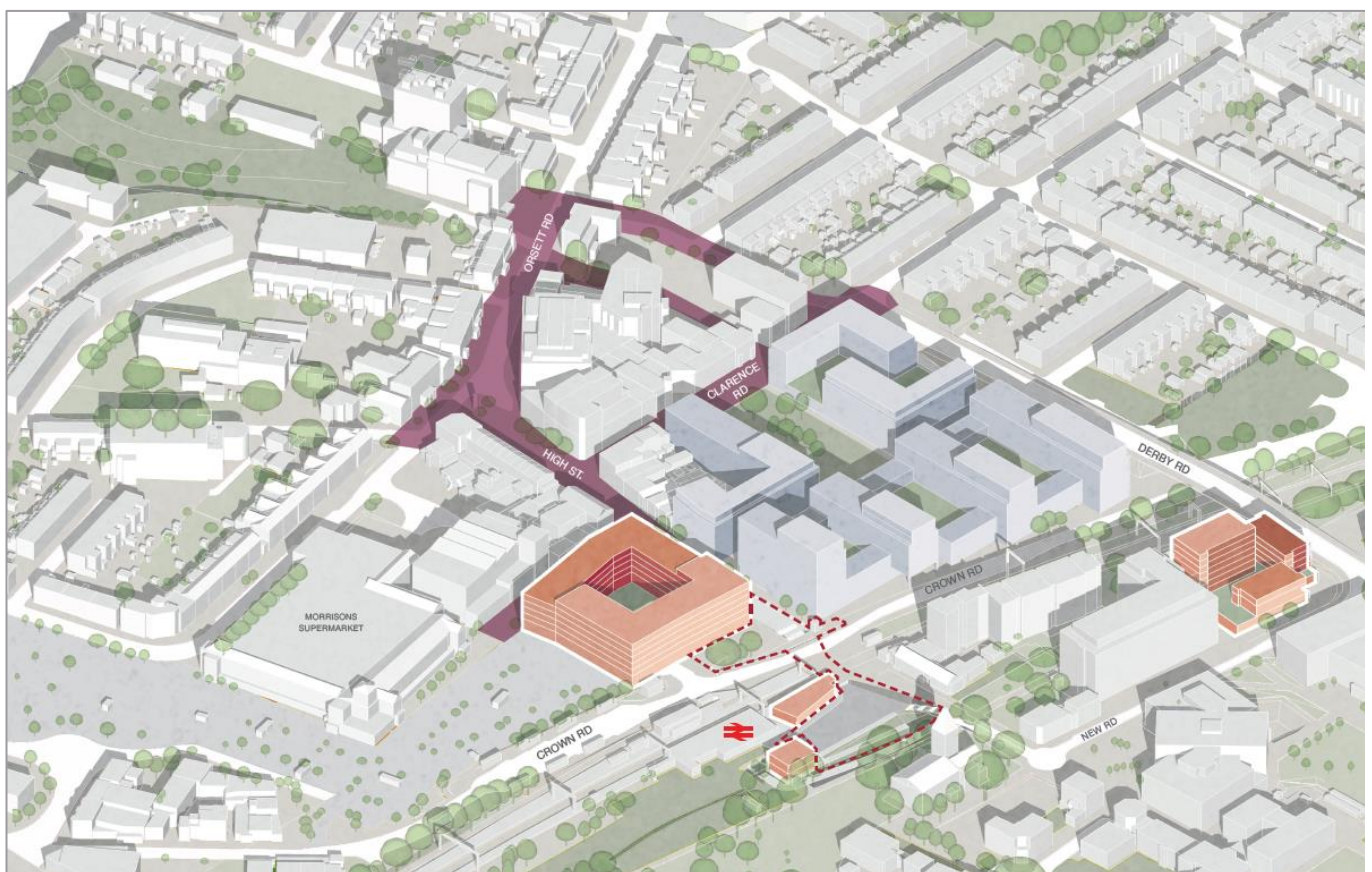


# Grays Future High Street Fund Business Case

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<p>SRO Sign-off</p> <p>Name:</p> <p>Date:</p>	 <p>Andy Millard</p> <p>Director of Place</p> <p>30<sup>th</sup> July 2020</p>
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## Overall summary of proposed project

**Local Authority:** Thurrock Council

**High Street:** Grays Town Centre

**Brief summary of proposal:** This business case outlines a set of complementary and mutually reinforcing schemes for Grays high street to repurpose existing commercial/retail space (creating flexible spaces capable of easy adaption/future proofing), provide 207 additional housing units and implement digital infrastructure in the town centre. A key component of the FHSF scheme is the Council controlling the letting strategy of Sites 2 and 7, to ensure the commercial/rental uses meet the vision for Grays high street.

**Brief narrative summary of impact of proposal, drawing from your economic case:** There are major challenges faced by Grays high street and wider economy. In the absence of investment, the quality and performance of the high street will continue to decline and the economic forces which threaten town centres (e.g. online shopping, out of town shopping centres) will further weaken the vitality of the town centre. Low and declining rents for existing premises and high costs of redeveloping town centre assets means these issues will not be ameliorated through a solely market or developer-led approach.

The proposed FHSF scheme (comprising Sites 1, 2, 5 and 7) will transform and regenerate the high street, capitalising on recent and committed investment. The FHSF scheme elements will be delivered as part of a wider package of works with the Grays underpass scheme, funded through SELEP and local authority investment, and are integral to the overall strategy to transform the town centre through a public-private sector partnership approach. The FHSF scheme complements planned Towns Fund investment and will provide a catalyst for major investment in the redevelopment and repurposing of Grays Shopping Centre.

The financial appraisal of the proposed FHSF scheme elements shows a commercial viability deficit for each site, reflecting the market failure. While this translates into an economic disbenefit in land value uplift terms, the economic analysis ignores the pivotal role the town centres play in the local economy and community. These and other non-monetised benefits from the scheme ensure value for money through accessibility and safety benefits from the digital infrastructure (Site 5), amenity value to the community and increased land/property value across the town centre, improved community cohesion and environmental benefits.

The Gross Development Value of the proposed schemes is also in the order of six or seven-fold that of the existing land value, showing the scale of transformation and value in terms of the physical regeneration outcomes delivered 'on the ground'.

### Overall funding requested from the Future High Streets Fund:

Thurrock Council is seeking a total of £25.0m to complete the project, noting that further discussion with MHCLG would be welcome should there be a more optimal combination of schemes that better align with fund objectives or funding allocations.

Site	Description	FHSF Ask
Site 1	Viability gap funding to support the redevelopment of the CO1 office to residential.	£7,368,193
Site 2	Land assembly and gap funding for the redevelopment of the full block	£14,672,270
Site 5	Digital economy and information systems	£381,626
Site 7	Funding to support the redevelopment of the site	£2,545,961
M&E	Allowance for Monitoring and Evaluation	£30,000
<b>Total</b>		<b>£24,998,050</b>

# 1 Project Summary

- 1.1 Despite its strategic location, excellent transport connectivity and affordability, Grays continues to be hindered by several socio-economic and place-based challenges which limit its capacity to develop and grow. This report outlines the business case for a set of schemes to revitalise and redevelop Grays town centre, which form our bid for the MHCLG Future High Street Fund (FHSF). The bid focuses on the geographic area shown in Appendix A.

## Summary of FHSF project

- 1.2 The project is necessary to renew, reshape and repurpose Grays town centre to ensure a vibrant and sustainable high street that will serve as the heart of the local community and economy for the long-term. This will be achieved by focussing efforts on revitalising and redeveloping several existing buildings in the town centre, capitalising on recent and committed investment. The FHSF funded scheme elements are to:
- Develop three sites providing mixed commercial and housing opportunities:
    - **Site 1:** Redevelopment of existing office block to deliver 82 housing units and potential for ground floor commercial.
    - **Site 2:** Redevelopment of 4 quadrants (2a, 2b, 2c and 2d) to deliver a mixed-use development comprising up to 136 housing units, and around 13,500 sq.m of revitalised retail and mixed commercial space, with Council taking an interest in the sites (via direct control or lettings strategy with affordable rents) to ensure market failure is addressed. This is expected to allow the relocation of an adult community education service from an edge of town centre site.
    - **Site 7:** With the removal of the railway level crossing and the creation of a new barrier-free connection (funded outside of FHSF) between the north and south side of the town centre, the continuity of the High Street is re-established. Part of the FHSF ask is to demolish a series of buildings (7a – High Street Block and 7b – Station House) and replace with new structures delivering 800sq.m of new retail and commercial floorspace.
  - Support the digital economy and information systems along the high street:
    - **Site 5:** Provide digital infrastructure in the public realm using a LoraWAN network to support town centre accessibility (transport connectivity/parking etc), vitality and increased dwell time (public WIFI/IoT features/projection and lighting etc).
- 1.3 The FHSF scheme elements will be delivered as part of a 'wider package of works' with the Grays underpass scheme being funded through the SELEP Growth Fund and local authority investment. This wider package will build on the successful and on-going delivery of other projects to regenerate the town centre, including the new South Essex College (15,000 sq.m delivered in 2016) and The Old Court House workspace (delivered in 2016). The 'wider package of works' is integral to the overall strategy to transform the town centre through a public-private sector partnership approach where targeted public investment provided by Thurrock, SELEP, Central Government (Towns Fund) and Network Rail is used to leverage private sector investment to create a more prosperous, safe and sustainable town centre.
- 1.4 The Spatial Masterplan for the town centre is shown in Appendix B, showing the programme of town centre interventions and highlighting specific elements that form part of this FHSF Bid.
- ## Scheme details
- 1.5 The proposals for the commercial sites are summarised in Table 1.1, with the current use and land acquisition costs based on property cost estimates from Montagu Evans.

**Table 1.1: Summary of commercial proposal (current prices)**

Site	Reference	Current use			Land Acquisition Cost	Intended future use	Redevelopment Cost <sup>1</sup>
		Description	NIA (sq.m)	Dwellings			
<b>1</b>	Thurrock Council Office Block C01	Office space	4,311	-	- <sup>2</sup>	Residential	£21,677,987
<b>2a</b>	54-56 High Street	Ground floor retail units	366.6	1	- <sup>3</sup>	Residential, retail, food and beverage, education, community, and improved business centre	£44,744,553
	58, 58a High Street	Ground floor retail & 1 <sup>st</sup> floor residential	152.6	1			
	60, 60a, 60b High Street	Ground floor retail & 1 <sup>st</sup> floor residential	152.9	2			
	62 High Street	Ground floor retail & 1 <sup>st</sup> floor offices	320.6	-			
<b>2b</b>	34, 36 High Street	Lloyds Bank	572	-	£1,731,375		
	38 High Street	Sense	162.8	1	£442,125		
	40 & 42 High Street	Barclays Bank	256.5	1	£930,000		
	44 High Street	Greggs	77.3	1	£646,450		
	46, 48 & 50 High Street	Ground floor retail & 1 <sup>st</sup> floor ancillary space	489	3	£1,842,300		
	52, 52a High Street	Ground floor retail & 1 <sup>st</sup> floor residential	138.5	1	£682,175		
	Public road (known as High Street)	Pedestrianised road	-	-	£4,600		
<b>2c</b>	Thurrock Centre for Business	Various	474	-	£225,250 <sup>4</sup>		
<b>2d</b>	Land and Buildings at London Road, Eastern Way and George Street	Car park	450	-	£372,000		
<b>7a</b>	2 Station Approach	Retail units	25	-	- <sup>5</sup>	Micro-businesses, business start-up & cultural offer based around food and live music.	£1,317,897
<b>7b</b>	Station House and Station Approach	Ground and 1 <sup>st</sup> floor office building	130.6	-	- <sup>6</sup>		£1,228,064
<b>Total</b>			<b>8,079</b>	<b>11</b>	<b>£6,876,725</b>	<b>-</b>	<b>£68,968,501</b>

<sup>1</sup> Redevelopment costs include, where appropriate, construction costs, disposal costs, acquisition costs, professional fees and marketing/letting costs.

<sup>2</sup> Site is owned by Thurrock Council and will be included as co-funding.

<sup>3</sup> Land assembly costs funded through the Grays underpass scheme (co-funding).

<sup>4</sup> Site is owned by Thurrock Council and will be included as co-funding.

<sup>5</sup> Land assembly costs funded through the Grays underpass scheme (co-funding).

<sup>6</sup> Site is owned by Thurrock Council and will be included as co-funding.

- 1.6 The aim of **Site 2** is to provide new residential units (35% affordable) and a range of flexible spaces that can be readily adapted to various uses including an enhanced business centre, building on the current provision on the site. The site will allow the relocation of an adult community education service from an edge of town centre site, providing modern teaching spaces that can double as community meeting places, and releasing edge of town centre land for much needed housing. The business offer for the site would include space for micro businesses and business start-ups to scale up when ready. With a location close to the rail station and new public realm from the underpass project, the space will also provide opportunity for a night-time economy with places to eat and drink and for retail targeted at the need of the growing number of commuters using Grays rail station/bus terminus. The scheme will further support the town centre economy by introducing new residential units in a sustainable town centre location. It is proposed that Council takes an interest in these sites (via direct control or lettings strategy) to ensure market failure is addressed. **Site 7** would complement these uses and the successful funding of the Grays underpass with space for small businesses/business start-ups focussing on food and drink with live music. It is proposed that Council delivers these sites and retains ownership to ensure the suggested uses are secured.
- 1.7 The purpose of **Site 1** is to provide much needed housing to Grays town centre, including good quality affordable housing that is available for residents on lower incomes.
- 1.8 **Site 5** will involve the implementation of a LoraWAN network in the town centre that will enable Grays to benefit from a multitude of connected devices, providing real time information on traffic flow, pedestrian footfall, air quality and lighting. This will serve residents with smart information and enable the Council to access a range of data for future town planning and to enhance the green agenda. The current proposal includes installation of IoT sensors, CCTV enhancements, digital signage and pop-up power units. These measures will be complemented by renewal of the public realm (as part of the Towns Fund bid) to create an attractive and welcoming environment (also required after the installation of the digital infrastructure).

## Outputs Delivered

Table 1.2: Key FHSF Project Outputs

Site	Current Use		Intended future use			
			Residential		Retail & F&B	Mixed commercial
	NIA (m2)	Dwellings	GIA/m <sup>2</sup>	Indicative Units	GIA/m <sup>2</sup>	GIA/m <sup>2</sup>
<b>1</b>	4,311	-	6,136	82	-	-
<b>2</b>	3,613	11	10,224	136	2,078	3,303
<b>7a</b>	25	-	-	-	-	350
<b>7b</b>	131	-	-	-	225	225
<b>Total</b>	<b>8,079</b>	<b>11</b>	<b>16,360</b>	<b>218</b>	<b>2,303</b>	<b>3,878</b>

## Land ownership

- 1.9 Table 1.3 summarises the key landowners for the elements that form the FHSF bid, with Appendix C illustrating the landownerships overlaid. The other affected property is owned by a range of others.

Table 1.3 Land Ownership

Landowner	Site
Thurrock Council	<ul style="list-style-type: none"> <li><b>Site 1 (CO1)</b>, with short leases to organisations such as Clinic Commissioning Group</li> <li><b>Site 2c</b> – Business Centre with a lease to Norfolk and Waveney Enterprise Services who manage the site, as well as parts of Crown Road and High Street.</li> <li><b>Site 7</b> Station House</li> </ul>
Network Rail	<p>Network Rail own the freehold of the rest of <b>Site 7</b> including:</p> <ul style="list-style-type: none"> <li>66 High Street, 1-3 Station Approach, 2 Station Approach, the sub soil of Station Approach.</li> <li>All this is leased to C2C and there are a series of sub leases to businesses.</li> <li>Station Approach is also public highway, with station access area on both sides of the rail line</li> </ul>



## Impact of FHSF funding

- 1.10 The transformation delivered by the ‘wider package of works’ will act as a catalyst for further investment in Grays town centre through increasing the attractiveness, vibrancy, safety and overall image of Grays. In particular, the programme will be integral in improving the viability of major planned investment, e.g. Grays Shopping Centre, where the owner (New River REIT) has plans for a £200m major mixed-use redevelopment.
- 1.11 The Strategic Case outlines the inter-related challenges currently faced by Grays, and the proposed FHSF elements are expected to address these challenges as follows:
- New residential housing (**Site 1** and **Site 2**): Provision of more residential units in the town centre, supporting increased local spend and high street vitality. Also providing policy compliant levels of affordable housing to ensure homes are available for residents on lower incomes.
  - Flexible commercial space (**Site 2** and **Site 7**): Increase the range of commercial uses in the town centre to provide a greater diversity of employment opportunities and support the vitality of the town centre (with retail offer targeted at inbound and outbound commuters, and resident work force). This will also attract new types of businesses to help address the recent stagnation of employment and capitalise on high business start-up rates through provision of workspace opportunities and support of SMEs.
  - Digital economy and information systems (**Site 5**): Serves residents with smart information and enables the Council to access a range of data for future town planning and to enhance the green agenda.
- 1.12 Table 1.4 summarises how the FHSF elements will help overcome the economic, social, environmental and commercial challenges within Grays. There is a clear link between these challenges, the local scheme objectives, and FHSF objectives, as outlined in the Strategic Case.

**Table 1.4: Impact of FHSF funding on Grays Town Centre**

FHSF element	Economic	Social	Environmental	Commercial
New residential housing	✓	✓		✓
Flexible commercial space	✓	✓		✓
Digital economy and information systems		✓	✓	

## Scheme Costs and Future High Streets Fund Request

- 1.13 Thurrock Council is seeking a total of £25.0m to complete the project. As detailed in the Strategic Case, the project fully aligns with the purpose of the FHSF.

**Table 1.5: Funding request (Do Maximum, current prices)**

Site	Description	FHSF Ask
Site 1	Viability gap funding to support the redevelopment of the CO1 office to residential.	£7,368,193
Site 2	Land assembly for Site 2b and 2d and gap funding for the redevelopment of the full block, noting that Site 2a has already secured funding to acquire properties as part of the underpass project.	£14,672,270
Site 5	Digital economy and information systems	£381,626
Site 7 (a and b)	Funding to support the redevelopment of the site to complement the Grays Underpass project.	£2,545,961
Monitoring and Evaluation	Allowance for Monitoring and Evaluation to ensure the effective management of the FHSF project and that the Government funding targets are met	£30,000
<b>Total</b>		<b>£24,998,050</b>

- 1.14 The anticipated impact of coronavirus pandemic on this funding ask is outlined in Appendix D.

## Value for Money

- 1.15 Table 1.6 provides a summary of the value for money for the **Do Medium** option (Site 2, 5 and 7) split by main categories. This includes both the FHSF scheme elements and the underpass scheme (i.e. the 'wider package of works'), with both the **Do Medium** and **Do Maximum** option detailed in the Economic Case.

**Table 1.6: Value for Money (Do Medium option)**

Social benefits (2020 PV £m)	FHSF funding	Overall programme
Land value uplift	-9.78	-9.78
Co-funding	-1.22	-1.22
Amenity benefits	-	-
Affordable housing benefits	0.09	0.09
Underpass benefits	-	60.72
<b>Net social benefits</b>	<b>-11.00</b>	<b>49.72</b>
<b>Net social benefits - adjusted</b>	<b>-10.91</b>	<b>49.81</b>
Public costs and revenues (2020 PV £m)	FHSF funding	Overall programme
Land assembly	7.84	7.84
Viability gap	7.30	7.30
Other funding asks	2.77	2.77
Construction cost OB	4.30	4.30
Underpass costs	-	26.34
<b>Net public costs</b>	<b>22.21</b>	<b>48.55</b>
<b>Benefit Cost Ratio</b>	<b>N/A</b>	<b>1.03</b>

- 1.16 The land value disbenefits from the economic appraisal reflects the current poor yields within the Grays town centre and the Council's proposed strategy to take an interest in these sites (via direct control or lettings strategy) to ensure market failure is addressed. There are, however, several non-monetised benefits from the scheme that are expected to ensure value for money, such as accessibility and safety benefits from the digital infrastructure (Site 5), amenity value to the community and increased land/property value for other sites in the town centre, improvements in community cohesion and environmental benefits, that will ensure value for money from the scheme, especially when considered within the 'wider package of works'.

## Key Milestones

- 1.17 Key milestones are summarised below with a project plan attached as Appendix X.
- **Further consultation:** Further consultation will take place on the Grays South Regeneration Programme at the end of 2020, which will be linked to the emerging Town Fund engagement strategy;
  - **Site 2:** Land assembly from January 2021 to December 2022, with marketing of site/securing development partner completed by December 2021. Planning to be secured from January 2022 to December 2023, with site preparation and construction from January 2023 to September 2024.
  - **Site 5:** in alignment with works for Site 2, to be confirmed following outcome of Towns Fund.
  - **Site 7a and 7b:** Secure planning from January to December 2021, with contract tendered, site prepared/demolished and constructed by December 2023.
  - **Site 1:** Secure planning from March 2021 to February 2022, with contract tendered, site prepared/demolished and constructed by October 2024.
  - **Underpass scheme:** Site assembly to be completed by February 2022, for GRIP 5 (Detailed Design) to be undertaken from January to July 2022 and GRIP 6 (installation, testing etc.) completed by February 2024.

## 2 Strategic Case

- 2.1 Grays is located on the northern bank of the River Thames and is the largest town and administrative centre for the unitary authority of Thurrock. It lies 13 miles south west of Basildon and 27 miles east of central London. Three miles to the west is Lakeside Shopping Centre and the M25 Dartford Crossing, as shown in Appendix A. Grays rail station lies at the heart of the town and is 35 minutes (peak journey time) from London Fenchurch Street.
- 2.2 Despite its strategic location, excellent transport connectivity and affordability, Grays continues to be hindered by several socio-economic and place-based challenges which limit its capacity to develop and grow. These challenges, and the opportunities associated with FHSF and wider investment in Grays, are summarised within this Strategic Case.
- 2.3 The Council has ambitious regeneration plans to overcome these challenges and have already delivered several phases such as the new South Essex College and the Old Court House workspace, with the Civic offices extension scheduled for delivery over the next 18-24 months. In addition, the Council has secured £11m of Local Growth Funding from SELEP towards removal of the level crossing and its replacement with a high-quality underpass at Grays station, and is developing an application for the Towns Fund.
- 2.4 These developments are complemented by wide-ranging interest from the private sector, including New River REIT (owner of Grays Shopping Centre), however there are clear viability issues as discussed in the Commercial Case. As other towns in Essex and the wider London area continue to upgrade, there is a time limited opportunity for Grays to remain competitive. Opportunities and challenges facing Grays are summarised in Table 2.1.

**Table 2.1: Opportunities and challenges in Grays**

Opportunities	Challenges
<ul style="list-style-type: none"> <li>• Excellent transport links</li> <li>• Proximity to natural assets (e.g. River Thames)</li> <li>• Relatively low land values</li> <li>• Good housing affordability</li> <li>• Positive enterprise and start-up trends in Thurrock</li> <li>• Opportunities for development in vacant premises on high street</li> <li>• Opportunities as a pedestrian friendly town</li> </ul>	<ul style="list-style-type: none"> <li>• Stagnation in employment</li> <li>• Limited diversity in local economy, including town centre residential property</li> <li>• Low skills and unemployment in labour market</li> <li>• Public realm, particularly south of the station</li> <li>• High street vacancies, with limited high street offer beyond affordable retail (lacking night-time economy)</li> <li>• Lack of investment in public infrastructure and commercial uses in recent years</li> </ul>

### Strengths and Opportunities

- 2.5 Grays benefits from being well connected to London and the wider regional economy. It is a key station on the Essex Thameside Line (operated by c2c) connecting London, Tilbury and Southend, and has excellent connectivity with 129 passenger services per day and Oyster Card validity. Transport accessibility supports a large daily base of commuters travelling from and into the town centre, with 6,000 outbound and 6,700 inbound commuters each day [1].
- 2.6 In addition to good transport connectivity, Grays has several attractive assets. The riverfront is an underused asset (and an emerging focus of the Towns Fund application), with potential to become a new destination for leisure and recreation. There are also listed buildings in the town centre (Grays Parish Church, the Grade II\* art deco cinema and the War Memorial) that provide opportunities to complement new commercial development and public realm, adding character and distinctiveness based on local identity/heritage.

- 2.7 The town centre is, however, hindered by socio-economic and place-based challenges which have limited growth in recent years. Further detail is in the 'Grays Town Centre Health Check 2020' in Appendix E.

### Economic Challenges

- Despite being home to just over 6,000 jobs, there has been **zero employment growth** in Grays Town Centre (-0.5%) in the five years between 2012 and 2017. This contrasts with high employment growth (11%) over the same period across Thurrock more widely [2].
- The Grays economy is dependent on **lower-value activities** and several sectors have experienced a decline in recent years. Around half of all employment is in activities related to public administration, education and health, with a further 15% employed in retail [2]. The largest sectors in the area are therefore **among the least productive** in economic terms, as both the health (£34,600) and retail sectors (£42,200) have a GVA per worker lower than the all-industry average of £53,400 in East England [3].
- Despite strong growth in new business in Grays town centre (from 31 in 2012 to 112 in 2017), **start-up rates** in Grays (6.1 per 1,000 residents) are **lower than the average** for both Thurrock (8.4 per 1,000 residents) and England (7.1 per 1,000 residents) [4].
- **Housing land supply** is poor, with limited approvals in recent years.

### Social and Environmental Challenges

- Grays is home to 18,400 people, with a **large working-age population** (68%) compared to Thurrock (63%) and England (63%) [5]. However, the proportion of workers in process or elementary occupations (32%) is considerably higher than in Thurrock (23%) and England (18%) [6]. **Low skill levels** may, therefore, be constraining the labour market.
- There are a range of barriers to housing and services for residents in Grays, including **household overcrowding, homelessness provision** and **distance to key services**. The area south of Grays train station is rated in the top 20% most deprived in terms of this metric [7].
- With 6,000 outbound and 6,700 inbound commuters each day, **the working population of Grays is transient**. Combined with the resident labour force, commuters present opportunities for the town centre and will help drive footfall at different times of the day. However, the potential economic benefits of commuters to local businesses and services are not currently being maximised due to a **limited local offer** (quality and diversity).
- Despite some investment, the high street in Grays is impacted by **poor public realm** and **severance** due to the railway line, limiting access to the riverfront which arguably should be one of Grays best assets. The quality of the town centre environment is reasonable at best and weakening, and it performs poorly against a range of measures included in TfL's Healthy Streets Approach [8]. The public realm in Orsett Road, the area around Mulberry Square and Station Approach is poor [9], and recent consultation identified a need to improve accessibility (reduce severance) and public realm aspects.

### Commercial Challenges

- Grays faces a unique set of challenges due to its **proximity to Lakeside and Bluewater** shopping centres. In 2018, Grays had a total of 203 service and retail units in the town centre, which provide just over 43,800m of floorspace [11]. By contrast, there is approx. 186,000m [11] of retail floorspace at Lakeside.
- Over the past decade, many chain retailers have sought to concentrate their retail operations in larger centres. The number of key retailers (from 32 as defined by Experian GOAD) has declined from five in 2012 to just two today (Boots and Wilkinsons) [11]. The **contraction in key retailers**, and the associated reduction in comparison floorspace, suggests that the town centre is becoming **less diverse**.
- Grays town centre is dominated by **discount retailers**, with six charity stores, money/betting shops, and frozen food convenience stores (almost three times the UK average) [11]. There is also a weak restaurant/ café offering with most of the offer aimed at fast food and very little **evening economy** offer.

- The extent of **vacant retail property** is an important indicator of town centre health. In December 2019, 24-unit vacancies (11.8%) were identified in Grays town centre [9], and is spurring low and declining rents. Better performing town centres typically have a vacancy rate of around 4% - 5%.
- **Build costs** that are like other locations along the Thames, however, returns which are relatively low.
- There are a range of **macroeconomic challenges** that present threats to high streets and town centres across the country. For example, an ever-increasing share of the retail market is being taken up by **online shopping** (almost 20% in 2018) [12].

2.8 The challenges above will be exacerbated by the economic effects of COVID-19, and we discuss the implications of this in Appendix D.

## Do Nothing scenario

2.9 In the absence of investment, the quality and performance of Grays high-street will continue to decline. The economic forces which threaten town centres (e.g. online shopping, out of town shopping centres, declining comparison offer) will further weaken the vitality of the town centre. This is likely to have consequential effects. Employment will continue to stagnate, and the evolution and diversification of the local economy would be hindered by limited investment from new business. Grays would then become less attractive for new residents, impacting the viability and delivery of new housing.

## MHCLG Intervention

2.10 MHCLG funding is required to support investment in Grays in order to deliver public goods and to help overcome problems of coordination failure within the private sector. Co-ordination failure will very likely lead to a sub-optimal equilibrium in which private sector investors are unwilling to invest (e.g. at New River). In the context of regeneration of a run-down area, low quality building stock and low economic activity create a trap in which no individual is willing to invest because of uncertainty whether their neighbour will act similarly. Likewise, skill acquisition could be held back by a low-level trap: workers don't acquire skills as there are few jobs, and employers don't enter the area because workers are unskilled.

2.11 Public sector investment in site enabling works/assembly, infrastructure or accessibility improvements can have positive impacts on the neighbourhood, e.g. by increasing traffic flows and land values, as well as de-risking private sector investment. It can provide the way out of the trap since private investors have raised expectations about prospects for the area and about actions to be taken by other investors.

2.12 All the above are observed in the Grays Town Centre. Through providing initial investment, there is a role for the public sector in reducing the uncertainty associated with private investment (as costs of doing so have fallen or the potential benefits have increased) and in sending a signal that central government has a stake in the success of the town. If, as in this case, the intervention is well designed to meet local requirements, it is likely to deliver social benefits above those benefits to the developers and investors directly affected.

## Objectives

2.13 In 2017, the Council published the Grays Town Centre Framework Refresh (adopted by the Council's Cabinet), which sets out a framework for the physical and social regeneration of the town centre. The proposals for the Underpass, Civic Centre and Thameside Complex align with the framework and are an integral part of the overall ambition for the town centre.

2.14 The objectives for this package of interventions have been developed to fully align with and fulfil the objective of the FHSF "to renew and reshape town centres and high streets in a way that improves experience, drives growth and ensures future sustainability" with reference to wider MHCLG objectives surrounding enhanced sustainability. There is a clear link between the challenges faced by Grays, the local scheme objectives, and objectives of the FHSF.

**Table 2.2: Alignment between local challenges, local objectives and FHSF objectives**

Challenge	Local objectives	FHSF objectives
Economic	Increased business activity and confidence	"Drives growth"
Social and Environmental	Improved vibrancy, quality and resiliency of the high street, making it a more attractive and safer place to visit that meets modern town centre expectations.	"Improves experience"
Commercial	To reshape and repurpose the physical infrastructure in the town centre to deliver a thriving and sustainable high street	"Ensures future sustainability"

- 2.15 Local objectives are further supported by sub-objectives / outcomes as summarised in Table 2.3. The corresponding monitoring metrics are set out in the Management Case.

**Table 2.3: Local objectives and sub-objectives / outcomes**

Local objective	Sub-objective / Outcome
Increased business activity and confidence	<ul style="list-style-type: none"> <li>• Improve viability of retail / commercial offer</li> <li>• Promote private investment</li> <li>• Increase demand for floorspace</li> </ul>
Improved vibrancy, quality and resiliency of the high street, making it a more attractive and safer place to visit that meets modern town centre expectations.	<ul style="list-style-type: none"> <li>• Diversify and promote differentiated town centre offer</li> <li>• Attract additional key retailers and other uses such as adult education, business start-ups, health and community</li> <li>• Enhance public realm and improve accessibility</li> </ul>
To reshape and repurpose the physical infrastructure in the town centre to deliver a thriving and sustainable high street	<ul style="list-style-type: none"> <li>• 218 additional housing units</li> <li>• Renewed retail and commercial space, incl. 2nd-storey facades.</li> <li>• Futureproofing through provision of flexible space</li> </ul>

## Stakeholder Issues

- 2.16 The FHSF scheme elements (Site 1, 2, 5 and 7) has been developed in conjunction with key stakeholders including New River REIT (owner of Grays Shopping Centre), Network Rail (Landowner and delivery partner of the underpass), c2c (landowner and rail operator), and other landowners. The FHSF scheme elements are based on the Grays Town Centre Framework, which has been subject to extensive consultation with community and business groups, local business, residents, users of the town centre, transport providers, and the Grays Town Partnership. These events have taken place in 2013, 2016, 2019, and 2020 (as summarised in Appendix F), and demonstrates the shared vision for Grays future and stakeholders' commitment to working in partnership.
- 2.17 The engagement and support of key stakeholders is demonstrated through the letters of support that have been provided showing strong consensus among stakeholders around a shared vision for Grays, and specific support for the transformation delivered through FHSF. This includes letters from the Thurrock Business Board, New River REIT, c2c, Thurrock Adult Community College, Grays Parish, South Essex College, Thurrock Community & Voluntary Service, Orchards Community Forum, the Grays Town Board, SELEP, Network Rail, Love Grays Town Partnership, Grays Riverside Community, NWES and Opportunity South Essex, all attached in Appendix G.
- 2.18 The role of the private sector will be fundamental to delivering the transformation of Grays town centre. In particular, New River REIT, which owns Grays Shopping Centre, views the improvement delivered by the FHSF as a fundamental enabler of its aspiration to redevelop the shopping centre to provide an enhanced retail offer and additional residential, commercial and community provision. Moreover, the bid will support the Towns Fund application, as well as a range of other Government and departmental objectives including accelerating housing delivery, promoting sustainable communities, promoting healthier lifestyles, reducing carbon, supporting rebalancing by addressing physical and social decline in more deprived towns. A policy review matrix has been developed to demonstrate this alignment and is attached as Appendix H.



## Dependencies and Constraints

- 2.19 The FHSF scheme elements are part of a wider programme of interventions that will, in combination, serve to transform Grays town centre. These are listed in Table 2.4. Several project constraints have also been identified for the FHSF project and are summarised in Table 2.5 with proposed mitigations.

**Table 2.4: Project dependencies**

Scheme	Description	Dependence
Grays South Underpass	Connecting the north and south of Grays High Street via an underpass (in place of level-crossing) to address severance. Has committed investment from various stakeholders.	The underpass provides vital connectivity to connect areas north and south of the station. Site 2a and 7a is dependent upon the underpass.
MHCLG Towns Fund (aiming for Jan 2021 submission)	Includes several components such as bus terminus expansion for additional capacity and improved passenger links with rail station, revenue elements to fund a range of activities to re-animate the open public spaces, and smart signage for traffic, buses, trains etc. Also, an emerging focus on creating a destination riverfront.	Complementary and mutually reinforcing for Site 1, 2 and 7, but not dependent. The delivery of Site 5 will be dependent on funding for the public realm within the Towns Fund.
New River	Major redevelopment of Grays Shopping Centre. Detailed proposals currently under development.	Interface between the schemes under review as New River's scheme develops. The FHSF elements will support an increase in values and viability of New River, such that it has a realistic prospect of funding and delivery.

**Table 2.5: Project constraints**

Constraint	Description	Proposed Action
Land assembly	Several owners of the different parcels of land that will need to be acquired	Each of these will need to be tracked to ensure they are obtained within the required time frame
Funding	Delivery of proposals require public funding to ensure viability	Funding from FHSF required to make developments viable and deliverable.
Stakeholder support	Stakeholder and public support critical for project	Engagement and consultation will continue through project development/implementation.
Detailed design	Detailed design will involve assessment of ground conditions, utilities etc.	Costs include contingency and mitigate through detailed design process.
Planning approval	Planning approval required for the proposed development	Planning Applications are compiled and submitted within an appropriate time frame.
Grays South underpass	The underpass not happening will affect the northern most part of plot 7	Project could be scaled back to meet reduced funding

## Key Risks

- 2.20 The key risks for the FHSF scheme are outlined below, with a full risk register attached as Appendix Y.

- **Total FHSF funding ask not granted:** funding is required to ensure land assembly and viability of all sites. Possible mitigation is project could be scaled back to meet reduced funding.
- **Planning permission not granted:** would impact relevant sites, although considered unlikely considering consultation with planning officers within Council;
- **Sites cannot be secured by private treaty:** would impact the development of Site 2.
- **Grays South underpass not implemented:** would require re-evaluation of Site 7 and additional funding for land assembly at Site 2a.

### Data Protection

Thurrock Council confirms it has consulted the Data Protection Compliance Manager (DPCM) and considered requirements under the General Data Protection Regulation and Data Protection Act 2018 including the need for a Data Protection Impact Assessment. We acknowledge that you will share this business case with other government departments where relevant, with third parties providing advice and assessment services to the FHSF and with the High Streets Task Force in all cases on a confidential basis. ☒

## 3 Financial Case

### Financial Profile

3.1 The financial profile for the **Do Less option** (Site 2), **Do Medium option** (Site 2, 5 and 7) and **Do Maximum option** (Site 1, 2, 5 and 7) is provided in the tables below. This shows the 'wider package of works' (i.e. both the FHSF scheme elements and the underpass scheme), as per the Economic Case. Key assumptions include:

- Scheme viability has been tested through a development appraisal cashflow model. The appraisals generate a **Residual Land Value (RLV) for each scheme**. Where the RLV is positive, the scheme is deemed viable. Where negative, this identifies the gap funding required (for Site 1, 2 and 7).
- Development appraisals undertaken by Montagu Evans using Argus Developer software on current costs and value basis, cashflowed over time. The financial profile is provided in current prices and does not allow for real inflation, on the basis that COVID-19 is likely to moderate prices over the funding period.
- Appraisals have used site capacity, designs and development floorspace quantum prepared by Steer/AR Urbanism, with cost schedules prepared by LSH (Site 1) and Playle & Partners (Site 2 and 7).
- An annual allowance of £10,000 has been assumed for Monitoring and Evaluation costs for each option from 2020/21 to 2022/22.
- All costs are exclusive of VAT.

