project Organisation and Governance

There is a very well established two- tier governance system which is already overseeing the delivery of the programme of projects delivery regeneration in the town centre. The Town Development Board has been recently established after drawing the previous Stevenage First board to a close. This board operates a strategic steering group, which sets the vision and direction for the Town Investment Plan funding.

In terms of the project delivery, there is a further two tier governance structure in place at a programme and project level. Regeneration Steering Group, which monitors the overall performance of the programme, and project groups that are established relating to the project with standardised governance and project management approach that escalates progress, risks and relating to budget, timescales tolerance levels. To the Regeneration Steering Group Projects delivered to date under this supervision model include the public realm projects- Forum Square, Littlewoods Square, Market Place, Wayfinding and more recently North Block, Town Square and the vacant possession of Swingate House.

Station Gateway Project	Organisation	Functions	Key Roles	Capability	Competences and Resourcing
All	Stevenage Borough Council	Orchestration of regeneration strategy and projects	Stakeholder consultation Project scoping Sourcing of funding Initiation of delivery partnerships Formalising approvals	Well-developed stakeholder engagement strategy, organisation and processes Devising high impact regeneration solutions Delivery through partnership	Expert and experienced regeneration team Town Fund award and match funding for key projects Delivery partnerships
MSCP	Fatkins	Architects	Design of the scheme Completion of planning Ensure quality throughout construction	Well known firm Devising strong design and ensuring quality	
	Huber	Contractor for the construction of the MSCP	Main contractor the construction of the MSCP Coordinating sub-contracting Ensuring Healthy and Safety onsite	Well-developed company Track record of construction of MSCP and other facilities.	
All	Stevenage Borough Council Accountable Body	To act as the Accountable Body ensuring robust processes are followed for the delivery of the project	Monitoring and Evaluation Assurance Financial security	Well-developed Council processes which will be adhered following the endorsement from the Development Board Capital Programme experience	Expert Finance Team with knowledge of capital schemes Shared learning with LEP

