

Executive Report

Ward(s) affected: Friary & St Nicolas and Holy Trinity

Report of Director of Strategic Services

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## **Guildford Economic Regeneration Programme Master Plan Strategy**

### **Executive Summary**

In July 2019, the Council resolved *“That the process for bringing forward, within the term of the Council, a sustainable Town Centre Master Plan Development Plan Document be commenced immediately, and the Director of Planning and Regeneration be authorised to engage external master-planning consultancy advice to assist in this process”*.

At its meeting on 21 July 2020, the Executive agreed to the setting up of a Master Plan Board and appointment of specialist advisor to brief and scope the appointment of an external professional team to contribute to the delivery of a proactive strategy for the comprehensive regeneration of Guildford town centre. Endorsement was given to the Regeneration Strategy and organisational plan.

The continued retail down-turn, that is likely to have been extenuated by the COVID19 pandemic, and the economic impact it has had on the town centre will require the Council to review and question the priority of and requirement for schemes to be brought forward from the adopted Local Plan.

Through this report, the Leader of the Council is asked to approve a capital budget of £1.1m to enable Stage 2 of the Guildford Economic Regeneration Programme to progress.

### **Recommendations to Leader of the Council**

The Leader is asked:

- (1) To endorse the Stage 1 report and approve proceeding to Stage 2.
- (2) To transfer a capital sum of £1.1 million from provisional to the approved capital programme to enable the Council to fund fees and surveys and deliver stage 2 of the programme.

Reasons for Recommendation:

- (1) This programme has major benefits for Guildford's community and businesses by delivering a pro-active strategy to address the economic and physical constraints facing the town, including the retail downturn and the impact of the COVID19 situation.
- (2) To support resolution C029 of the Council made 23 July 2019 (Notice of Motion: Town Centre Masterplanning).

**Is the report (or part of it) exempt from publication?** Yes appendices 1, 4-10 are exempt for the following reasons:

- i. The content is to be treated as exempt from the Access to Information publication rules because the proposed transaction is commercially sensitive and is therefore exempt by virtue of paragraph 3 of Part 1 of Schedule 12A to the Local Government Act 1972 as follows: "Information relating to the financial or business affairs of any particular person (including the authority holding that information)".
- ii. The content is restricted to all councillors.
- iii. The exempt information in the appendices are not expected to be made public because the reasons for the exemption will remain live for the duration of the project. This decision will be reviewed at the end of the project.
- iv. The decision to maintain the exemption may be challenged by any person at the point at which the Leader is invited to pass a resolution to exclude the public from the meeting to consider the exempt information.

**1.0 Purpose of Report**

- 1.1 The purpose of this report is to seek endorsement of Stage 1 Report of the Guildford Economic Regeneration Master Plan Strategy as attached as Appendix 1.
- 1.2 To seek approval to proceed to Stage 2 with a budget in the sum of £1.1m.
- 1.3 The approved revenue budget of £500,000 for the financial year 2020-21 has funded Stage 1 of the Programme. The Leader and the Council may decide not to progress any further / implement recommendations at this milestone stage.

**2.0 Strategic Priorities**

- 2.1 The formation of the Programme will lead to a positive impact on the supply of housing and quality of retail and commercial space in the town centre leading to economic regeneration.
- 2.2 The implementation of the Programme supports the delivery of a range of housing needs, particularly affordable homes as prioritised in the Corporate Plan 2018-2023.

2.3 The Council declared a Climate Emergency on 23 July 2019 and the Programme will prioritise environmental impact throughout the process.

3.0 **Background**

3.1 In July 2019 the Council resolved *“That the process for bringing forward, within the term of this Council, a sustainable Town Centre Master Plan Development Plan Document be commenced immediately, and the Director of Planning and Regeneration be authorised to engage external master-planning consultancy advice to assist in this process”*.