**Table 3.1: Financial profile – Do Less option (£m)**

	18/19	19/20	20/21	21/22	22/23	23/24	Beyond	Total
Existing Funding (for the underpass scheme)	1.2	5.1	7.5	6.9	5.3	2.8	0.0	28.7
Co-funding to be leveraged	0.0	0.0	0.0	0.0	1.1	0.0	0.0	1.1
New Funding (Site 2 only):	0.0	0.0	7.4	1.0	6.3	0.0	0.0	14.7
Site Assembly	0.0	0.0	6.9	0.0	0.0	0.0	0.0	6.9
CPO	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.5
Planning Fee	0.0	0.0	0.0	0.3	0.0	0.0	0.0	0.3
Demolition	0.0	0.0	0.0	0.7	0.0	0.0	0.0	0.7
Construction	0.0	0.0	0.0	0.0	6.3	0.0	0.0	6.3
Monitoring and Evaluation costs	0.0	0.0	0.01	0.01	0.01	0.0	0.0	0.03
<b>Total</b>	<b>1.2</b>	<b>5.1</b>	<b>14.9</b>	<b>7.9</b>	<b>12.7</b>	<b>2.8</b>	<b>0.0</b>	<b>44.5</b>

**Table 3.2: Financial profile – Do Medium option (£m)**

	18/19	19/20	20/21	21/22	22/23	23/24	Beyond	Total
Existing Funding (for the underpass scheme)	1.2	5.1	7.5	6.9	5.3	2.8	0.0	28.7
Co-funding to be leveraged	0.0	0.0	0.0	0.1	1.1	0.0	0.0	1.2
New Funding (Site 2, 5 and 7 only):	0.0	0.0	7.5	1.6	8.5	0.0	0.0	17.6
Site Assembly	0.0	0.0	6.9	0.0	0.0	0.0	0.0	6.9
CPO	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.5
Planning Fee	0.0	0.0	0.1	0.3	0.0	0.0	0.0	0.4
Demolition	0.0	0.0	0.0	1.0	0.0	0.0	0.0	1.0
Construction (Site 2)	0.0	0.0	0.0	0.0	6.3	0.0	0.0	6.3
Digital infrastructure and installation (Site 5)	0.0	0.0	0.06	0.32	0.0	0.0	0.0	0.38



	18/19	19/20	20/21	21/22	22/23	23/24	Beyond	Total
Development costs (Site 7)	0.0	0.0	0.0	0.0	2.2	0.0	0.0	2.2
Monitoring and Evaluation costs	0.0	0.0	0.01	0.01	0.01	0.0	0.0	0.03
<b>Total</b>	<b>1.2</b>	<b>5.1</b>	<b>15.0</b>	<b>8.6</b>	<b>14.9</b>	<b>2.8</b>	<b>0.1</b>	<b>47.6</b>

**Table 3.3: Financial profile – Do Maximum option (£m)**

	18/19	19/20	20/21	21/22	22/23	23/24	Beyond	Total
Existing Funding (for the underpass scheme)	1.2	5.1	7.5	6.9	5.3	2.8	0.0	28.7
Co-funding to be leveraged	0.0	0.0	0.0	0.1	5.0	0.0	0.0	5.2
New Funding (Site 1, 2, 5 and 7):	0.0	0.0	7.8	2.8	14.4	0.0	0.0	25.0
Site Assembly	0.0	0.0	6.9	0.0	0.0	0.0	0.0	6.9
CPO	0.0	0.0	0.5	0.0	0.0	0.0	0.0	0.5
Planning Fee	0.0	0.0	0.4	0.3	0.0	0.0	0.0	0.7
Demolition	0.0	0.0	0.0	2.2	0.0	0.0	0.0	2.2
Construction (Site 1 and 2)	0.0	0.0	0.0	0.0	12.2	0.0	0.0	12.2
Digital infrastructure and installation (Site 5)	0.0	0.0	0.06	0.32	0.0	0.0	0.0	0.38
Development costs (Site 7)	0.0	0.0	0.0	0.0	2.2	0.0	0.0	2.2
Monitoring and Evaluation costs	0.0	0.0	0.01	0.01	0.01	0.0	0.0	0.03
<b>Total</b>	<b>1.2</b>	<b>5.1</b>	<b>15.3</b>	<b>9.8</b>	<b>24.8</b>	<b>2.8</b>	<b>0.1</b>	<b>58.9</b>

## Source of Funding

3.2 As proposed in the Commercial Case, the FHSF scheme elements each have varying delivery models, and as a result a different source of funding. The following summarises the proposed source of funding for each site:

- **Site 1:** Delivery via Thurrock Regeneration Limited, Council's wholly owned property delivery company.
  - **Co-funding:** The site is in sole ownership of Thurrock Council and will be leveraged as co-funding (£3,970,000 as valued by Thurrock Council in 2019) for the delivery of Site 1. Co-funding for this site is addressed through the Cabinet decision in December 2018 (Decision Number 110492).
  - **MHCLG FHSF:** The viability gap from the residual land value analysis is £7,368,193, which is requested from the MHCLG FHSF. Remaining development costs will be covered by Thurrock Regeneration Limited (estimated £14,309,794).
- **Site 2:** This site is to be delivered by Council promoted developer competition via OJEU or OJEU compliant framework (or similar depending on guidance at that time) with site assembly led by Council.
  - **Co-funding:** The site includes plots with various owners, including the Council owned Thurrock Centre for Business (Site 2c), which will be leveraged as co-funding (£1,075,000 as assessed through Montagu Evans PCE). Funding has been secured for land assembly on Site 2a as part of the Grays underpass scheme (£3,292,225). Co-funding for this site is addressed through the Council's Capital Programme: Full Council February 2020.
  - **MHCLG FHSF:** The remaining £6,876,275 in land assembly is requested from MHCLG FHSF for Site 2b and 2d. The viability gap from the residual land value analysis is £7,815,995, which is also requested from the MHCLG FHSF. The remaining development costs will be covered by the private developer (estimated £36,928,558).
- **Site 5:** Direct delivery by Thurrock Council
  - **Co-funding:** Public realm component of this site to be sought through the Towns Fund.

- **MHCLG FHSF:** £381,626 requested from the FHSF for 3x LoraWAN base stations, 80x IoT sensors, 13x CCTV enhancements, 5x digital signs and 10x pop-up power units. This cost includes installation and 15% contingency, as detailed in Appendix I.
- **Site 7:** Direct delivery by Thurrock Council, potentially through Thurrock Regeneration Limited
  - **Co-funding:** Site 7b (Station House) is in sole ownership of Thurrock Council and will be leveraged as co-funding (£140,000 as assessed through Montagu Evans PCE). The remaining land assembly for Site 7a (High Street Block) has been secured as part of the Grays underpass scheme (£150,900). Co-funding for this site is addressed through the Council's Capital Programme: Full Council February 2020.
  - **MHCLG FHSF:** Development costs of £2,545,961 requested from the FHSF to delivery sites at Site 7a and 7b.

3.3 The FHSF scheme elements will be delivered as part of a 'wider package of works' with the Grays underpass scheme being funded through the SELEP Growth Fund. This scheme received Cabinet approval in April 2017 (*Decision Number 01104419*) and has secured funding with major contributions from SELEP LGF (£10.8m), Thurrock Council (£9m), S106 (£1m), Developer receipts (£5.9m), Network Rail (£0.7m). The co-funding from Council includes the Capital Programme and borrowing on returns from development.

3.4 It is also noted that Thurrock Council has already invested in two projects that will complement the network and infrastructure requirements to implement the digital infrastructure within Site 5, including:

- **Local Full Fibre Network (LFFN):** Delivery is set to begin on a £4.4m project to bring local full fibre broadband connectivity to South Essex, including Grays town centre. The plans include a cable bringing LFFN down Grays high street and George Street (towards Morrison's). Approved at Cabinet on 17<sup>th</sup> June 2020 (Decision no. 110511).
- **Wide Area Network (WAN)** – Re-procurement of a new WAN network will promote connectivity to the borough through public networks, providing ample commercial opportunities for retail units along the high street.

## Financial Appraisal

3.5 For each of the sites identified within this funding proposal a financial viability assessment (Residual Land Valuation - RLV) has been undertaken to determine the extent of the funding gap undertaken. The summary development appraisals undertaken using Argus Developer are attached as Appendix J for Sites 1, 2 and 7, and include a list of appraisal assumptions. These appraisals are informed by:

- Property Market Research (summarised in Commercial Case and Appendix K);
- Capacity assessment and floorspace schedules prepared by AR Urbanism (Appendix L); and
- Cost Schedules prepared by LSH (Site 1) and Playle and Partners (Sites 2 and 7), attached in Appendix M.

3.6 Each of the financial development appraisals are cashflowed. The summary appraisals and cashflows are attached as Appendix N, with the summary outputs of these Residual Land Valuations are as follows:

**Table 3.4: Residual land value**

Site	1	2	7a (High Street Block)	7b (Station House)
Residual Land Value	-£ 7,368,193	-£ 7,815,995	-£ 752,922	-£ 812,937

3.7 The outcomes show that each of the proposals are not viable, *even before allowing for land assembly costs* due to the sales values and rental yields adopted within the appraisal that reflect Grays existing market conditions. This reflects the market failure discussed in the Commercial Case. All rents have also been set below anticipated current market rental levels to improve affordability, with a rent-free period of 6 months assumed for all mixed commercial / rental uses.

- 3.8 Land assembly costs for Site 2 is based on the premise that a Compulsory Purchase powers *might* be needed to assemble the site (this being a worst case scenario), though it is clear that the high number of land interests that need to be assembled is a major challenge and therefore the use – or more particularly the threat of using – these powers may be necessary.
- 3.9 Site assembly costs have been assessed by Montagu Evans and summarised below. A schedule of the property cost estimates (PCE) for Site 2 is attached at Appendix O.

**Table 3.5: Land assembly costs**

Site	1	2	7a (High Street Block)	7b (Station House)
Land assembly cost	£3,790,000 <sup>1</sup>	£7,951,275 <sup>2</sup>	£150,900 <sup>3</sup>	£140,000 <sup>4</sup>
Land assembly costs required via FHSF	£0	£6,876,275	£0	£0

Notes: <sup>1</sup> Thurrock Council asset value (2019)

<sup>2</sup> Draw from Montagu Evans PCE (plot 2A excluded as already funded). Includes cost of Council's ownership: the Old Post Office (value £1,075,000)

<sup>3</sup> From Montagu Evans PCE. For High Street Block, a separate budget is allocated for site assembly for this plot and funding not required.

<sup>4</sup> From Montagu Evans PCE: Market Value of Station House (in ownership of Thurrock Council - excludes disturbance).

- 3.10 Combining both the deficits from the viability assessments (RLVs) and the land costs generates the following overall funding gap, noting that as Site 7a and 7b are to be delivered by Thurrock Council, the funding request is for development costs, not the viability gap.

**Table 3.6: Total funding gap**

Site	1	2	7a (High Street Block)	7b (Station House)
Scheme funding gap (RLV)	-£ 7,368,193	-£ 7,815,995	-	-
Land assembly costs	£0	£6,876,275	£0	£0
Development costs	-	-	£1,317,897	£1,228,064
<b>Total funding gap</b>	<b>£7,368,193</b>	<b>£14,692,270</b>	<b>£1,317,897</b>	<b>£1,228,064</b>

- 3.11 The outcomes from the financial appraisal are clear: there are considerable funding gaps. From a financial perspective, the commercial developer market would not undertake these developments based on the present financial metrics. Thus, without funding and intervention, market failure in Grays town centre will continue.

## Financial Risks

- 3.12 There are several financial risks associated with the proposed funding strategy and development appraisals undertaken. These have been included within the risk register (Appendix Y) and are summarised as:
- **Capital cost overruns for FHSF scheme elements:** the cost estimates for redevelopment sites (1, 2 and 7) have been undertaken by qualified quantity surveyors (LSH and Playle and Partners) and appropriate contingencies has been applied. The estimates for Site 5 have been prepared by the Council and include a 15% contingency. Capital costs will be reviewed at the appropriate gating stages and monitoring during project delivery as discussed in the Management Case.
  - **Sites cannot be secured by private treaty:** Land assembly costs for Site 2 is based on the premise that a Compulsory Purchase powers *might* be needed to assemble the site (a worst case scenario), though it is clear that the high number of land interests that need to be assembled is a major challenge and therefore the use – or more particularly the threat of using – these powers may be necessary.
  - **Commitment of co-funding:** the decisions on co-funding and commitments have been taken at the appropriate level as defined under the Council's constitution.

- **Grays South underpass not implemented:** This scheme received Cabinet approval in April 2017 and has secured funding with major contributions from SELEP LGF, Thurrock Council, S106, Developer receipts, and Network Rail. The underpass is still in design stage, with construction starting in two years.
- **Development appraisals underestimate the viability gap:** the residual land value for each site has been assessed by Montagu Evans and adopts realistic sales values and rental yield estimates that reflect Grays existing market conditions (summarised in Commercial Case and detailed in Appendix K). All rents have also been set below anticipated current market rental levels to improve affordability, with a rent-free period of 6 months assumed for all mixed commercial / rental uses.
- **Development appraisals overestimate the viability gap:** as the sites progress through planning approval, development appraisals will be updated should the developments proposals tangibly change from what is included in this business case (e.g. affordable housing, number of residential units, commercial floorspace).
- **Delay in programme:** the project plan has been developed to ensure appropriate time for the delivery of the scheme (summarised in the Management Case and attached as Appendix X). Risks that may impact the programme have been captured in the risk register and will continue to be managed and monitored in line with the risk management strategy.
- **Shortfall in rental revenue:** The risk of any shortfall in rental revenue for Site 7 sits with the Council, which is mitigated through the strategy of getting in the right tenants through the combination in rent freeze and lower than market rents. A similar risk may also apply to Site 2 depending on the negotiated Development Agreement. This has been signed off by the Council's Section 151 officer, with a statement attached in Appendix P.
- **Financial impacts of the coronavirus pandemic:** the anticipated impact of coronavirus pandemic on this funding ask is outlined in Appendix D.

## 4 Economic Case

### Option Development

- 4.1 The process of regenerating Grays has already begun. However, as detailed in the Grays Town Centre Framework Refresh [12], there is still a significant way to go before the full potential of the town can be realised. The updated framework has been developed to include several important projects that are critical to the long-term success of Grays and aims to strengthen the town centre by concentrating mixed use activities and promote the intensification of residential accommodation. The list of projects in the framework refresh have been incorporated into the Concept Plan, attached as Appendix Q, and includes the underpass project that is funded by the SELEP Local Growth Fund, Network Rail, and Thurrock Council.
- 4.2 The framework has been used as the basis for identifying sites for regeneration in the town centre and to capitalise on the current momentum for redevelopment. Based on the objectives of the FHSF, Framework priorities and the catalyst provided by the committed development of the underpass, the following sites were shortlisted for further analysis:
- **Site 1:** to the east of the High Street, this site contains the Civic Office, an office block occupied by the Council, and is in the sole ownership of Thurrock Council.
  - **Site 2:** on the western side of the High Street to the north of the Grays train station, Site 2 is mostly poor quality / outdated retail block on the ground floor with first floor residential. Also includes the Thurrock Centre for Business, a section of the Morrisons car park and a Lloyds Bank branch.
  - **Site 3:** eastern side of the High Street to the north of the Grays train station, this site includes the Grays Shopping Centre, recently purchased by New River REIT, as well as various other retail units.
  - **Site 5:** public realm along the High Street, Clarence Road and Orsett Road.
  - **Site 7:** two sites to the south of the Grays train station, with Site 7a created at the entrance to the underpass and Site 7b opposite the southern entrance to the station.
- 4.3 For the commercial sites, a capacity study (Appendix L) has been undertaken by AR Urbanism to determine the potential development quantum and provide an indication of what is possible to achieve in terms of densification. The indicative capacities have then been considered along with other site constraints and have been prioritised for which aligns best with the FHSF objectives:
- **Priority 1: Site 2 and Site 7** due to clear impact on the Grays High Street commercial and residential offer and opportunity presented with the development of the underpass.
  - **Priority 2: Site 5** to support the digital economy and information systems along the high street.
  - **Priority 3: Site 1** to improve the quality and density of town centre residential accommodation.
- 4.4 Due to the earlier stage of the redevelopment of the shopping centre by New River REIT, Site 3 has been excluded from this FHSF bid. However, this development would be transformative for Grays and its viability and deliverability will be enhanced by the FHSF investment. The interventions proposed for Site 5 will also be complemented by renewal of the public realm (as part of the Towns Fund bid) to create an attractive and welcoming environment (also required after the installation of the digital infrastructure).
- 4.5 Considering the above, the options that have been considered in the economic case, in line with the option scenarios requested in the guidance, are outlined overleaf. These options reflect the prioritisation above. Further discussion with MHCLG would be welcome should there be a more optimal combination of schemes that better align with fund objectives or funding allocations.

- **Option 1: Do Nothing** – no underpass scheme or regeneration within Grays town centre, with quality and performance of high-street continuing to decline.
- **Option 2: Do Minimum** – includes the underpass project, connecting the north and south of Grays Station via an underpass (in place of level-crossing).
- **Option 3: Do Less** – includes the underpass project and Site 2, a redevelopment of four quadrants to deliver a mixed-use development comprising up to 136 housing units, and around 13,500 sq. m of retail and commercial space.
- **Option 4: Do Medium** – includes the underpass project and Site 2, with the addition of Site 7, which involves the delivery of dedicated retail and mixed commercial uses (800 sq.m) to the south of the Grays station. Option 4 also includes a series of digital infrastructure (Site 5) along the high street.
- **Option 5: Maximum option** – includes all items in Option 4, with the addition of Site 1 (CO1), which involves the redevelopment of an existing office block used by Thurrock Council to deliver 82 housing units and potential for ground floor commercial use.

## Economic Appraisal of Shortlisted Options

- 4.6 A summary of the economic appraisal of the shortlisted options is provided in Table 4.1, and includes a potential value for money for each scheme as determined from the benefits appraisal.

## Benefits Appraisal

- 4.7 The shortlisted options have been appraised in accordance with the HM Treasury Green Book, MHCLG's Appraisal Guide and DfT's Transport Analysis Guidance to identify the preferred option based on the value for money and wider economic outcomes. As per the FHSF FAQ, a cost-benefit analysis and appraisal has been undertaken for both:
- The sum of Future High Streets Funding requested for this project; and
  - The overall programme of transformational change for Grays (i.e. the 'wider package of works' including the Grays underpass).
- 4.8 At its core, the sites have been selected to deliver an improved housing and commercial offer to transform Grays high street. The economic benefits of delivering additional housing and commercial space have therefore been completed using the land value uplift (LVU) approach.
- 4.9 LVU is calculated as the difference between the future land price when the development is completed and the current value of the land. The future land price is estimated as the Gross Development Value, considering rental and sale values for the housing and non-housing developments, minus the costs incurred by the developer (including construction costs) and the developer's profit. No transport impacts have been modelled, as this is not a transport-based business case, however the health benefits of additional affordable housing has been incorporated within the 'adjusted' economic appraisal.
- 4.10 As detailed in the Financial Case, the NPV of the land value uplift has been based on the development of site-specific residual development appraisals, undertaken using industry standard Argus Developer software as attached in Appendix J.

**Table 4.1: SWOT analysis and economic appraisal of shortlisted options**

Shortlisted options	SWOT Analysis					Potential VFM	Conclusion
	Meeting Spending objectives	Strategic fit	Achievability	Supplier capacity and capability	Affordability		
<b>Option 1 – Do Nothing</b>	-	-	-	-	-	-	In the absence of investment, the quality and performance of Grays high-street will continue to decline.
<b>Option 2 – Do Minimum</b>	No funding ask from MHCLG.	Improves north-south connectivity and potentially enables delivery new homes and commercial floorspace.	Underpass project on-track, GRIP 6 phase programmed for completion August 2024.	Network Rail has significant experience delivering rail safety schemes and has formal management and control process.	Secured funding with major contributions from SELEP LGF, Thurrock Council, S106, Developer receipts, and NR.	<b>2.3:1</b> for all public funding  <b>5.5:1</b> for Growth Deal funding	The underpass scheme will significantly improve north-south connectivity however will not be transformative to the town centre offer.
<b>Option 3 – Do Less</b>	Construction of FHSF funding elements completed in October 2024, with funding spent by March 2024. Co-funding is committed.	Strong strategic fit, delivering mixed-use development on the high street (up to 136 homes and 13,500 sq. m of retail/commercial space).	Scheme is considered achievable given Council's delivery of similar schemes.	Site 2 specifically is a complex site requiring multi-disciplinary skills, and external developer expertise needed to deliver residential and mixed commercial.	Overall package can be funded given the current contributions to underpass scheme and with MHCLG contribution (£14.7m)	<b>1.13:1</b> for all public funding	The redevelopment of Site 2 in parallel with the underpass scheme will capitalise on the committed funding to Grays and contribute to the revitalisation of the high street.
<b>Option 4 – Do Medium</b>	Construction of FHSF funding elements completed in October 2024, with funding spent by March 2024. Co-funding is committed.	Very strong strategic fit, delivering mixed-use development on the high street (up to 136 homes and 14,300 sq.m of retail/commercial space) and digital infrastructure along the high street.	Scheme is considered achievable given Council's delivery of similar schemes.	As above, Site 2 will require external developer expertise.	Overall package can be funded given the current contributions to underpass scheme and with MHCLG contribution (£17.6m)	<b>1.03:1</b> for all public funding	By delivering Site 2, 5 and 7, the preferred option will revitalise the high street and transform the town centre offering, clearly improving commercial viability for other major developments (e.g. New River).
<b>Option 5 – Maximum</b>	Construction of FHSF funding elements completed in November 2024, with funding spent by March 2024. Co-funding is committed.	Similarly, strong strategic fit in enhancing the high street, however also including an additional 82 homes at Site 1.	Scheme is considered achievable given Council's delivery of similar schemes.	No additional constraints than the previous options from a supplier capacity and capability perspective.	Overall package can be funded given the current contributions to underpass scheme and with MHCLG contribution (£25.0m)	<b>0.63:1</b> for all public funding	The inclusion of CO1 in the FHSF package will improve the quality and density of town centre residential accommodation, however, requires the maximum MHCLG FHSF contribution.



## Appraisal assumptions

4.11 The economic appraisal for this Economic Case assumes the following:

- A discount rate of 3.5% with an appraisal period of 30 years, starting in 2020. 2020 is the reference year that has been used for rebasing and discounting purposes.
- Optimism bias of 15% for land assembly costs and construction costs, given the level of uncertainty at this stage and HMT guidance for “standard buildings” of 2-24%.
- While contingency has been included in the development appraisals within the Financial Case, and resulting funding ask, no additional contingency or risk has been adopted within the economic appraisal above the optimism bias. This is in line with optimism bias guidance.
- The costs and benefits from the underpass project are included in the assessment of the overall programme of transformational change for Grays. These figures were produced for the Grays South FBC for the SELEP [13] and have been adjusted to 2020 prices.
- The estimate of Gross Development Value (GDV) is based on the sales/let profile outlined below, reflating the year in which the GDV is realised (for each unit). The ‘existing’ land value is estimated for the equivalent year, so the resultant Land Value Uplift is based on consistent assumptions on timing.
- Health benefits from additional affordable housing of £125 per year for each affordable unit added, or £2,400 per unit in present value terms (2020 prices) over a 30-year appraisal period.

4.12 The following programme has been assumed for sales/let units and construction, as provided by Montagu Evans. Table 4.2 and Table 4.3 show the completion of sales/let units and construction, respectively, for each year as a percentage of the total for each site.

**Table 4.2: Sales/let units programme, as % of the total per site**

Site	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Site 1	-	-	-	-	0.37	0.63	-	-	-
Site 2	-	-	-	-	0.32	0.43	0.25	-	-
Site 7 SH	-	-	-	-	1.00	-	-	-	-
Site 7 HSB	-	-	-	-	1.00	-	-	-	-

**Table 4.3: Construction programme, as % of the total per site**

Site	19/20	20/21	21/22	22/23	23/24	24/25	25/26	26/27	27/28
Site 1	-	-	-	-	0.50	0.50	-	-	-
Site 2	-	-	-	-	0.60	0.40	-	-	-
Site 7 SH	-	-	-	0.75	0.25	-	-	-	-
Site 7 HSB	-	-	-	0.25	0.75	-	-	-	-

4.13 Costs related to development and construction follow the same profile as the construction programme above, while existing land value figures follow the sales/let units profile, as it reflects the year in which the land value uplift is realised. The cost profile for land assembly, viability gap and other funding asks has been distributed using the time profiles shown in the Financial Case.

4.14 Cost and revenue estimations for the scenarios assessed were provided in 2020 prices. However, the spending and revenue profile will likely span several years and therefore adjustments to prices have been made to reflect potential real growth, after considering inflation. Within the economic appraisal real growth of 4 per cent p.a. has been applied to residential land value, retail and mixed commercial rental value and existing land value.



- 4.15 Loss of amenity due to land use change for developments has not been estimated in this economic appraisal, as all developments will take place in previously developed land and therefore there will be no clear loss amenity value as can happen in other cases when developing green belt, rural or agricultural land. This is expected to provide a conservative estimate, as several of the sites are poor quality/outdated and their redevelopment to a more modern, quality design will likely have a positive amenity impact on the local community (particularly for Site 2). The DCLG Appraisal Guide does not currently provide guidance for this type of amenity improvement, however, notes that MHCLG “plans to develop potential appraisal values for the external impact of developing on brownfield land”.
- 4.16 Additionality has also been considered within the assessment, as the benefits from the assessed developments may not be additional in their entirety. This may happen in situations when part of the developments would have happened anyway without intervention (deadweight), when economic activity is increased by reducing it somewhere else (displacement) and when some impacts of the developments are realised outside of the study area (leakage). While there may be some displacement for the FHSF scheme elements, (e.g. 25%), applying this factor would reduce the disbenefit of the land value uplift, and therefore has been excluded from the economic appraisal.

### Land value uplift and co-funding

- 4.17 The results for the land value uplift appraisal are summarised in Table 4.4.

**Table 4.4: Land Value Uplift benefit elements (£m, 2020 PV)**

Element	Site breakdown				Do Less (Site 2)	Do Medium (Site 2, 5 and 7)	Maximum option (Site 1, 2, 5 and 7)
	1	2	7B (SH)	7A (HSB)			
Gross Development Value	15.32	36.87	0.46	0.63	36.87	37.95	53.27
Development costs + profit	20.62	39.94	1.15	1.18	39.94	42.27	62.90
Purchaser's cost	0.02	0.65	0.03	0.04	0.65	0.73	0.74
<b>Net commercial viability</b>	<b>-5.32</b>	<b>-3.73</b>	<b>-0.73</b>	<b>-0.59</b>	<b>-3.73</b>	<b>-5.05</b>	<b>-10.36</b>
Existing land value <sup>1</sup>	4.00	4.57	0.10	0.07	4.57	4.74	8.74
<b>Total LVU benefits</b>	<b>-9.32</b>	<b>-8.29</b>	<b>-0.83</b>	<b>-0.67</b>	<b>-8.29</b>	<b>-9.78</b>	<b>-19.10</b>
Co-funding	-3.98	-1.08	-0.14	-	-1.08	-1.22	-5.20
<b>Total benefits</b>	<b>-13.30</b>	<b>-9.37</b>	<b>-0.97</b>	<b>-0.67</b>	<b>-10.95</b>	<b>-11.00</b>	<b>-24.30</b>

Note: <sup>1</sup> Site 1, 7A and 7B are owned by the Council and/or Network Rail and therefore classified as co-funding.

- 4.18 There is a commercial viability deficit for each site, and a deficit of £5.1m and £10.4m for the Do Medium and Maximum Options, respectively. This reflects, and is symptomatic of the fundamental issue facing Grays, which is that the major challenges faced by the high street and the impact on the wider economy and communities will not be ameliorated through a solely market or developer-led approach, due to the low and declining rents for existing premises and the high costs of redeveloping town centre assets. This is the root of the market failure that, in the absence of FHSF investment, will mean that the necessary renewal and reshaping of the high street will not happen.
- 4.19 While, in LVU terms alone, the scheme shows a disbenefit, the impact on the high street is best understood through the fact that the GDV of the development (£38.0m in the Do Medium and £53.3m in the Do Maximum) is in the order of six or seven-fold that of the exiting land value. This shows the scale of transformation and value in terms of the physical regeneration outcomes delivered ‘on the ground’.

- 4.20 The co-funding (the contribution of Thurrock Council, represented as a negative benefit) reflects the local commitment to securing the renewal of the high-street and the wider economic, social and environmental outcomes that this will help deliver.

### Cost benefit analysis

- 4.21 Benefits and costs presented in this section are relative to the Do-Nothing scenario, therefore including the underpass project costs and benefits. The costs and benefits associated with the **Do Medium** option are presented in Table 4.5.

**Table 4.5: Costs and benefits associated with the Do Medium option**

Public costs and revenues (2020 PV £m)	FHSF funding	Overall programme
Land assembly	7.84	7.84
Viability gap	7.30	7.30
Other funding asks	2.77	2.77
Construction cost OB	4.30	4.30
Underpass costs	-	26.34
<b>Net public costs</b>	<b>22.21</b>	<b>48.55</b>
Social benefits (2020 PV £m)	FHSF funding	Overall programme
Land value uplift	-9.78	-9.78
Co-funding	-1.22	-1.22
Amenity benefits	-	-
Affordable housing benefits	0.09	0.09
Underpass benefits	-	60.72
<b>Net social benefits</b>	<b>-11.00</b>	<b>49.72</b>
<b>Net social benefits - adjusted</b>	<b>-10.91</b>	<b>49.81</b>

- 4.22 The cost benefit analysis for the 'initial' BCR for the Do Medium option is shown in Table 4.6. The 'adjusted' BCR, which includes the health benefits of additional affordable housing, is presented in Table 4.7.

**Table 4.6: Economic performance of the Do Medium option – initial BCR**

Economic performance (2020 PV £m)	FHSF funding	Overall programme
PVB	-11.00	49.72
PVC	22.21	48.55
NPV	-33.21	1.17
BCR	N/A	1.02

**Table 4.7: Economic performance of the Do Medium option - adjusted BCR**

Economic performance (2020 PV £m)	FHSF funding	Overall programme
PVB	-10.91	49.81
PVC	22.21	48.55
NPV	-33.12	1.26
BCR	N/A	1.03

- 4.23 Both the 'initial' BCR and the 'adjusted' BCR for the Do Medium scenario are above 1.00:1 when considered within the overall programme of works (i.e. with the underpass scheme). This is considered Acceptable to

Value for Money using the DCLG Appraisal Guide and reflects the LVU disbenefits discussed previously, noting that a BCR of less than 1 is 'Poor' Value for Money. However, there are significant non-monetised benefits that will be generated by the FHSF scheme that are expected to clearly show Acceptable to High value for money.

## **Non-monetised benefits**

### *Digital economy*

- 4.24 The FHSF funding ask includes the implementation of an Internet of Things (IoT) network (via LoraWAN base stations) in the high street that uses connected sensors and data to drive high street enhancements, including real time parking information, footfall indicators, smart lighting, CCTV enhancements and air quality data (Site 5). The digital infrastructure components are modest in terms of overall FHSF funding ask, however can have significant impacts on the accessibility and safety within the town centre.
- 4.25 A key component of the digital infrastructure is enhancements to the current CCTV system in operation, expanding coverage and providing further safety for shoppers and residents. 13 locations have been identified for these improvements (and are included in the FHSF funding ask) to be installed on existing light columns. These measures will significantly improve the actual and perceived safety of the high street and serve to address a key barrier to increased activity and usage.
- 4.26 While the strategy for the sensors are still being finalised (allowance for 80 IoT sensors within bid), they are expected to be utilised for multiple uses, including to provide real-time parking information within the town centre. 50 sensors have been allocated within Site 5 for dynamic parking to link sensors to billboards and highlight available spaces, which also has the potential for Council to partner with parking providers to provide enhancements to parking payment solutions. This is expected to reduce the time for drivers to find a parking space (travel time benefit), as well as decrease congestion, improve air quality and provide the Council with a range of valuable data for future town planning.

### *Amenity value and increased land/property value*

- 4.27 As mentioned previously, the redevelopment of Site 1, 2 and 7 is expected to improve the overall amenity value in Grays town centre, as several of these sites are poor quality/outdated, and a more modern, quality design will have a positive impact on the local community. This is particularly the case for Site 2 along the high street, due to its central location and proximity to the rail station and will undoubtedly improve the perception of the high street. An improved perception of place will translate into increased footfall and increased spend, which are fundamental to the future success of Grays.
- 4.28 In addition to the amenity value, both the FHSF scheme elements and underpass scheme will likely increase the land/property values of existing sites within the town centre. Due to its location adjacent to the station this section of the high street also acts as the 'gateway' to Grays. A poor high street/station environment can create a poor impression of a town or location, and the resulting image of underdevelopment tends to depress developers' expectations of likely returns and discourage investment. Investment in Site 2 in particular will provide developers with confidence that there is a commitment to the regeneration of Grays town centre. This feedback has already been provided by New River REIT, owners of the shopping centre on the high street opposite Site 2, who have indicated that the redevelopment of Site 2 will significantly improve the viability of their proposed large-scale redevelopment scheme.

### *Community cohesion*

- 4.29 A key component of the FHSF scheme is the Council controlling the letting strategy of Site 2 and 7, to ensure the commercial / rental uses meet the vision for the Grays high street. It is the Council's intention to relocate the adult community education service from an edge of town centre site to this commercial space, providing

modern teaching spaces that can double as community meeting places. The business space for both Site 2 and 7 would also include space for micro businesses and business start-ups to scale up when ready. With their location close to the rail station and new public realm from the underpass project, the space will also provide opportunity for a night-time economy with places to eat and drink and create a cohesive community in which people want to live and invest. This will also attract new types of businesses to help address the recent stagnation of employment and capitalise on high business start-up rates through provision of workspace opportunities and support of SMEs.

- 4.30 The above strategy has been reflected in the development appraisals within the Financial and Economic Case, where it is assumed all rents are below anticipated current market rental levels to improve affordability, with a rent-free period of 6 months assumed for all mixed commercial / rental uses.

#### *Modal shift and other environmental impacts*

- 4.31 The proposed FHSF will provide much needed town centre residential stock for Grays town centre. The market analysis undertaken as part of the Commercial Case demonstrates that these types of dwellings (1 to 2 bedrooms) are in demand in Grays, especially with its location in commutable distance to London and the wider regional economy. Densification of the Grays town centre is therefore expected to contribute to modal shift within the region, as the reliance on private vehicle travel is reduced. This will be complemented by the digital infrastructure proposed within Site 5, which is expected to include air quality monitoring that will help enhance the green agenda.
- 4.32 Delivering housing on existing brownfield sites as part of the FHSF scheme (Site 1 and 2) may also provide environmental benefits if it means less development of greenfield/countryside locations. Evidence suggests that there has been a significant increase in the proportion of housing permitted and delivered on greenfield and Green Belt land since the adoption of the National Planning Policy Framework [14]. Developers tend to target development on these greenfield sites as the development process typically carries less cost and therefore less risk. By funding the site assembly and de-risking these brownfield sites within the Grays town centre, there is potentially a positive environmental benefit in that greenfield site may be postponed/ remain undeveloped.

#### **Economic Analysis (BCR) for FHSF Element Only (Apportionment)**

- 4.33 The economic performance of the scheme outlined above looks at the investment case for public sector investment overall – i.e. FHSF and local co-funding. The FHSF guidance also requires an assessment of benefits delivered by the FHSF element alone, based on an apportionment of benefits.
- 4.34 From an outcome-led perspective, without the FHSF funding there is no viable FHSF scheme elements and therefore all the benefits identified are wholly dependent upon the FHSF. From an economic perspective, however, this ignores the opportunity cost of the co-funding, which would have an alternative use if not deployed alongside the FHSF. In terms of ‘attribution’ therefore, the FHSF benefits should logically be apportioned to the FHSF share of the overall public sector funding, meaning that the resultant economic performance metrics would be scaled accordingly (and the BCR would be effectively the same).

#### **Risk Appraisal**

- 4.35 The benefits appraisal has included the following assumptions regarding risk and uncertainty:
- **Optimism bias:** 15% for land assembly costs and construction costs, given the level of uncertainty at this stage and HMT guidance for “standard buildings” of 2-24%.
  - **Risk and contingency:** While contingency has been included in the development appraisals within the Financial Case, and resulting funding ask, no additional contingency or risk has been adopted within the economic appraisal above the optimism bias.

- 4.36 No quantified risk assessment has been undertaken at this stage; however, the above risk assumptions are expected to account for the known risks.

### Sensitivity Analysis

- 4.37 A range of sensitivity tests have been undertaken to address the robustness of the **Do Medium** appraisal under a range of scenarios. The scenarios considered are:

- 20% increase in sales and rent rates for housing, retail and commercial uses;
- Optimism Bias at highest and lowest values of the HMT defined threshold (2-24%);
- Additionality factor for LVU benefits (50%);
- Affordable housing units at a lower (20%) and higher (50%) level than the central scenario (35%); and
- No real growth of construction costs and residential/rental value over time.

- 4.38 For the **Do Medium** option, the BCR is between 0.96:1 and 1.17:1 for all the scenarios considered when assessing the overall programme. The BCR values for the FHSF bid scenarios are not included in the table, as they would show a negative value. The NPV is a preferred measure for comparison.

**Table 4.8: Sensitivity analysis for the Do Medium option**

Sensitivity	FHSF bid				Overall programme			
	PVB	PVC	NPV	BCR	PVB	PVC	NPV	BCR
Central – adjusted BCR	-10.91	22.21	-33.12		49.81	48.55	1.26	1.03
20% increase in sales and rent rates	-3.69	22.21	-25.90		57.04	48.55	8.49	1.17
Optimism Bias = 2%	-10.91	17.60	-28.51		49.81	43.93	5.88	1.13
Optimism Bias = 24%	-10.91	25.41	-36.32		49.81	51.75	-1.93	0.96
LVU Benefits additionality of 50%	-6.02	22.21	-28.23		54.71	48.55	6.16	1.13
20% of affordable housing units	-8.52	22.22	-30.74		52.20	48.56	3.65	1.08
50% of affordable housing units	-13.21	22.21	-35.41		47.52	48.54	-1.03	0.98
No real growth for construction costs and residential/rental value	-12.76	21.94	-34.70		47.96	48.27	-0.31	0.99

- 4.39 The sensitivity analysis demonstrates that the ‘wider package of works’ (i.e. with the underpass scheme) generally stays within the Acceptable to Poor Value for Money.

- 4.40 For the FHSF scheme components only, there is a land value disbenefit for each sensitivity tested, reinforcing the fact that the major challenges faced by the high street will not be ameliorated through a solely market or developer-led approach due to low and declining rents for existing premises and the high costs of redeveloping town centre assets.

### Summary

- 4.41 The key finding of this economic analysis is that the ‘wider package of works’ (i.e. with the underpass scheme) is considered Acceptable to Poor Value for Money using the DCLG Appraisal Guide, primarily due to the LVU disbenefits expected from the FHSF scheme elements.

- 4.42 However, there are significant non-monetised benefits that will be generated by the FHSF scheme demonstrate Acceptable to High value for money, including:

- Significant improvements to accessibility and safety within the town centre from improved digital infrastructure.
- Redevelopment of Site 1, 2 and 7 from poor quality/outdated to a more modern, quality design will have a considerable amenity value for the local community, as well as increase the land/property values of existing sites within the town centre.
- Improving community cohesion with Council controlling the letting strategy of Site 2 and 7 to ensure the commercial / rental uses meet the vision for Grays high street (including adult community education).
- Encouraging modal shift by increasing residential stock within the town centre and reducing reliance of on private vehicle travel for new/existing residents. May also provide environmental benefits if it means less development of greenfield/countryside locations.

## 5 Commercial Case

- 5.1 This section considers the key town centre property sectors, in terms of demand, health and viability. It explains how the financial metrics attached to land uses creates a situation where market failure is occurring, and details how new development will break this cycle by providing new commercial and residential space that will meet prospective occupiers' and residents' needs. The analysis is supported by property market evidence attached as Appendix K.