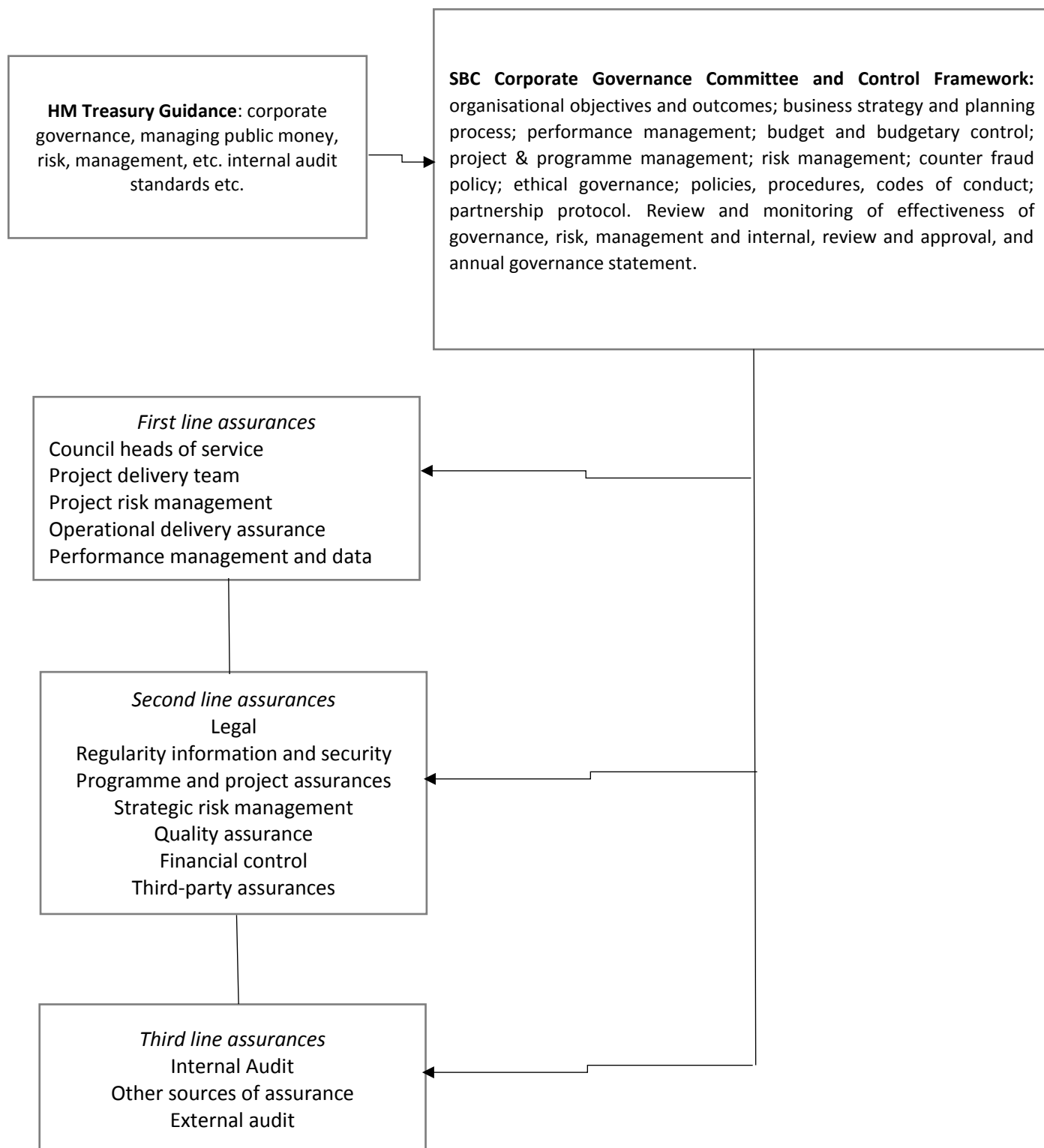
Assurance

All proposals and business cases will go through a transparent and robust application and scrutiny process, based on three simple principles:

- Robust interrogation to maximise value for money and ensure outputs and outcomes are deliverable and achievable
- Streamlined and efficient process, utilising private sector partners, to ensure pace of delivery is maximised
- Transparency and openness, with the process and framework published (without prejudice to commercial confidentiality).

Summary of Assurance Plans and Timing of Key Reviews and Links to Decision Points

6.3.2 The assurance process will proceed via the following framework.



Scope Management

The scope of the project has been informed and driven by the policies outlined in the Stevenage Central Framework and following this the Local Plan, to transform the town centre and unlock its major opportunity areas.

The scope for the MSCP has been defined utilizing this and stakeholder engagement both internally and externally, to form the specification required for a new MSCP. Currently there is a Car Parking review, which looks to finalize if there should be any other additions to the specification prior to contracting for the construction of the MSCP facility.

The full design of the scheme to this stage can be viewed in the Appendices.

The development will take place as per the programme, but a summary of the key activities involved can be viewed below:

-

Activity	Parallel Projects	Current Project	
		Enabling Phase	Development Phase
Design and business plan for capacity and finance options		✓	
Planning application and refinement of design & funding options		✓	
Potential for construction to commence 2022		✓	
Implementation phase to mobilise new facility 2023		✓	
Redevelopment of land vacated by provision of the facility 2023-2030	✓		✓

For the master planning and enabling works, the scope remains aligned with the local policies, however a detailed specification of the work stream will need to be worked up to encompass the different workstreams will be required to get to full development appraisals prepared for the market.

This will include:

- Appointment of the project manager and project delivery team
- Assemble professional team through one or multiple procurements
- Carry out surveys/feasibility studies to confirm scope of works
- Carry out stakeholder and public engagement
- Develop outputs to facilitate redevelopment of Station Gateway

The final specification of works will return to the Development Board for future endorsement.