3.2 Following the motion at Full Council, Corporate Programmes submitted a revenue bid in the 2020-21 budget for funding to undertake and procure a delivery led Master Plan for the town centre. This was approved by Full Council on 5 February 2020 in the sum of £500,000. Further budget allocation of £125,000 for both 2021-22 and 2022-23 was also provisionally approved.

3.3 The approved Strategy sets out a timetable for taking forward a deliverable Economic Regeneration Programme for Guildford incorporating three stages of presentation to Council for approval at each gateway as shown in Table 1 below:

Table 1 – Gateway Stages

<b>Stage 1</b>	<ul style="list-style-type: none"> <li>• Preparation of detailed scope &amp; briefs.</li> <li>• Procurement of Consultant team.</li> <li>• High Level Strategic Appraisal including constraint analysis.</li> <li>• Planning Strategy</li> <li>• December 2020 to May 2021.</li> </ul>
<b>Stage 2</b>	<ul style="list-style-type: none"> <li>• Development of concept Master Plan</li> <li>• Stakeholder consultation</li> <li>• Data collection</li> <li>• Preparation of Business case.</li> <li>• Preparation of Grant applications.</li> <li>• June 2021 to July 2022.</li> </ul>
<b>Stage 3</b>	<ul style="list-style-type: none"> <li>• Grant Funding Award &amp; Agreement.</li> <li>• Infrastructure planning submissions.</li> <li>• Budget to be agreed: no provision in the MTFS.</li> <li>• August 2022 to September 2023.</li> </ul>

3.4 The Guildford Economic Regeneration Programme covers the issues and opportunities for regeneration along the river corridor through the town centre. It currently does not include Guildford’s historic core within the established town centre and a separate study with its own funding stream is under consideration.

4.0 **Stage 1 progress to date**

- 4.1 A constraint informed Master Plan needs to be fully informed and validated by infrastructure solutions, strategies relevant to current prevailing conditions (current traffic, climate change, sustainable communities, retail downturn economic resilience) and land ownerships. For an Economic Regeneration Programme to be considered deliverable all the above aspects and interdependencies need to be addressed with a flexible approach to adapt to future impacts and circumstances.
- 4.2 The Council will be required to review and question the changing nature of retail, COVID19 pandemic and the likely impact it has had on the high street and town centre.
- 4.3 The Council's Procurement Team has advised on the most appropriate routes to market for the procurement of the external professional team to ensure compliance and value for money. Table 2 below shows the appointed professional team:

Table 2 – External Professional Team

<b>Discipline</b>	<b>Appointed Company</b>
Master Planner	Leonard Design Architects
Development Advisor	Jones Lang LaSalle (JLL)
Planning Consultant	Carter Jonas
Strategic Transport	Markides
Project Manager	Gleeds
Highways Engineer	Arup
Infrastructure Consultant	Aecom
Cost Consultant	Gardiner & Theobald
Legal Advisors	Trowers & Hamlins
Communications	Instinctif Partnership

- 4.4 A land based initial spatial Master Plan informed by constraint considerations and infrastructure strategies has been developed and is utilised to establish the need for financial grant type funding as pre-requisite to creating a delivery model. Design information from this study is planned to be used as the basis for development of a Vision and collateral for stakeholder and public consultation in stage 2.
- 4.5 Planning advice in support of the development of the spatial Master Plan has been provided and a Planning Strategy to support the Vision and stakeholder consultation has been developed.
- 4.6 Identification of Transportation related issues as part of a site wide constraints study has been undertaken along with consideration of strategic options to deliver transportation transformation. Transportation interventions have been outlined to inform the extent of infrastructure required to support options in respect of the gyratory.