### Market Analysis

#### Residential

- 5.2 Generally, house prices in Grays are lower than both the Essex and Greater London average. These low prices are a symptom of the poor perception of Grays and a cause of limited developer interest and/or viability. It is notable how little residential development has taken place in the heart of the town centre over recent years given its excellent accessibility characteristics with a central rail station and fast and regular commute time to London. The only recent truly town centre residential development was at Pullman Court, including only 30 units and taking 14 months to sell. While this is an absorption rate of 2 to 3 units/month, a development in the south east would typically hit sales rates of around 4 to 5 units/month were it a more attractive location, e.g. Malthouse Drive on the edge of Grays town centre has a sales rate of over 8 dwellings per month.
- 5.3 The market failure in the heart of the town centre can be attributed to several factors, such as a poor environment and town centre offer that does not meet buyers' aspirations, and the sheer challenge (and cost) of assembling sites in the town centre. These challenges are deterrents to commercially minded developers, who will look to less risky and more lucrative opportunities. Without public sector intervention, this situation of market failure will prevail. The challenge facing Grays too is low sales values (£350 per sq ft) making flatted residential development much more marginal / unviable. This can be contrasted with locations to the east, such as Romford, Barking and Ilford where £500- £550 per sq ft is the tone; yet construction costs are similar to that in Grays.
- 5.4 A wide range of dwellings are in demand in Grays, evidenced not only by the Pullman Court and Malthouse Drive schemes, but also wider development in Thurrock (Purfleet Centre: 2,850+ dwellings). The 2016 SHMA for South Essex [13] identified a housing need of over 900 dwellings per annum for Thurrock, of which around 400 are needed for affordable housing. Help to buy Market Information (as at 2018) also identified 3,496 applicants seeking homes in the South East Essex area, with demand concentrated on 1 and 2 bed properties (79% of those on the waiting list). This is substantiated by the SHMA; 41% of housing need is for 1 and 2 bed dwellings. The FHSF schemes will therefore both enable the redevelopment of a poor quality/ outdated retail block (helping to improve perception) and provide a residential component that aligns with housing needs in terms of overall demand and for 1 and 2 bed dwellings (the residential scheme will deliver a very high proportion of 1 and 2 bed dwellings).
- 5.5 In other locations which offer quick and easy access to central London, there is clear evidence that the commercial housing market is taking up opportunities. In Farnborough and Woking for example, which have comparable travel times to central London, there has been substantial new flatted housing development that continues to take place close to their town centres and rail stations. There is also increasing interest by institutions in securing Private Rental Stock (PRS) in locations in commutable distance to London, yet this has not materialised in Grays. When compared to similar towns, this points to the market failure that is occurring in Grays, and this circle of continuing weak investment in retail, leisure and housing needs to be broken to realise Grays' potential. Thurrock too has only a 1-2 years' housing land supply; having delivered only 66% of



houses required over the last 3 years. This raises questions on the overall deliverability of other sites and increases the need to secure other housing sites in sustainable locations – like Grays town centre.

## Retail

- 5.6 Structural changes in the retail market are impacting towns UK wide. There is a clear direction of travel: a contraction of retail space and a move toward uses that are more service and experience led and resilient to online retailing, e.g. barbers, beauty salons, food and beverage and active leisure. These structural changes have resulted in falling rents and deep and rapidly weakening investor confidence in the retail occupier and investor market. The Grays Town Centre Health Check 2020 (Appendix E) outlines the health of the retail market, highlighting that while there was a relatively active investment market for retail property in 2017 and early 2018, there has not been any investment transactions since. This reflects a rapidly weakening sentiment toward retail uses by the market and is driven by the fall in occupier demand.
- 5.7 There have been nine new retail leases in the past two years, all between 500 - 2,100 sq. ft, suggesting the focus of demand is for smaller units. Modern, new retail space would be expected to stimulate increased letting activity. Demand is anticipated to be more focussed on independent traders (and with the adoption of affordable rents and letting controls this ought to support this sector). The proposed redevelopment of Grays shopping centre – and need to relocate these affected retail occupiers – will mean that demand for alternative retail space will increase in the centre. The shopping centre currently offers c170,000 sq ft of retail and latest plans will see that reduced to around 35,000 sq ft. There is also a clear gap in convenience stores in the town, and previous research identified occupier demand from this sector. Without new investment, rents will likely continue to fall, vacancies increase, and the town will continue to be dominated by low value retail: all key indicators identified in the Grays Town Centre Health Check.

## Office

- 5.8 There has only been one office investment within three miles of the Grays train station over the past four years (Five Wells building to the south of the train station adjacent to the South Essex College). This shows that there is a relative lack of demand for acquiring or disposing of office space; or more realistically that there is a limited amount of stock within the area (and this is generally of a low quality). On the office rental side, there has been more activity with 12 new leases being signed in the two-year period to January 2020. Most leases are for smaller suites, suggesting the demand is focussed on local requirements. This view too is supported by the provision of Council run business centres (The Old Court and the Post Office), where lettings for office space are concentrated on smaller occupiers.
- 5.9 The Old Courthouse, which is located on the northern boundary of the High Street, has recently been developed into a service office offering targeting the start-up and small business market. Units range in size from 80 to 1,100 sq. ft. The term for which the spaces can be rented range from 1 to 12 months and take up is generally strong, with little competition in the area. Indeed, occupancy rates for these business centres (pre COVID) stood at 90-100%, with a waiting list of 71. In 2019/20, there were over 200 inquiries for space. As discussed in Appendix D, COVID is creating major economic uncertainty, yet the timing for scheme delivery will we anticipate be once the current circumstances have passed.
- 5.10 This provides very clear evidence of demand for good quality offices in the centre, and that reshaping the office offer through the FHSF can cater for a growing market – generally focussed on smaller occupier requirements. There are also other needs the FHSF scheme intends to meet, including demand for Adult Community Education (c.1,000 sq m of office / education space) and possible relocation of occupiers in the Council's current civic centre (which is due for partial redevelopment). While we do not anticipate major new office occupiers coming to Grays, there may be demand from other office and health services already present in the area – e.g. Crown House which will be redeveloped as part of Grays shopping centre proposals and has 5,295 sq m (57,000 sq ft) of office space.



- 5.11 The extent of activity in the office sector in Grays is likely to be muted due to limited stock being available: and what does exist being very secondary in nature. The poor quality of the stock available dissuades occupiers from locating in the centre alongside the poor-quality environment. The weak demand results in low office rents and weak yields, and therefore delivering new offices is unviable. Without intervention, the commercial development market will not deliver new development, and therefore market failure persists, as shown by the lack of any new office development over many decades. The FHSF will address this by providing the gap funding to deliver substantial (but realistic) new office space in the town centre and break the market failure cycle. The new office space will principally be focussed on micro businesses and start-ups (Site 7) and an enhanced business centre offer at Site 2. Management of lettings will also help to curate the mix of uses so it is diverse and meets the needs of the community. This will have further benefits through creating a bigger employment base in the centre and workers that support the town centre trade via their expenditure.

### Leisure

- 5.12 Leisure uses are an increasingly important part of a modern town centre offer, adding much needed diversity, extending dwell times and increasing the propensity for linked trips. The sector covers a wide range of uses including cinemas, health/fitness centres, casinos, bowling alleys and children's play facilities, none of which are currently available in Grays. Expenditure on leisure activities in the UK has been increasing for several decades. Research from Mintel stated that the UK population expected to spend £129 billion on leisure activities in 2018; a 17% increase compared to five years ago, and that this figure will rise to £141 billion by 2022. In addition, a recent UK Consumer Spending Report from Barclays highlights 4-7% expenditure increases on many leisure activities in the last 12 months [13].
- 5.13 There is clear potential for Grays to capture some of this leisure market. Gyms, for example have been a rapidly growing sector yet none of the main operators are present in Grays: other comparable centres like Farnborough have readily attracted these leisure uses. There is also identified hotel demand for the Grays area, yet again the operator have not been enticed to the centre. The quality of the location, poor perception and concerns regarding business viability all play a part on why these uses aren't already in Grays, and it is noted that the Council is planning improvements to the nearby Riverside Park as an attractive leisure destination as part of its Towns Fund bid.

### Summary

- 5.14 There is clear scope to enhance the town centre, both in terms of its environment and diversifying the retail, leisure and other uses. This will help sustain greater demand for town centre living, increased house prices and more viable development. Considering the property market shortcomings, the proposed projects will break the clear market failure occurring, by:
- Delivering, modern new retail and leisure space into the town;
  - Create new office / commercial space that will meet identified demand and better suit occupiers' needs and help stimulate further demand;
  - Council taking an interest in Sites 2 and 7 via direct control or lettings strategy with affordable rents to ensure the commercial/rental uses meet the vision for the Grays high street;
  - Deliver new housing stock (218 units) which will meet need, support the town centre economy and create a far more sustainable location – especially when tied into the delivery of other new food and beverage, retail, leisure and employment space; and
  - Creating a step change in the quality of Grays' environment, thus improving the perception of the centre for residents' and occupiers alike.
- 5.15 For the reasons above, to unlock this cycle of market failure and realise Grays potential, the Council needs intervention and funding, particularly through the assembly and de-risking of sites, as well as curation of the new types of space to come forward.

## Delivery Confidence

- 5.16 Thurrock Council has an extensive delivery record for similar schemes. Several examples are summarised below, with more details provided within the Appendix R:

**Table 5.1: Delivery Confidence - project examples**

Project	Description
South Essex College, Grays	<ul style="list-style-type: none"> <li>£45 million project, partnership with South Essex College Thurrock, and the Thames Gateway Development Corporation and delivered on time and in budget.</li> </ul>
Civic Offices Extension, Grays	<ul style="list-style-type: none"> <li>£10 million project, currently procuring contractor for construction (in final contract negotiations).</li> <li>Managed entirely by Thurrock Council including land assembly, design, consents.</li> </ul>
Underpass and Public Realm, Grays rail station	<ul style="list-style-type: none"> <li>£27.8 million project to replace unsafe level crossing with pedestrian underpass, including land assembly, design, consents, and construction.</li> <li>Partnership with NR and C2C, with GRIP 4 (approval in principle) to be complete by February 2021.</li> </ul>
Purfleet Centre	<ul style="list-style-type: none"> <li>£1 billion regeneration project to deliver a new town centre, up to 2,850 new homes, schools, open space, film studios, and employment space.</li> <li>Thurrock Council has procured a delivery partner (via OJEU competitive dialogue and development agreement), Purfleet Centre Regeneration Ltd and assembled about half of the 59-hectare site. Outline planning permission secured and Phase 1a expected to start on site in late 2020.</li> </ul>
Tops Club, Argent Street, Grays	<ul style="list-style-type: none"> <li>£7.8 million award winning scheme on Council owned land.</li> <li>28 affordable units completed, with design team and contractors procured by Council</li> </ul>
High House Production Park	<ul style="list-style-type: none"> <li>£65 million invested to create the Production Park, delivered together with the Thurrock Thames Gateway Development Corporation and with Council delivering the last two phases of the scheme.</li> </ul>

- 5.17 The work underpinning the proposed FHSF schemes are supported by substantial research and evidence. This includes property market research; assessment of property acquisitions to assemble sites; capacity/design studies; cost schedules for projects and financial modelling. This creates strong confidence that the financial outcomes envisaged are robust for funding purposes and that the team has substantial experience and expertise to take forward the delivery of the schemes, including using private treaty negotiations and compulsory purchase powers to assemble sites.
- 5.18 The FHSF scheme elements have been individually assessed to determine the optimum delivery routes for each. These routes recognise the scale, complexity, uses and associated risks, ensuring the Council takes the lead where realistic and in partnership with a developer where it's considered external expertise is needed. Selection of the optimum delivery route is key to delivery confidence and sharing risk where appropriate.
- 5.19 A clear programme for each scheme has been developed, based on realistic timeframes, and which reflect our experience of delivering programmes in complicated environments of town centres. Surveys have already been undertaken as part of the underpass scheme (e.g. topographic, location of utilities and ground conditions), and further survey works will be undertaken for the FHSF scheme elements in due course to support the design. Delivery budgets are cognisant of these challenges, such as factoring possible additional costs for site assembly using Compulsory Purchase. This mitigates financial and therefore programme risks. All elements of the proposed scheme are committed through Cabinet decisions should capital award from FHSF be confirmed. Details of the commitments are detailed in Appendix S. Further details of the proposed programme (Project Plan), Council's governance structure and PPM strategy are in the Management Case.

## Delivery Model

- 5.20 Each site has been considered in terms of their appropriate delivery routes. The table below explains the preferred delivery routes and rationale for their selection. While Thurrock Council will develop its delivery approach to the sites through business planning, the below approaches are realistic and deliverable considering the sites in question and will optimise the marriage of public sector and private sector expertise.

**Table 5.2: Delivery routes for each component of the Grays FHSF**

Site	Delivery Route	Rationale
<b>FHSF funded</b>		
Site 1 (C01)	Delivery via Thurrock Regeneration Limited – Thurrock Council’s wholly owned property delivery company	<ul style="list-style-type: none"> <li>Site is sole ownership of Thurrock Council. Experience and governance in place through Thurrock Regeneration. Reduced profit margins required by this company have propensity to make scheme more viable.</li> <li>Ability to set tone and quality for new residential development in the town centre and manage pace of delivery/design quality. Council has also significantly progressed the design of this project.</li> </ul>
Site 2 (north of railway)	Council promoted developer competition via OJEU/OJEU compliant framework with site assembly led by Council. Delivered in a public/private partnership via development agreement or similar.	<ul style="list-style-type: none"> <li>A complex site requiring multi-disciplinary skills, and external developer expertise needed to deliver this mixed commercial and residential scheme.</li> <li>Public private arrangement allows for risk sharing.</li> <li>Through an OJEU led contractual approach, Council will secure a long-term stakeholder role in the town centre and help influence future changes in this area of the town.</li> </ul>
Site 5 (digital technology)	Direct Delivery by Thurrock Council	<ul style="list-style-type: none"> <li>A civic project delivered by Thurrock Council. The project would not be attractive to the commercial development market.</li> </ul>
Site 7 (SH and HSB south of railway)	Direct delivery by Thurrock Council (potentially Thurrock Regeneration)	<ul style="list-style-type: none"> <li>Small scale commercial developments with specialist occupiers; features unlikely to be attractive to commercial developers. Council also intending to hold Station House and High Street South on long term basis.</li> </ul>
<b>Intra- and inter-dependant scheme</b>		
Underpass project	Direct Delivery by Thurrock Council in partnership with Network Rail, via placement of construction contract	<ul style="list-style-type: none"> <li>A civic project, requiring site assembly. The project would not be attractive to the commercial development market.</li> <li>Thurrock Council is already progressed with design, planning and site assembly matters and has secured funding from Council, LGF, S106 and NR.</li> </ul>
Grays Shopping Centre	Developer Led	<ul style="list-style-type: none"> <li>New River own the shopping centre and are actively pursuing plans to redevelop the shopping centre into a new residential/commercial quarter.</li> <li>New River – a publicly listed company - have experience in repurposing shopping centres and asset management.</li> </ul>

- 5.21 From initial market testing we are aware of developer appetite for Site 2, and Grays generally, and that a development agreement approach is an acceptable partnership arrangement. Evidence of this developer interest is attached in Appendix T. The delivery of the scheme will be managed carefully through this process: from developer / scheme selection through to conditionality within the agreement: typically related to planning approval, site assembly, funding and a satisfactory building contract.

## Payment Mechanisms

- 5.22 The general principle is that prior to agreeing any payment sum and terms, and/or making any payments, independent advice will be sought and price verification will be undertaken by subject specialists (e.g. quantity surveyors validating constructions works invoiced and real estate surveyors undertaking market valuation to inform land acquisition negotiations). Payment mechanism for works and services will be in accordance with the terms of the respective standard form contract (e.g. JCT, NEC, FIDIC contracts) used. Aligned with the Government’s Prompt Payment Code, Suppliers on the Grays’ Programme will be encouraged to sign up to the Construction Supply Chain Fair Payment Charter ensuring effective payment systems are in place improving cashflow for subcontractors – ultimately ensuring a reliable supply chain.

## Contractual Issues

- 5.23 Key contractual issues have been considered for each project and included within the risk register, particularly in relation to the varying delivery models proposed in Table 5.2, and are detailed in Appendix U.

## 6 Management Case

### KPIs, Monitoring and Oversight

- 6.1 Monitoring and evaluation activities will be undertaken in accordance to MHCLG guidance to ensure the effective management of the FHSF project and that the Government funding targets are met. A Monitoring Plan will be developed for the project to detail the metric monitoring that should be undertaken as part of the Scheme, which includes monitoring both during and after funding. This centres around a Monitoring Form that will be completed as required by MHCLG and is consistent with the Benefits Realisation Plan.
- 6.2 The Monitoring Form will be completed by the Project Manager and will include metrics consistent with the local objectives and sub-objectives in the Strategic Case, as outlined in Table 6.1. These monitoring metrics will be confirmed following a comprehensive logic mapping exercise to ensure they are SMART. The Monitoring Form will also include a summary of activities completed in the period, as well as Project Outputs achieved to date. Once funding has been completed, the Monitoring Form will be utilised to report on output delivery.

**Table 6.1: Local objectives, outcomes and monitoring metrics**

Local objective	Sub-objective / Outcome	Monitoring metrics
Increased business activity and confidence	<ul style="list-style-type: none"> <li>• Improve viability of retail offer</li> <li>• Enhance commercial offer</li> <li>• Promote private investment</li> <li>• Increase demand for floorspace</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction in retail vacancy rates</li> <li>• Increase in commercial occupancy</li> <li>• Retail/commercial rent increases or yield reductions</li> </ul>
Improved vibrancy, quality and resiliency of the high street, making it a more attractive and safer place to visit	<ul style="list-style-type: none"> <li>• Diversify and promote differentiated town centre offer</li> <li>• Attract additional key retailers</li> <li>• Enhance public realm and improve accessibility of town centre</li> </ul>	<ul style="list-style-type: none"> <li>• Change in floorspace mix, including presence of key retailers</li> <li>• Pedestrian footfall surveys</li> <li>• Perception data – retail offer, safety, quality of environment</li> </ul>
To reshape and repurpose the physical infrastructure in the town centre to deliver a thriving and sustainable high street	<ul style="list-style-type: none"> <li>• 218 additional housing units</li> <li>• Renewed retail and commercial space, including 2nd-storey facades.</li> <li>• Futureproofing through provision of flexible space</li> </ul>	<ul style="list-style-type: none"> <li>• 218 new units, as per planned delivery programme</li> <li>• Healthy Streets Assessment</li> <li>• Retail Health check</li> </ul>

- 6.3 The Total Project Costs and the Forecast Project Annual Expenditure will be updated in line with the financial management of the project and reported within the Monitoring Form, with any outturn costs and cost savings tracked by the Project Manager.
- 6.4 The Monitoring Form will include a RAG rating system, which is designed to measure progress made towards delivery of a project and the risk associated with Scheme delivery. The form will be analysed and reviewed by the Programme Manager, as well as the Grays Programme Board, to inform a risk assessment of each project for spend and delivery. The Monitoring Form will supplement the Project Plan and will include tasks that have a critical end date that affect the delivery timescale. The Project Manager will have overall responsibility for delivering the tasks required to achieve the key milestones at the established timelines.

### PPM Strategy

- 6.5 The Council's PPM strategy provides oversight of the Grays Programme as a whole; ensuring projects within the portfolio are effectively implemented and that they are aligned with the Council's strategic objectives. It also ensures there is an integrated and holistic vision for programmes and projects within the portfolio;

addressing social and economic issues in Grays Town Centre and the wider area. Thurrock Council adopts an adaptive and proactive approach to PPM whereby the key activities (collect-assess-prioritise-select-implement-control-review) are managed continuously. This approach enables the Council to systematically address challenges encountered and the agility to respond directly to changing market conditions. It allows the Council to capture and maximise opportunities as they arise – for example, augmenting and adding value to other Council investments/projects.

- 6.6 The Council recognises that the success of the project portfolio is dependent upon the success of the programmes and projects within the portfolio. Therefore projects, programmes and the overall portfolio are periodically measured and evaluated in order to determine success – as illustrated in Table 6.2. Programme and projects delivery efficiencies and effectiveness are also reviewed to maximise use of resources in order to increase the portfolio's performance.

**Table 6.2: Thurrock Council's PPM, Governance and Decision Process**

Portfolio Lifecycle	Decision Makers	Key Decision	Meeting Frequency	Meeting Input
Portfolio Strategic Planning	Directors Board Property Board Grays Programme Board	Strategic Vision 5 to 10 year	Annually	Strategic plan and annual budget
Portfolio Management	Property Board Grays Programme Board	Select, prioritise projects, approve project mandate scope	Quarterly	Review business case, strategic alignment, report of portfolio spending and performance
Project Execution	Major Projects Board Grays Programme Board	Oversight on project performance, resource allocation, delivery monitoring	Bi-Monthly	Programme execution plan tracking and monitoring
	Programme Managers Project Managers	Day-to-day project management, resource allocation, project monitoring	Fortnightly	Project execution plan tracking and monitoring

## Project Framework

- 6.7 For the delivery of the FHSF scheme elements, the governance arrangement comprises a Programme Board which sets the overall strategic direction, enables a co-ordinated execution of the projects within the programme, identifies new opportunities and will have strategic overview of the programme delivery. In addition to addressing social and economic issues in the town centre and wider area, Grays' Programme Board focus is given to the viability, growth and sustainability of the high street. The Grays' programme governance structure is attached as Appendix V, with key roles allocated as follows:

- Assistant Director of Place, will act as Senior Responsible Owner (SRO) for the project and Chair of the Grays Programme Board, the Council's Director of Place, who will have ultimate responsibility for the scheme and provide the link between the programme and the Council's Directors' Board.
- Gray's Programme Manager, will be Responsible Owner/Project Director responsible for the global overview of the programme, budget and quality control. The Programme Manager will ensure that partnerships are operating effectively, and partners remain engaged fully in delivery dealing with any issues as required.
- Project Managers, will be responsible for the day-to-day management of the respective projects/work packages and will act as the project lead/client's representative throughout the works (e.g. site assembly, design and construction stages). The Project Managers will be tracking project milestones, expenditure and outputs, and will provide detailed report on progress, budget, project issues and risks to Programme Manager.

- 6.8 The Grays Programme Board will meet on a bi-monthly basis (subject to review) to monitor and manage the overall progress and performance of the project to time and budget, and to ensure the programme continues to deliver and meet the set requirements and outputs.
- 6.9 Appropriate delegation will be given to the Programme Manager, who will lead, develop and deliver the programme under the agreed mandate with pre-agreed terms of reference that sets out decision making, change control and escalation procedures for the project. The Programme Manager will be supported by Project Managers who will liaise with members of the respective Delivery Team, to ensure that the project requirements are met. Whilst the Project Managers will ensure that the professional team are working to programme, the management of the professional team itself is conducted by the Lead Consultant. The Lead Consultant will be responsible for the management and coordination of all required inputs from the other consultants and the ultimate management of the contractor once appointed.
- 6.10 The Delivery Teams will meet with their respective professional teams on a fortnightly basis (subject to review) throughout the site assembly and design stages and monthly progress meetings will be held to review the works on site during the construction stage. These meetings will be coordinated with the Programme Board meetings to ensure that the Programme Manager and Project Managers can effectively feedback any issues. Great care will be taken in the specification of requirements to ensure that the project achieves a good standard of design quality in terms of function, form, build quality, sustainability, and accessibility and is economical to manage and maintain. The project will be managed in accordance with the Council's Project Lifecycle and Control Docs Guidance, which is attached as Appendix W.
- 6.11 Additional workstreams as required will be managed through the project team, with relevant representatives being invited to join the team as the project progresses. The Grays Programme Board is in charge of oversight of the scheme and will make recommendations to the Council's Cabinet. The Cabinet holds ultimate decision-making responsibilities for the project.

## Project Plan

- 6.12 An initial Project Plan has been developed for the scheme and is attached in Appendix X, with a summary provided in Table 6.3. This plan reflects project dependencies, the delivery routes and the need to ensure that the town centre continues to be operational through construction phases. It is assumed that funding approval will be granted by MHCLG by October 2020.
- 6.13 For each site, a bespoke programme is detailed showing the key stages and timescales attached to them for delivery.

**Table 6.3: Project Plan – key milestones and dates**

Site	Milestone	Dates
<b>Site 1</b>	Secure Planning	Mar 21 - Feb 22
	Decant	Mar 22 - Feb 23
	Tender Contract	Mar 22 - Feb 23
	Prepare site / demolition	Mar 23 - Aug 23
	Construction	Sept 23 - Nov 24
<b>Site 2</b>	Site Assembly	Jan 21 - Dec 22
	Market Site	Jan 21 - Dec 21
	Secure Planning	Jan 22 - Dec 23
	Prepare site / demolition	Jan 23 - Jun 23
	Construction	July 23 - Sept 24



Site	Milestone	Dates
<b>Site 5</b>	In alignment with works for Site 2, to be confirmed following outcome of Towns Fund.	TBC
<b>Site 7a</b>	Secure Planning	July 21 - Dec 21
	Tender Contract	Jan 22 - Jun 22
	Prepare site / demolition	July 22 - Dec 22
	Construction	Jan 23 - Dec 23
<b>Site 7b</b>	Secure Planning	Jan 21 - Jun 21
	Tender Contract	Jul - Dec 21
	Prepare site / demolition	Jan 22 - Jun 22
	Construction	Jul 22 - Jun 23
<b>Underpass scheme</b>	Underpass site assembly	Aug 20 – Feb 22
	Agreement in Principle with Network Rail	Sept 20
	GRIP 3 - Option Selection	Aug 20 - Dec 20
	GRIP 4 - Single Option Development	Jan 21 – Dec 22
	GRIP 5 - Detailed Design	Jan 22 – Jun 22
	GRIP 6 - Installation, testing and commissioning	Aug 22 – Aug 24

6.14 These are provisional dates and will be updated according to the eventual scope of the project. More detail will be added as and when it becomes available. The following has been assumed in the development of the delivery programme:

- Whilst the C01 site is a standalone project, the rest of the sites and projects are substantially interlinked. The trigger for the other development sites is the underpass. Once completed, then redevelopment of other sites can take place.

### Change or Risk Management Strategy

- 6.15 The Council has developed a live risk register, attached as Appendix Y, that will be reviewed and updated throughout the project life cycle by the Programme Manager and Project Managers with oversight from the Grays Programme Board and Major Projects Board.
- 6.16 The Programme Manager and Project Managers will proactively identify and record risks, and analyse their likelihood of occurring, potential impacts and implications. Once this has been established, the appropriate mitigation and contingency plan will be developed and implemented.
- 6.17 Thurrock Council takes a structured and pro-active approach to risk management with oversight from the Grays Programme Board and Major Projects Board and will develop and maintain a comprehensive Risk Register for the Grays Programme.
- 6.18 A consolidated Risk Register for the programme will be developed with input from all workstreams/packages to enable comprehensive analysis of risks to the delivery of this programme. The Programme Manager will oversee risks identification and management/mitigation throughout the implementation of this programme; a joint Risk Workshop will be arranged with all stakeholders, drawing upon their areas of expertise to identify risks and develop mitigation plans.
- 6.19 Project Managers will develop and maintain a detailed Risk Register along with associated mitigation plans for their respective work package that feeds into the consolidated Programme Risk Register. As per the programme level, project managers will carry out risk workshops with their respective delivery team.



- 6.20 Each risk will be assigned to an individual who will manage and mitigate against the risk occurring. In order to successfully manage the project delivery risks, each person who has been assigned monitors and manages each of the issues in real time to help avoid it impacting on delivery or programme. If a risk is perceived as becoming critical, it would be escalated up the chain of command.
- 6.21 For changes outside the agreed scope or mandate, a formal change request will be submitted for approval. The change request will be reviewed by the Programme Manager in the first instance, and dependent if it is within the Programme Manager given mandate/agreed scope/tolerance, it will be escalated to the Grays Programme Board or beyond for review/decision. The Property Board will review change requests to ensure the Business Case still stands.

## Evaluation and Benefits Realisation

- 6.22 Evaluation and Benefits Realisation will be undertaken in accordance with the two-tiered approach proposed within the FHSF Monitoring and Evaluation Guidance. The first tier will be a high-level approach monitoring and evaluating the effect of the FHSF on the three-key metrics (footfall, vacancy rate and business diversity), with the second tier involving a more detailed evaluation of specific themes.
- 6.23 The following audits are expected to be undertaken to support the Monitoring and Evaluation:
- **Pedestrian footfall counters** to provide data on foot traffic to and from Grays. Unfortunately, surveys were intended to be undertaken between the draft and final business case deadlines (March - June 2020), which has not been possible due to COVID-19. They will therefore be collected post-submission of this bid as part of Site 5 (digital infrastructure), which includes an allowance of 20 footfall counters and installation. Data will be reported to MHCLG on a quarterly basis, at a minimum.
  - **High Street Performance Evaluation – Economic activity audit** to capture the reduction in retail vacancy rates, increase in commercial occupancy, rent increases or yield reductions. This will likely be undertaken in the first, third-, and fifth-year post-implementation.
  - **High Street Performance Evaluation – Walkscore audit** and **PERS walking audit** to evaluate the increase footfall, public and business satisfaction levels and quality of businesses/diversity of use. This will also likely be undertaken in the first, third- and fifth-year post-implementation.
  - **Retail Healthcheck** to determine the health of the centre and its vitality and viability. Previous town centre survey work has been undertaken in 2016, 2018 and 2020 by Montagu Evans, which will provide a baseline, with updated assessment likely undertaken in the first, third- and fifth-year post implementations.
- 6.24 An Evaluation report will be developed to review the efficiency and effectiveness of the Scheme in achieving the desired outcomes and impacts during and after project completion. This allows MHCLG to recognise the success of the scheme in achieving its original objectives and will be completed annually by the Project Manager.
- 6.25 Monitoring metrics will be confirmed following a comprehensive logic mapping exercise to ensure they are SMART. An example Benefits Realisation Plan for the Grays South underpass is attached as Appendix Z.

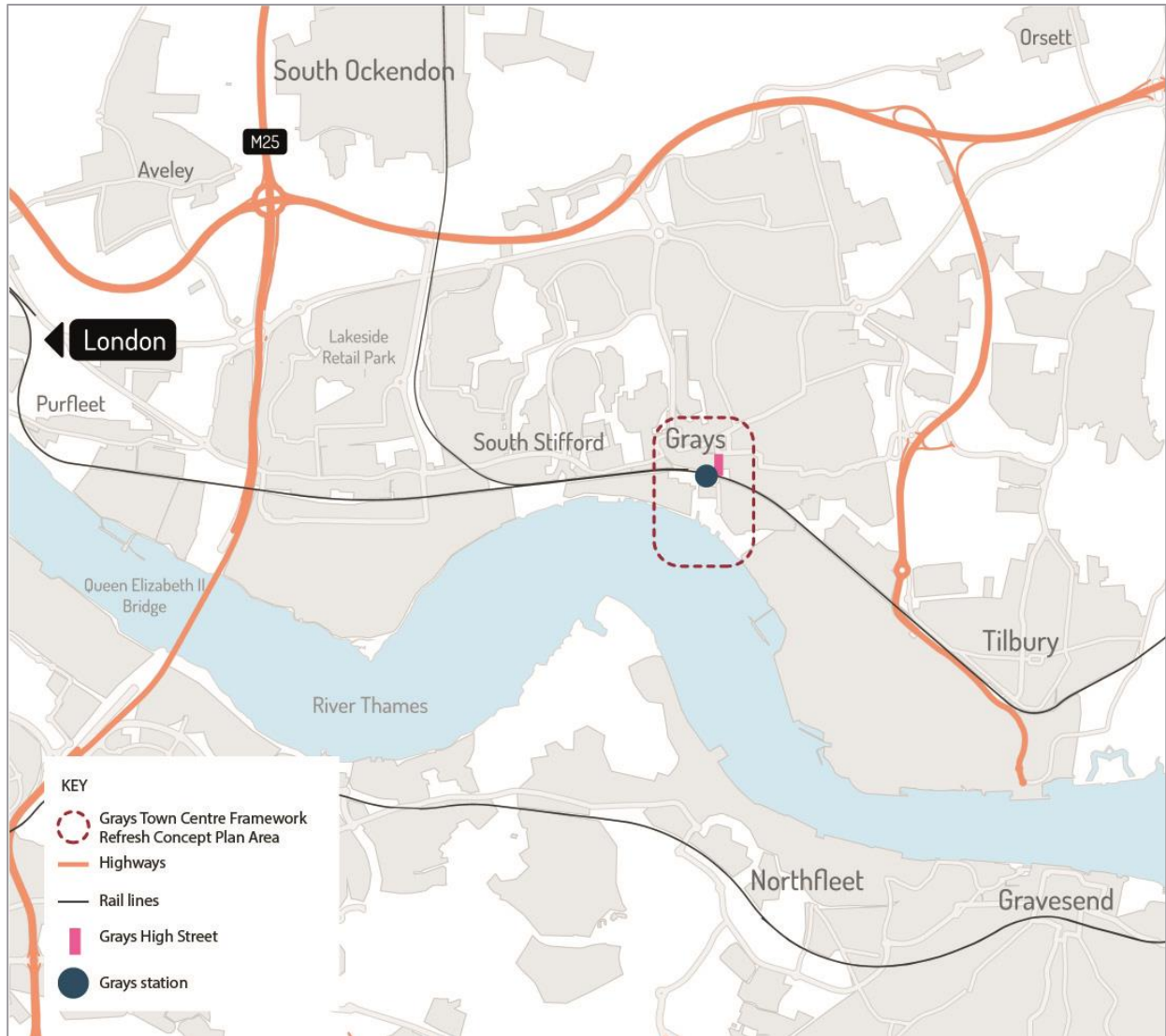
## 7 References

- [1] *Census Travel to Work Dataset*, Office for National Statistics, 2011.
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- [4] Companies House, 2017.
- [5] *Mid-Year Population Estimates*, Office for National Statistics, 2017.
- [6] *Census*, Office for National Statistics, 2011.
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- [8] *Grays Town Centre Evaluation*, Hatch Regeneris, 2018.
- [9] *Montagu Evans on Street Environmental Audit*, Montagu Evans, 2019.
- [10] *Goad Data*, Experian, 2019.
- [11] *Retail Sales in Great Britain*, Office for National Statistics, 2018.
- [12] *Grays Town Centre Framework Refresh*, Thurrock Council, 2017.
- [13] *Grays South Full Business Case*, 2019: South East Local Enterprise Partnership.
- [14] *Removing Obstacles to Brownfield Development - How Government can work with communities to facilitate the re-use of previously developed land*, Campaign to Protect Rural England and Housing Foresight, 2019.
- [15] *Strategic Housing Market Assessment - South Essex*, Turley Economics, 2016.
- [16] *UK Consumer Spending Report*, Barclays, 2019.

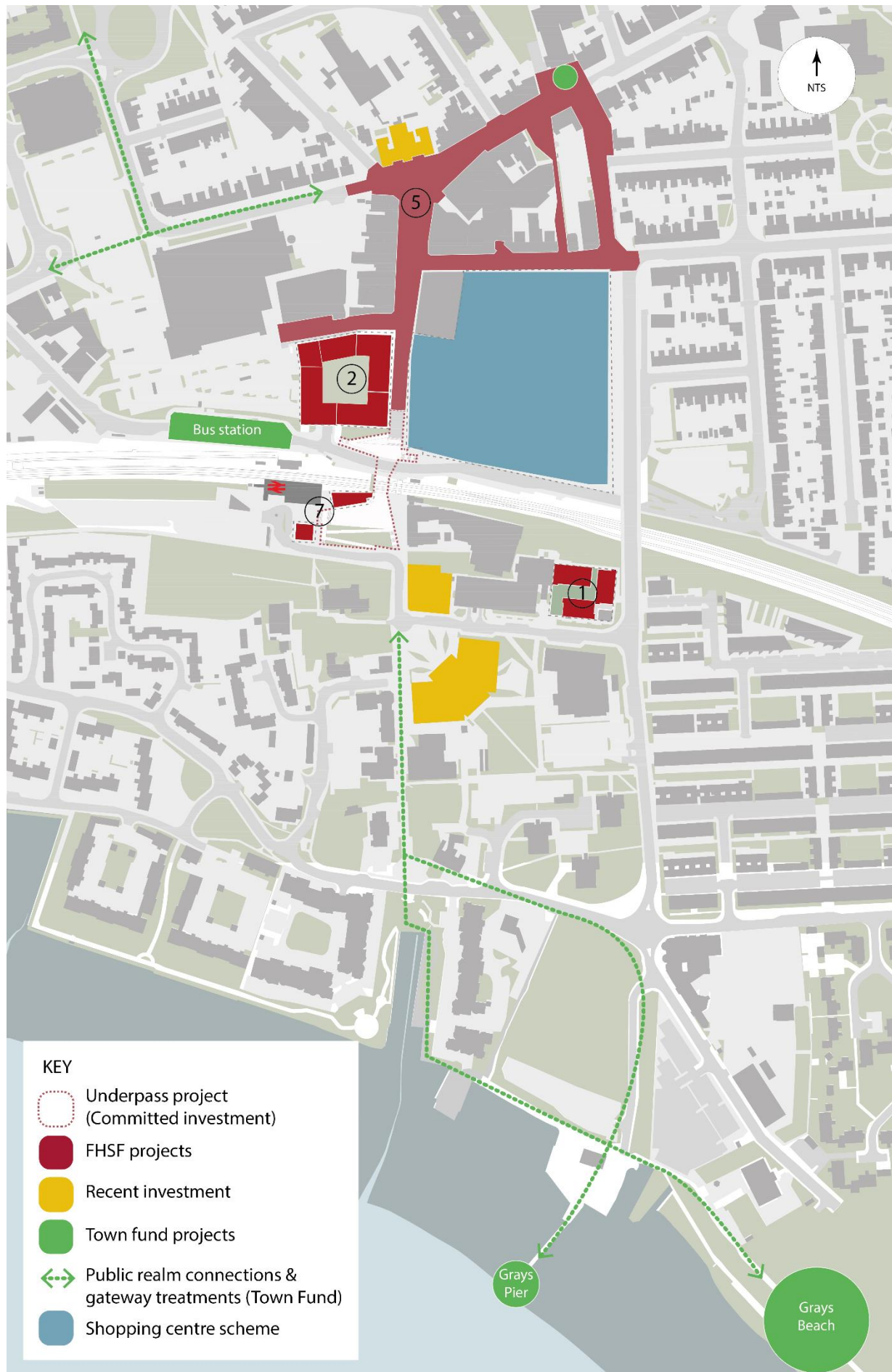
[17] *Grays Town Centre Development Framework Consultation*, 2016.