With recent study Stevenage Central Core West- Update report accompanied with the high level development appraisals has shown that there will be a requirement for enabling works and public intervention to increase the viability of the scheme. It will be through the exploratory surveys that will highlight and the information specification which will then need to be approved through assurance processes and governance procedures as outlined within this business case.

Approach to Specifying, Approving, and Managing Requirements

The Stevenage Central Framework also sets the parameters underlying the specification of requirements. This has set targets for the amounts of employment space and number of homes to be developed and jobs to be created. Sub-regional economic growth objectives, such as assuring the success of the UK Innovation Corridor in Hertfordshire and the bioscience cluster in particular have an influence on the scope of the project.

To achieve these aims and targets, the Council has specified the resources, processes and tools that need to come together in place to transform Station Gateway. Specifically:

- Allocation of one of six surface car parks to be redeveloped as per the Stevenage Central Framework – i.e. Marshgate
- The lining up of a competent developer and high prestige occupier for the site
- A project plan and programme for the creation of a high quality public realm to provide conditions for the redevelopment aims to be realised successfully
- Ensuring the necessary planning approvals are secured
- Putting in place other relevant enabling measures affecting the site.

Solution Development

Solution Development

Given that the solution for the creation of the bioscience office building has been extensively worked up by Reef, the solution development process described here focuses on the public realm project. This has comprised the following stages.

- i) Objective setting.
- ii) Consultation with the prospective occupier, neighbouring business users and residents.
- iii) Issues identification – examination of how key outcomes to be realised and what adverse impacts need to be minimised.
- iv) Specification of requirements.
- v) Identification, investment appraisal and evaluation of solution options.
- vi) Selection of optimum solution.
- vii) Specification of the project.
- viii) Verification that the specification will deliver what is required.
- ix) Interim development of value-improving proposals
- x) Interim checks on the project to ensure that the right product is being built.

Confirmation Management and Acceptance

6.4.10 The confirmation management and acceptance process will cover the reviews and decisions to address:

- the relevance and appropriateness of the objectives
- whether the requirement reflects the objectives and addresses the issues identified
- whether the project specification will meet the preferred solution
- whether the final project outcome has met what was required.

Programme/Schedule Management

Key elements of the programme are:

- Creation of a sustainable multi-storey car parking facility including:
 - Fit out of the multi-storey car park with renewable power, EV charging, cycling storage and hire facilities
- Enhancements to cycling and walking infrastructure.
- Programme of public realm improvements
- Site preparation and enabling works for three sites released for redevelopment
- Investment promotion to attract occupiers and accelerate development starts
- Preparation of the masterplan and site development briefs

Main milestones can be capture within this summary table below.

Milestone	Timescale	
	Start	Complete
<i>MSCP</i>		
<i>RIBA 1</i>		Complete
<i>RIBA 2</i>		Complete
<i>Planning application submitted</i>	Q3 21/22	
<i>Planning approval</i>		Q4 21/22
<i>Stevenage Development Board endorsement of Business Case</i>	DECEMBER 21	DECEMBER 21
<i>EXECUTIVE APPROVAL SBC of Station Gateway Business case</i>		
<i>Executive approval of remaining match funding (MSCP)</i>		
<i>RIBA 3a</i>	Q3	Q3
<i>RIBA 4</i>	Q4	Q1
<i>Contractor coordination for contractor</i>	Q4	Q1
<i>Construction</i>	Q1 22/23 (April)	Q4 22/23 (January)
<i>Completion of scheme</i>		January 2023
Masterplanning and enabling		
Update progress report against SCF	Q3 21/22	Complete
Indicative masterplan	Q3 21/22	Complete
Outcome resulting from the AAP	2022/23	
Defined specification	Q3 22/23	
Board endorsement	Q3 22/23	
Procurement	Q4 22/23	
<i>Feasibility and surveys</i>	Q1 23/24	
Primary body of work including engagement	Q3 23/24	
Finalisation of work	Q4 23/24	

Due to the progress to date regarding the MSCP, and its integral part of enabling future development, Station Gateway has been placed as **a fast track project**.