- 4.7 Identification of flood related issues as part of a site wide constraints study has been undertaken and options for strategic solutions to resolve the effect of the flooding constraint developed alongside the spatial Master Plan. Identification of related capacity and existing infrastructure issues has been undertaken, together with desktop assessment of land based environmental issues.
- 4.8 Assessment of demographic and demand led economic statistics has been carried out and evidence for the range and extent of uses within the spatial Master Plan undertaken. Development of a high level financial model to support the grant funding requirements has been created.
- 5.0 **Proposed Stage 2**
- 5.1 Undertake stakeholder consultation and engagement to inform the development of a concept stage Master Plan.
- 5.2 The Master Plan work will develop a fixed concept within the project area to address the Strategic Objectives and to form a backdrop for future planning policy consultation and representation. The concept Master Plan will enable costs and viability appraisals to support a Strategic Business Case (HMT5 <sup>1</sup>) and Grant Applications, incorporating delivery strategy and phasing.
- 5.3 Consultation and Representations to the Council's Planning Team and Stakeholders in respect of Planning Policy.
- 5.4 Scoping and undertaking engineering and transport data collection studies, to enable development of concept level Transportation Strategy and technical engineering solutions. Negotiation of in principle agreements with Highways England and Surrey County Council. An assessment and evaluation in respect of transportation strategy for economic consideration of Strategic Business Case.
- 5.5 Development of flood defence solutions and stakeholder consultation with Environment Agency and Surrey County Council to enable negotiation of in principle agreements. Development of strategies for infrastructure and environmental solutions, with consultation with stakeholders.
- 5.6 Development of infrastructure concepts for drainage, utilities, fibre and environmental/ground conditions to inform the Concept Master Plan and the Strategic Business Case.
- 5.7 Preparation of a Sustainability Strategy for stakeholder consultation to support concept design in coordination with Master Plan in order to inform the Strategic Business Case.
- 5.8 Development consultancy advice on emerging Concept Master Plan and financial modelling to support the preparation of the Strategic Business Case and grant

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<sup>1</sup> The Five Case Model is the approach for developing business cases recommended by HM Treasury, the Welsh Government and the UK Office of Government Commerce.

applications. Development of Legal Property Strategy and consideration of delivery vehicle options.

5.9 Preparation and development of cost plans, procurement strategy and phasing programme to enable preparation of Strategic Business Case.

**6.0 Consultations**

6.1 Councillor John Rigg, Lead Councillor for Regeneration, recommends approval.

6.2 An Options presentation to all councillors was presented by the professional team on 8 April 2021.

6.3 The Strategic Services Director has presented a Stage 1 high level programme outline to the Executive Advisory Board, Guildford Vision Group and Guildford Town Centre Forum.

6.4 No public consultation has taken place. A Stakeholder matrix and a detailed programme of consultation with stakeholder groups will be established as part of stage 2.

**7.0 Financial Implications**

7.1 As highlighted in paragraph 3.2, an original budget approval of £500,000 had been set aside for delivering Stage 1 and a further £250,000 of revenue funding for further feasibility relating to Stage 2. Subsequently, at its meeting on 10 February 2021, Full Council approved a capital bid for additional GERP funding (revenue of £150,000 and capital of £1.099 million), increasing the total cost of the project to £1.999m, as summarised in table 3 below:

Table 3 – GERP Financial Approval

		<b>Original Approval</b>	<b>Revised Profile</b>	<b>Capital Bid</b>	<b>Stage 1 &amp; 2 Requirement</b>
<b>2020/21</b>	<b>Stage 1 Feasibility</b>	500,000	420,000	0	420,000
<b>2021/22</b>	<b>Stage 2 Feasibility</b>	125,000	330,000	150,000	480,000
	<b>Capital</b>	0	0	1,099,000	1,099,000
<b>2022/23</b>	<b>Stage 2 Feasibility</b>	125,000	0	0	
	<b>TOTAL</b>	<b>750,000</b>	<b>750,000</b>	<b>1,249,000</b>	<b>1,999,000</b>

7.2 In order to progress the project, it is now requested that the sum held within the provisional programme of £1.1m, be transferred into the approved programme to ensure that stages 1 and 2 of the GER Programme can be completed.

#### **8.0 Legal Implications**

8.1 The Council's internal Legal and procurement functions have been instructed in relation to the procurement of consultancy services to ensure compliance with the Council's legal duties including the Public Contract Regulations 2015 and the Council's Procurement Procedure Rules.