# Appendices

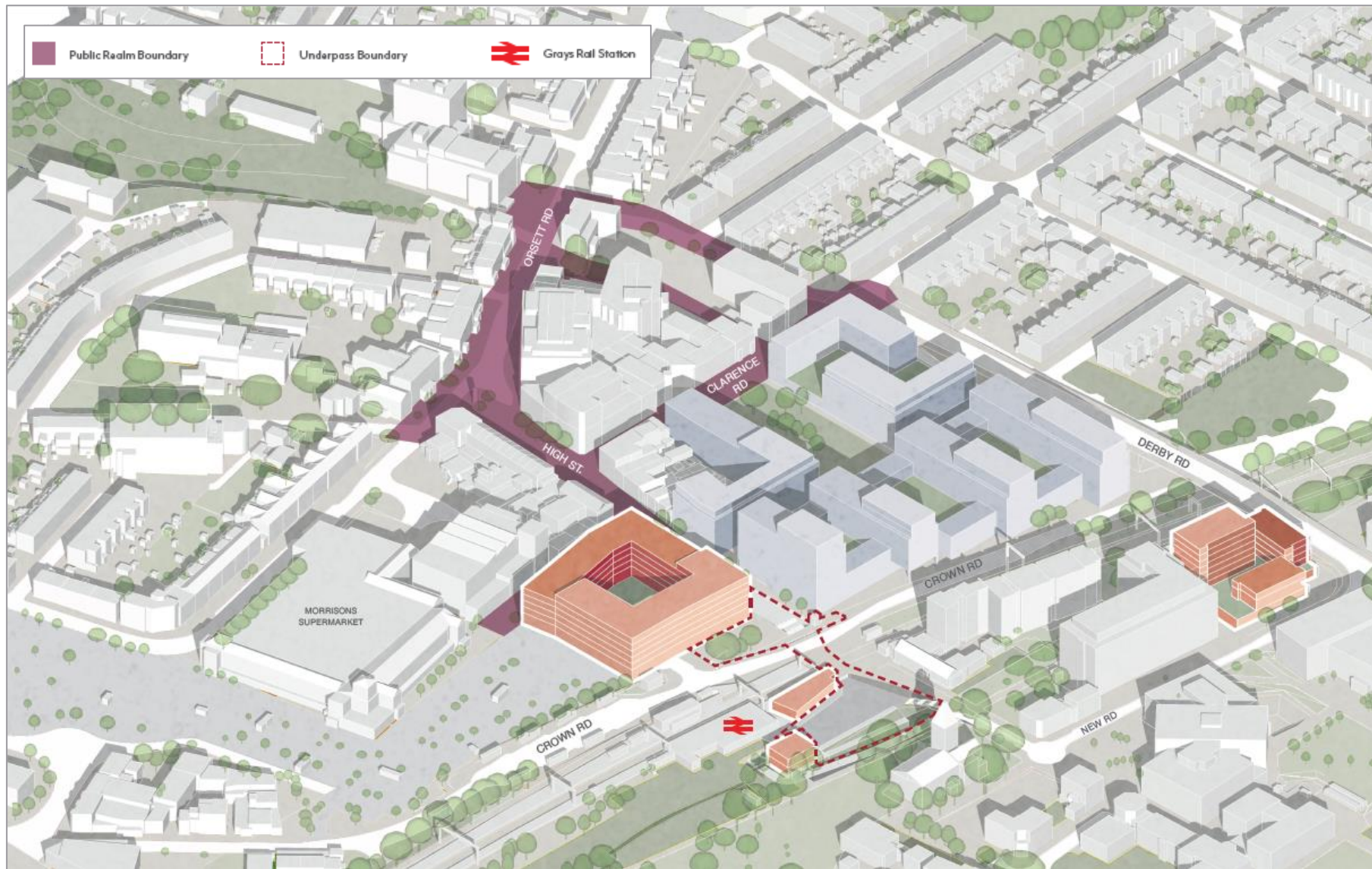
## A Grays Town Centre – Location Map



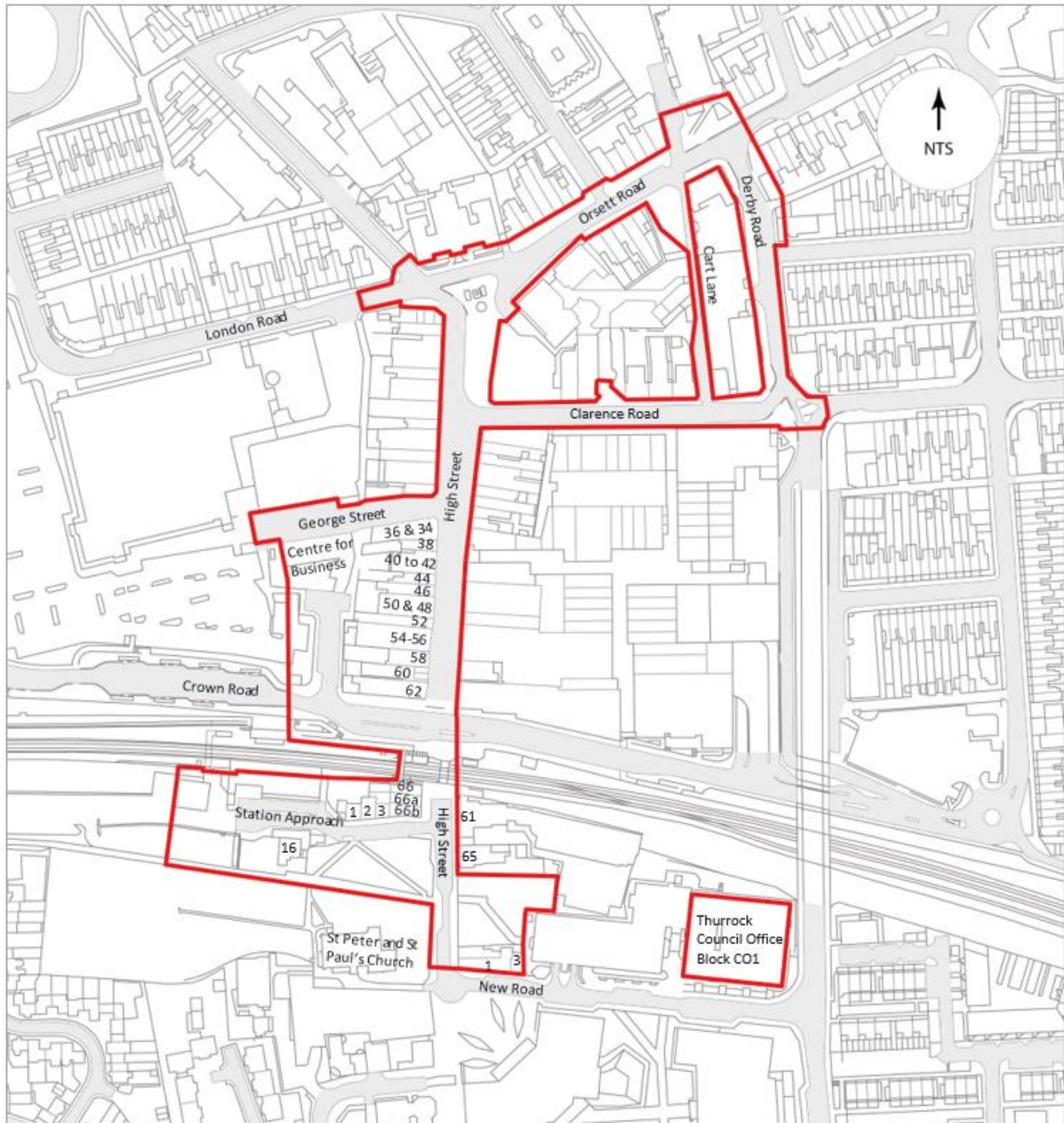
## B Spatial Master Plan – General Reference and Axonometric Map







## C Land ownership



## D Impact of the coronavirus pandemic



## Future High Streets Fund – addendum to final business case

- 1.1 This addendum has been attached to respond to additional queries from MHCLG regarding the impact of COVID-19.

**Do you propose to review your scheme – or the market analysis underpinning your scheme – in response to changing market conditions? If so, how? If not, why? (300 words)**

- 1.2 The proposed FHSF scheme has been developed in response to the current market conditions retailers face in Grays. The rents are set well below market levels to assist in making space more affordable to prospective tenants and is expected to help the scheme withstand any financial impact of COVID. The scheme also looks to capitalise on future emerging post COVID trends, including:

- Flexible working: more done at home, but the office has a place for business, social interaction and betterment;
- More demand to shop local and support good local businesses; and
- More sustainable working practices: tied to a reduction in travel generally.

- 1.3 Market testing with a town centre developer has confirmed that current COVID circumstances are not reducing their appetite for good development opportunities – and Grays, with its excellent rail services, is viewed as such. In addition, the intention is to delivery policy compliant levels of affordable housing (30%), with the demand of these dwellings unlikely to fall (and more likely to increase) with the impact of COVID. Varying residential tenures (say rental) could also be introduced to enable flexibility to achieve a viable scheme if, for example, the private sales market does not readily return to more normal, pre COVID levels of activity. A developer has already suggested the site could suit Build to Rent dwellings.

- 1.4 The FHSF scheme elements will continue to be shaped as they progress to delivery. Market research and developer/occupier discussions will continue, encompassing retail and leisure operators and prospective office and other tenants. The scheme design already allows a degree of flexibility, recognising a potentially different market post COVID. For Site 2 for example, reference has been made to mixed commercial uses taking up space to entice a broader scope of occupiers if needed.

**How do you anticipate that co-funding of your project and/or your project programme may be affected by changing market conditions? (500-750 words)**

- 1.5 The proposed FHSF scheme elements have been carefully selected so that, in most cases, the Council is in control or has a significant degree and control of the land/sites. A substantial part of the Council's co-funding for the FHSF scheme is through including existing land assets, and therefore this does not affect the project. While commitments for the FHSF scheme have been made within the scope of the Council's constitution, the impact of COVID on Council budgets is under review and is dependent upon emerging government proposals to support Council budgets impacted by COVID.

- 1.6 It is noted that the underpass scheme that is to be developed within the 'wider package of works' is reliant on significant SELEP LGF funding, and that parts of Site 2 and Site 7 are dependent on this scheme. The SELEP funding is committed, with construction starting in 2 years, so no impact is expected from changing market conditions. However, the Council will continue to liaise closely with SELEP to ensure no impact to the FHSF scheme elements.

- 1.7 There may be some implications in relation to programme, as with current social distancing measures developments are taking longer to build out. It is too early to gauge whether this is a short-term impact or whether it will also impact the construction of the FHSF scheme elements currently programmed to begin in 2022/23. This risk has been captured in the risk register and will continue to be managed and monitored in line with the risk management strategy. Four of the proposed projects (Site 1, 5, and 7b) are also proposed to be directly delivered by Thurrock Council, or its arms-length development company, which means that Council can drive projects forward.

**How will you review and refine your evidence of demand from developers and occupiers in coming months in response to changing market conditions? (500-750 words)**

- 1.8 Thurrock Council has property advisers as part of their team – Montagu Evans – who have an extensive network of occupier and developer connections. They will use these to review, refine and firm up occupier demand for all key sectors: retail, leisure and offices. This will be undertaken by:
- Work with in-house retail and office agents to identify target tenants;
  - Contacting potential retailers who are suited to this location (for example, convenience store operators) and to understand their requirements (scale, operating format, timescales);
  - Work with prospective tenants such as Adult Community Education to facilitate relocation;
  - Entering discussions with other possible office occupiers such as local health services and serviced office providers (NWES);
  - For Station House (Site 7), liaise with The Retailery, Romford (a mixed-use concept that the Council is seeking to replicate);
  - Further developer testing: These sessions will be carefully managed in order to seek clear understanding of market sentiment in terms of scheme scale, mix, layout, appetite for the development, availability of funding as well as whether sustainable, modern methods of construction could be employed.
- 1.9 Combined with this, the Council and Montagu Evans will continue to track the property market, identifying any noticeable changes in sales price trends, commercial rents and yields. This evidence can be inputted into the cashflow to track viability as the scheme progresses, as well as identify other property uses where demand is growing.
- 1.10 The Council may also use mechanisms such as Prior Information Notices and Expressions of Interests to gauge market appetite from developers for Site 2.

**If deliverability of your scheme is now likely to be impacted by market conditions (for example a reduction in demand from developers and occupiers), what would be your strategy to revise proposals for your scheme in order to accelerate / protect delivery of outputs and outcomes? What activities need to be brought forward first in order to progress your scheme? (500-750 words)**

- 1.11 As with all schemes there are several key steps that need to be achieved – and crucially planning and site assembly. Most projects put forward in this bid are on sites with full or substantial Council ownership. This helps mitigate risk compared to partnership arrangements, as the Council is less reliant on third party funding resources and willingness to proceed. While we are therefore confident of project delivery, set out below are the strategic

moves the Council could elect to undertake to accelerate / protect delivery of outputs and outcomes.

**Table 1: Strategy to Revise and Early Activities to ensure delivery of sites**

Site	Uses and Delivery Approach	Strategy to Revise (SR) & Early Activities (EA)
1	<b>Residential</b> Delivery by Thurrock Regeneration Ltd	<b>Strategy to Revise:</b> Potential to adapt development to accommodate alternative residential tenures, such as Build to Rent. This would likely require some minimal scheme design changes (for example, dwelling mix).  <b>Early Activities:</b> Securing planning permission, decant / decommissioning of current outdated offices.
2	<b>Residential, retail, offices / mixed commercial</b> Delivery by public private partnership (Development Agreement)	<b>Strategy to Revise:</b> Flexible uses can adapt to changes in occupier demand – for example accommodate different residential tenures, such as Build to Rent and senior living. This would likely require some modest scheme design changes (for example, dwelling mix). If demand for commercial space weakens, then the scale of commercial space proposed can be revisited. Given the Council's strong track record in delivery, and developer appetite falls away then the Council could 'step in' and take forward development itself.  <b>Early Activities:</b> Site assembly, facilitating any occupier relocations.
5	<b>Digital infrastructure</b> Delivery by Thurrock Council	Not applicable
7a	<b>High Street South: Small scale retail</b> Delivery by Thurrock Council	<b>Strategy to Revise:</b> Small retail project, well placed to benefit from footfall through new underpass, rail station and college. Also, several tenants trading well in this general location. If scheme is to be revised, then focus on finding alternative occupiers – and especially those that favour high footfall levels.  <b>Early Activities:</b> Identify internal and external professional team required to develop design; secure planning permission.
7b	<b>Station House: Mixed use, small scale retail (F&amp;B) with opportunity for micro businesses.</b> Delivery by Thurrock Council	<b>Strategy to Revise:</b> Development of detailed business case for scheme will enable strategy to be shaped and revised if necessary, but within context of seeking to deliver diverse evening economy uses with a point of difference.  <b>Early Activities:</b> Identify internal and external professional team required to develop design; Secure planning permission, demolition.

**If deliverability of your scheme was disrupted or delayed as a result of market confidence (for example, delay in follow on investment materialising, which leaves some areas of land undeveloped), what would be your strategy for interim management of the area? Explain any proposals you have for meanwhile activities and how these fit within your overall plans. (500-750 words)**

- 1.19 Prior to COVID, the Council and its partners were aware that the proposed schemes would result in extensive areas of development that would cause unit closures, disruption, and site vacancy, and that there was therefore a need to have a strategy in place to manage areas and to maintain footfall within the town centre.
- 1.20 The proposed solution was to build on the success of the Grays Town Partnership under its brand 'Love Grays' establishing a comprehensive range of events, street art, lighting projections that will also form part of the Town Investment Plan. These measures would seek to address amenity impacts of development and to give people a reason to continue to visit the town centre. The approach does need to be adapted subject to emerging advice for



COVID, however an enhanced package of activity will be required during the implementation stages when COVID is expected to be better understood and controlled.

**How do you anticipate changing market conditions will have an impact on the benefits and outcomes you were hoping to deliver through your scheme? (500-750 words)**

- 1.21 The financial appraisal of the proposed FHSF scheme elements shows a commercial viability deficit for each site, reflecting the market failure. As detailed in the Economic Case, this translates into an economic disbenefit in land value uplift terms, however, ignores the pivotal role the town centres play in the local economy and community.
- 1.22 These and other non-monetised benefits from the scheme ensure value for money through accessibility and safety benefits from the digital infrastructure (Site 5), amenity value to the community and increased land/property value across the town centre, improved community cohesion and environmental benefits. These outcomes are not expected to be impacted by changing market conditions.
- 1.23 While, in LVU terms alone, the scheme shows a disbenefit, the impact on the high street is best understood through the fact that the GDV of the development (£38.0m in the Do Medium and £53.3m in the Do Maximum) is in the order of six or seven-fold that of the exiting land value. This shows the scale of transformation and value in terms of the physical regeneration outcomes delivered 'on the ground'.
- 1.24 In addition, the financial appraisal and economic appraisal has adopted realistic sales values and rental yield estimates that reflect existing market conditions in Grays, with all rents also set below anticipated current market rental levels to improve affordability, with a rent-free period of 6 months assumed for all mixed commercial / rental uses.

**What impact do you anticipate changing market conditions will have on the financial aspects of your scheme? Please give details on which aspects are likely to be more uncertain e.g. level of co-funding, income, cost inflation, site values etc. and how you propose to reflect this uncertainty in your final submission. Under normal circumstances, we would expect a series of financial models showing a range of scenarios based upon different levels of confidence and uncertainty around key elements and are keen to understand how you foresee the current change in market conditions impacting such modelling. (500-750 words)**

- 1.25 The potential impact on financial outcomes are summarised below:

**Table 2: Impact on financial outcomes**

Item	Impact on financial outcomes	Level of certainty
Build cost changes	<ul style="list-style-type: none"> <li>Build cost fall: positive impact</li> <li>Build cost rise: negative impact</li> </ul>	Medium
Commercial Rents	<ul style="list-style-type: none"> <li>Fall in rents: negative impact</li> </ul>	Medium
Commercial Yields	<ul style="list-style-type: none"> <li>Weakening yield: negative impact</li> <li>Improving yield: positive impact</li> </ul>	Medium
Co-funding	<ul style="list-style-type: none"> <li>Co-funding principally via Council land / asset value; not expected to be affected.</li> </ul>	High
Residential Sales Values	<ul style="list-style-type: none"> <li>Sales value fall: negative impact</li> <li>Sales value rise: positive impact</li> </ul>	Medium
Slower sales rates	<ul style="list-style-type: none"> <li>Weakened private residential market typically characterised by slower sales rates. Likely to reduce scheme viability as development / delivery programme will be extended.</li> </ul>	Medium

Item	Impact on financial outcomes	Level of certainty
Site assembly costs	<ul style="list-style-type: none"> <li>Undertaken on 'worst case' / CPO scenario</li> </ul>	High
Cost inflation	<ul style="list-style-type: none"> <li>Inflation: negative impact</li> <li>Deflation: positive impact</li> </ul>	Low

- 1.26 As detailed in the Financial Case, cost estimates for redevelopment sites (1, 2 and 7) have been undertaken by qualified quantity surveyors (LSH and Playle and Partners) and appropriate contingencies has been applied to account for uncertainty (generally 5% of construction costs). In addition, the estimates for Site 5 have been prepared by the Council and include a 15% contingency. Capital costs will be reviewed at the appropriate gate stages and monitoring during project delivery as discussed in the Management Case.
- 1.27 Within the financial case we have responded to the likely impact of COVID on cost inflation by assuming that there is no real increase in costs.
- 1.28 A range of sensitivity tests have also been undertaken for the above items within the economic appraisal to address the robustness of the **Do Medium** scenario. For the FHSF scheme components only, there is a land value disbenefit for each sensitivity tested, reinforcing the fact that the major challenges faced by the high street will not be ameliorated through a solely market or developer-led approach due to low and declining rents for existing premises and the high costs of redeveloping town centre assets.

## E Grays Town Centre Health Check 2020

# GRAYS RETAIL HEALTH CHECK

# GRAYS RETAIL HEALTH CHECK - 2020

To support the Future High Street Funds bid by Thurrock Council, Montagu Evans has undertaken a retail health check of the town centre. The objective is to determine the health of the centre and its vitality and viability. Previous town centre survey work was undertaken in 2016 and 2018, and where relevant trend based data is drawn on to show changes to the centre over time.

While the revised NPPF has superseded much of the former planning guidance, Annex D of Planning Policy Statement 4 continues to provide the basis for town centre health check Indicators. These are:

- **Diversity of main town centre uses** (by number, type and amount of floorspace): the amount of space in use for different functions – such as offices; shopping; leisure, cultural and entertainment activities; pubs, cafes and restaurants; and, hotels.
- **The amount of retail, leisure and office floorspace** in edge-of-centre and out-of- centre locations.
- **The potential capacity for growth or change** of centres in the network: opportunities for centres to expand or consolidate, typically measured in the amount of land available for new or more intensive forms of town centre development.
- **Retailer representation** and intentions to change representation: existence and changes in representation of types of retailer, including street markets, and the demand of retailers wanting to come into the centre, or to change their representation in the centre, or to reduce or close their representation.
- **Shopping rents**: pattern of movement in Zone A rents within primary shopping areas (i.e. the rental value for the first 6 metres depth of floorspace in retail units from the shop window).
- **Proportion of vacant street level property** and the length of time properties have been vacant: vacancies can arise even in the strongest town centres, and this indicator must be used with care. Vacancies in secondary frontages and changes to other uses will also be useful indicators.
- **Commercial yields** on non-domestic property (i.e. the capital value in relation to the expected market rental): demonstrates the confidence of investors in the long-term profitability of the centre for retail, office and other commercial developments. This indicator should be used with care.
- **Land values and the length of time key sites have remained undeveloped**: data on changes in land value and how long key town centre and edge of centre sites have remained undeveloped provide important indicators for how flexible policies should be framed and can help inform planning decisions.
- **Pedestrian flows** (footfall): a key indicator of the vitality of shopping streets, measured by the numbers and movement of people on the streets, in different parts of the centre at different times of the day and evening, who are available for businesses to attract into shops, restaurants or other facilities.
- **Accessibility**: ease and convenience of access by a choice of means of travel, including the quality, quantity and type of car parking; the frequency and quality of public transport services and the range of customer origins served; and, the quality of provision for pedestrians, cyclists and disabled people and the ease of access from main arrival points to the main attractions.

- **Customer and residents' views and behavior:** regular surveys will help authorities in monitoring and evaluating the effectiveness of town centre improvements and in setting further priorities. Interviews in the town centre and at home can be used to establish views of both users and non-users of the centre, including the views of residents living in or close to the centre. This information could also establish the degree of linked trips.
- **Perception of safety and occurrence of crime:** should include views and information on safety and security, including from the threat of terrorism, and where appropriate, information for monitoring the evening and night-time economy.
- **State of the town centre environmental quality:** should include information on problems (such as air pollution, noise, clutter, litter and graffiti) and positive factors (such as trees, landscaping and open spaces).

The independent survey undertaken for Grays town centre covers that of the Experian Goad plan for the centre. This broadly conforms to the designated town centre area. The town centre, as defined in the adopted Local Plan, includes Orsett Road, Clarence Road, the High Street, George Street and London Road, north of the railway line, as well as Station Approach and the High Street, to the south.

## CONTEXT

Grays lies 13 miles south of Basildon and 27 miles east of central London. Three miles to the southwest is Lakeside Shopping Centre - a regional shopping location (though is not a designated town centre). The main road access to Grays is via London Road (A126).

Grays retail offer is set out in a broad 'T' shape, with the main shopping thoroughfare located on High Street and within Grays shopping Centre. Grays Shopping Centre and the large Morrisons foodstore are the main retail anchors. Secondary retail areas spread out to the east and west, particularly along Orsett Road and to a lesser extent George Street and Clarence Road. Parts of the town centre are pedestrianised. A few retail units lie to the south of the railway line. While the central train station is very beneficial, the rail line itself presents a key severance issue for those living, working and studying in buildings on the south side of the railway.

## ROLE AND FUNCTION

Grays is the principal designated town centre in Thurrock, and is the authority's main administrative centre. Thurrock Council's offices and South Essex College southern campus are located here.

In terms of retail hierarchy, the South East Essex Retail Study (2017) identifies Grays as a town centre. Higher order centres in the study area are Lakeside (regional), Basildon and Southend (major centres). Grays is one of a considerable number of town centres identified within the study area, though is one of the largest of those cited within that category. According to the 2017 Retail Study town centres are often the principle centres in a local authority area and have employment, leisure, service and civic functions.

The most recent Experian Goad data for Grays (2018) shows a total of 203 service and retail units in the centre, which provide just over 43,803 sqm (471, 495): a slight reduction since 2016 where Goad identified 43,803 sqm gross (481,300 sqft) of floorspace and five more units. By comparison, there is an estimated 2m sqft (186,000 sqm) of retail floorspace at Lakeside. The scale of the centre – and its proximity to Lakeside – means that Grays largely meets local short to mid-term needs, and especially for those who may find it difficult to access more distant shopping locations (the LSOA around Seabrooke Rise – which is just to the south east of the town centre - is within the 10% of the UK's most deprived output areas).

## DIVERSITY OF USES

Experian Goad (2018) estimate that approximately 14,632 sqm of the total is made up of comparison floorspace, 12,198 sqm of convenience and the remainder 12,430 sqm service sector. Grays diversity of uses is described in terms of units and floorspace below as at 2018, as well as the figures from 2016.

Trend based data shows a marginal increase in convenience floorspace, and a corresponding decrease in comparison floorspace. These changes are broadly consistent with overall UK trends. It also points toward the wider structural changes within the UK retail sector and the demise of comparison shopping as the key reason for visiting high streets.

### Uses in Grays Town Centre by Floorspace: 2018 (Experian GOAD)

Retail Category	Floorspace (sqm)	% of Total	% UK	Variance %
<b>Convenience</b>	12,198	27.85	18.59	150
<b>Comparison</b>	14,632	33.41	42.53	79
<b>Service</b>	12,430	28.38	25.97	109
<b>Vacant</b>	4,534	10.35	12.09	86

### Uses in Grays Town Centre by Floorspace: 2016 (Experian GOAD)

Retail Category	Floorspace (sqm)	% of Total	% UK	Variance %
<b>Convenience</b>	11,446	25.6	18.52	138
<b>Comparison</b>	15,580	34.84	43.13	81
<b>Service</b>	12,839	28.71	26.09	110
<b>Vacant</b>	4,692	10.49	11.4	92

The figures above show:

- Overall Grays offers a range of convenience, comparison and service floorspace.
- The highest proportion of floorspace is given over to comparison goods – although this is substantially below the UK average.
- Convenience floorspace in Grays has a higher representation compared to the UK average.
- Service floorspace is broadly comparable to the UK average.

The figures are typical for one which is serving more local, community needs with greater amounts of convenience and service floorspace offered.



Grays current retail uses composition has also been considered against older historic town centre data. This highlights that there has been a small decrease in the number of comparison and convenience retailers in Grays. In 2007, the Thurrock Retail Study noted a total comparison provision of 17,810 sqm; the 2012 Goad data indicated that this has fallen to 14,855 sqm (and has since fallen a little further based on the 2018 figures).

For convenience, the level in 2007 was 10,930 sqm; this has grown to 12,198 sqm. The figures confirm suggest that the centre is becoming less important for comparison shopping. Indeed, the evidence is compelling insofar as there has been a loss of 7 comparison units during the last 2 years, and an equal gain of 7 convenience units during that same period. These are strong indications that Grays role is changing: becoming more of a service centre.

#### Uses in Grays Town Centre by Unit Occupancy 2018 (Experian GOAD)

Retail Category	No of Units 2018	% of Total	% UK	Index
<b>Convenience</b>	29	14.29	10.05	142
<b>Comparison</b>	62	30.54	36.84	83
<b>Service</b>	89	43.84	38.97	113
<b>Vacant</b>	23	11.33	12.98	87

#### Uses in Grays Town Centre by Unit Occupancy 2016 (Experian GOAD)

Retail Category	No of Units 2016	% of Total	% UK	Index
<b>Convenience</b>	22	10.58	9.93	106
<b>Comparison</b>	69	33.17	37.7	88
<b>Service</b>	93	44.71	38.79	115
<b>Vacant</b>	22	10.58	12.4	85

When occupancy is described in term of number of units the figures indicate:

- That convenience uses are generally located in larger units, such Morrisons and Iceland.
- Service uses are typically in somewhat smaller units, and is by far the most common outlet in terms of occupied units.

## RETAILER REPRESENTATION

Grays contains just 2 of the 32 Goad defined key retail attractors – Boots and Wilkinsons. This is a very low number of key retail stores. In 2012, 5 key retail attractors were present in the town: WH Smith was present until 2013, while New Look and Superdrug have vacated the town since 2014. WH Smith has generally pursued a strategy of

focussing on store presence within transport hubs rather than high streets. The contraction in the number of key retailers is significant, suggesting that the role Grays town centre is performing is becoming less diverse. Many chain retailers have sought to concentrate their retail operations in larger centres. There are no department stores present, though Grays would not be expected to accommodate such retailers given the scale of the centre.

This is more so the case due to Gray's close proximity of Lakeside and the presence of major department and variety store operators there. Overall, the implication is that the loss of key retailers is eroding the attractiveness and viability of Grays town centre and a new approach to achieving diversification is becoming important.

Other key national multiples include Morrison's foodstore (located on George Street). Morrison's offer some comparison goods and a café alongside a broad food range. Grays Shopping Centre accommodates several other national multiples, including Peacocks, Sports Direct, Iceland and QD stores. This shopping mall accommodates the majority of Grays larger comparison retailers. Aldi and Poundstretcher on London Road are though located at an edge of centre location.

Grays does offer a reasonably good range of independent outlets including off licences and general convenience stores. The range of independent traders is a positive strength of the centre and provides for a degree of diversity in the town's offer.

Increasing the choice of branded small scale convenience retailers (for example, there is no Co-op, Tesco Express, M&S Food) might though serve to strengthen the centre, given that this has been a recent growth sector and in light of the role that the centre is serving.

The centre has a strong service sector representation. This includes several national multiples including Subway, KFC and Wimpy. The fairly recent addition of Costa to the town's line up is the first and only branded coffee shop in Grays. A number independent restaurants and cafes are found throughout the centre. However, generally there is a fairly low representation of this type of offer, and it is generally targeted at the mass market. This sector has seen considerable growth in the last decade or so, yet Grays does not seem to have particularly captured this trend – perhaps because of the less attractive trading environment overall and that there is no strong clustering of these uses which would help create a better feeling of an evening economy in the centre.

Grays is well represented by betting offices, estate agents, dry cleaners, hairdressers, opticians and beauty salons. A particularly strong feature of the centre is the high proportion of banks and building societies, which are mostly in prominent positions on the High Street. On Orsett Road there is also a very considerable concentration of estate agents. This all points toward a considerable local shopper trading base, though these service sectors are reducing their presence on in the UK's town centres (see previous section) and this poses a risk for Grays.

The centre also benefits from a bi-weekly (Friday and Saturday) mixed market, which stretches out along the High Street (plus a few greengrocer stalls present on George Street on a more regular basis) Again, this adds some diversity to the centre on market days, though on observation the choice of goods is fairly limited.

Overall, the retail offer is dominated by discount retailers. There are no higher order retailers present. Unless there was a marked shift in the demographic profile of the population, it is unlikely that the centre would attract more aspirational retailers – especially so given Lakeside's close proximity. Pursuing a more community oriented retail and service strategy for Grays would better serve the centre - and be more realistically deliverable. Even so, there may be opportunities to attract some higher order eateries and cafes for example, especially in the context of rejuvenating the town centre itself.

Having studied the 2018 GOAD Categories Report there are some other finer grained observations on the retail offering of Grays.

- There are 6 charity shops in Grays, which despite being exactly in line with the UK average, is the largest offering out of any of the classifications in the comparison sector.
- There is a high representation of frozen food convenience retailers in Grays. While perhaps reflecting the demographic of the local area, it is a less positive aspect given the growing agenda about health and well being.
- Allied to the above, in terms of under provision, there is only one health food retailer in Grays.
- There is a high provision of health & beauty classification outlets, which is the only retail service with a store count in the double figures, with 21 outlets. It does suggest that Grays has a niche offering.
- There is no post office in the centre. Where present, post offices are positive for town centres as they are widely used by a broad spectrum of the population and therefore entice residents to a centre.

As has been evidenced above, with some careful curation and investment, the retail and leisure offer could become more attractive, diverse and balanced.

The diversity of the centre is augmented by a range of community, administrative and public sector leisure led uses including Council Offices, training and health centres, Thameside Theatre, museum, social clubs and library. Other commercial uses are less prevalent in the centre; the Mecca bingo hall has closed in recent years.

The major office occupier is Thurrock Council. Essex Police also have a large office on Quarry Hill. South Essex College (New Thurrock Campus) opened in September 2014. On observation it is clear that this college helps generate greater footfall in Grays town centre.

## RETAILER REQUIREMENTS FOR GRAYS

The level of retailer demand to locate in Grays town centre provides another good indication of the centre's health.

### Retailer Requirements for Grays

Company	Min Size ft2	Max Size ft2	Date
<b>Formula One Autocentres</b>	4,400	7,000	12/09/2019
<b>Lidl</b>	14,000	26,500	21/09/2017
<b>Machine Mart</b>	1,000	8,000	21/02/2017
<b>McDonalds</b>	3,500	4,000	12/12/2016
<b>Snap Fitness</b>	4,000	10,000	30/03/2017
<b>Travelodge</b>	60,000	60,000	30/09/2017

*Source: Grays, Property Data, 2020*

Overall, the level of retailer demand for Grays is very limited. It should be noted though that not all retail chains post requirements on such databases: nor generally do smaller independent store operators. However, it is questionable whether a number of these requirements are active or indeed would seek a town centre location (for example Machine Mart), and a number are now quite historic. Several of these requirements are less likely to consider locations in the heart of the town centre (Lidl or Machine Mart): more likely they would prefer edge or out of centre locations which better suit their trading format. It is also notable that this list of requirements has not changed in the

last two years – possibly space to meet demand has been constrained by opportunities to redevelop parts of the town centre and create space suited to these operators requirements.

By comparison, in 2007, 17 retailers were seeking representation in Grays (Focus 2007). The significant decrease in retailer requirements since 2007 is a national phenomenon, and reflects the very challenging high street economic environment. Again, it shows that a new diversification strategy is needed for Grays town centre to ensure its longer term health.

Another market indicator of the demise of retail demand is the investment and intentions of New River: the owners of Grays Shopping Centre. Their current plans are to redevelop the shopping centre and in doing so reducing retail space alongside more residential and other new uses into the town. The prospect of major private sector investment in the town will be further encouraged to come forward in light of the public sector's involvement, commitment and programming of other town centre projects.

## SHOPPING RENTS

In 2008, prime retail rents for Grays were £45.00 psf ITZA (Focus) – a considerable rise since 2000. There is no firm recorded evidence of Grays prime retail rents since 2008. Arguably this lack of information is a reflection of the general disinvestment in town centres generally, with retail as an asset class becoming less important to investors and therefore so has the demand for data. The very strong likelihood is though that the general tone of rents has fallen across the centre.

As at 2017, the VOA placed prime retail rents in Grays at £412.50 sq m (£38.30 per sq ft) Zone A. This represents a fall of around 15% in rental levels since 2008. According to retail tracking data UK retail rents have fallen in every region save for Central and Outer London. A wider review of comparable letting evidence for Grays places rents at around £18 per sq ft overall.

A similar fall in rents in nearby major competing centres to Grays has also occurred (see table below). Falling rents are a sign of weakening retail demand.

### Retail Rents: Competing Centres

Location	Rent ITZA 2006 Sq m (sqft)	Rent ITZA 2009 Sq m (sqft)	Rent ITZA 2013 Sq m (sqft)	Rent ITZA 2019 Sq m (sqft)
Lakeside	£360 (£3,875)	£360 (£3,875)	£345 (£3,714)	£320 (£3,444)
Bluewater	£410 (£4,413)	£415 (£4,457)	£365 (£3,923)	£370 (£3,982)
Romford	£190 (£2,207)	£210 (£2,260)	£180 (£1,938)	£180 (£1,937)
Brentwood	£75 (£807)	£75 (£807)	£65 (£700)	£70 (£753)

Source: Thurrock Retail Study / Promis 2013/2018/2019

## YIELDS

Yields are an indication of investor confidence. The lower the yield, the stronger the perceived investor confidence in the centre. Retail yields must however be treated with considerable caution. They vary considerably depending on the strength of the individual tenant and terms of the lease. The paucity of deals within Grays and other smaller

centres makes comparison difficult. Grays is, in our opinion, a secondary retailing location and retail yields will likely be around 10% or higher. This view is also consistent with other property agents' who place yields for secondary / tertiary towns above 10%. Over the last 20 years yields in Grays have generally varied between 9 – 11% – and indeed, as noted above the actual yields will ultimately rest on individual assets and their tenant covenants. The suggested retail yield of 9 – 11% for Grays is supported by the sale of the Grays Shopping Centre in June 2018 for £20.20 million, which reflected a yield of 9.4%. It is understood that reported yields in the 2007 and 2012 Thurrock retail studies were keener. The upshot is that increasing yields reflects poorer market sentiment with Grays town centre as place for viable retailing.

Market sentiment is also strongly negative for all high street retail investment categories and has been for some time, save perhaps for prime central London. The weakening of retail yields is a UK phenomenon. In December 2019 for example, commercial agents' data placed prime shop yields at 4.50%. They now stand at 5.25%. There has been a similar outward shift in yields for other retail sub categories.

## POTENTIAL TO GROW

There are a few clear opportunities to extend Grays retail offer. This includes the State Cinema, 15-23 George Street. The former cinema is located in a prominent retail position between Morrisons supermarket and the High Street. The listed building has been vacant for over 10 years though now has permission to be refurbished and reused as a bar.

The Queensgate Centre might also afford a redevelopment / reconfiguration opportunity (the centre has a mix of office and retail tenants as well as vacant space). The centre offers very poorly shaped units, a number which are vacant, although a gym has recently taken up space here.

There may too, if desired, be greater opportunities to reshape the retail offer in Grays, through redevelopment of the western part of the high street north, and well as major reconfiguration of the Grays Shopping Centre too. This would present a much greater opportunity to reconfigure retail space, curate the offer and modernise the centre overall – which in turn would be expected to have a positive effect on occupier demand. We consider though that the focus ought to be on modernisation of existing stock rather than expansion and a shift toward strengthening non retail activities in the centre, including the delivery of residential uses. This view is strongly reflective of the general contraction in the UK high street retail market, and a shift toward mixed use schemes – and especially residential and other service and community uses.

## VACANT RETAIL PROPERTY

The extent of vacant retail property is a very important indicator of the health of a town centre.

Year	2014	2018	2019
<b>Total No. Units</b>	206	208	203
<b>Vacant Units</b>	19	23	24
<b>% of total units</b>	9.2%	11.1%	11.8%

*Source: Grays Town Centre Inspection carried out by Montagu Evans.*

From our centre survey undertaken in December 2019, 24 unit vacancies are identified in Grays town centre, which comprises 11.18% of units (a considerably higher figure than compared to the Goad figure of 2014 of 19 units (9.2% of total units). Although the UK average town centre retail vacancy level is marginally higher at 12.4%, the overall

vacancy rate is persistently high in Grays: typically a stronger centre would have a vacancy level of around 4-5%. Above all, vacancy rates are continuing to creep up in Grays.

At the time of the survey, there was a notable vacancy at the former State Cinema building, George Street. A cluster of vacancies is also found in the Queensgate Centre, as well as a number of larger units present in Grays Shopping Centre and another cluster at the corner of New Road / High street, to the south of the rail line.

While accepting that these are parts of development sites (and if excluded from the vacancy count would reduce overall unit vacancy levels to around 8%, it is only through intervention and redevelopment that a lower vacancy level is likely to occur for Grays: again, set in the context of the very strong headwinds the UK high street is facing. The vacancy levels suggests too that there is simply insufficient retail demand in Grays and this supports the view that a move toward a more diverse town centre offer would be beneficial.