Enabling the release of other schemes affects not only directly links with other projects in the Town's Fund- notably Marshgate- but it links to the wider Regeneration Programme within the town Centre.

In terms of the masterplanning and enabling works and unlocking the station gateway, a clear project that directly to this is the Leisure project. The relocation of the Leisure facility (to be determined by board and accountable body later this financial year) is a clear dependency for unlocking this pace and will need to closely align these sets of works in terms of programme and information sharing.

A full summary of the key milestones including the key decisions points consents and approvals can be clearly viewed within the MSCP programme (in the Appendices).

Key Decision Points	<ul style="list-style-type: none"> • Sign off of final business case • Sign off of project designs final costings and delivery plan for MSCP • Sign off of risk mitigation measures • Authorise specification (Masterplanning and Enabling) • Authorisation of project start • Commissioning of interim and final audits • Sign off of project completion. Summarised as follows.
Assurances	<ul style="list-style-type: none"> • Integrated review of project risks and strategic risks, mitigation proposals and actions • Review of monitoring reports • Stage gate assessments • Decisions and interventions in the event of serious delays or emerging major uncertainties • Interim project audit • Directions in event of financial and other irregularities if required • Interventions in event of non-delivery of development agreement • Regular engagement with Stevenage Development Board • Sign off of independent audits
Consents & Approvals	<ul style="list-style-type: none"> • Local authority planning approval • Endorsement of final business case (Stevenage Development Board) • Approval of final business case (Accountable body) • Approval of project designs, final costings and delivery plan for public realm works • Approval of terms of land sale • Approval of development agreement • Approval for project start • Sign off of project completion
Critical Paths and Higher Risk Workstreams	<ul style="list-style-type: none"> • Interim arrangements for reallocated car parking capacity if required • Completion of multi-storey car park in timely manner • Significant unknown costs for enabling works and requirement for more funding

Summary of constraints, assumptions, and basis for programme rates/durations

Issue	(Possible) Constraints	Assumptions	Basis for Programme Durations
Planning	Decision awaited	Approved & issued	Delays would affect project start
Requirement for interim car parking capacity	Cost constraints to the budget of the project	Arrangements will be made to divert cars to interim provision on other car parks and monitored closely	No delays expected
Lack of funding relating to enabling works required to assist with viability	Reduced scope of options to increase viability and attractiveness of schemes	Assumption that exploration of many options through the work and look for the most impactful enabling solution	Continue with work and include within specification

6.6 Risk and Opportunities Management

Summary of Risk Management Strategy

The risk management strategy is focused around maximising the popularity of the scheme amongst local residents, minimizing delays and cost overruns and ensuring timely delivery of the redevelopment scheme, for which a development agreement will be the key assurance tool.

Summary of Processes and Tools

The Town Development Board takes responsibility for the assessment of the project risks and the measures necessary to mitigate them, working with the project delivery team and other sources of assurance such as the auditors.

The board has adopted an assurance plan that provides for an integrated review of project risks and strategic risks, mitigation proposals and actions. As part of this process the board will seek comments on risk profile and combined project risks, mitigation proposals and actions from the SBC audit team. The board will initiate interventions in the event of serious project delays, emerging major uncertainties (e.g. a climate change disaster), non-contract compliance or financial irregularities.