8.2 The Legal team are instructed to deal with appropriate contract terms for the consultancy services and are managing the relationship with the appointed external Legal Advisor, Trowers and Hamblins. Legal review and advice will be required in relation to any Infrastructure and Funding Agreements to ensure the Council is appropriately protected, including advice relating to subsidy control.

8.3 The Council will need to undertake Equalities Impact Assessments, Environmental Impact Assessments and public consultation at the relevant stages of the Master Plan process.

8.4 Separate 'handling arrangements' need to be put in place to ensure the appropriate separation of roles are in place between the Council as 'developer' and the Council as the Local Planning Authority.

8.5 Specific advice will need to be provided in relation to the impact on the Council's Local Plan as well as specific land ownership constraints, compulsory purchase, and planning law advice.

#### **9.0 Human Resource Implications**

9.1 There are no human resource implications arising from this report.

#### **10.0 Equality and Diversity Implications**

10.1 A preliminary assessment of the proposal has taken place and it is considered that these duties are not engaged at this stage.

#### **11.0 Climate Change/Sustainability Implications**

11.1 The Council declared a Climate Emergency on 23 July 2019. Environmental impact will be considered throughout the programme including:

- Carbon emissions
- Energy use
- Waste/recycling

- Air quality
- Water supply/conservation
- Flood/climate resilience
- Economic, social and environmental, community well-being
- Biodiversity
- Public health of communities
- Collaboration with statutory partners or agencies and businesses in tackling climate change

## 12.0 **Summary of Options**

- 12.1 To endorse Stage 1 and continue with Stage 2 of the Master Plan Strategy, up to the next Gateway. This will enable the delivery of the regeneration programme for Guildford's town centre and help in achieving the objectives identified in the Corporate Plan 2018-2023.
- 12.2 To not endorse the programme and cease work thereby delaying the delivery of a strategy for the Economic Regeneration of Guildford town centre.

## 13.0 **Conclusion**

- 13.1 This programme has major benefits for Guildford's community and businesses by delivering a pro-active regeneration strategy to address the economic and physical constraints facing the town, including the retail downturn and the impact of the Covid 19 pandemic.
- 13.2 It is therefore recommended that the Leader of the Council:
- a) endorses the Stage 1 report and approve proceeding to Stage 2; and
  - b) agrees to transfer a capital sum of £1.1 million from provisional to the approved capital programme to enable the Council to fund fees and surveys and deliver stage 2 of the programme.

## 14.0 **Background Papers**

- 14.1 [23 July Full Council Minute CO29: Town Centre Master Planning](#)
- 14.2 [24 March 2020 Executive Committee Report: Town Centre Master Plan](#)
- 14.3 [21 July 2020 Executive Committee Report: Guildford Economic Regeneration Programme Master Plan Strategy](#)

## 15.0 **Appendices**

- Appendix 1 – Stage 2 Budget – Part 2 (NOT FOR PUBLICATION)  
Appendix 2 – Stage 1 Summary Report – Part 1



- Appendix 3 – Strategic Spatial Masterplan Report – Part 1
- Appendix 4 – Infrastructure Report - Part 2 (NOT FOR PUBLICATION) (to follow)
- Appendix 5 – Flood Study Report - Part 2 (NOT FOR PUBLICATION)
- Appendix 6 – Planning Strategy Report - Part 2 (NOT FOR PUBLICATION)
- Appendix 7 – Strategic Level Programme Report - Part 2 (NOT FOR PUBLICATION)
- Appendix 8 – Competitive Position Report - Part 2 (NOT FOR PUBLICATION)
- Appendix 9 – Strategic Spatial Masterplan Report – Part 2 (NOT FOR PUBLICATION)
- Appendix 10 – Guildford Movement Strategy Report – Part 2 (NOT FOR PUBLICATION)
- Appendix 11 – University of Surrey Positioning Paper – Part 2 (NOT FOR PUBLICATION)  
(to follow)