## **ACCESSIBILITY**

Grays town centre is readily accessible by public transport. Grays train station is located in the heart of the centre with immediate access to the main retail area, which should be considered positive for the town centre. Trains run approximately every 15 minutes between Grays, London Fenchurch Street and Southend. Rail services from Grays to Fenchurch Street take approximately 40 minutes. The station and line is busy: it is understood that Grays station accommodates 3 million passenger movements each year.

There are bus stops located at Stanley Road and Crown Road. These provide good bus links to the centre from local areas as well as Lakeside, Basildon and other locations across South Essex.

Grays is served by adequate, well located parking provision. There is a large surface car park which adjoins Morrison's foodstore. A far less modern – but large - multi-storey car provides 700 spaces and forms part of the Grays Shopping Centre (although is closed during evenings). Some on-street parking is available at the town centres periphery at Derby Road Bridge and London Road. Other car parks include Grays Train Station, Darnley Road and Thames Road. Grays has good road links being close to the A13 and the M25 motorway.

Local accessibility is though hindered by a lack of cycle lanes and very limited associated facilities. Another very major weakness is the severance caused by the rail line and regular stopping of pedestrian movement between the High Street and south of the line due to the very high frequency of trains. The delivery of a new underpass will be expected to overcome this severance and will improve accessibility for pedestrians. Street clutter, traffic volumes and the design of some parts of the road network also increase barriers to movement for pedestrians and cyclists, especially at the top end of the High Street and Orsett Road.

The majority of the core shopping area is pedestrianised (the High Street, George Street and Grays Shopping Centre), which improves shopper movement in the core of the centre: though we comment below on the overall quality of these pedestrianised areas further below.

## **PEDESTRIAN FLOWS**

In 2014 Thurrock Council commissioned a pedestrian movement study (SKM Colin Buchanan). This showed that the greatest areas of pedestrian flows in Grays were:

- At the level crossing
- High Street
- George Street

- Grays Shopping Centre

From our centre survey in December 2019, we would concur that this broad pattern of pedestrian movement is still in place. It is noted though that footfall levels in the UK's high streets is generally declining.

This is underlined by footfall data generated from Grays Shopping Centre. Springboard (February 2020) reported that two years ago footfall through the centre was at 82,661 persons for a given week in February: 12 months ago this figure had fallen to 79,663. We understand that there has been a small annual decline in the last 12 months too.

## **LAND VALUES**

There are no land values available to gauge general retail development interest in the town centre. Indeed, several sites / properties have been vacant for a number of years. Land value information for the area relates to the demand for housing rather than retail / leisure delivery. That trend is telling itself, insofar as the property market is signalling alternative land uses are more attractive in the heart or edge of the town.

## **CUSTOMER AND RESIDENTS' VIEWS**

While a little dated, in March 2013, a public consultation was held with shoppers and businesses in Grays. The key findings were:

- Over half of respondents considered Grays range of shops was poor or very poor.
- One third of shoppers were using the centre for food shopping.
- Many respondents used banking facilities in the town.
- The Friday and Saturday market is viewed as being very positive – and a more regular market offer was advocated (a small market now operates Monday to Saturday).
- Parking was considered good or very good by 43% of respondents.
- A strong desire of respondents was for an improvement to occur in the range and number of restaurants bars and cafes in order to improve the evening economy.

The comments support many of the observations made in this section: a weakening comparison offer, strong accessibility characteristics and the important role that food shopping performs for Grays.

More recent consultation on the Town Centre Development Framework in 2016 also sheds some interesting light on how residents view the centre:

- 72% supported the provision of an underpass (and by virtue of this, the current severance caused by the rail line is unattractive).
- A need to improve accessibility with particular regard to public realm aspects: too many changes in levels, poor surfaces and particularly for people with less mobility.
- A need to deal with litter and vermin

There was also concerns raised about any potential oversupply of new retail space occurring as part of any new scheme within the centre.



## SAFETY AND CRIME

From the centre survey, the perception is that the main shopping area is a reasonably safe environment. The High Street is wide and well lit. Grays town centre is also covered by CCTV in the pedestrianised area. The public consultation in 2014 does though indicate a desire for increasing CCTV coverage and police patrols (45% of respondents indicated that felt safety was poor or very poor: 20% considered the centre to be safe or very safe).

The tables below illustrates the crime statistics within Thurrock. Crime figures for Grays South (the area within which the town centre is located) have also risen very considerably: in 2018 there were 2,196 recorded crimes, and in 2018 2,525 incidences (an increase of 15%). Much of this increase is from violence and sexual offences and shop lifting. Generally, the figures point toward an increasing incidence of crime in the area.

### Thurrock: Crime Statistics

Crime	2016	2017	2018
<b>Violence Against the Person</b>	3253	3612	4792
% increase		9.94%	32.7%
<b>Sexual Offences</b>	271	27	311
% increase		2.58%	11.9%
<b>Robbery</b>	131	197	206
% increase		50.38%	4.6%
<b>Burglary</b>	1401	1338	1088
% increase		-4.50%	-18.7%
<b>Vehicle offences (incl. interference)</b>	1662	2057	2131
% increase		23.77%	3.6%
<b>Other theft</b>	2953	3367	3073
% increase		14.02%	-8.7%
<b>Criminal damage incl. arson</b>	1650	1673	1698
% increase		1.39%	1.5%

Source: [https://www.thurrock.gov.uk/sites/default/files/assets/documents/tcsp assessment-2018](https://www.thurrock.gov.uk/sites/default/files/assets/documents/tcsp%20assessment-2018)

Crime type	Total 2017	% 2017	Total 2018	% 2018
Anti-social behaviour	487	23.95%	526	19.29%
Bicycle theft	33	1.64%	36	1.31%
Burglary	75	2.96%	65	2.97%
Criminal damage and arson	185	7.79%	171	7.33%
Drugs	100	3.64%	80	3.96%
Other crime	31	1.82%	40	1.23%
Other theft	116	6.60%	145	4.59%
Possession of weapons	24	1.09%	24	0.95%
Public order	198	8.38%	184	7.84%
Robbery	37	1.59%	35	1.47%
Shoplifting	305	6.79%	149	12.08%
Theft from the person	26	2.14%	47	1.03%
Vehicle crime	138	5.05%	111	5.47%
Violence and sexual offences	770	26.55%	583	30.50%

**Source: Police detailed statistics for Grays South 2018 - 2019**

## ENVIRONMENTAL QUALITY

To assess the state of the environment in Grays, a town centre survey was undertaken of the main shopping streets / areas and an assessment made of the overall quality. Ten environmental features were assessed within these areas, and the features rated on a scale of 1 to 5, where 1 is very poor and 5 is very good. On this basis, 3 represents a 'neutral' or 'fair score'. With a score below 3, then this would point toward a less positive town centre environment, with the prospect that this could be improved through investment.

As a whole, and accepting that there is a degree of subjectivity, our environmental rating for Grays town centre is considered to be somewhat below 'fair'. In some cases the individual criteria were scored as 'good' or above. Generally, the public realm is reasonably well maintained but is becoming dated along the High Street. Other areas of public realm are poorer: Orsett Road and the area around Mulberry Square and Station Approach are examples of this. Shop fronts are generally of modest quality - upper floors are though often more neglected and variable levels of maintenance is evident. This is particularly evident on the western side of the high street. And to rear of this block is an extremely poor environment, with dilapidation, flytipping and vandalism / graffiti very evident, even though this backs on to a fairly busy pedestrian route that runs from the bus and train stations to Morrisons foodstore: a key retail anchor in Grays.

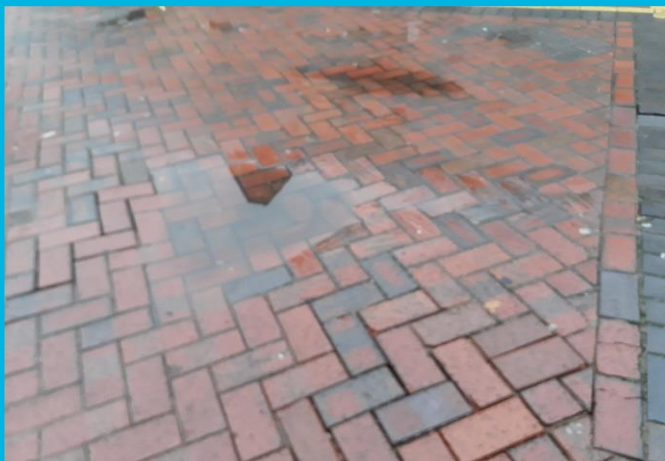


*West High Street: Unattractive retail frontages*

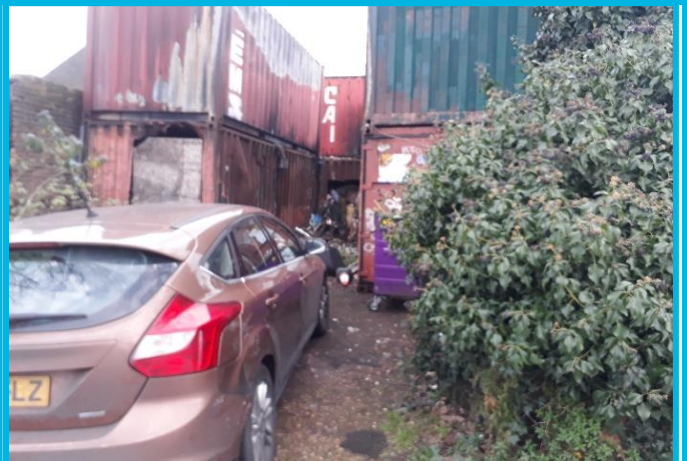


*Orsett Road: poor quality, dated public space*

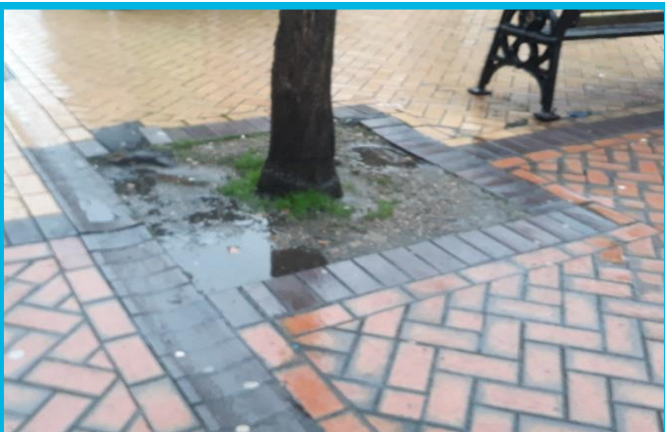
The junction of London Road and the High Street in particular suffers from a degree of street clutter. Signage and barriers do little to create an appealing setting at the head of the town. Street furniture along the high street is also in disrepair. One weakness relates to limited cycle facilities being available (some at the station but are in part disrepair) – and a highly obvious barrier to movement is caused by the railway line which cuts through the southern end of the centre. This is a significant detractor to the town centre environment.



*High Street; patchy paving and ponding*



*Rear of High Street Retail properties*



*High Street: typical image of poor quality public realm*



*North High Street: barriers and street clutter*

Having visited the Grays centre over a number of years undertake centre surveys, there is an overall feeling that the public realm is becoming more dated, presenting increased maintenance issues: and that shop fronts and upper floors in certain parts of the centre are quite unappealing

### Grays Town Centre Environmental Audit

Summary	Average Score
Construction of carriageway (loose, broken, missing, uneven, temporary, obstructions)	2.0
Seats/ planters/ hanging baskets/ litter bins (paintwork, broken uneven, parts missing, not working, badly sited, not present).	2.0
Public facilities, telephones, bus stops/ shelters (Condition)	4.0
Graffiti, fly-posting, vandalism	2.5
Market stalls and street traders (tidiness, waste disposal, appropriateness to street)	2.5
Barriers to movement (servicing, general traffic, lack of safe crossing facilities etc.)	1.5
Cycle parking (formal or informal, availability, capacity).	1.0
Maintenance and repair of buildings, shopfronts and canopies.	2.0
Personal security and police presence	3.0
Wheelchair access and facilities for the blind or partially sighted.	3.5
<b>Total</b>	<b>24</b>
	2.4 (previously 2.6 in 2018)

Source: Montagu Evans on Street Environmental Audit, December 2019.

## CONCLUSIONS

Overall, Grays is considered to a viable centre, but there a signs that it is a risk of becoming more exposed to the structural trends that are affecting centres across the UK. Key messages are:

- The centre is geared toward meeting local shopping needs, with an emphasis on convenience and service uses. The centre cannot compete with larger comparison led centres, such as nearby Lakeside and a contraction in comparison floor space is evident.
- The centre is dominated by discount retailers, with there being 6 charity stores and almost three times the UK average number of frozen food convenience stores, both of which reflect the challenges the centre faces.

- The range of independent traders helps to create a more diverse retail offer (although while in some cases their offer is good, in others it is not).
- There has been an increase in the number of vacant premises in the town.
- Vacancy levels are typical for a UK town centre, though rates have remained persistently high at around 9%-10%. This vacancy rate is above fictional levels which are typically around 4%. Vacant units detract from the ambience of the centre.
- Available data shows a decline in footfall levels.
- There are some units that have been vacant for a considerable number of years.
- The centre's trade is supported by other public sector activities, though these are located south of the railway line and access is inhibited by the rail line.
- Grays town centre could offer potential for large scale regeneration: with this enabling modernisation of the centre's retail offer. This action would create a more attractive proposition for traders.
- There is a weak restaurant and café offering: with most of the offer aimed at fast food.
- The centre would benefit through increased town centre living, with this driving footfall.
- The centre is very accessible in terms of rail and buses services: less so for cyclists.
- While accessible, the presence of the rail line in the heart of the centre causes substantial severance for pedestrians, caused by the very regular operation of the rail crossing barrier. This inhibits footfall between north and south Grays.
- The quality of the centre's environment is fair at best and weakening. In a good number of places it would benefit from considerable investment and improvement. The public realm is for example quite poor immediately to the south of the railway line and along Orsett Road. The core retail / High Street area too is outmoded, suffering from patches of repairs and less appealing.
- There has been no new retail development taking place in Grays since 2014: there has though been welcome investment in education and residential uses.

The health check points to both strengths and weaknesses of Grays town centre. While the town centre mix has been fairly stable over recent years and has a sizeable service and independent offer, there has been little investment in Grays to enhance the environment – and the rail line remains a substantial barrier to pedestrian movement between the high street and the main civic and education uses to the south.

There are signs too that the wider UK town centre trends are impacting on Grays town centre. Vacancy rates are inching upwards, while the town's offer is moving away from a comparison led proposition to one which is more service oriented. And in some cases where Grays does have a greater representation of outlets of a certain type – banks, building societies and estate agents – these are sectors which have been declining across the UK's towns. Where redevelopment opportunities exist then more mixed use development – including residential - offers an avenue to help mitigate these trends by supporting a more diverse centre which in turn will be more resilient.

## F Stakeholder consultation summary



## **FUTURE HIGH STREET FUND**

### **SUMMARY PUBLIC CONSULTATION**

#### **Recent Consultations**

- Thurrock Council: December 2018 to March 2019: Thurrock Local Plan issues and options 2 'Your Place your Voice' consultation.
- Thurrock Council: February/March 2020: Grays Project Bank/Design Guide and underpass. This followed on from a public consultation on the Town Centre Framework in 2016.
- NewRiver Reit: Community Planning Weekend: Grays Shopping Centre February/March 2020

#### **Summary of Key Issues**

Each consultation was carried out for particular purposes, however a range of common issues raised included;

1. Improve accessibility and parking
2. Perception of crime and need for visible police presence
3. Concern about quality of public spaces (furniture, lighting, litter, lack of greenery)
4. Improve bus and rail services/facilities
5. Poor air quality
6. Need more and better night time economy, leisure and entertainment
7. Need more facilities for young people
8. Need a wider variety of shops and markets
9. Need more GP's and mental health services
10. Need space for small business and incubator spaces for business start ups
11. More professional and skilled jobs
12. Bring empty shops back in to use
13. Need more housing particularly for old and young local people.

#### **Response to Future High Street Fund Projects**

##### Grays underpass and adjacent development plots (FHSF plots 7 and 2a)

In 2016 69% of respondents supported the overall approach suggested in the town centre framework for the wider town centre area and 85% of respondents either supported or strongly supported the proposals illustrated in the town centre framework for an underpass and redevelopment of adjoining plots.

In 2020 more detailed proposals were presented and 77.7% of respondents either agreed or strongly agreed with the 3 options presented, with 81.8% favouring one of the options.

##### Town Centre area (Including FHSF plot 2)

Not all these plots were shown for development in the 2016 consultation.



In 2020 85% of respondents either agreed or strongly agree with proposals set out in the project bank.

The consultation by NewRiver Reit focussed on proposals for their landholding and its relationship with the wider town centre. It identified strong support for redevelopment to repurpose the town centre to provide for a wider range of facilities and to address issues referred to above and for densification including an increase in residential within the town centre.

## G Letters of support



29<sup>th</sup> July 2020

Dear Sir/ Madam

Grays Town Centre Regeneration: Future High Street Fund

The Thurrock Business Board was established to provide a coordinated 'business voice' and valued insight into the local economy. The Board is a private-public partnership which aims to ensure Thurrock has one of the fastest growing and most sustainable economies in the UK, providing opportunities for local businesses, inward investors and ultimately the residents of this borough.

Grays is a chartered market town, the largest town in Thurrock and is of significant importance to the borough, its businesses and its residents. We strongly support efforts for reviving the role of the town centre in meeting the needs of all people living and working in Thurrock. The town centre needs further support to reduce the effects of the national decline of high streets, establishing it as an exciting, high quality place for everyone to enjoy and protecting its future. For this reason, we fully support Thurrock Council's Business Case for the Future High Streets Fund.

Yours faithfully

A handwritten signature in dark ink, appearing to read 'Perry Glading', written in a cursive style.

Perry Glading

Chair of Thurrock Business Board

14<sup>th</sup> July 2020

The Future High Street Fund  
Grays Town Centre - Thurrock Council  
Letter of Support

Grays Shopping Centre, Grays

On behalf of NewRiver REIT, owners of Grays shopping centre, I am writing to express our full support for the Thurrock Council bid for the Future High Street Fund for Grays Town Centre.

Grays is a chartered market town, the largest town in Thurrock and is of significant importance to the borough and its residents. We strongly support efforts for reviving the role of the town centre in meeting the needs of all people living and working in Thurrock. The town centre needs further support to reduce the effects of the national decline of high streets, establishing it as an exciting, high quality place for everyone to enjoy and protecting its future. For this reason, we fully support Thurrock Council's submission to the Future High Streets Fund.

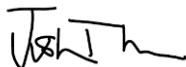
Since June 2018 NewRiver REIT has been an investor in Grays Shopping Centre and together with Thurrock Council we recognize that this is an under invested part of the country. Grays Town Centre sits in the shadows of Lakeside Shopping Centre, Lakeside Retail Park, a number of easily accessible supermarkets, retail warehouse parks with free parking, London and of course the internet.

Even before the impact of Covid 19, Grays town centre was in need of further support to reduce the effects of the national decline of high streets. Covid 19 has now exacerbated that decline into a market failure, as retailers that were just maintaining a marginal turnover have collapsed into administration or closed stores permanently. Prior to Covid 19 there was a general perception that high streets in the UK were oversupplied with retail space by up to 30% and as a consequence of Covid 19 that figure is likely to increase further as a long term pattern.

Grays town centre is a prime example of such failure. However Thurrock Council have credible and achievable proposals to bring forward a major town centre regeneration project focused around the High Street, that will re-establish Grays as a desirable and appealing destination both to visit and to live in.

To do this requires investment, land assembly and a coordinated approach. Funds from the FHFS would make a significant impact on deliverability and viability, helping make this town centre regeneration a reality and we support their proposals in full.

Kind regards,



Justin Thomas  
Director of Development  
NewRiver REIT



Cllr Rob Gledhill  
Leader, Thurrock BC  
Civic Offices  
New Road  
Grays RM17 6SL

Julian Drury  
Managing Director  
Trenitalia c2c  
2<sup>nd</sup> Floor, Cutlers Court  
115 Houndsditch  
London EC3A 7BR

20 July 2020

Dear Rob,

### Grays town centre redevelopment

I am writing to offer Trenitalia's support for the proposals Thurrock BC has developed to transform Grays town centre, and the Business Case you are submitting to the Future High Street Fund.

As you know, Grays station lies at the heart of the town centre and is one of the busiest stations on the c2c route outside London. Trenitalia c2c holds the franchise to operate the Essex Thameside route until 2029, and we see ourselves as active long-term partners for the local authority. We are proud of the strong record we have of working together, and are keen to maintain that momentum by playing a full role in supporting the proposed redevelopment of the town centre.

I know the council has worked hard to develop a strong Business Case which you are submitting to the Future High Street Fund. There is a huge opportunity to transform Grays, and ensure the town centre realises its full potential. As a rail company we understand the immense benefits that investment in infrastructure can bring, and your proposals for improving the digital infrastructure provide the opportunity to modernise this aspect of the local economy. Likewise your proposals for flexible commercial units provide welcome opportunities for the small business sector that Essex is rightly renowned for, and providing additional residential units will help to address a pressing concern that I know is close to the council's heart.

We endorse these proposals and look forward to working with Thurrock BC to help ensure this investment will make Grays an even more attractive destination station on our network.

With best wishes,

Julian Drury  
Managing Director, Trenitalia c2c

Trenitalia c2c Limited is part of the FS Group



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## **Future High Street Fund**

To whom it may concern.

I am writing on behalf of Thurrock Adult Community College which is the local authority provider of adult education in Thurrock.

The college provides learning opportunities for over 3000 residents of Thurrock annually so they can learn, grow and shape their future. This includes vocational and professional qualifications, English, maths and English for Speakers of Other Languages (ESOL), Family and Community Learning, Learning for Wellbeing, Leisure learning and Corporate Training.

The college is supportive of this bid and would be interested in relocating to the town centre accommodation provided by the Future High Street Fund.

Where, currently the College is isolated, proximity to the station, town centre and to other commercial and community spaces would be of particular interest to us. We envision establishing a central hub for adult and community learning that will be open to residents and communities, flexible in its use and will support economic growth, community cohesion and cultural activity. Our current and future students would benefit greatly from being better connected by being able to access a vibrant high street and wider council and community facilities.

Our service reaches out to all parts of the community as we offer a diverse range of learning opportunities that attract people for a variety of reasons from all walks of life. For example we run employability courses to help people to gain employment, return to work or to change their career. We work with families to improve children and young people's educational outcomes. We work with older people through our retraining programme and our leisure and wellbeing activities that take people out of isolation. We offer a wide variety of courses for people who want to learn something new in their spare time. We support carers, we work with people who are suffering with poor mental health and wellbeing, we work with employers who need training support for their employees and we engage with the voluntary sector helping to build capacity in the community.

**Thurrock Adult Community College is committed to safeguarding and promoting the welfare of children, young people and vulnerable adults, and expects all staff, volunteers and visitors to share this commitment**

Current enrolments at the campus number approximately 3000 per year. It is anticipated that these numbers will remain steady in the short - medium term as funding for Adult and Community Learning will remain relatively constant.

Of these, approximately 2000 enrol on a range of Community Learning short courses. The majority of other enrolments are for longer qualification courses (including Apprenticeships and full time study programs for young people 16 - 19). These qualification courses tend to follow a semester pattern over an academic year of 32 weeks, with one start in September and a further start in March. Some courses run across the whole of the academic year.

On any given day of the week during the academic year, there may be between 6 - 8 groups in College at the same time for both a morning and afternoon session (5 days a week). Assuming an average class size of 15, this means maximum occupancy of 90 - 120. The College currently opens for 3 evenings a week, where 8-10 classes may be used at any one time. The evening timetable is flexible, when many of the leisure, arts and crafts courses are timetabled, and so can be changed to meet the constraints of any new location. Assuming a new location will have 6-8 teaching rooms, this will also allow for a maximum occupancy of 90 - 120 Mon - Fri evenings.

We would be particularly interested in working with other colleagues and partners across Thurrock to develop a modern, flexible, community hub that offers people a space where they can come to learn, work and socialise. We would be interested in some kind of enterprise zone and be open to sharing facilities with local enterprise and community groups.



Jaki Bradley  
Principal  
Thurrock Adult Community College





# The Parish Church of St. Peter & St. Paul Grays Town Centre

*Part of the Grays Thurrock Team Ministry*  
*Registered Charity Number: 1132873*



Team Rector: Revd Canon Darren Barlow

Telephone: 01375 377379  
e-mail: Rev.Darren@gttm.org  
website: www.GraysThurrockTeamMinistry.org

The Parish Office  
Grays Parish Church Hall  
West Street  
Grays, RM17 6LN

29 Jul 2020

## **The Governments Future High Street Fund - Grays Town Centre**

Grays town centre is vital to the people of Grays and the wider Borough of Thurrock. Many rely on the services and facilities provided in the town centre and have been disappointed to see its decline over many years. Many local and central governments initiatives have been considered but sadly with little lasting positive impact.

Grays Parish Church is by far (many centuries!) the oldest building located within the High Street. The origins of the present building are Norman and over the following centuries the building has undergone many significant changes, the most recent being a major internal reordering in 2008. The building can sit approx 250, is now well lit, heated and comfortable with a high quality audio visual presentation system. The church plays a major part in the life of the town with a large congregation which welcomes many local groups and schools and over the centuries has been central to the life events (christenings, weddings & funerals) of the local residents..

I have been in post since the summer of 2006 and over the past 14 years have seen a steady deterioration in the general wellbeing of the town centre. Many national retailers have moved out and have often been replaced with poor quality one off local traders. Investment is now essential to ensure that the town centre can adjust and be future proofed against further changes that will impact High Streets. Grays Parish Church therefore supports the Council's Business case for the Future High Street Fund to secure much needed investment for Grays.

If you need any further information then please do not hesitate to contact me.

Yours sincerely,

Darren Barlow  
Rector of Grays Thurrock



Principal & Chief Executive  
**Angela O'Donoghue** CBE, BA Hons

Tel: 0345 52 12345  
Email: [learning@southessex.ac.uk](mailto:learning@southessex.ac.uk)  
Web: [www.southessex.ac.uk](http://www.southessex.ac.uk)



29<sup>th</sup> July 2020

Dear Sir/Madam

### **Re Grays Town Centre Regeneration : Future High Street Fund**

South Essex College has a campus in Grays High Street with 5000 16-18 year olds studying a wide range of subjects. We also have apprentices, degree students, adult learners etc totalling some 12,000 people per year.

Grays is a chartered market town, the largest town in Thurrock and is of significant importance to the borough, its businesses and its residents. We strongly support efforts for reviving the role of the town centre in meeting the needs of all people living and working in Thurrock. The town centre needs further support to reduce the effects of the national decline of high streets, establishing it as an exciting, high quality place for everyone to enjoy and protecting its future and the college are committed to their role in securing that future. For this reason, we fully support Thurrock Council's Business Case for the Future High Streets Fund.

Yours faithfully

**Steve Smith**  
**Vice Principal Corporate Resources**



**Canvey Skills Centre**  
Meppel Avenue  
Canvey Island  
Essex SS8 9RZ



**Luckyn Lane Campus**  
Luckyn Lane  
Basildon  
Essex SS14 3AX



**Southend Campus**  
Luker Road  
Southend-on-Sea  
Essex SS1 1ND



**Stephenson Rd Campus**  
No.28 & 30 Stephenson Rd  
Southend-on-Sea  
Essex SS9 5LY



**Thurrock Campus**  
High Street  
Grays  
Essex RM17 6TF



20/07/20

Brian Priestly  
Regeneration Programme Manager  
Thurrock Council  
Civic Offices  
Grays  
Essex

Dear Brian

Thurrock CVS would like to express its support for the Future High Street application for Grays High Street.

As an infrastructure organisation, Thurrock CVS work closely with local organisations and communities, and recognise the changing role of town centres and the impact this has locally.

Grays has been the home to Thurrock CVS since its inception over 30 years ago, and we have seen many changes within the town centre, good and bad, but investment is needed to improve the physical infrastructure and provision within the town centre. The history of Thurrock is extremely important to many people, and Grays as a town centre, plays a huge part in people's memories.

We are very keen to see support provided for local businesses, in particular additional/flexible space for micro businesses and start-ups. We would also welcome more opportunities and support for the voluntary sector.

Thurrock is rich in history and culture, and Grays has the potential to be the cultural destination hub of Thurrock.

We feel this project offers a great opportunity for Thurrock and its residents, including multiple opportunities to make improvements to the town centre and additional benefits and opportunities for Thurrock communities.

Yours sincerely

Jacqui Payne  
Community Development & Engagement Senior manager  
The Beehive  
West Street  
Grays

Orchards Community Forum  
120 Bridge Road  
Grays  
RM17 6DA

Dear Brian

I am Chair for Orchards Community Forum, which was reformed in 2018, after requests from residents.

In this short amount of time, we have held several free family events, including fun and fitness boot camps in our local park and with the help of the Council, successfully moved over 37 tons of fly tipping from our alleyways. The success of the forum can be shown that in the 5 months we have had to close, due to Covid-19, most of our alleyways remain rubbish free.

The area covered by our forum is composed of mainly families and old age pensioners. The continuation of Grays as a town and marketplace, is extremely important to our residents. For many it is still where they go to do their weekly grocery shop, bank, Doctors and post office trips. The local theatre is also very popular, especially the Christmas pantomime but also for the library and great café.

Orchards forum fully support the Council's business case. Current thoughts from residents are:

- As well as making access across the railway safer and easier, the new underpass will look more attractive and connect the two parts of the town centre.
- With more residential homes being planned, this will make the town safer and discourage unsociable behaviour.
- As Thurrock's population continues to grow, we need a town centre that will grow with it and bring it into the 21<sup>st</sup> century.
- Our forum residents feel that the town centre is the heart of Thurrock.

If there is any further way, we can support the Councils application, please let us know.

Kind Regards

*Tina Holland*

**Chair Orchards Community Forum**

## Thomas Boulton

---

**From:** Justin Thomas <jthomas@nrr.co.uk>  
**Sent:** 30 July 2020 17:00  
**To:** Priestley, Brian  
**Cc:** Moore, David; Ellsmore, Rebecca  
**Subject:** Town Board Supportive Letter for Future High Street Fund

Dear Brian,

I am writing in my capacity as independent Chair of the Towns Fund Board to express the support of the Board for the Future High Street Fund application being submitted by Thurrock Council.

The Grays Town Board was established earlier this year to lead the production of an investment plan for Grays town centre, reflecting local needs and responding to the many challenges and opportunities faced by the town centre and to bid for a grant of £25million, available under the Government's Town Fund initiative.

Our Board includes representation from the business and community sectors and from the Council. It is supported by an advisory group with representation from the full range of stakeholder interests in the town centre.

The Board has been working closely with the Council to ensure that proposals under the Future High Street Fund and the Towns Fund are coordinated and complementary to each other. It is clear that Grays Town Centre needs a significant level of investment to address the effects of the well documented challenges facing town centres and to enable it to take advantage of the opportunities reflected in the Council's expression of interest and business case for the Future High Street Fund. The schemes detailed for the FHSF, together with the projects being promoted by the Town Board, are essential to the future of Grays town centre and the Grays Town Board therefore fully supports the Business Case for Future High Street Funding that has been submitted by Thurrock Council.

Kind regards,  
Justin

Justin Thomas  
Director of Development

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Ministry of Housing, Communities & Local Government  
Fry Building  
2 Marsham Street  
London, SW1P 4DF

19<sup>th</sup> March 2019

Dear Sir/Madam

**Re: Grays High Street Future High Streets Fund Bid**

I write in support of the Grays High Street bid to the Future High Streets Fund bid led by Thurrock Council for funding from the Ministry of Housing, Communities & Local Government.

Grays High Street to residents, visitors and workers is far more than just a high street; it is a crucial place of community, exchange and expression – and will always remain so.

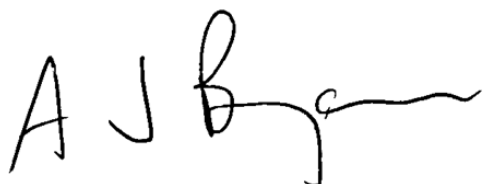
In recent times, the High Street has seen declining footfall and similar challenges to other high streets. However, despite these challenges, the area retains its appetite for innovation, economic potential and overwhelming support from the community.

SELEP has a priority to put the South East's towns, cities and rural communities on the 'front foot' in responding to new technology and changing work patterns, as we set out in our Economic Strategic Statement. We fully expect that securing the future of our high streets and town centres will be a key element of our emerging Local Industrial Strategy.

The Future High Streets Fund represents an important opportunity for Grays to re-imagine its spaces and catalyse its transition into its future purpose; that of a modern, purposeful and vibrant town centre.

I am confident that Grays will show a very positive return on any investment received from the fund. I therefore commend the bid to you.

Yours faithfully,



Adam Bryan, Managing Director

South East Local Enterprise Partnership

Brian Priestley  
Regeneration Manager  
Thurrock Civic Offices  
New Road  
Grays  
RM17 6SL

21<sup>st</sup> March 2019

Dear Brian,

**Thurrock Council – Future High Streets Fund – Grays town centre**

We have been working together with Thurrock Council on a pedestrian underpass and level crossing closure scheme at Grays High Street. From October 2018 we commenced a new development phase for the scheme. This scheme has the potential to both significantly enhance Grays town centre and enable the removal of a significant safety risk from the rail network. Network Rail is contributing to this development phase from a Level Crossing Risk Reduction Fund until 31<sup>st</sup> March 2019.

We understand that you are currently in the process of submitting an expression of interest for the Future High Streets Fund for Grays town centre and, wish to place on record our support for this work.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Kate Warner".

Kate Warner  
Director Route Sponsorship and Business Development, Anglia Route  
Network Rail





The Love Grays Partnership  
Grays Town Centre

Thurrock Council  
Civic Offices  
New Road  
Grays  
Rm17 6SL

15<sup>th</sup> March 2019

Dear Sirs,

**RE: Grays Town Centre Regeneration: Future High Street Fund**

The Love Grays Partnership is an informal partnership of businesses situated within Grays town centre and has been operating for approximately 4 years. We have representatives from key stakeholders within the town such as South Essex College, Grays Shopping Centre, Riverside Community Big Local and Thameside Theatre, as well as small business representatives.

Over the past four years the partnership has driven community engagement through various public events and projects, such as the annual Christmas Lights Switch-On, Open Air Cinema event and Grays in Bloom community project to name a few. It is the partnerships ambition to foster growth in the local economy and improve Grays for those that live, work and visit the town.

Grays is a chartered market town, the largest town in Thurrock and is of significant importance to the borough and its residents. We strongly support efforts for reviving the role of the town centre in meeting the needs of all people living and working in Thurrock. The town centre needs further support to reduce the effects of the national decline of high streets, establishing it as an exciting, high quality place for everyone to enjoy and protecting its future. For this reason, the Love Grays Partnership fully support Thurrock Council's Expressions of Interest for the Future High Streets Fund.

Yours Sincerely,

Louise Ince  
Acting Chair  
The Love Grays Partnership



Dear Sir or Madam,

**Re: Grays Town Centre Regeneration- Future High Street Fund**

Riverside Community Big Local are a community organisation which has Grays Town Centre at it's heart, almost literally as the town centre is right in the area which is Riverside Community. Therefore, the town centre features heavily in many of our community-driven projects and in discussions with our residents. We are very keen to help to reverse the current trend of declining High Streets and to help Grays High Street to become once again a vibrant, attractive and economically thriving area.

Grays town centre is important to people living and working in Thurrock and we support efforts for reviving the role of the town centre in providing for the needs of all people living and working here. The town centre clearly needs further support to reduce the effects of decline and to establish a new role that ensures its future.

For this reason, we support the Council's Expressions of Interest for the Future High Streets Fund.

Yours sincerely,

*T. O'Keeffe*

Teresa O'Keeffe

Project Worker

Riverside Community Big Local

E:teresa@riversidecommunity.org.uk

M: 07594 314584

19/03/2019

Dear Sirs,

RE: Grays Town Centre Regeneration: Future High Street Fund

Nwes are the appointed managing operator of the Old Courthouse Business Centre, on Orsett Road, Grays.

We are a non for profit organisation, established in 1982. We offer support to SME and start up businesses by way of business advice, funding opportunities, workshops, training courses, virtual office solutions and office space. All of which are on offer at The Old Courthouse.

Grays is a chartered market town, the largest town in Thurrock and is of significant importance to the borough and its residents. We strongly support efforts for reviving the role of the town centre in meeting the needs of all people living and working in Thurrock. The town centre needs further support to reduce the effects of the national decline of high streets, establishing it as an exciting, high quality place for everyone to enjoy and protecting its future. For this reason, we fully support Thurrock Council's Expressions of Interest for the Future High Streets Fund.

*S Freeman*

Kind Regards,  
Sheena Freeman  
Area Manager Essex

Registered office:  
Rouen House, Rouen Road,  
Norwich, Norfolk, NR1 1RB

Registered in England:  
Norfolk and Waveney Enterprise  
Services Ltd 1633258  
Nwes Property Services Ltd 5361073

Group VAT no: 860 267 45  
Central number: 08456 099 991

15<sup>th</sup> March 2019

Dear Sir/Madam,

**Grays Town Centre Future High Streets Fund Bid**

Opportunity South Essex (OSE) is a private-public partnership whose vision is for South Essex to have one of the fastest growing and most sustainable economies in the UK, providing opportunities for businesses, attractive for inward investors and benefit local communities.

Grays is the main town centre serving the Borough of Thurrock. It has suffered steady decline since the opening nearby of the Lakeside Regional Shopping Centre in 1990 which has continued with the wider changes in shopping habits. The condition of the town centre is reflected in a preponderance of low value retail, low market interest, low investor confidence, and low rents. But there are opportunities reflected in the Council's application and building on other projects that the Council is undertaking with its partners.

The proposal is based around land assembly and development to provide new multifunctional floorspace, to address the public realm issues particularly those related to access and perceptions of crime, and densification to increase residential in the town centre. The Interventions will address market failures reflected in low development returns, low rents and low investor confidence despite clear opportunities.

We look forward to jointly work with the Council and other partners to revitalise the town centre as a key hub of economic, leisure and community activities in South Essex.

I therefore commend the bid to you.