Summary of Risk Themes and Key Risks and Mitigations

The main risk areas relate to:

- Potential delays, due to changing weather conditions, labour shortages or unknown site conditions
- Public realm proposals proving to be unpopular
- Poor delivery performance by the site developer or public realm contractor
- Financial - cost overruns and parking revenue loss

Key mitigation measures will include:

- Timely commencement of consultation activity in order to identify and address major issues.
- Use of the legal agreement with Reef to secure a commitment to tight delivery standards, to ensure availability of spare labour and measures to address unforeseen eventualities such as weather and unknown site conditions.
- Incorporation of tight delivery standards in development agreement.
- Involvement of a cost consultant will be involved from an early stage of the project to ensure contractor's proposals are realistic and within budget.
- Advertising of nearby car parks to encourage use by those regularly parking at Marshgate.

- Contractual provisions to manage unforeseen site conditions e.g. physical obstructions or physical conditions.

Approach to Opportunities Management and Realisation

The Town Development Board is attuned to the concept of opportunities management, since its core function is to find ways to maximise the social, community and economic benefits from the resources available within the town. In particular, this project was a market opportunity that presented itself following the initial concept work for the site. The generation of ideas is a process that is proactively managed by the Council and the Development Board and addressed through the following processes.

- Proactive stakeholder consultation as a means of capturing useful ideas
- Acquiring new ideas through partnership working
- Developing options in response to changing circumstances e.g. climate change, disruptive innovation etc.
- Seeking optimum uses of under-utilized resources, such as sites with scope for redevelopment
- Examining opportunities as a response to identified risks
- An up-to-date comprehensive vision of where Stevenage wants to be, providing a framework in which ideas can be generated and opportunities identified, evaluated, scoped out and where appropriate taken forward.

These processes are built into the remits, work programme, meeting agendas of the Development Board and relevant Council delivery teams.

Assessment of Opportunities to Gain from Industry Productivity Initiatives

This is an integral part of the process described above as well as being tied into the solutions for the development process. For example:

- The potential use of new construction techniques are constantly considered when specifying tendered contracts.
- Exploiting opportunities brought about by climate change. For example, the need for an expanded multi-storey car park and new cycle ways are a means of promoting use of electric vehicles through the provision of charging infrastructure and facilitating the adoption of electric bikes and scooters as an alternative to car use.
- The on-going adoption of digital technologies in all aspects of urban development and operations.

Assessment of these types of opportunity are embedded into the agendas of the Council and Development Board.

Project Management

Proposed Project Management Approach

The project delivery team will be assembled from key officers within the Stevenage Borough Council Regeneration division. This team will take responsibility for day-to-day project management of the scheme. This will include direct delivery of the public realm scheme and ensuring compliance with the development agreement for the bioscience office and affordable housing by Reef. The officers in question have extensive experience of setting up urban development and construction projects and taking them forward to completion.

The detailed implementation of the project will be set out in a comprehensive delivery plan. This will schedule all activities from project inception, through design, costing, approvals, construction activity through to completion and handover. It will build in necessary ongoing stakeholder liaison processes. The governance structures in place ensure there is responsibility for overall control of the scope and progress the project and for putting in place the necessary assurances.

Key Processes for Controlling Scope, Programme, Cost, Risk and HSE Assurance and Reporting

The final scope, scheduling and budget for the project will be worked up by the project delivery team then presented to the Development Board for consideration. The Development Board will then ensure that the project scope is in line with predefined regeneration objectives and the TIP and that the proposed implementation programme is realistically deliverable.

The Development Board will also review all risks and mitigation measures taking into account any views of the council's internal audit team. It will provide directions to the project delivery team for any additional measures that need to be put in place to minimise risks identified.

A number of the controls will be brought about through the contractual process, in particular provision for addressing possible causes of delay, health and safety assurance, quality control and tight and regular reporting.

Processes for Managing Key Interfaces, Consents, and Compliance

The project delivery team will act as the key vehicle for liaising with the parties such as neighbouring uses, the site developer and contractor for the public realm works. As mentioned above the control mechanisms will be built into the contractual process for the developer and contractor and a regular process of monitoring will assure that contract compliance and remedial actions where this is not achieved. The delivery team will also take responsibility for regular liaison with statutory authorities for planning and other consents required throughout the development process. A further dimension is the initial consultation and ongoing liaison with neighbouring uses so that the public realm proposals and any issues that are likely to arise during the implementation phase are dealt with in a satisfactory and cooperative manner.