Yours Sincerely,



**Kate Willard**  
**Chair**  
**Opportunity South Essex**

## H Policy review matrix

	Sustainable Economic Growth & Development	Built Environment	Equity & Inclusion
<b>National</b> <ul style="list-style-type: none"> <li>National Planning Policy Framework</li> <li>Planning for the future</li> <li>Fixing our broken housing market</li> <li>Future High Street Fund</li> <li>Industrial Strategy</li> </ul>	<p>National policy is clear that the high streets and town centres lie at the heart of the UK's communities and local economies, creating jobs, nurturing small businesses and injecting billions of pounds into the economy. This is paired with government ambitions to support the development of new housing / mixed-use development in a sustainable manner.</p>	<p>The government is committed to delivering more homes yet is clear this should be achieved in a sustainable manner. It is important that there is enough investment in infrastructure to support a sustainable community and provide enough access to services and employment opportunities.</p>	<p>The Industrial Strategy notes the clear differences in productivity across regions. These issues require coordinated, sustained action across a range of policy areas, including for high streets. Government must take a conscious decision to consider the needs of all when re-developing the high street.</p>
<b>Sub-Regional</b> <ul style="list-style-type: none"> <li>Strategic Economic Plan</li> <li>SmarterFasterTogether</li> <li>Skills Strategy 2018-2023</li> <li>Local Industrial Strategy (under development)</li> </ul>	<p>SELEP's has clear ambitions to enable the creation of sustainable jobs and careers along the Thames Gateway, as well as increasing the rate of housing completions in sustainable methods of construction. SmarterFasterTogether highlights that technology will have broader 'disruptive' consequences on the high street, however there is a clear opportunity to repurpose the High Street to provide new opportunities for modern business growth.</p>	<p>A key priority for SELEP is supporting quality of life and quality of place, particularly in maximising investment in those assets that deliver long term quality of place and distinctiveness. A consistent theme in engagement for the Local Industrial Strategy has been the challenge and opportunity related to both physical and digital infrastructure investment.</p>	<p>The vision of SELEP's skill strategy is to help deliver a flourishing and inclusive economy by equipping employers, adults and young people with the skills, conditions and aptitudes required for significant growth today and tomorrow. In addition, an emerging theme of the Local Industrial Strategy is ensuring that economic growth is spread across the geography and community, particularly to places with higher levels of deprivation.</p>
<b>Local</b> <ul style="list-style-type: none"> <li>Core Strategy Local Plan: Local Development Framework</li> <li>Thurrock Local Plan: Issues &amp; Options (Stage 2)</li> <li>Local Transport Plan</li> <li>Grays Vision</li> <li>Grays Town Centre Development Framework Refresh</li> </ul>	<p>At the heart of the Thurrock Local Plan is the need to plan positively for sustainable development and future economic growth. Key principles of the plan include meeting Thurrock's employment and housing needs and ensuring town centres continue to thrive. The Grays Town Centre Framework Refresh has been prepared to build upon past achievements and progress other key priorities for the regeneration of the Grays.</p>	<p>The Local Plan seeks to actively manage the pattern of urban growth and land use to make the fullest use of existing infrastructure. This includes improving the movement network through enhanced pedestrian connectivity. The high street is also the linchpin of both the digital and information technology strategy and the town centre public realm strategy.</p>	<p>A strategic spatial objective of the Local Plan is to "create a safe, healthy, accessible and inclusive environment for the community of Thurrock through high quality design led development and open space". The provision of an "appropriate mix of high quality and affordable housing to meet the needs of all sections of the community" is also a key component of the new Local Plan under development.</p>

# I FHSF Digital Initiatives (Site 5)



This document sets out proposed digital initiatives to be included as part of the Future High Streets Fund business case for Grays Town Centre.

### Internet of Things Network

The implementation of a LoRaWAN network in Grays town centre that will enable Grays town centre to benefit from a multitude of connected devices, providing real time information on traffic flow, pedestrian footfall, air quality and lighting. This serves residents and visitors with smart information and enables the Council to access a range of data for use future town planning and enhancing its green agenda.

Thurrock Council currently has 3 LoRaWAN gateways installed as part of its Digital Catapult programme but these are running on the free to use Things Network. It is recommended to replace these gateways with multi-tech gateways substantiated on the Lorient network to provide a resilient service that provides a commercial grade network with uptime SLA and constant monitoring.

To provide sufficient network coverage within Grays Town Centre we will need to provide 3 gateways.

Pricing Item	Unit Cost	Total
LoRaWAN external gateways (three)	£1,315.00	£3,945.00
Gateway configuration	£50.00	£150.00
Installation	£650.00	£650.00
<b>TOTAL</b>		<b>£4,745.00</b>

### Footfall Counters

Strategically placed around the main pedestrian entrance points around site 5 (Grays Town Centre), sensors provide data on footfall traffic to, from and within Grays. Key features and benefits are that counters are:

- Self-contained, battery-powered units with integrated solar panel to top-up the battery (i.e. do not require mains power).
- Easy to install. They can be affixed to existing street furniture with Jubilee-style clamps or TESPAs banding.
- Cellular or LPWAN networks transmit data from the units to the cloud in near real-time (i.e. no need to visit the counters to retrieve data).

- Units transmit data about their environment enabling us to determine whether faults have occurred, or tampering, vandalism or theft has occurred.

This proposal assumes 20 footfall devices will be required to cover the highlighted area on the map provided. However, a site survey will be required to provide an accurate quotation.

<b>Footfall Monitoring as a Service – 3-year contract pricing:</b>	
Volume of devices purchased	20
Per device per month	£68.00
Total project cost for 3 years' service	£48,960.00

### Air Quality Monitoring

Sensors mounted across the town centre provide real time data on air quality/public health information that can be accessed by the Council and displayed in real time to residents, measuring:

- Nitrogen Dioxide +/- 15 ppb –
- Ozone
- Sulphur Dioxide
- Particulates PM 10, PM4, PM2.5, PM2, PM1 +/- 10%
- Temperature
- Humidity
- Atmospheric pressure

Sensors are battery powered so no need for solar panels or external sensor heads. Batteries replaced at calibration intervals every 6 months. Installed using a rear pole mount for lamp posts and most street furniture and attached with 13mm steel cable ties.

To ensure accurate measurements it is imperative that the devices are calibrated every 6 months and we provide a return to base calibration and maintenance service all-inclusive of the monthly service fee:

- Maintained device provided for onsite swap out – no loss of service.
- Batteries replaced
- Sensors heads replaced
- Particulate sensor replaced
- Calibration with reference gasses undertaken.
- Calibration written to device memory

Maintenance – all included within the monthly service fee

- Return to base (RTB) Calibration is undertaken at 6 monthly intervals

Air Quality (Particulates & NO2) Monitoring as a Service – 3-year contract pricing:

This proposal assumes 10 Air Quality Monitoring devices will be required to cover the highlighted area on the map provided. However, a site survey will be required to provide an accurate quotation

Volume of devices purchased	10
Per device per month	£236.72
Total project cost	£85,219.20

### Dynamic Parking

An IoT solution can link sensors to billboards and highlight available spaces, along with partnering with the Council and parking providers to provide enhancements to parking payment solutions. A solution with 3<sup>rd</sup> party parking provider Ringo.

By installing sensors located within each parking bay, the user is able to determine, via the RingGo app, whether a bay has a vehicle parked in it or not. This data enables us to deliver 100% accuracy on space availability. Each sensor is uniquely coded and enclosed in an IP67 casing. The bay sensors are wirelessly connected to a LoRa Gateway which in turn links to a central database. This database manages all sensor devices, is integrated into the RingGo backend where all the device generated data is made available to the Council.

The RingGo user interface shows parking space availability as well as showing motorists the quickest route to get there. The availability of spaces in real-time is provided via the RingGo app. Apple's App of the Day in December 2019, the RingGo App is available free for iOS and Android customers and can be used in over 475 locations throughout the UK.

RingGo's smartphone app uses the specific bay availability data from the IoTSG smart parking sensors.

Additionally, the space availability of any area within the borough can be presented via dedicated smart signage that can be installed at strategic locations within the borough to signal the number of available spaces.

Smart Parking as a Service – 3-year contract pricing:

Volume of devices purchased	50
Per device per month	£6.36
Total project cost for 3 years' service	£11,448

All pricing is inclusive of hardware, software, dashboard analytics and LPWAN connectivity, but excluding installation and VAT.

The total cost estimate for this element is £40,000, which includes installation costs.

## CCTV Upgrades

Enhancements to the current CCTV system in operation in Grays will expand current coverage of the Town and provide further safety for shoppers and residents.

13 high performance PTZ network cameras (and IP loudspeakers for two-way communication) in mounted locations across the town centre. To be installed on existing light columns.

CCTV & Tannoy System: £89,628.58

Power connection: £2100

Total: £91,728.58

## Digital Signage

Digital signage to promote various messages, ranging from parking availability to public information can be managed via a WiFi connection and link to various IoT initiatives (e.g. smart parking, climate information). These will be strategically placed around the town centre at traffic entry points and along the high street. As defined in the Town Fund project bank unit cost is £6500.

## Pop up power units

£2,000 per unit, as defined in the Project Bank. Ten units.

## Total costs

Lorawan Network	£4,745
IoT: Footfall	£48,960
IoT: Air quality monitoring	£85,219
IoT: Dynamic parking	£40,000
CCTV Enhancements	£91,729
Digital signage	£32,500
Pop-up power units	£20,000
Maintenance	£10,000
15% contingency	£48,472
<b>Total</b>	<b>£381,626</b>

## Network & Infrastructure to support smart initiatives

Thurrock Council is investing in two projects that have potential to complement the network and infrastructure requirements to implement the above smart city initiatives:

Local Full Fibre Network (LFFN) – Delivery is set to begin on a £4.4m project to bring local full fibre broadband connectivity to South Essex, including Grays town centre. The plans include a cable bringing LFFN down Grays high street and George Street (towards Morrison's). Approved at Cabinet on 17<sup>th</sup> June 2020. Decision no. 110511.

Wide Area Network (WAN) – Re-procurement of a new WAN network will promote connectivity to the borough through public networks, providing ample commercial opportunities for retail units along the high street.

## J Residual Land Valuation

# GRAYS TOWN CENTRE: DEVELOPMENT APPRAISAL ASSUMPTIONS, SITE ASSEMBLY COSTS & FUNDING REQUIREMENTS

## INTRODUCTION

Montagu Evans has prepared financial viability assessments of the proposals for Grays town centre which are contained Thurrock Council's Future High Street Fund bid. The appraisals are undertaken on a today's costs, today's value basis, cashflowed over time. Overall, the viability testing identifies whether a funding gap exists and the extent of this. Site assembly costs are explained below, and are additional costs that need to be factored in.

The appraisal have been undertaken using Argus Developer software. In undertaking this review we have relied on the following information:

- Site capacity, designs and development floorspace quantum, as prepared by Steer (2020)
- Costing of the site proposals: cost schedules prepared by LSH for Site 1 (C01), and by Playle & Partners for Sites 2 (High Street), 7a (High Street South) and 7b (Station House).

Key appraisal assumptions are set out below

## GRAYS TOWN CENTRE PROJECTS: FLOORSACE AREAS AND USES

The projects' proposed floorspace quantum and development uses are set out below.

Plot #	Option #	Max height (levels)	total GIA	plot size	number of building cores	residential	indicative resi units (assuming 2 bed units as an avg)	retail + food&bev	hotel	mixed commercial (offices, gym, health, community space)	others (incl. covered parking)	private amenity space excl. balconies (sqm)	amenity roofs (assumed at 30% of the total surface)	indicative parking capacity
2	A	6	4,132	968	1	3,444	46	689	-	-	-	-	-	-
2	B	5	7,894	2,272	2	6,453	86	1,441	-	-	-	-	480	-
2	C	5	11,080	3,133	3	6,453	86	2,078	-	2,549	-	-	692	-
2	D	6	15,605	4,235	4	10,224	136	2,078	-	3,303	-	-	692	-
2	D podium only	1	846	-	-	-	-	-	-	-	846	800	-	40
7 (station house)		2	350	175	1	-	-	-	-	350	-	-	-	-
7 (high street block)		2	450	225	1	-	-	225	-	225	-	-	-	-

## VIABILITY TESTING AND RESULTS

### i. Approach

Scheme viability has been tested through factoring in relevant values and costs into a cashflowed development appraisal. The appraisal generates a **Residual Land Value (RLV) for each scheme**. Where the RLV is positive, the scheme is deemed viable. Where negative, this identifies the gap funding required. This excludes any costs / funding required for site assembly, which is explained below.



**ii. Viability Results**

Based on the assumptions used, the viability appraisal outputs – excluding land costs - are as follows

Site	1: C01	2: High Street	7a: High Street South	7b: Station House
<b>Residual Land Value</b>	-£7,428,185	-£7,803,678	-£752,083	-£812,844

## APPRAISAL ASSUMPTIONS

### Areas

- Drawn from schemes capacity schedules provided by Steer.
- Gross to net ratio for apartments at 85%. All other retail and mixed commercial uses assumed at 100%.

### Costs

- Construction costs drawn from LSH (site 1) and Playle and Partners LLP (sites 2 & 7a / b) Cost schedules
- S.106 costs assumed at £5,000 per unit.
- Planning: £50,000 - £300,000 depending on scheme
- Contingency at 5% for site 1, 2 and 7b. 10% for site 7a as design may be affected by proximity to new underpass.

### Fees

- **Professional fees** applied at 10% for sites 2 & 7a / b. As per cost schedule for site 1.
- **Marketing:** 1% of gross residential values
- **Agent letting/legal fee:** 10% / 5% of first year's rent
- **Purchasers costs:** 6.8%
- **Finance:** 6%
- **Developer's Profit:** 6% profit on cost (sites 1, 7a / 7b); 17.5% profit on cost for site 2. Profit margin reflective of delivery approach (6%: Council led delivery / 17.5% developer led delivery) and scheme mix.

### Residential Sales Values and Sales Rates

- **Private residential:** £350 psf
- **Affordable residential:** £176 psf
- **Sales rate:** 4 units per month.

All schemes are policy compliant in terms of affordable housing allocation where required.

### Rents and Yields

Site	Retail	Mixed Commercial
<b>1: C01</b>	-	Rent: £10 per sq ft Yield: 7%
<b>2: High Street</b>	Rent: £12.50 per sq ft Yield: 8%	Rent: £12.50 per sq ft Yield: 7%
<b>7a: High Street Block</b>	Rent: £10 per sq ft Yield: 8%	Rent: £10 per sq ft Yield: 7%
<b>7b: Station House</b>	-	Rent: £10 per sq ft Yield: 8%

Notes on above table:

1. All rents set below anticipated current market rental levels to improve affordability
2. Retail / commercial rents set marginally higher at High Street (Site 2) than for Station House, High Street Block (Sites 7a/7b) and C01 (site 1), reflecting primacy of locations
3. Yield for Station House set at 8% (reflective of retail use) as principle activity will be Food & Beverage.
4. Rent free of 6 months assumed for all mixed commercial / retail uses
5. Parking associated with schemes assumed to be linked to residential sales and no capital value assumed

## SITE ASSEMBLY COSTS

Drawn from Property Cost Estimate for Sites 2 and 7a / 7b, together with information provided by Thurrock Council, and summarised below:

Site	1: C01	2: High Street	7a: High Street South	7b: Station House
Land assembly cost	£3,790,000*	£7,951,275**	£150,900***	£140,000****
Land assembly costs required visa FHSF	£0	£6,876,275	£0***	£0

Notes:

\* Thurrock Council asset value (2019)

\*\* Draw from Montagu Evans Property Cost Estimate (plot 2A excluded as already funded). Includes cost of Council's ownership: the Old Post Office (value £1,075,000)

\*\*\* Drawn from Montagu Evans Property Cost Estimate. For High Street South, a separate budget is allocated for site assembly for this plot and funding not required. Figure includes disturbance / third party costs

\*\*\*\* Drawn from Montagu Evans Property Cost Estimate: Market Value of Station House (in ownership of Thurrock Council - excludes disturbance).

## DEVELOPMENT COSTS: SITE 7A (HIGH STREET SOUTH) & 7B (STATION HOUSE)

Sites 7a & 7b, will be delivered by Thurrock Council. Development costs are:

Item	7a: High Street South	7b: Station House
Planning	£50,000	£50,000
Construction Cost (P&P cost schedule)	£990,000	£790,000
Professional Fees @10%	£99,000	£79,000
Fit Out Costs	-	£194,000
Contingency @10% (7a) and 5% (7b)	£99,000	£39,500
Letting Agents / Legal Fees	£7,266	£5,651
Land	£0*	£0**
Profit at 6%	£72,631	£69,913
<b>TOTAL COSTS</b>	<b>£1,317,897</b>	<b>£1,228,064</b>

Notes:

*\*Land cost already accounted for through separate funding for the underpass.*

*\*\*Excludes Thurrock Council's land from costs*

*\*\*\*Excludes Thurrock Council's development management costs*

*\*\*\*\*Any surplus income from projects to be reinvested into projects.*

## FUNDING REQUIREMENTS

For sites 1 and 2, gap funding is sought. For site 7a & 7b, full development costs are sought. Drawing on the figures above, the funding requirements for each scheme are therefore:

Site	1: CO1	2: High Street	7a: High Street South	7b: Station House
<b><i>Scheme funding gap (RLV)</i></b>	<b>£7,368,193</b>	<b>£7,815,995</b>	-	-
<b><i>Site assembly costs</i></b>	£0	£6,876,275	£0	£0
<b><i>Development Costs</i></b>	-	-	£1,317,897	£1,228,064
<b>TOTAL FUNDING REQUIRED</b>	<b>£7,368,193</b>	<b>£14,692,270</b>	<b>£1,317,897</b>	<b>£1,228,064</b>

CO1 Development  
Thurrock Council  
Option 01

Development Appraisal  
Montagu Evans  
15 July 2020

**APPRAISAL SUMMARY****MONTAGU EVANS**

CO1 Development  
Thurrock Council  
Option 01

**Appraisal Summary for Phase 1**

Currency in £

**REVENUE**

Sales Valuation	Units	ft <sup>2</sup>	Sales Rate ft <sup>2</sup>	Unit Price	Gross Sales
Private Residential	54	33,644	350.00	218,063	11,775,400
Affordable Residential	<u>28</u>	<u>18,117</u>	176.00	113,878	<u>3,188,592</u>
<b>Totals</b>	<b>82</b>	<b>51,761</b>			<b>14,963,992</b>

**Rental Area Summary**

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Mixed Commercial	1	1,915	10.00	19,150	19,150	19,150

**Investment Valuation****Mixed Commercial**

Market Rent	19,150	YP @	8.0000%	12.5000	
(6mths Rent Free)		PV 6mths @	8.0000%	0.9623	230,339

**GROSS DEVELOPMENT VALUE****15,194,331**

Purchaser's Costs			(15,663)	
Effective Purchaser's Costs Rate	6.80%			(15,663)

**NET DEVELOPMENT VALUE****15,178,668****NET REALISATION****15,178,668****OUTLAY**

**APPRAISAL SUMMARY****MONTAGU EVANS****CO1 Development****Thurrock Council****Option 01****ACQUISITION COSTS**

Residualised Price (Negative land)	(7,368,193)	(7,368,193)
Town Planning	250,000	250,000

**CONSTRUCTION COSTS****Construction**

	ft²	Build Rate ft²	Cost	
Build Cost	67,962	244.49	16,616,000	<b>16,616,000</b>
Contingency		5.00%	830,800	
Demolition			1,228,000	
				2,058,800

**Section 106 Costs**

Section 106 Costs	82 un	5,000.00 /un	410,000	410,000
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**PROFESSIONAL FEES**

Design Team Fees			1,963,000	1,963,000
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**MARKETING & LETTING**

Marketing		1.00%	149,640	
Letting Agent Fee		10.00%	1,915	
Letting Legal Fee		5.00%	958	
				152,512

**DISPOSAL FEES**

Sales Agent Fee		1.00%	151,787	
Sales Legal Fee		0.50%	75,893	
				227,680

**FINANCE**

Debit Rate 5.000%, Credit Rate 0.000% (Nominal)				
Land			(333,317)	



**APPRAISAL SUMMARY****MONTAGU EVANS****CO1 Development****Thurrock Council****Option 01**

Construction	339,908	
Other	3,107	
Total Finance Cost		9,698

**TOTAL COSTS****14,319,497****PROFIT****859,171****Performance Measures**

Profit on Cost%	6.00%
Profit on GDV%	5.65%
Profit on NDV%	5.66%
Development Yield% (on Rent)	0.13%
Equivalent Yield% (Nominal)	8.00%
Equivalent Yield% (True)	8.42%
IRR% (without Interest)	-34.91%
Rent Cover	44 yrs 10 mths
Profit Erosion (finance rate 5.000)	1 yr 2 mths

CO2 Development  
Thurrock Council  
Phase 2

Development Appraisal  
Montagu Evans  
15 July 2020

**APPRAISAL SUMMARY****MONTAGU EVANS**

**CO2 Development**  
**Thurrock Council**  
**Phase 2**

**Appraisal Summary for Phase 1 Blocks 2a-d**

**Currency in £**

**REVENUE**

<b>Sales Valuation</b>	<b>Units</b>	<b>ft²</b>	<b>Sales Rate ft²</b>	<b>Unit Price</b>	<b>Gross Sales</b>
Private Residential	88	60,809	350.00	241,854	21,283,150
Affordable Residential	<u>48</u>	<u>32,743</u>	176.00	120,057	<u>5,762,742</u>
<b>Totals</b>	<b>136</b>	<b>93,552</b>			<b>27,045,892</b>

**Rental Area Summary**

	<b>Units</b>	<b>ft²</b>	<b>Rent Rate ft²</b>	<b>Initial MRV/Unit</b>	<b>Net Rent at Sale</b>	<b>Initial MRV</b>
Retail	1	22,367	12.50	279,588	279,588	279,588
Mixed Commercial	1	35,553	12.50	444,413	444,413	444,413
Car Parking/Podium	<u>40</u>	<u>9,106</u>		0	<u>0</u>	
<b>Totals</b>	<b>42</b>	<b>67,026</b>			<b>724,000</b>	<b>724,000</b>

**Investment Valuation****Retail**

Market Rent	279,588	YP @	8.0000%	12.5000	
(6mths Rent Free)		PV 6mths @	8.0000%	0.9623	3,362,915

**Mixed Commercial**

Market Rent	444,413	YP @	7.0000%	14.2857	
(6mths Rent Free)		PV 6mths @	7.0000%	0.9667	6,137,568

**Total Investment Valuation****9,500,483****GROSS DEVELOPMENT VALUE****36,546,375**

Purchaser's Costs

(646,033)

**APPRAISAL SUMMARY****MONTAGU EVANS****CO2 Development****Thurrock Council****Phase 2**

Effective Purchaser's Costs Rate	6.80%	(646,033)
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**NET DEVELOPMENT VALUE** **35,900,342**

**NEGATIVE LAND ALLOWANCE**

Residualised Price	7,815,995	7,815,995
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**NET REALISATION** **43,716,337**

**OUTLAY****ACQUISITION COSTS**

Negative Land Allowance	(7,815,995)
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**CONSTRUCTION COSTS**

Construction	Units	Unit Amount	Cost	
Build Costs	1 un	27,862,876	27,862,876	<b>27,862,876</b>
Contingency		5.00%	1,430,000	
Planning			300,000	
CPO			500,000	
				2,230,000
<b>Other Construction</b>				
Public Realm			670,000	
Fit Out Costs			971,000	
Demolition			737,124	
				2,378,124
<b>Section 106 Costs</b>				
Section 106 Costs	136 un	5,000.00 /un	680,000	680,000

**APPRAISAL SUMMARY****MONTAGU EVANS****CO2 Development****Thurrock Council****Phase 2****PROFESSIONAL FEES**

Professional	10.00%	2,860,000	
			2,860,000

**MARKETING & LETTING**

Marketing	1.00%	270,459	
Letting Agent Fee	10.00%	72,400	
Letting Legal Fee	5.00%	36,200	
			379,059

**DISPOSAL FEES**

Sales Agent Fee	1.00%	359,003	
Sales Legal Fee	0.50%	179,502	
			538,505

**FINANCE**

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)			
Land		(500,451)	
Construction		671,675	
Other		105,608	
Total Finance Cost			276,831

**TOTAL COSTS****37,205,395****PROFIT****6,510,942****Performance Measures**

Profit on Cost%	17.50%
Profit on GDV%	17.82%
Profit on NDV%	18.14%
Development Yield% (on Rent)	1.95%
Equivalent Yield% (Nominal)	7.36%
Equivalent Yield% (True)	7.71%
IRR% (without Interest)	N/A

## APPRAISAL SUMMARY

MONTAGU EVANS

CO2 Development  
Thurrock Council  
Phase 2

Rent Cover	8 yrs 12 mths
Profit Erosion (finance rate 6.000)	2 yrs 8 mths

CO1 Development  
Thurrock Council  
Block 7 (HSB)

Development Appraisal  
Montagu Evans  
15 July 2020



**APPRAISAL SUMMARY****MONTAGU EVANS**

CO1 Development  
Thurrock Council  
Block 7 (HSB)

Appraisal Summary for Phase 1 Plot 7 (HSB)

Currency in £

**REVENUE****Rental Area Summary**

	Units	ft²	Rent Rate ft²	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Retail	1	2,422	10.00	24,220	24,220	24,220
Mixed Commercial	1	2,422	10.00	24,220	24,220	24,220
<b>Totals</b>	<b>2</b>	<b>4,844</b>			<b>48,440</b>	<b>48,440</b>

**Investment Valuation****Retail**

Market Rent	24,220	YP @	8.0000%	12.5000	
(6mths Rent Free)		PV 6mths @	8.0000%	0.9623	291,321

**Mixed Commercial**

Market Rent	24,220	YP @	7.0000%	14.2857	
(6mths Rent Free)		PV 6mths @	7.0000%	0.9667	334,491

**Total Investment Valuation****625,812****GROSS DEVELOPMENT VALUE****625,812**

Purchaser's Costs		(42,555)	
Effective Purchaser's Costs Rate	6.80%		(42,555)

**NET DEVELOPMENT VALUE****583,257**

**APPRAISAL SUMMARY****MONTAGU EVANS****CO1 Development****Thurrock Council****Block 7 (HSB)****NEGATIVE LAND ALLOWANCE**

Residualised Price	752,922	752,922
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**NET REALISATION** **1,336,179**

**OUTLAY****ACQUISITION COSTS**

Negative Land Allowance	(752,922)
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**CONSTRUCTION COSTS**

Construction	Units	Unit Amount	Cost	
Build Costs	1 un	856,250	856,250	<b>856,250</b>
Contingency		10.00%	99,000	
Planning			50,000	
				149,000
<b>Other Construction</b>				
Demolition			133,750	
				133,750

**PROFESSIONAL FEES**

Professional	10.00%	99,000	99,000
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**MARKETING & LETTING**

Letting Agent Fee	10.00%	4,844	
Letting Legal Fee	5.00%	2,422	
			7,266

**DISPOSAL FEES**

Sales Agent Fee	1.00%	5,833	
Sales Legal Fee	0.50%	2,916	
			8,749

**APPRAISAL SUMMARY****MONTAGU EVANS****CO1 Development****Thurrock Council****Block 7 (HSB)****FINANCE**

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)

Land	(36,852)	
Construction	43,383	
Total Finance Cost		6,531

**TOTAL COSTS****1,260,546****PROFIT****75,633****Performance Measures**

Profit on Cost%	6.00%
Profit on GDV%	12.09%
Profit on NDV%	12.97%
Development Yield% (on Rent)	3.84%
Equivalent Yield% (Nominal)	7.47%
Equivalent Yield% (True)	7.83%

IRR% (without Interest) N/A

Rent Cover 1 yr 7 mths

Profit Erosion (finance rate 6.000) 12 mths

CO1 Development  
Thurrock Council  
Block 7 (SH)

Development Appraisal  
Montagu Evans  
15 July 2020

**APPRAISAL SUMMARY****MONTAGU EVANS**

CO1 Development  
 Thurrock Council  
 Block 7 (SH)

Appraisal Summary for Phase 1 Plot 7 (SH)

Currency in £

**REVENUE****Rental Area Summary**

	Units	ft <sup>2</sup>	Rent Rate ft <sup>2</sup>	Initial MRV/Unit	Net Rent at Sale	Initial MRV
Mixed Commercial	1	3,767	10.00	37,670	37,670	37,670

**Investment Valuation****Mixed Commercial**

Market Rent	37,670	YP @	8.0000%	12.5000	
(6mths Rent Free)		PV 6mths @	8.0000%	0.9623	453,100

**GROSS DEVELOPMENT VALUE****453,100**

Purchaser's Costs	(30,811)
Effective Purchaser's Costs Rate	6.80%
	(30,811)

**NET DEVELOPMENT VALUE****422,289****NEGATIVE LAND ALLOWANCE**

Residualised Price	812,937
	812,937

**NET REALISATION****1,235,226****OUTLAY**

**APPRAISAL SUMMARY****MONTAGU EVANS****CO1 Development****Thurrock Council****Block 7 (SH)****ACQUISITION COSTS**

Negative Land Allowance (812,937)

**CONSTRUCTION COSTS**

Construction	ft²	Build Rate ft²	Cost	
Mixed Commercial	3,767	183.83	692,500	<b>692,500</b>

Contingency		5.00%	39,500	
Planning			50,000	
				89,500

**Other Construction**

Fit Out Costs			194,000	
Demolition			97,500	
				291,500

**PROFESSIONAL FEES**

Professional		10.00%	79,000	
				79,000

**MARKETING & LETTING**

Letting Agent Fee		10.00%	3,767	
Letting Legal Fee		5.00%	1,884	
				5,651

**DISPOSAL FEES**

Sales Agent Fee		1.00%	4,223	
Sales Legal Fee		0.50%	2,111	
				6,334

**FINANCE**

Debit Rate 6.000%, Credit Rate 0.000% (Nominal)				
Land			(32,876)	
Construction			33,699	
Total Finance Cost				823

<b>TOTAL COSTS</b>				<b>1,165,308</b>
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**APPRAISAL SUMMARY****MONTAGU EVANS**

**CO1 Development  
Thurrock Council  
Block 7 (SH)**

**PROFIT****69,919****Performance Measures**

Profit on Cost%	6.00%
Profit on GDV%	15.43%
Profit on NDV%	16.56%
Development Yield% (on Rent)	3.23%
Equivalent Yield% (Nominal)	8.00%
Equivalent Yield% (True)	8.42%
IRR% (without Interest)	-13.53%
Rent Cover	1 yr 10 mths
Profit Erosion (finance rate 6.000)	12 mths

## K Property Market Research



# GRAYS: PROPERTY MARKET COMPARABLE EVIDENCE

## Residential Market Commentary

Generally, the house prices in Grays are lower than both the Essex and Greater London average. Over the past 20 years, house prices in Grays have increased in line with the Essex average, however in over every observed time frame within the past 10 years, Grays has shown better than the Essex average levels of house price growth. This may reflect increasing frequency of new build residential developments in the area, benefitting from comparatively short commuting times to London.

	Last 3 Months	Last 6 Months	Last 12 Months	Last 5 Years	Last 10 Years	Last 20 Years
<b>Average Price</b>	£312,789	£302,545	£304,403	£275,291	£238,329	£183,589
<b>Value Change Grays</b>	1.16%	2.46%	4.32%	27.87%	57.96%	238.62%
<b>Essex Average Value Change</b>	0.18%	0.43%	1.52%	25.86%	48.27%	232.62%

Source: Zoopla Local Area Stats 2020

## Comparable Evidence

Pullman Court, Grays:

Images of the front elevation of Pullman Court (Source: Rightmove).



Address	Date Sold	Sold Price	Property Type	Floor area sq ft	Price per sq ft
Apartment 14, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	15/07/2019	£170,000	Flat	720.62	£235.91
Apartment 33, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	04/07/2019	£275,000	Flat	1140.97	£241.02
Apartment 25, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	15/02/2019	£230,000	Flat	850.35	£270.48
Apartment 20, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	14/01/2019	£230,000	Flat	850.35	£270.48
Apartment 17, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	14/12/2018	£250,00	Flat	850.34	£294.00
Apartment 15, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	10/08/2018	£220,000	Flat	721.18	£305.06
Apartment 9, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	06/06/2018	£250,000	Flat	850.34	£294.00
Apartment 31, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	18/05/2018	£255,000	Flat	850.34	£299.88
Apartment 13, Pullman Court, Pullman Square, Grays, Thurrock RM17 6FN	08/05/2018	£210,000	Flat	710.41	£295.60
				Average	<b>£278.49</b>

Source: Rightmove and LandInsight comparable evidence search.

#### Malthouse Drive, Grays:

Images of houses in the Malthouse Drive Development (Source: Persimmon Homes)



Address	Date Sold	Sold Price	Property Type	Floor area sq ft	Price per sq ft
92, Malthouse Drive, Grays, Thurrock RM17 5FA	31/05/2019	£350,000	Terraced	968.75	£361.29
90, Malthouse Drive, Grays, Thurrock RM17 5FA	31/05/2019	£335,000	Terraced	968.75	£345.81
88, Malthouse Drive, Grays, Thurrock RM17 5FA	31/07/2019	£335,000	Terraced	968.75	£345.81
86, Malthouse Drive, Grays, Thurrock RM17 5FA	31/05/2019	£345,000	Terraced	968.75	£356.13
84, Malthouse Drive, Grays, Thurrock RM17 5FA	31/05/2019	£415,000	Detached	1205.56	£344.24
82, Malthouse Drive, Grays, Thurrock RM17 5FA	28/06/2019	£380,000	Detached	979.51	£387.95
80, Malthouse Drive, Grays, Thurrock RM17 5FA	31/05/2019	£345,000	Semi-detached	968.75	£356.13
8, Malthouse Drive, Grays, Thurrock RM17 5FA	28/06/2019	£375,000	Detached	1248.61	£300.33
78, Malthouse Drive, Grays, Thurrock RM17 5FA	28/06/2019	£345,000	Semi-detached	968.75	£356.13
135, Malthouse Drive, Grays, Thurrock RM17 5FG	29/03/2019	£355,000	Terraced	968.75	£366.45
				Average =	<b>£369.12</b>

Source: LandInsight comparable £psf calculator.

Pullman Court and Malthouse Drive provide a good understanding of where values lie for varying housing types in Grays. Pullman Court – a flatted development - is located in the centre of Grays and is less than a 1 minute walk from Grays Train Station and has been developed out over the last two years or so.

The 186 units at Malthouse Drive were developed by Persimmon Homes as part of their 'Urban Central' scheme, which is located 0.7 miles from Grays Town Centre and Train Station. The average unit size is higher and the offering is predominately terraced, semi-detached or detached homes, opposed to the flats which are present at Pullman Court. There is also more external space available than at Pullman Court. As such, dwelling at Malthouse drive have achieved a higher average value of c.£370 per sq. ft for houses compared to flats at Pullman Court at £270 - £280 per sq ft. However, if the outlier low priced sales are excluded then the average sales values are around £300 per sq ft at Pullman Court.

Other market commentary prepared for Thurrock Council sets out average prices for new build flats within a wider area. The table below summarises this research

	Unit Value	Average Sales price psf
<b>1 bedroom</b>	£215,000 - £240,000	£403
<b>2 bedroom</b>	£270,000 - £295,000	£357

Source: Thurrock Council 2020

This evidence is though drawn from an area stretching both south and north of the Thames, and in our view many of the comparables used are for schemes in arguably better locations, and located away from the heart of town centres. Nevertheless, it does point toward the prospect of enhanced values being achieved in Grays. For these reasons, and in light of the evidence above we would anticipate sales values for town centre apartments in the order of £350 per sq ft

From discussion with developers, they also indicated the possibility of sites in the town centre being suitable for Build to Rent (BTR) product, particularly given the excellent rail accessibility in the town and the proximity to amenities – and that BTR is a growing sector.

## Absorption Rates

It is notable, over many years, how little residential development has taken place in the heart of the town centre, even though the town has excellent accessibility characteristics with the central rail station and fast and regular commute time to London.

Allied to this, residential absorption rates are low in the heart of Grays town centre. The only recent truly town centre residential development took place at Pullman Court. The scheme of only 30 units took 14 months to sell. This equates to an absorption rate of 2/3 units per month. Typically we would expect a development in the south east to hit sales rates of around 4/5 per month were it a more attractive location.

This slow sales rate can be compared to the scheme less than 0.5 km away from the town centre. At Malthouse Drive, the sales rate is over 8 dwellings per month, clearly demonstrating the latent potential of Grays town centre. This supports the view that some form of market failure is occurring, quite possibly because of a poorer environment and town centre offer - while reasonable - does not meet buyers' aspirations. Thus, through significant intervention and regeneration there is clear scope to enhance the town centre, both in terms of its environment and diversifying the retail, leisure and other uses. In turn this will help sustain greater demand for town centre living, increased house prices and more viable development.

## Retail Market Commentary

**Investment:** Despite a relatively active investment market for retail property in Grays in 2017 and early 2018, there has not been any investment transactions since in Grays. The most recent transaction was of the Grays Shopping Centre in July 2018 which transacted for £20.20 million, which reflects a yield of 9.4%. Average capital values were at £268.80 per square foot for the 3 year period to January 2020 in Grays. The average lot size has been generally small with units transacting in the 500-3,000 sq. ft. bracket, however the shopping centre, which comprises 209,300 sq. ft. was a significantly larger lot size.

Property Address	Location	Sale Price	Sale Date	Property Name	Building sq ft	Price per sq ft
High St	Grays	£20,200,000	07/06/2018	Shopping Centre	209,300	£96.51
204-206 London Rd	Grays	£390,000	10/01/2018		1,870	£208.56
48-50 High St	Grays	£709,281	27/10/2017	Multi-Property Sale	3,300	£214.93
46 High St	Grays	£197,718	27/10/2017	Multi-Property Sale	575	£343.86
9 Broadway	Tilbury	£97,500	18/10/2017		733	£133.02
159 St Chads Rd	Tilbury	£190,000	08/08/2017		502	£378.49
43 Bedford Rd	Grays	£270,000	01/06/2017		1,274	£211.93
123 Grove Rd	Grays	£250,000	23/05/2017		444	£563.06
					Average =	<b>£268.80</b>

Source: Costar Comparable Transaction Search 2020

**Rental:** In Grays, there have been 9 new retail leases in the past 2 years, all of which have been in the size bracket from 500 to 2,100 sq. ft. Average rents for the area were £17.11 per sq ft overall. The general health of the retail market in Grays has been highlighted in the 'Grays Town Centre Health Check 2020'. There is a reasonable level of letting activity in the town over recent years. If further new (re) development takes place, we would expect that this will stimulate increased letting activity, especially if new, modern retail premises are developed.

Sign Date	Start Date	Address	Location	Total sq ft Leased	Rent/sq ft /Yr	Rent PA
28/10/2019	27/11/2019	14 Clarence Rd	Grays	904	£22.12	£20,000.00
28/10/2019	27/11/2019	2A North Mall	Grays	2,154	£18.57	£40,000.00
01/08/2019	01/08/2019	146-152b London Rd	Grays	570	£12.63	£7,200.00
01/10/2018	01/10/2018	146-152b London Rd	Grays	572	£11.06	£6,324.00
02/07/2018	02/07/2018	271 Rectory Rd	Grays	518	£25.48	£13,198.94
01/06/2018	01/06/2018	146-152b London Rd	Grays	632	£17.66	£11,160.00
02/04/2018	02/04/2018	146-152b London Rd	Grays	579	£10.92	£6,324.00
01/03/2018	01/03/2018	62A Whitehall Ln	Grays	814	£18.43	£15,000.00
				Average =	<b>£17.11</b>	

Source: Costar Comparable Leasehold Search 2020

**Development and Occupier Demand:** there has been no new substantial retail development in Grays town centre for several decades. In general the stock is dated, and commonly suffers from limited property management which itself impacts on the shopping environment.

In terms of retailer demand – and whilst challenging to pinpoint given timeframes to deliver new space (and that retailers’ strategies tend to be quite short term (0-12 months) – we envisage that demand will arise from:

- **Independent retailers:** Grays already has strong independent offer, and there are relatively few vacant units present which would suit their needs
- **Food & Beverage:** there is a clear gap in Grays F&B offer. Even allowing for some slowdown in this sector, there is still considerable scope for increasing the offer in Grays. Demand will likely be improved were the town centre environment enhanced as well.
- **Displaced retailers:** with Grays Shopping Centre the focus of a repurposing proposal (and a significant reduction in retail space), any new space could assist in any relocation strategy, thus enabling retailers to remain in the town
- **Convenience stores:** Previous market testing identified demand from a convenience store to locate in the town, and ideally located next to the train station. As this sector continues to do well (and perhaps more so during COVID circumstances as local shopping has been boosted), there is likely to be continued interest from this sector.

#### Office Market Commentary

**Investment:** Having limited the search area to within a 3 mile radius of Grays Train Station, there has only been one office investment within the past 4 years. This investment was of The Five Wells building, which is located to the south of the train station, on West Street, which is adjacent to the South Essex College.

This does not only show that there is a relative lack of demand for acquiring or disposing of office space, but that there is also there is a limited amount of stock within the area.

Property Address	Property City	Sale Price	Sale Date	Property Name	Building sq ft	Price Per sq ft
West St	Grays	£1,225,000.00	01/04/2017	Five Wells	7,468	£164.03
					Average =	<b>£164.03</b>

Source: Costar Comparable Transaction Search 2020

**Rental:** On the office rental side, there has been more activity with 12 new leases being signed in the 2 year period to January 2020. Of those deals, the average rental value was £18.74 per sq. ft. which reflects a small increase on the average for retail leases. Notably, almost all of the deals are for smaller suites, suggesting the demand is more focussed on local requirements. This view too is supported by the provision of Council run business centres (The Old Court and the Old Post Office), where lettings for office space are concentrated on smaller occupiers. Again, the extent of activity in the sector in Grays is likely to be muted due to limited stock being available: and what does exist being very secondary in nature.

Sign Date	Start Date	Address	City	Total sq ft Leased	Rent/ sq ft/Yr	Rent PA
11/11/2019	11/12/2019	Foxton Rd	Grays	905	£17.50	£13,882.70
12/09/2019	12/10/2019	Askew Farm Ln	Grays	93	£20.00	£1,860.00
12/09/2019	12/10/2019	Askew Farm Ln	Grays	120	£20.83	£2,499.14
31/05/2019	31/05/2019	40 Ortis Rd	Grays	908	£15.42	£14,001.29
20/02/2019	22/03/2019	19 Lodge Ln	Grays	505	£17.82	£8,999.10
12/02/2019	12/02/2019	2 George St	Grays	162	£35.00	£5,670.00
21/12/2018	21/12/2018	Rectory Rd	Grays	3,317	£15.00	£49,755.00
08/10/2018	08/10/2018	Askew Farm Ln	Grays	115	£20.00	£2,300.00
02/07/2018	02/07/2018	22 London Rd	Grays	607	£14.00	£5,389.98
16/05/2018	01/06/2018	27 Lodge Lane	Grays	515	£16.31	£8,399.65
05/04/2018	05/04/2018	2 Stanley Rd	Grays	270	£22.22	£5,999.40
01/03/2018	01/03/2018	17 Curzon Dr	Grays	653	£11.58	£7,559.07
16/02/2018	16/02/2018	Rectory Rd	Grays	1,500	£18.00	£27,000.00
				Average =	<b>£18.74</b>	

Source: Costar Comparable Leasehold Search

The extent of activity in the office sector in Grays is likely to be muted due to limited stock being available: and what does exist being very secondary in nature. The quality of the stock available dissuades occupiers from coming to the centre alongside the poor -quality environment. The 'perceived' weak demand for office space in Grays results in low office rents and weak yields, and therefore delivering new offices is unviable. The lack of any new office development in Grays over many decades is clear evidence of that.

**Development and Occupier Requirements:** There has been no new major new office development in the town centre for many decades. At the Old Courthouse however, which is located on the northern boundary of the High Street, has recently been developed into a service office offering with units ranging in size from 80 to 1,100 sq. ft. It is targeting the start-up and small business market with a reception and fully serviced break out area to be provided. Prices for serviced office space are £190 per calendar month per work station and £195 for co-working spaces. The term for which the spaces can be rented range from 1 to 12 months and take up is generally strong, with little competition in the area. Indeed occupancy rates for the Old Post Office and Court House business centres (pre COVID) stood at 90-100%, with a waiting list of 71. In 2019/20 there were over 200 inquiries for space. This provides very clear evidence of demand for good quality offices in the centre, and that providing the right type of stock unearths this latent demand.

There are also other requirements – demand from Adult Community Education (1,000 sqm of office / education space) as well as the possible relocation of some occupiers in the Council's current Civic Centre (which is due for partial redevelopment). There may also be demand from health services in the area – and particularly from the NHS, who have dated premises on the High Street (and subject to redevelopment as part of the shopping centre. Suitable 'grow on' space may also be needed if smaller businesses are to be fostered and kept within the town.

## **Leisure Market Commentary**

The leisure sector covers a wide range of uses – bowling alleys, children’s play facilities, cinemas, health and fitness centres and casinos. Generally, these types of uses are rarely viable in their own right and developers look to cross fund such uses, with other more lucrative uses such as restaurants. They do however add much needed diversity, extend dwell times and increase the propensity for linked trips.

Certain sectors of the leisure market have experienced good growth in recent years. Major cinemas have continued to expand their operations in the UK: most notably Cineworld and Vue, but also smaller niche operators such as Curzon cinemas. Health and fitness clubs have also experienced very considerable expansion. In particular, there has been growth in the value orientated market, Fitness First and Pure Gym are good examples of operators which have expanded rapidly and gyms like Sweat Union and Anytime Fitness are also looking to expand across the UK. Generally, these types of leisure uses favour town – or edge of town locations.

Leisure uses are generally not particularly viable. In the very best locations, cinemas might for example command a rent of around £20 psf. For less attractive locations such as Grays though, then the rent can be considerably lower. This too would be coupled with an operator potentially seeking a substantial premium for securing their occupation. Likewise, gyms and nightclubs may only be prepared to pay a rent of say £8 psf - £12 psf. Thus, these uses tend not be especially viable in their own right. They do however form an important part of creating a diversified and stronger centre, and can sometimes be located at upper floors or more secondary locations.

Grays has a reasonable leisure offer, yet principally underpinned by the public sector. There is the Thameside theatre and Thurrock museum on Orsett Road. The centre does however lack a cinema, although the 9 screen VUE cinema at Lakeside would almost certainly satisfy demand for this type of use in the area. There are also no major chain health & fitness centres, though there is at least one independent gym present in the town centre and there is a Bannatyne Health Club to the north west by Lakeside. Grays public leisure centre also lies several kilometres to the north east of the town centre at Blackshotts Lane within a residential orientated area. At this stage however, there is no identified demand from leisure operators for Grays.

Grays ability to attract major new leisure developments is probably limited due to the presence of Lakeside. However, a budget gym might consider this location more favourably if a suitable location were found (acknowledging that identifying demand in current COVID circumstances from these occupiers is challenging. There may also be potential for further independent facilities to come forward to meet local needs – particularly if town centre living grows.

## **Hotel Market Commentary**

Generally, there has been a very significant growth in the hotel sector during the last decade. Of particular note, as the sectors growth has continued, is the trend toward hotels in town and city centres and the growth in the average size of budget hotels. Travelodge and Premier Inn are prime examples of rapid expansion by operators in this sector. They typically seek highly visible locations next to major infrastructure – and particularly motorways, trunk roads and rail stations where they can capitalise on business trade.

Grays has very little hotel provision – the main accommodation being the White Hart Inn though there is already a reasonable supply of hotels in and around in the Lakeside area, including Travelodge, IBIS and Premier Inn as well as further independents along the A13. Despite having a Travelodge at Lakeside, a requirements list search suggests that this operators is still seeking another location in the area.

Were a hotel to be secured in Grays town centre, then a typical budget would expect a rental income in the order of £4,000 – 5,000 per bed p.a. for this location. Prime investment yields are good for such uses, and could achieve around reach 4.75% for the best covenants (Premier Inn, although others such as Travelodge tend to have weaker yields). Other uses though may also prove to be more viable.

## L Development Capacity Assessment



# Grays Town Centre

## Capacity Study Report

March 2020



ar  
urbanism

**steer**



# Contents

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- Plot 2
- Plots 3A,3B,3C,3D
- Plots 7A, 7B

## 3. Appendix

- Schedule 1: Development Quantum
- Schedule 2: Land Uses

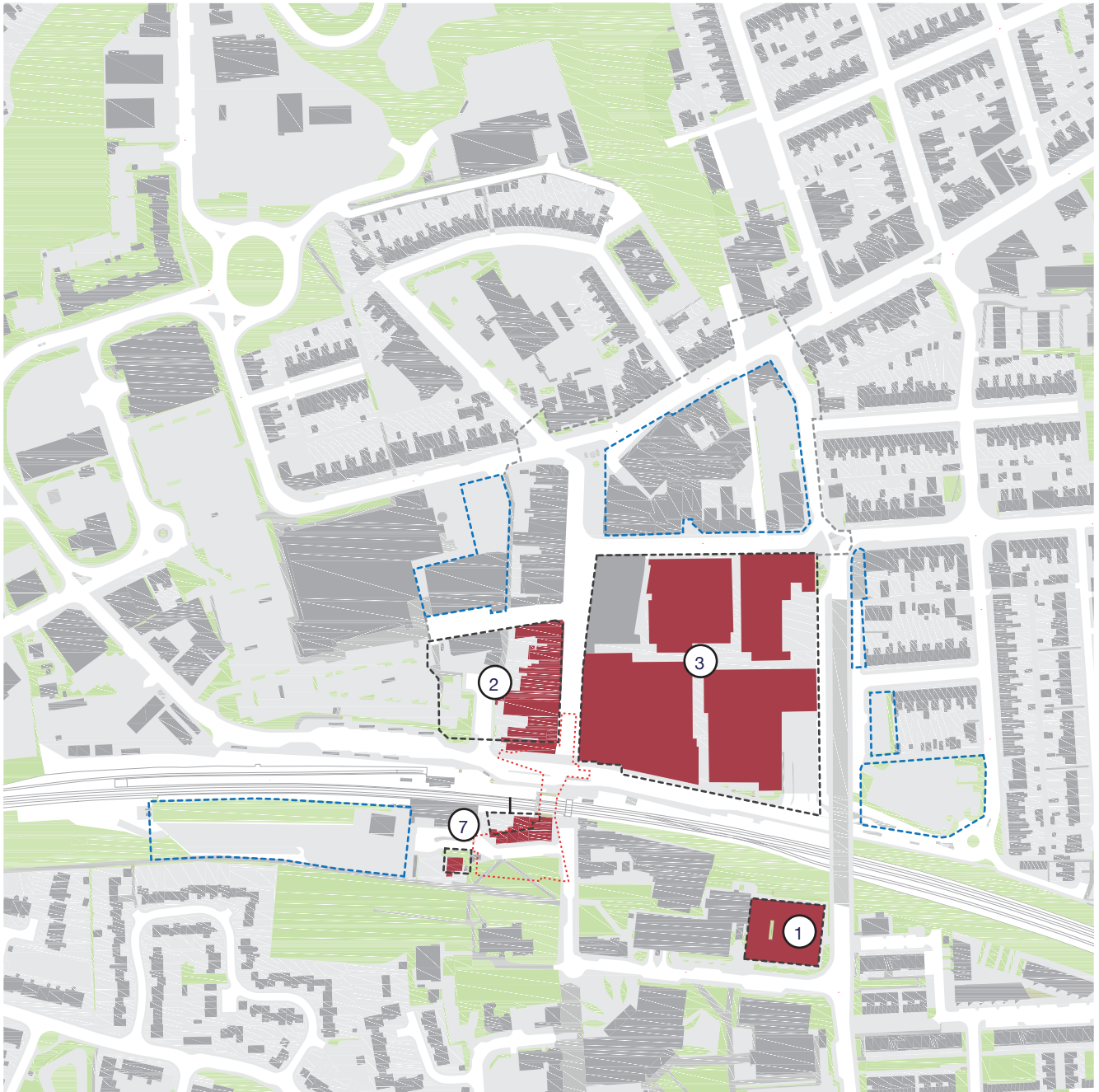
# Introduction

## Capacity Study

This capacity study has been produced by AR Urbanism and Steer in support of Thurrock Council to secure funding for its town centre regeneration activities.

This document summarises the possible development quantum for a series of sites agreed with the client. Not all of these sites will be redeveloped or will be included in funding tenders, however they are useful in that they provide an indication of what is possible to achieve in terms of densification for the town and might be useful for future planning guidance or viability studies. This work builds on extensive townscape analysis conducted by the team in 2019 as part of the Grays South Urban Design project.





Key:

- Plots considered for the Capacity Study in support of the FHSF business case
- Potential Additional Plots in the Town Centre
- Underpass Boundary
- Proposed Buildings for Demolition

## Executive Summary

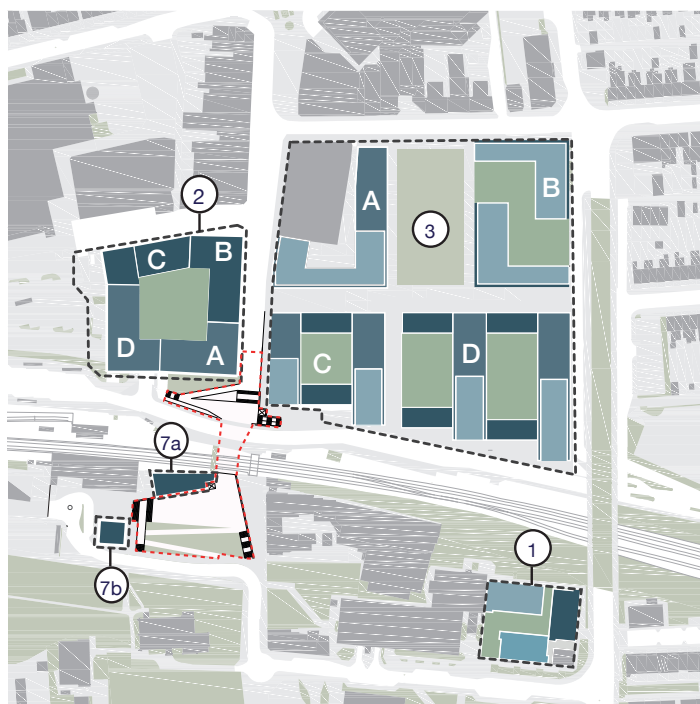
### Intentions

Grays is at a critical moment of its history, as a number of drivers are creating the conditions to address structural and contingent challenges affecting the performance and prosperity of the town centre, the wider area and, as a result, its community.



To harness this opportunity, the Council is working with its partners to deliver a series of projects and is also looking at opportunities to densify the town centre as well as upgrade its infrastructure and public realm, in order to cater for local needs, including homes and employment space.

To do this, the Council needs to measure the amount of development that the town centre could accommodate while respecting and enhancing the local character as well as its social, economic and environmental infrastructure.

This capacity study has concluded that, across the sites analysed, it's possible to provide approximately 200,000 sqm of new development.



Illustrative Redevelopment of Town Centre - Not to scale

-  Plots for Redevelopment
-  Underpass Boundary

(Note: Commercial and Retail space is measured in GIA/m<sup>2</sup>)



700+

Residential Units



8400<sub>m<sup>2</sup></sub>

Commercial Space



7200<sub>m<sup>2</sup></sub>

Retail/F&B Space



80 Hotel Units



460

Car parking Spaces

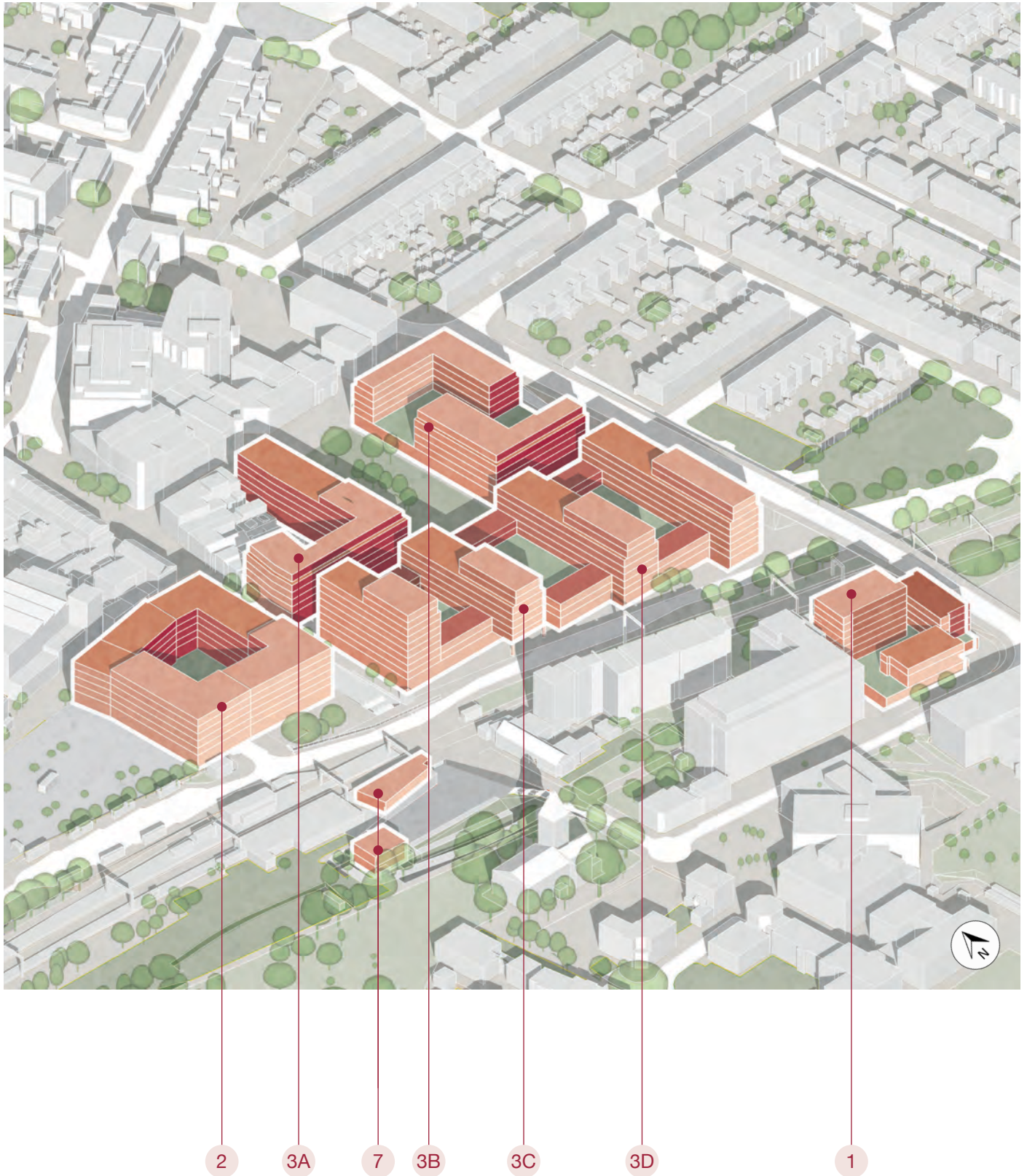


3500<sub>m<sup>2</sup></sub>

Public Green Space



## Plot Numbers





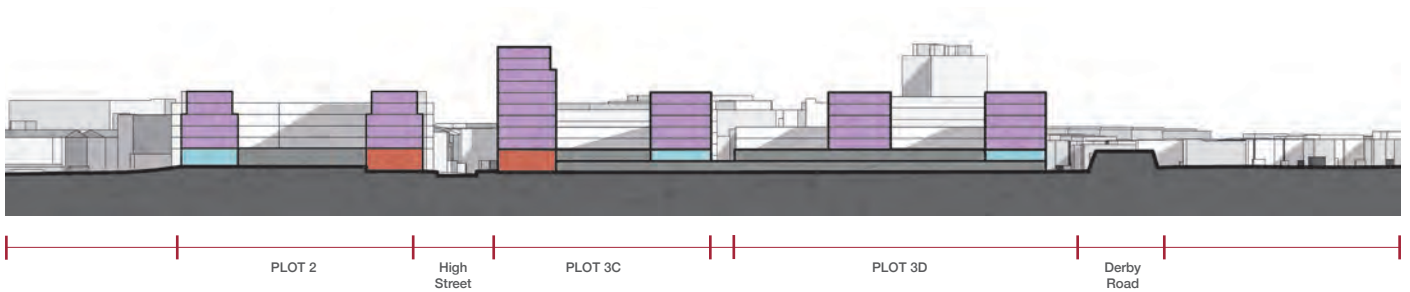
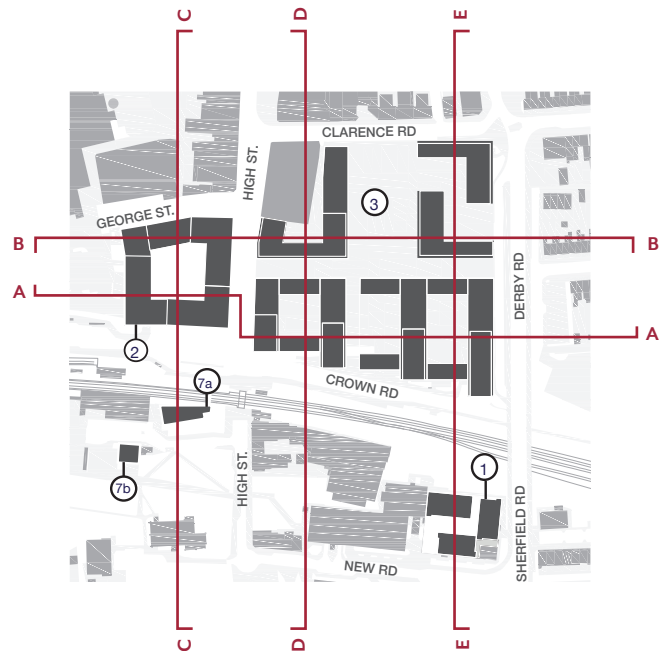
# Land Uses & Development Quantum

Plots 1 | 2 | 3 | 7

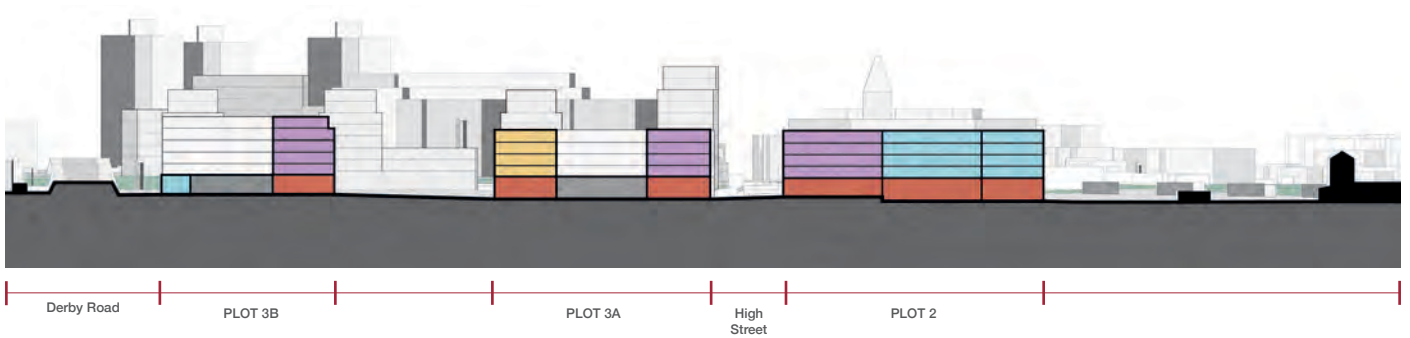
# Cross Sections

## Design Considerations

The design takes into account existing context massing as well as long term potential redevelopment of further sites.



Section AA  
1:2000



Section BB  
1:2000

Key:



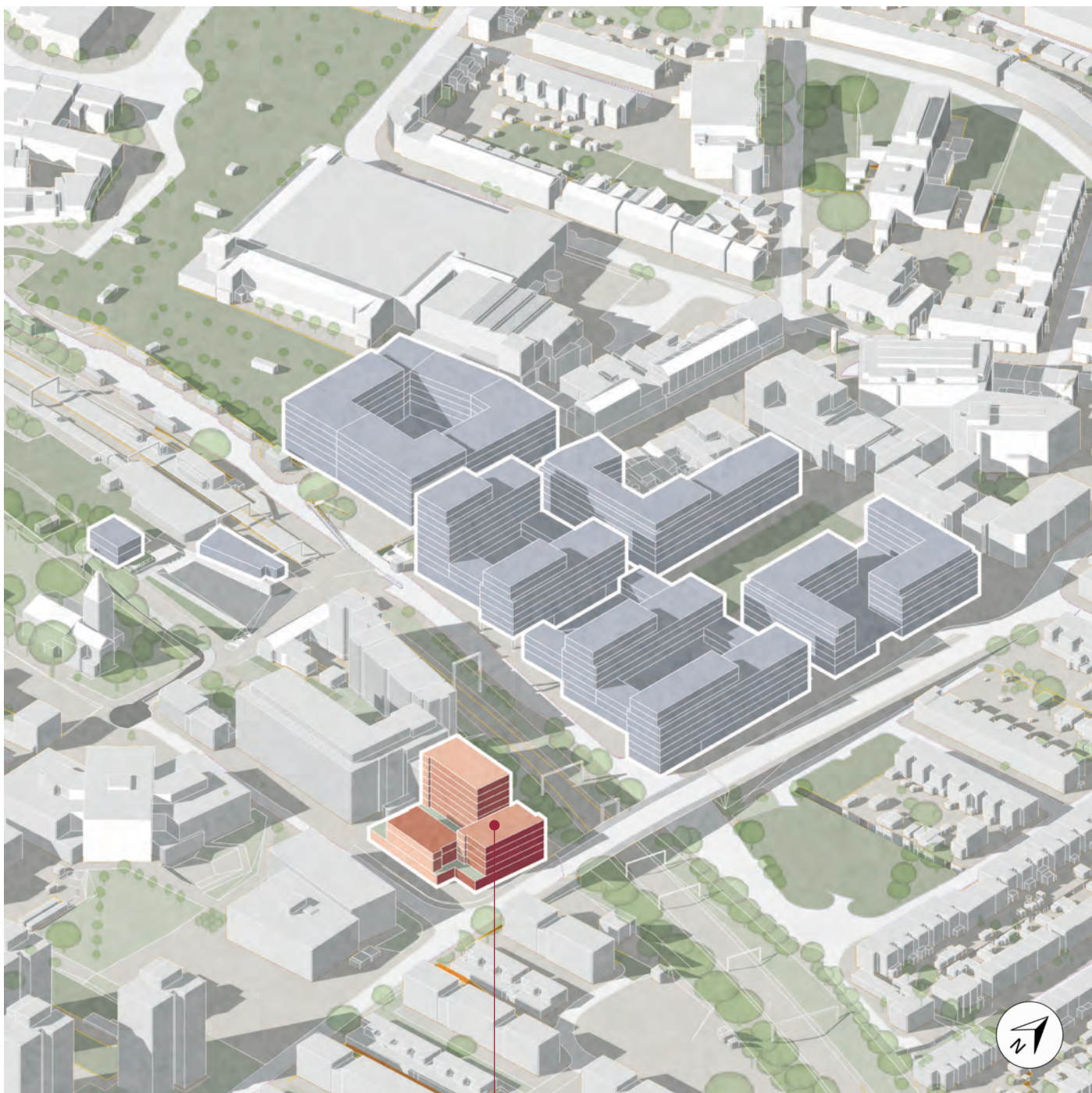
Section CC  
1:2000



Section DD  
1:2000



Section EE  
1:2000



1

# Plot 1 (CO1)

## Design Intentions

Plot 1 has been designed by LSI Architects. The concept for this Plot is conceived as a wrapped protection around the site, working on the principle of turning its back on the noise from both the Northern railway line and, to a lesser extent, Derby Bridge Road. This creates an opportunity for either a protected public courtyard or a private resident's garden.

A stepped form allows for maximum light access to the courtyard, while still allowing for development to the southern New Road boundary. This allows for a potential parking podium and/or commercial element utilising the change in level between south and east boundaries.

# Plot 1

## Land Uses

### Ground Floor Uses

A podium occupies the plot size of 2152m<sup>2</sup>. It provides covered parking for 82 parking spaces (1 per residential unit). On the south side, there is potential for mixed commercial use.

PLOT 1				
Plot No.	Max Height	Total GIA/m <sup>2</sup>	Plot Size	Building Cores
1	7	8,466	2,152	3
TOTAL GIA		8,466		

Table 1.1: Plot 1 Areas

### First Floor Uses

There are 3 residential buildings starting on the first floor with a landscaped courtyard that provides 884m<sup>2</sup> of private amenity space for residents.

### Upper Floor Uses

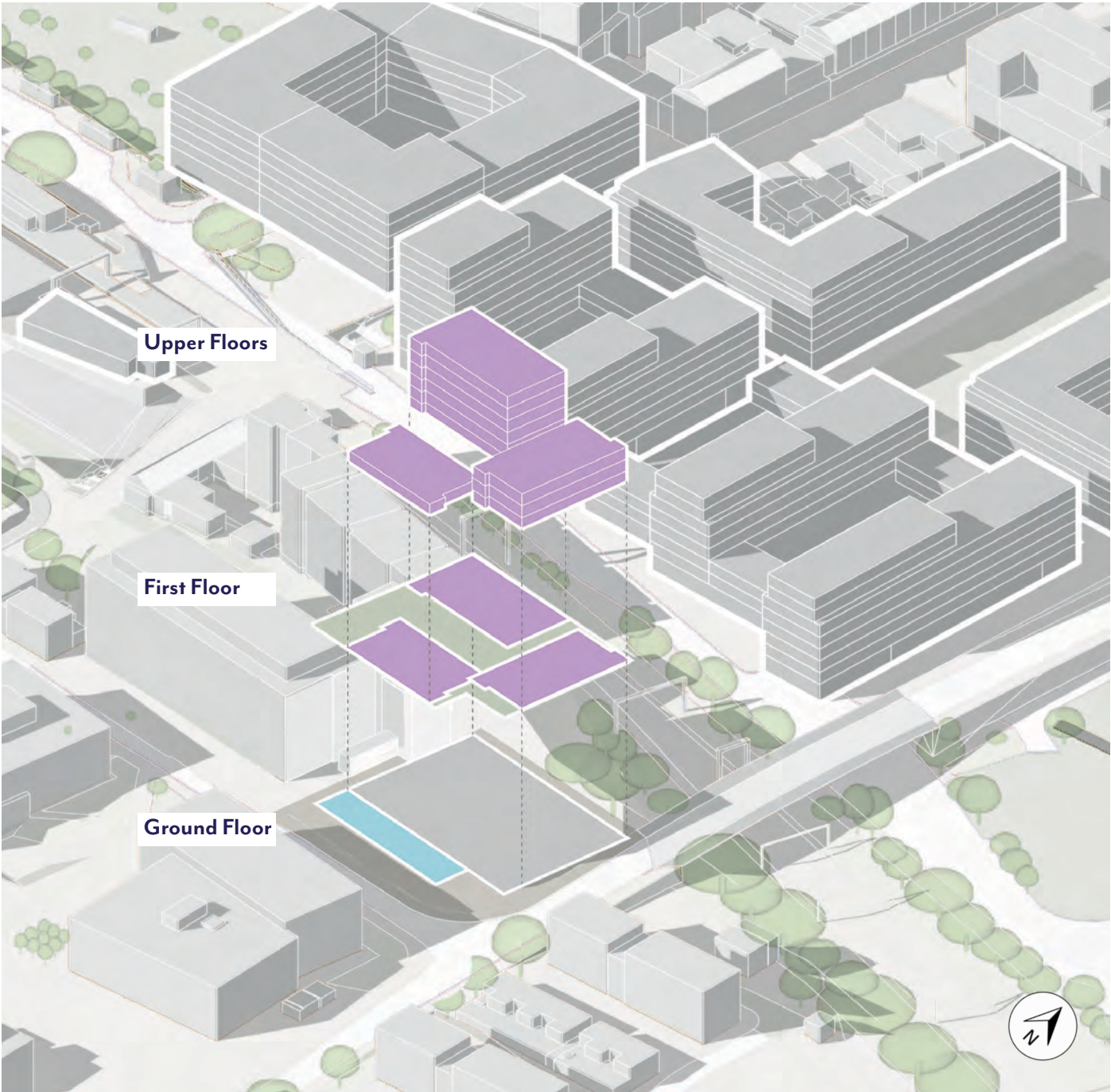
The use of the upper floors are the same as the first floor. The three residential buildings range in height from 3-7 storeys providing a total 6,136m<sup>2</sup> of GIA or 82 residential units. A landscaped roof garden on one of the lower blocks provides an additional 546m<sup>2</sup> of amenity space.

PLOT 1		
Land Use	GIA/m <sup>2</sup>	Indicative Units
Residential	6,136	82
Parking Space	-	82
TOTAL GIA	6,136	






Private Amenity Space excl. balconies (sqm)	884	
Shared Amenity (Gym or Similar); Shell and Core	178	
Amenity Roofs (assumed at 30% of the total surface)	546	
TOTAL	1,608	

Table 1.2: Plot 1 Land Uses

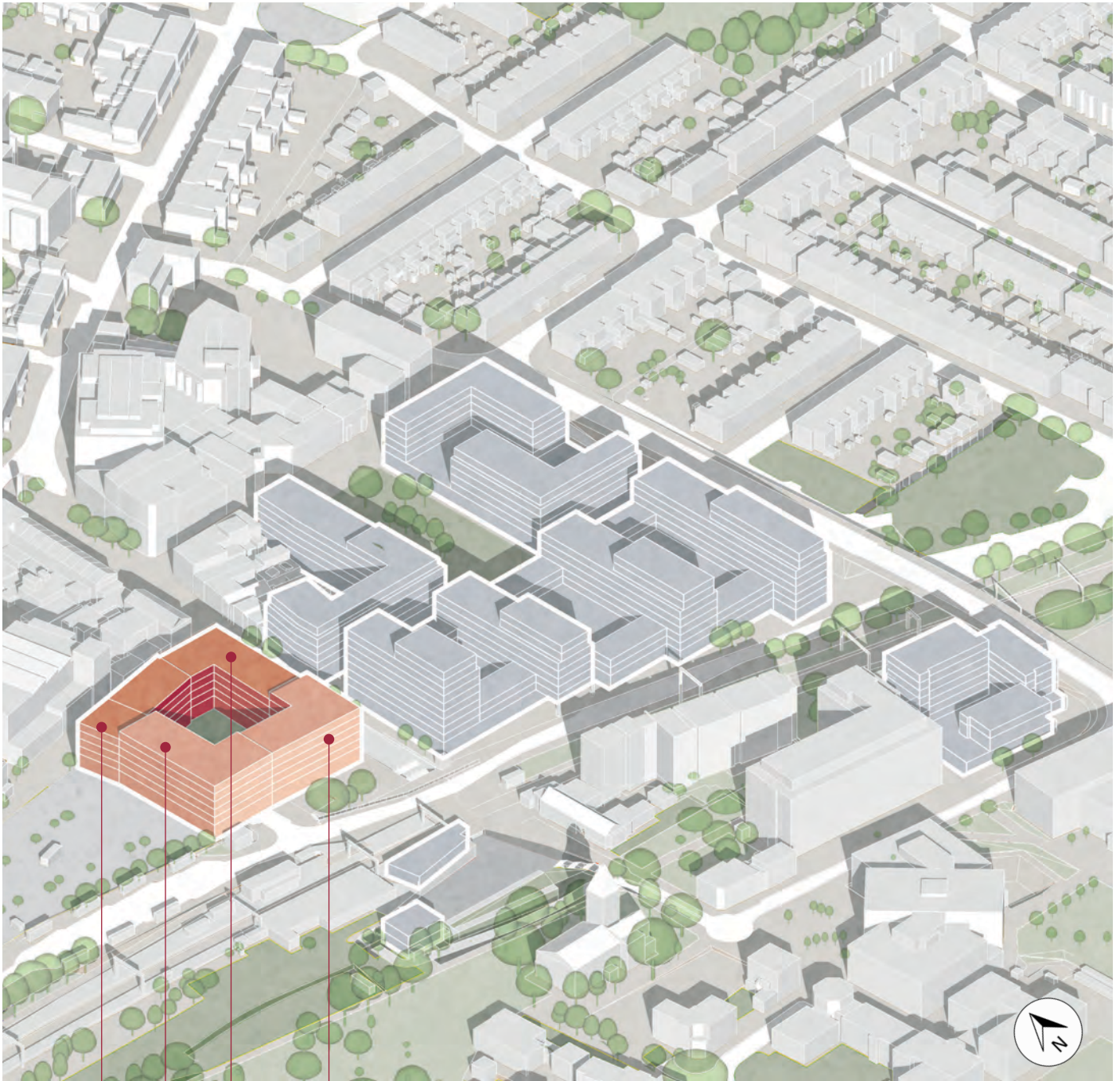




Key:

 Retail/F&B	 Mixed Commercial	 Residential	 Hotel	 Carpark/Servicing	 Amenity Space
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Plot 2 - Option 1

2C

2D

2B

2A



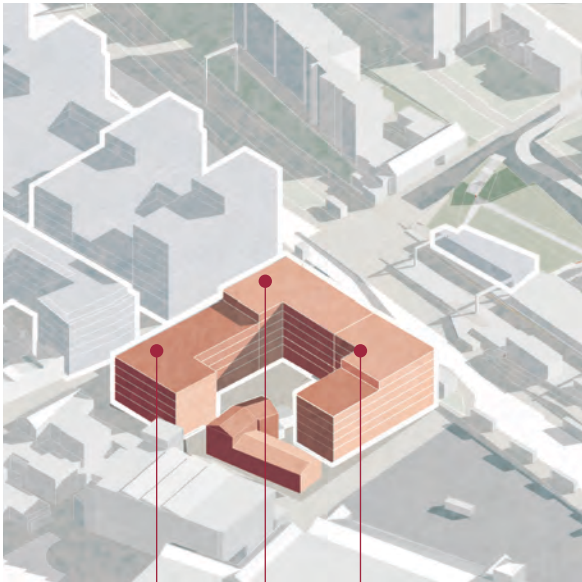
# Plot 2

## Design Intentions

Plot 2 is made up of 4 separate quadrants around the overall site. These can be seen as phases in an overall design approach, or alternatively they can be put together in different ways as optional approaches for the total development.

For instance, quadrant 2A represents the shops along the southern corner of the High St which need to be demolished in order to carry out the new underpass project and could be the only part of the site to be redeveloped. However, 2B could then be carried out to create a more coherent and attractive approach to the west side of the High St as well as to increase new housing in the area.

Quadrant 2C includes an existing older building (former Post Office) which could be retained as part of reinforcing local character, or removed to expand the capacity of the redevelopment; while quadrant 2D occupies land currently partly forming a small access road and partly car parking spaces for Morrisons, so could be developed more slowly.