Approach to Information Management

A designated member of the project delivery team will take responsibility for information management so that all aspects of the project and its progress and related issues arising are comprehensively recorded and reported upon where necessary. Regular monitoring reports will be submitted to the Development Board and relevant service heads within the Council.

Details for Managing Change

The risk register has identified a number of areas where there might be a need for managing change. These could include severe weather conditions, unexpected problems with site conditions or delays caused by labour shortages affecting the development and construction process.

It will be the responsibility of the Development Board to decide on alternative structures, processes, organizational and governance arrangements that may need to be put in place to address major changes of circumstances.

Arrangements for Managing Professional Service Contracts and Third-party Agreements

As mentioned above the contractual process would be a key tool in controlling the performance of the developers and contractors and related outcomes. The responsibility for managing these another agreements with life with the project delivery team advised and supported by the Council's legal services team.

Stakeholder Engagement

Summary of Approach to Communications with Stakeholders Including the Public

The Council's stakeholder consultation and communication processes are well designed, extensive and far-reaching. Stakeholder's views have been captured more widely through the Stevenage engagement programme, encompassing a number of mechanisms. These processes will operate in parallel with the stakeholder consultation process specific to the project as described above in order to fully inform the course and outcomes of the project.

Local Residents

- A wide range of digital engagement utilising social media other related platforms
- A dedicated Visitor Centre in Town Square open to the public, where people could view, engage with and discuss the regeneration of the town.
- A 'virtual visitor centre', which contains all of the content in a digital platform on our dedicated website. This has enabled the Council to continue to reach residents of all ages and abilities during the pandemic.
- Stevenage residents' survey.
- Currently engagement is focused on the consultation and promotion of the Council's priority projects.

Business

- Business networking events, a number of project based consultations, such as the Local Plan, SG1, and the Bus Interchange and a number of roadshow events.

Other Stakeholders

- Regular consultation with public sector bodies such as Hertfordshire County Council, the LEP and relevant statutory bodies.
- Project specific consultation as part of the planning process.

Future Engagement:

As part of the whole Town's Fund programme, there will be an communication and engagement plan to collate together the activities of all the projects, creating opportunities for the public to continue their engagement with the process.

For this project progresses, there will be a number of opportunities for further engagement and consultation with the residents, businesses and other key stakeholders.

In particular, the on-going consultation regarding the Area Action plan which will help shape and inform the specification the next step of works, the masterplanning section.

Following this, there will be key engagement points, where the public will be able to inform and feedback back on options relating to Station Gateway. Finally, there would be the opportunity for planning process engagement and consultation for the public, relating to the masterplan and potentially directly towards schemes.

Benefits, Monitoring and Evaluation

Key benefits from the project are summarised as follows.

Economic

- Acceleration of the redevelopment of a key site in a Major Opportunity Area
- Attraction of major investment into a high prestige HQ and R&D facility.
- Retention and creation of a significant number of jobs in Stevenage.
- Scope for creation of a significant number of additional jobs in Stevenage.
- Creation of a magnet for additional world class bioscience activities in Stevenage Town Centre
- Catalyst for stimulating early development commitments on sites similarly released for development.
- An extensive number of construction jobs will be created.
- Stronger perception of Stevenage as a place to invest by the private sector.

Environmental

- Major visual improvements contributing to creation of a higher quality living and working environment on the east side of the town centre.
- Scope for higher levels of living and working on the town centre, reducing the need to travel.

Social

- New homes will be created to offset housing shortages.
- Provision of new affordable homes which will be allocated to local people.

Approach to Developing a Benefits Realisation Plan and its Approval

The benefits realisation plan will focus primarily on assuring successful delivery of the following outcomes.

- i) Completion of homes and commercial floorspace
- ii) Creation of jobs
- iii) Successful completion of masterplan

The benefits realisation plan will define the mechanisms through which the benefits projected from these outcomes are fully met. Thus, the plan will demonstrate how creating the necessary floor space will be a critical step in achieving the projected number of jobs to be created, how these will translate into the increase in GVA skills qualifications attained as a direct consequence of the project. The plan will show how the realisation of these quantifiable outputs will be tracked by way of interim and post project audits conducted with the developer, commercial and residential occupiers.

Verifying the qualitative benefits will be more nuanced. The benefits realisation plan will provide for interim as well as post project reviews of the public realm project. At interim stage the plan will verify that the design of this project will be likely to suitably deliver the lifestyle and workstyle benefits sought whilst addressing concerns raised by neighbours. A post project stage it will validate the project's success or otherwise in meeting these criteria.

Wider qualitative benefits will be longer term in nature and dependent on parallel initiatives being taken. For the reason the benefits realisation plan will build in periodic reviews to

- a) Assess whether parallel activities, such as investment promotion activity, have been established as a means of maximising scope for the attraction of additional bioscience activities into the town centre and the stimulation of early development commitments on other town centre sites, a stronger perception of Stevenage as a place to invest, as a result of the scheme going ahead
- b) Gauging the extent to which these outcomes will have been achieved.
- c) Evaluating the extent of higher levels of living and working in the town centre, reduced housing shortages and confirming that the new affordable homes got allocated to the right local people.

Arrangements for Tracking and Reporting Benefits Through Delivery

The tracking reporting of benefits through delivery will be closely tied into the formative, interim and summative evaluation process described below. This will be based on defining what needs to be measured against each type of benefit and the method of doing so. Key mechanisms to be established in the regard will include:

- i) Regular liaison with the site developer and public realm project team to verify progress and that original targets and outcomes are on track
- ii) On-going relationship building with developers to track levels of job safeguarding and additional job creation.
- iii) Survey activity to gauge the impact of the development on car parking usage and behaviours
- iv) Wider liaison with the town regeneration teams to evaluate the extent of new investment and development commitments and the success of new housing in meeting wider regeneration aims.

These activities will be built into the benefits realisation plan and scheduled accordingly. The plan will then be presented to the town development board for review and approval.

High Level Strategy for Monitoring and Evaluating Benefits Realisation

Internally the project will be subject to continual evaluation and monitoring through the governance structures and arrangements outlined above. It is intended that key milestones are built into the programme to monitor the tracking of projected outputs and outcomes (e.g. at planning consent, start on site, completion).

In parallel, the evaluation will seek to clarify whether the project achieved what it set out to do and what benefits accrued from it from the points of view of a range of stakeholders. Points to be clarified in evaluation to discussions with stakeholders would be:

Developer and Occupiers:

Did the Town Fund project assist with the proposed site development and help meet defined targets?

Was the money spent wisely and could better value for money have been achieved?

Has the new public realm areas been used by those employed on site and how have users found it beneficial?

General Public:

How satisfied have users become with the upgraded public realm?

What use has been made of the public realm areas and how have users found it beneficial?

Stevenage Planning and Regeneration Team:

To what extent has the project helped to build momentum for wider regeneration in the town centre and beyond?

How have other developments or improvement projects been encouraged as a result of this project?

To what extent has footfall within the town centre increased since the completion of the project?

What lessons can be drawn from the policies for operation of the vehicle park?

Building contractors:

How well was the project programme planned and implemented?

Was the site preparation implemented adequately?

How could the implementation process overall have been improved?

6.9.11 The evaluation will determine whether the outputs projected from the project have been delivered. This will partly be evaluated by quantitative measures, monitoring the impact of the project in terms of outputs i.e. the number of residential units, commercial floorspace and jobs that are created. Both core and non-core outputs will be monitored and evaluated by SBC.