Plot 2 - Option 2

2B

2A

2D

## Plot 2

### Land Uses

#### Ground Floor Uses

The development of all Plot 2 provide a total of 2,078m<sup>2</sup> of Retail/F&B space on the ground floor in Blocks A,B and C whilst providing an additional 755m<sup>2</sup> of mixed commercial space in Block D. The Podium provides 846m<sup>2</sup> of covered parking, a total of 40 parking spaces.

#### First Floor Uses

At first floor, Blocks A, B and D are used for residential purposes, providing 136 units in total. Above the podium is a courtyard garden providing 800m<sup>2</sup> of private amenity space.

#### Upper Floor Uses

The upper floor uses are the same as the first floor. Blocks A, B and D are designated as residential, while block C will be used for mixed commercial. Blocks A and D have an additional floor to make 6 storeys while B and C remain at 5 storeys. The roofs of Blocks C and D can be used as amenity space providing a total of 692m<sup>2</sup>.

PLOT 2				
Plot No.	Max Height	Total GIA/m <sup>2</sup>	Plot Size	Building Cores
2A	6	4,132	968	1
2B + 2A	5	7,894	2,272	2
2C + 2B + 2A	5	11,080	3,133	3
2D + 2C + 2B + 2A	6	15,606	4,235	4
2D (Podium)	1	848	-	-
<b>TOTAL GIA</b>		<b>39,560</b>		

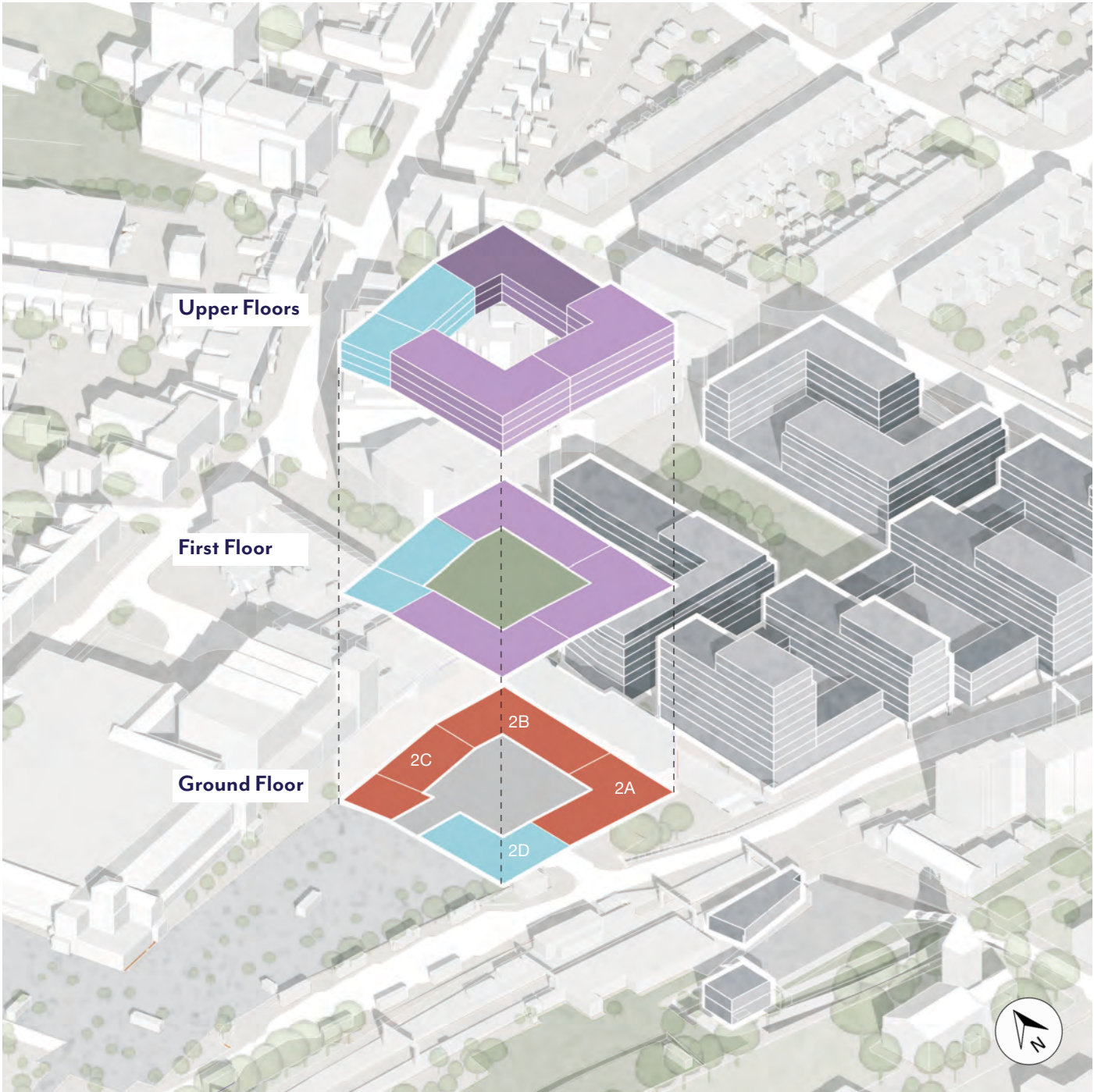
Table 2.1: Plot 2 Quantum

LAND USE			
Plot No.	Private Amenity Space excl. balconies (sqm)	Amenity Roofs (assumed at 30% of the total surface)	TOTAL
2A	-	-	-
2B + 2A	-	480	480
2C + 2B + 2A	-	692	692
2D + 2C + 2B + 2A	-	692	692
2D (Podium)	800	-	-
<b>TOTAL Area</b>		<b>1,864</b>	







Table 2.2: Plot 2 Other Land Uses

LAND USE								
Plot No.	Residential		Retail/F&B	Hotel	Mixed Commercial	Others (incl. covered parking)		TOTAL
	GIA/m <sup>2</sup>	Units				GIA/m <sup>2</sup>	Parking Units	
2A	3,444	46	689	-	-	-	-	4,133
2B + 2A	6,453	86	1,441	-	-	-	-	7,894
2C + 2B + 2A	6,453	86	2,078	-	2,549	-	-	11,080
2D + 2C + 2B + 2A	10,224	136	2,078	-	3,303	-	-	15,605
2D (Podium)	-	-	-	-	-	846	40 (1 Level)	846
<b>TOTAL AREA</b>	<b>26,574</b>	<b>354</b>	<b>6,286</b>	<b>-</b>	<b>5,852</b>	<b>846</b>	<b>40</b>	

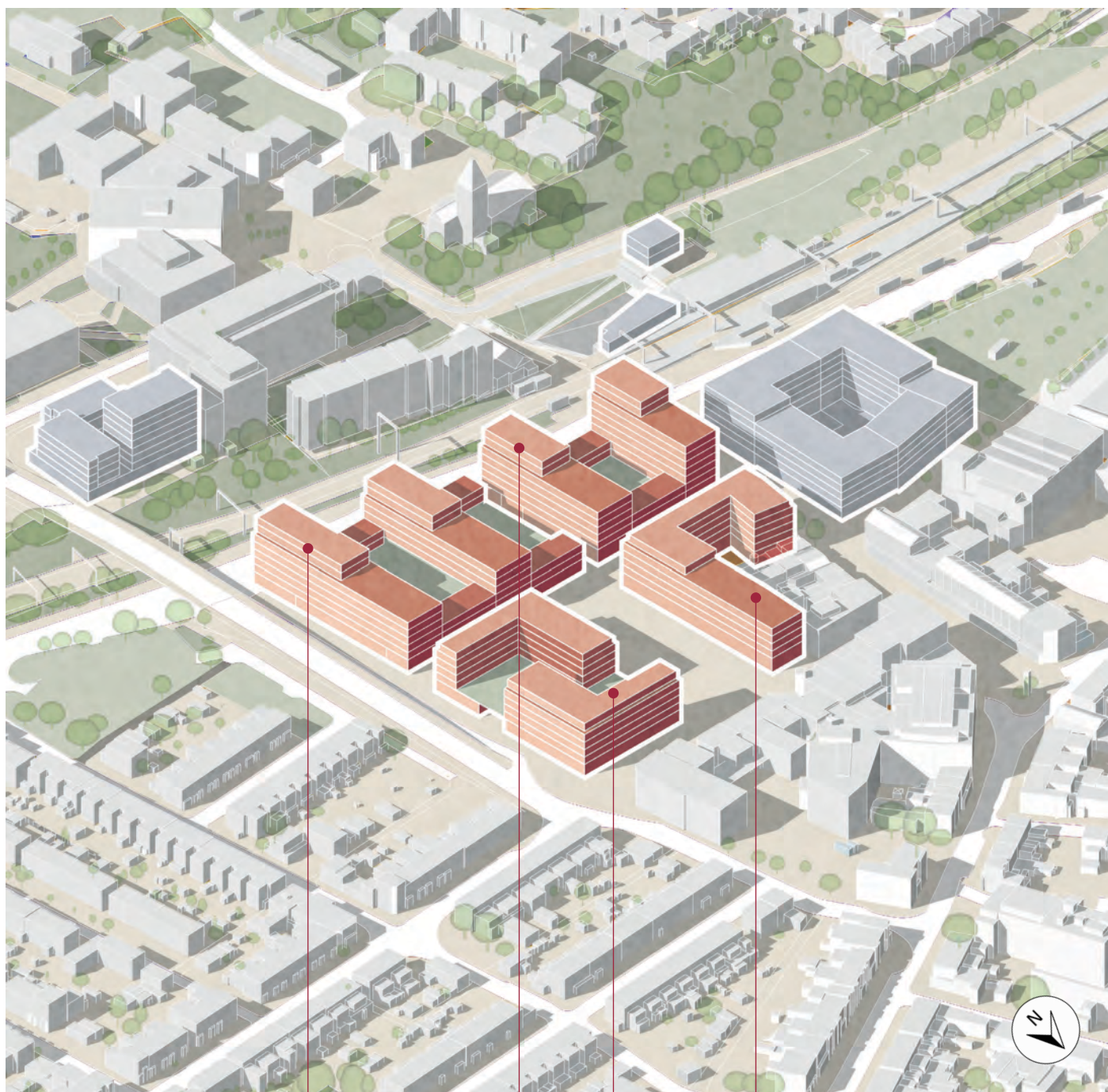
Table 2.3: Plot 2 Land Uses



Key:

	Retail/F&B		Mixed Commercial		Residential		Hotel		Carpark/Service		Amenity Space
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3D

3C

3B

3A

# Plot 3

## Design Intentions

Plot 3 is currently occupied by the Grays Shopping Centre along with some separate retail buildings along the High Street. The design intention here is to redevelop the shopping centre site, including the adjacent street-facing shops, and create a new and attractive town centre quarter which will include open pedestrian streets and a landscaped square with shops and food and beverage uses set along the public frontages.

Above the ground level active frontage activities there will be a range of other uses, including community, commercial and particularly residential. The residential uses will bring a more vibrant liveliness to the town centre, as well adding to the community safety of public spaces by having these spaces overlooked naturally by the new residents. The new residents will also support local amenities like the growing number of local cafés and restaurants.

As well as the new public square in the centre of the proposal, there will be communal green amenity spaces provided for the new residents over the lower uses.

# Plot 3A

## Land Uses

### Ground Floor Uses

Plot 3A is primarily used for Retail/F&B at ground floor, providing 1,777m<sup>2</sup> of space for this use. A portion of the building is used for hotel space, with the ground floor use as the reception/hotel entrance. The Hotel occupies 180m<sup>2</sup> at ground floor.

### First Floor Uses

The floorplate for hotel use increases at first floor providing 585m<sup>2</sup> of hotel space and 20 rooms on this floor. The rest of the first floor is used for residential.

### Upper Floor Uses

The floorplate from the 2nd to 4th floor is the same as the 1st floor - half the floorplate is used for hotel and the rest residential. There is a setback on the 6th floor, while the rooftop provides 200m<sup>2</sup> of amenity space. In total, the plot provides around 5,300m<sup>2</sup> of residential GIA or around 75 2 Bed Units on average, whilst accommodating 80 hotel rooms.

PLOT 3				
Plot No.	Max Height	Total GIA/m <sup>2</sup>	Plot Size	Building Cores
3A	6	8,955	5,690	3
3B	7	13,007	3,350	3
3C	11 (10 from Crown Rd)	17,663	3,330	3
3D	9 (8 from Crown Road)	25,103	5,800	4
<b>TOTAL GIA</b>		<b>64,728</b>		

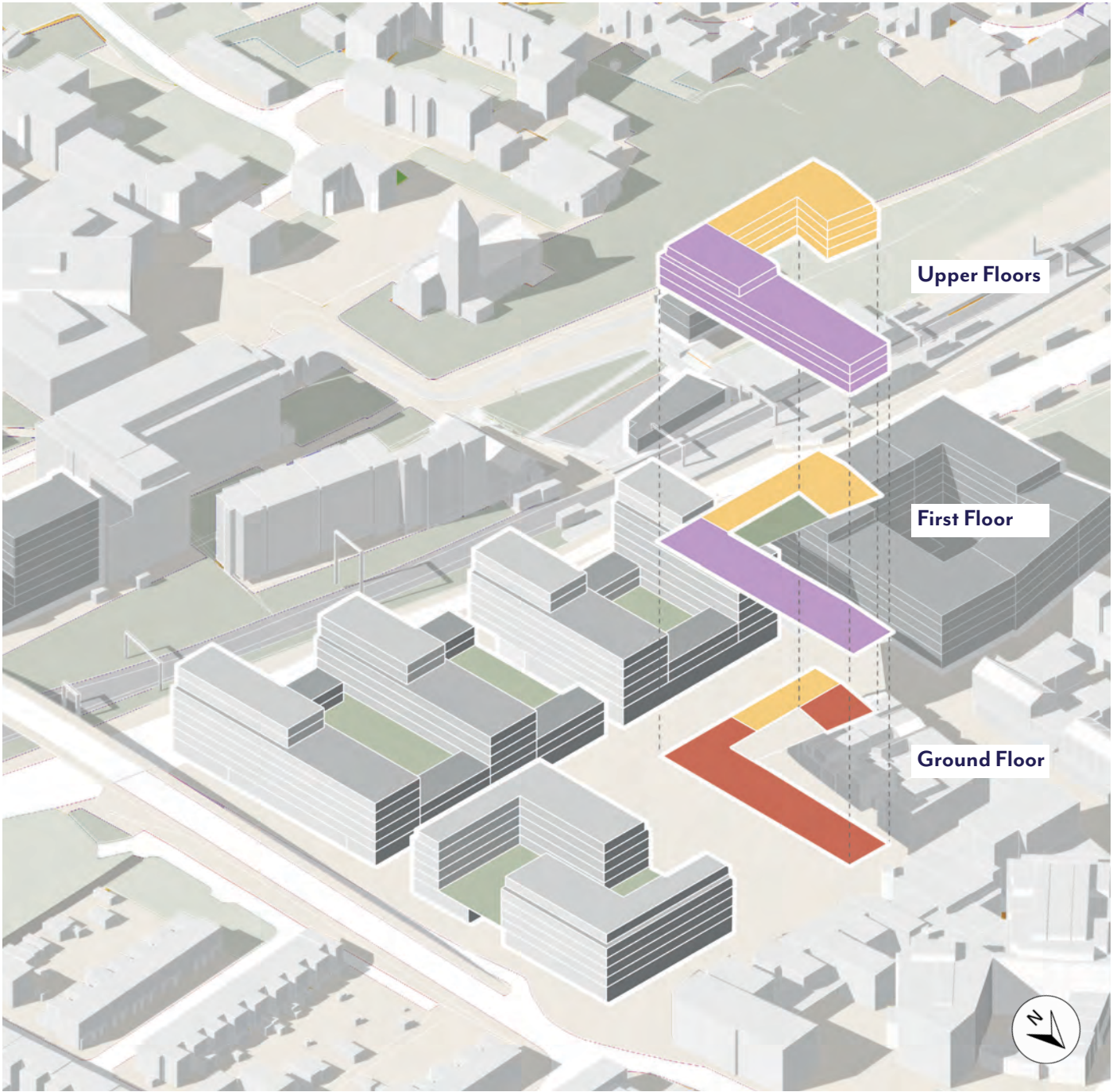
Table 3.1: Plot 3 Areas

PLOT 3A		
Land Use	GIA/m <sup>2</sup>	Indicative Units
<b>Residential</b>	5,294	75
<b>Retail/F&amp;B</b>	1,177	
<b>Hotel</b>	2,160	80
<b>Others</b> (incl. covered parking)	324	
<b>Parking Space</b>	-	
<b>TOTAL GIA</b>	<b>8,955</b>	







<b>Private Amenity Space</b> excl. balconies (sqm)	240	
<b>Amenity Roofs</b> (assumed at 30% of the total surface)	198	
<b>TOTAL</b>	<b>438</b>	

Table 3.2: Plot 3A Land Uses





Key:

	Retail/F&B		Mixed Commercial		Residential		Hotel		Carpark/Serviceing		Amenity Space
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# Plot 3B

## Land Uses

### Ground Floor Uses

Plot 3B provides both mixed commercial and Retail/F&B at ground level. There is 2,350m<sup>2</sup> of mixed commercial space and 1000m<sup>2</sup> of Retail space. There are 4 residential duplex units on the eastern side. The centre of the podium provides 120 parking spaces and servicing for residential and retail uses.

PLOT 3				
Plot No.	Max Height	Total GIA/m <sup>2</sup>	Plot Size	Building Cores
3A	6	8,955	5,690	3
3B	7	13,007	3,350	3
3C	11 (10 from Crown Rd)	17,663	3,330	3
3D	9 (8 from Crown Road)	25,103	5,800	4
TOTAL GIA		64,728		

Table 3.1: Plot 3 Areas

### First Floor Uses

The first floor of both blocks in Plot 3B are used for residential. A landscaped garden between the two buildings provides 1,200m<sup>2</sup> of private amenity space for residents.

PLOT 3B		
Land Use	GIA/m <sup>2</sup>	Indicative Units
Residential	5,956	84
Retail/F&B	1,003	
Mixed Commercial (offices, gym, health, community space)	2,354	
Others (incl. covered parking)	3,694	
Parking Space		120
TOTAL GIA	13,007	

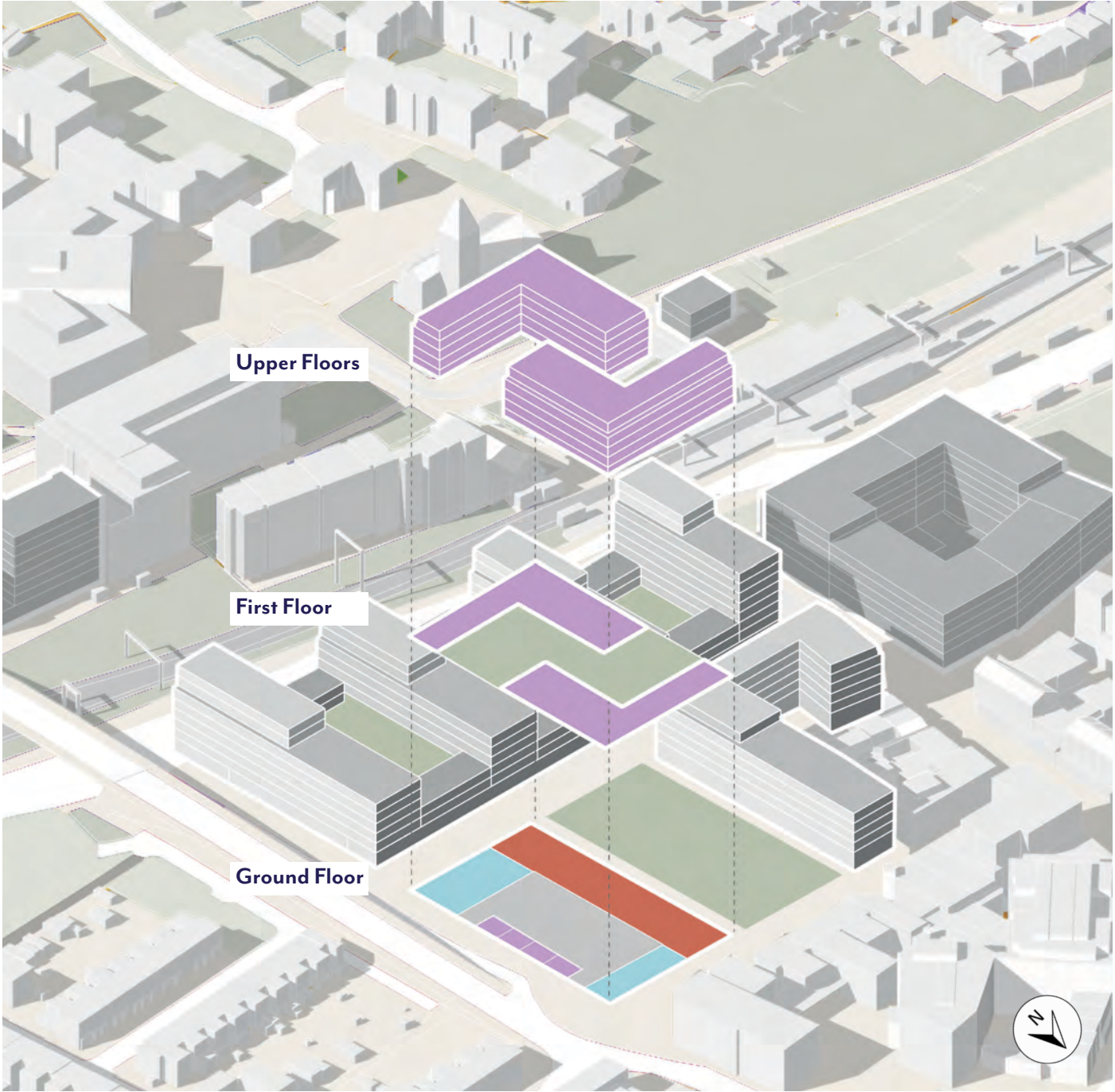
Private Amenity Space excl. balconies (sqm)	1,200	
Amenity Roofs (assumed at 30% of the total surface)	-	
TOTAL	1,200	

Table 3.3: Plot 3B Land Uses







### Upper Floor Uses

The upper floors are the same as the first floor providing residential space. In total there are 6 floors of residential with a total GIA of 5960m<sup>2</sup> providing 84 2-Bedroom units on average.





Key:

	Retail/F&B		Mixed Commercial		Residential		Hotel		Carpark/Service		Amenity Space
--	------------	---	------------------	---	-------------	---	-------	---	-----------------	---	---------------

# Plot 3C

## Land Uses

### Ground Floor Uses

The ground floor of Plot 3C is split over two levels.

The lower ground floor is an underground carpark shared with Plot 3D. On the upper ground floor there is mixed commercial and retail/F&B usage.

Behind the frontage uses, the space is used for servicing, however there are no residential car parking spaces on this level.

### First Floor Uses

The two taller blocks on the eastern and western face of Plot 3C are used for residential, providing a total of 11,900m<sup>2</sup> of GIA or 156 x 2-Bed residential units on average. The two lower blocks reach a maximum height of 3 storeys and provide a total of 990m<sup>2</sup> of commercial space.

### Upper Floor Uses

The upper floors are similar to the first floor. The setback on the top two floors creates amenity space on the roof and reduces the residential footprint on these floors while adding further private amenity space. The block to the west is taller than the eastern one, reaching a maximum height of 11 storeys. The other residential block is 9 storeys tall.

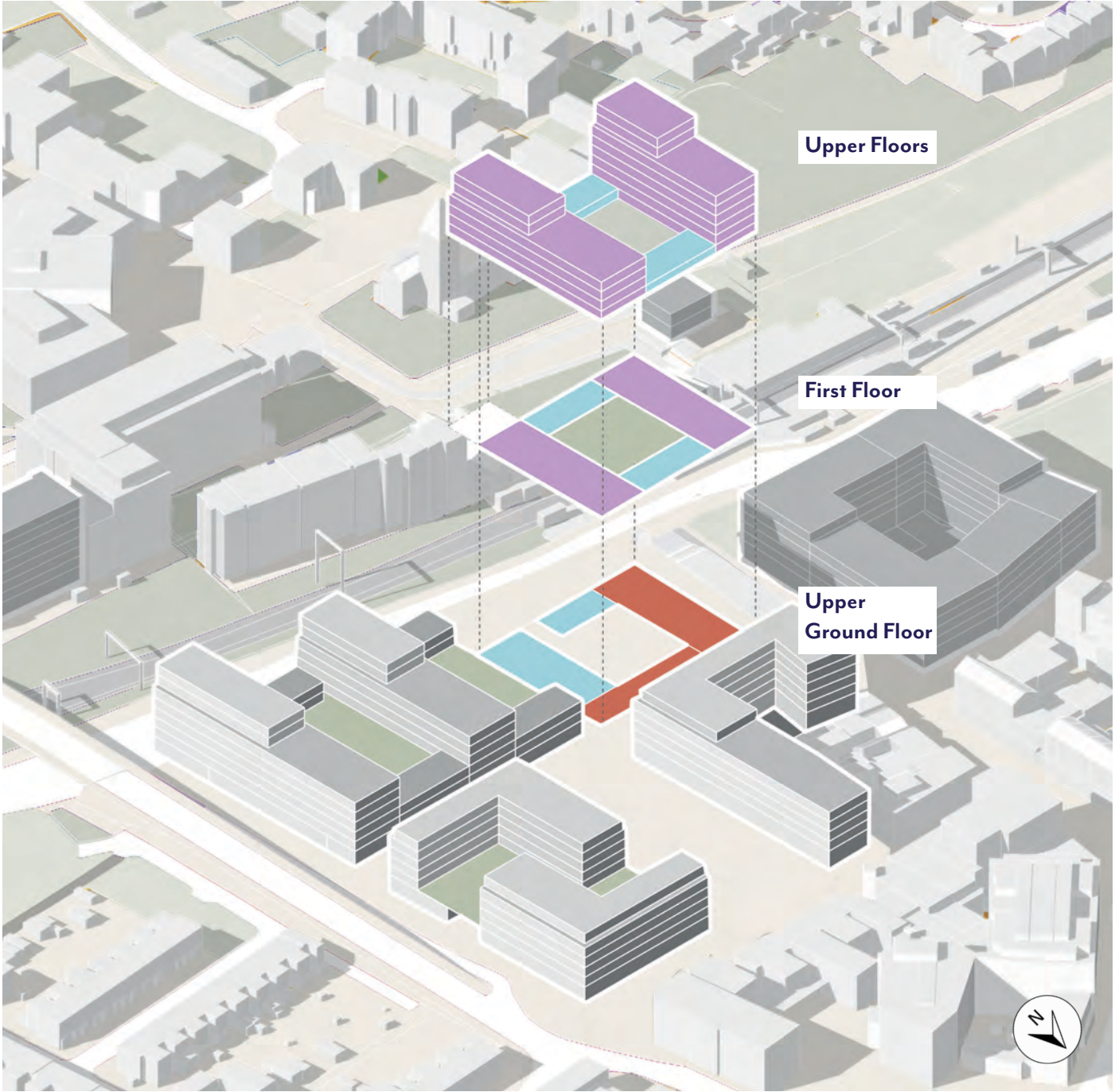
PLOT 3				
Plot No.	Max Height	Total GIA/m <sup>2</sup>	Plot Size	Building Cores
3A	6	8,955	5,690	3
3B	7	13,007	3,350	3
3C	11 (10 from Crown Rd)	17,663	3,330	3
3D	9 (8 from Crown Road)	25,103	5,800	4
<b>TOTAL GIA</b>		<b>64,728</b>		

Table 3.1: Plot 3 Areas







PLOT 3C		
Land Use	GIA/m <sup>2</sup>	Indicative Units
<b>Residential</b>	11,583	156
<b>Retail/F&amp;B</b>	2,322	
<b>Mixed Commercial</b> (offices, gym, health, community space)	990	
<b>Others</b> (incl. covered parking)	2,768	
<b>Parking Space</b>		
<b>TOTAL GIA</b>	<b>17,663</b>	

<b>Private Amenity Space</b> excl. balconies (sqm)	1,800	
<b>Amenity Roofs</b> (assumed at 30% of the total surface)	313	
<b>TOTAL</b>	<b>2,113</b>	

Table 3.4: Plot 3C Land Uses



Key:

	Retail/F&B		Mixed Commercial		Residential		Hotel		Carpark/Service		Amenity Space
--	------------	---	------------------	---	-------------	---	-------	---	-----------------	---	---------------



# Plot 3D

## Land Uses

### Ground Floor Uses

The podium of Plot 3D provides 2470m<sup>2</sup> of Retail/F&B space, while providing an additional 1,215m<sup>2</sup> of mixed commercial space. The space designated for parking is split over two half levels - upper ground and lower ground, providing a combined total of 220 parking spaces across plots 3C and 3D.

PLOT 3				
Plot No.	Max Height	Total GIA/m²	Plot Size	Building Cores
3A	6	8,955	5,690	3
3B	7	13,007	3,350	3
3C	11 (10 from Crown Rd)	17,663	3,330	3
3D	9 (8 from Crown Road)	25,103	5,800	4
TOTAL GIA		64,728		

Table 3.1: Plot 3 Areas

### First floor Uses

The first floor of Plot 3D is used for both residential and commercial. The two taller blocks are residential, providing a total of 16,000m<sup>2</sup> of GIA or an indicative 209 residential units. The four smaller blocks provides 900m<sup>2</sup> of commercial uses per floor. The two landscaped gardens provide a total of 1800m<sup>2</sup> of private amenity space.

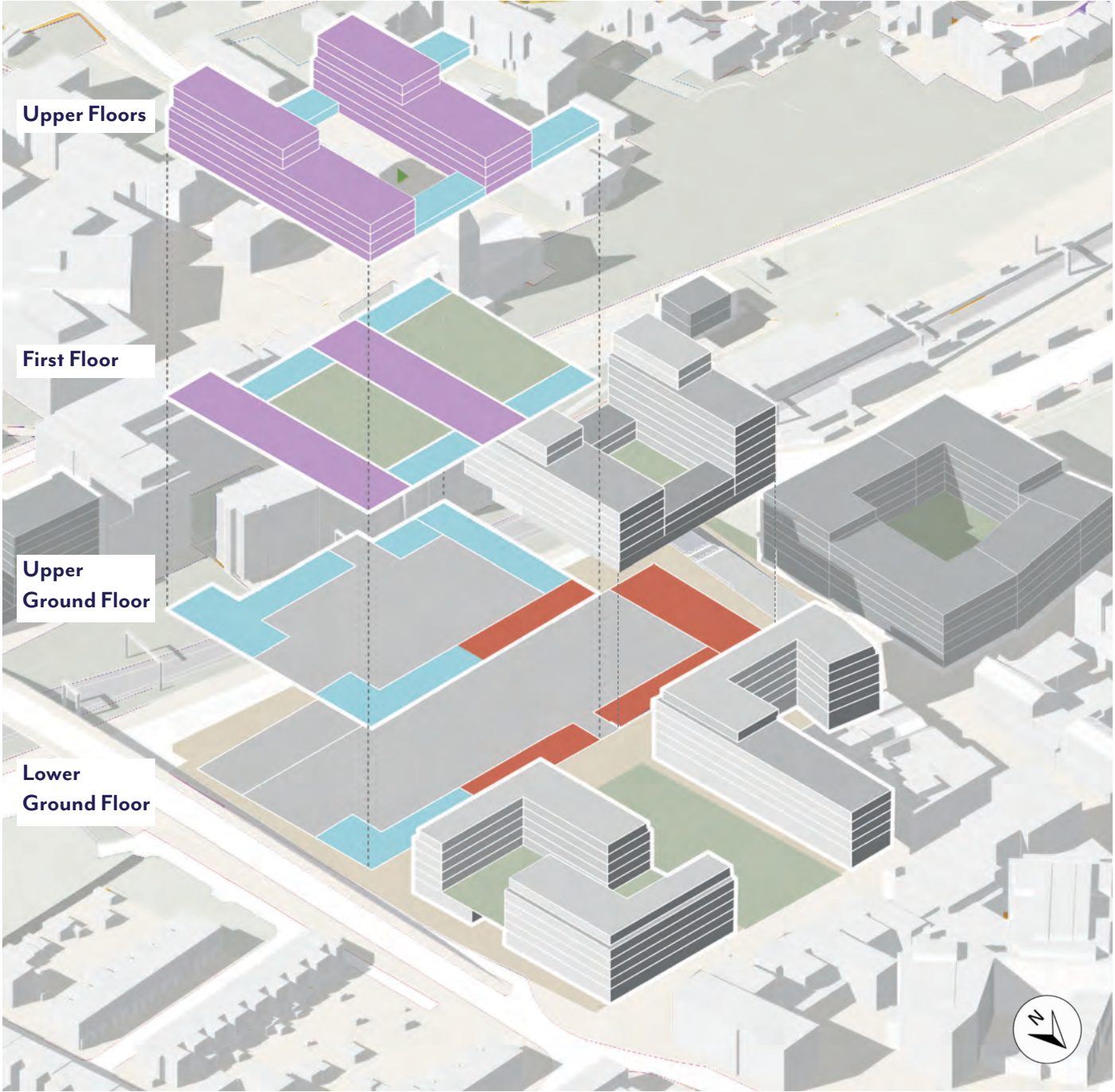
PLOT 3D		
Land Use	GIA/m²	Indicative Units
Residential	16,035	209
Retail/F&B	473	
Mixed Commercial (offices, gym, health, community space)	1,215	
Others (incl. covered parking)	7,380	
Parking Space		220
TOTAL GIA	25,103	

Private Amenity Space excl. balconies (sqm)	1,800	
Amenity Roofs (assumed at 30% of the total surface)	313	
TOTAL	2,113	

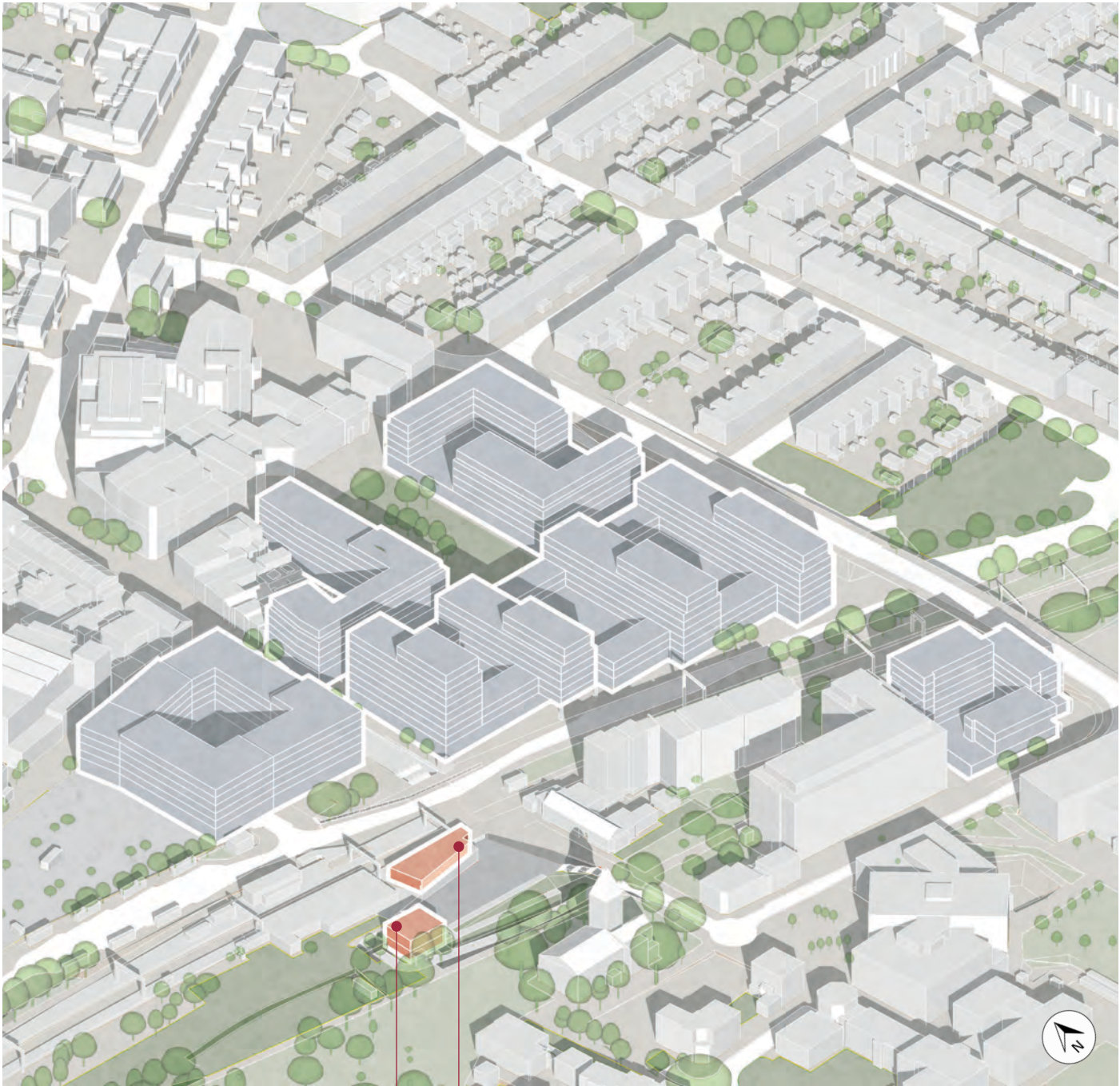
Table 3.5: Plot 3D Land Uses

### Upper Floor Uses

The upper floors have the same uses as the first floor. The mixed commercial blocks reach a maximum height of 3 storeys, while the residential blocks are 8 storeys in height. There is a setback on the top two floors of the residential blocks, providing an additional 310m<sup>2</sup> of private amenity space.







7A

7B

# Plot 7

## Design Intentions

With the removal of the railway level crossing and the creation of a new barrier-free connection between the north and south side of the town centre, the continuity of the High Street is re-established. As part of this project a series of buildings will be demolished and replaced by new structures: station house, a small two-storey free-standing building opposite the station forecourt and a group of buildings currently on the north-west corner of the junction between Station Approach and the High Street.

The new buildings will offer **two key opportunities**:

1. Supporting the spatial definition of the new public space
2. Creating and activating the south of the underpass by providing active frontages on the plaza.



## Plot 7A: Station House

### Land Uses

#### Ground Floor & First Floor Uses

By replacing the existing building, the new building maximises the 175m<sup>2</sup> plot size to provide 2 floors of mixed commercial space for a total GIA of 350m<sup>2</sup>.

PLOT 7				
Plot No.	Max Height	Total GIA/m <sup>2</sup>	Plot Size	Building Cores
7A - Station House	2	350	175	1
7B - High Street Block	2	450	225	1
TOTAL GIA		800		

Table 4.1: Plot 7 Areas

PLOT 7A - Station House		
Land Use	GIA/m <sup>2</sup>	Indicative Units
Mixed Commercial (offices, gym, health, community space)	350	
TOTAL GIA	350	

Table 4.2: Plot 7A Land Uses

## Plot 7B: High Street Block

### Land Uses

#### Ground Floor Uses

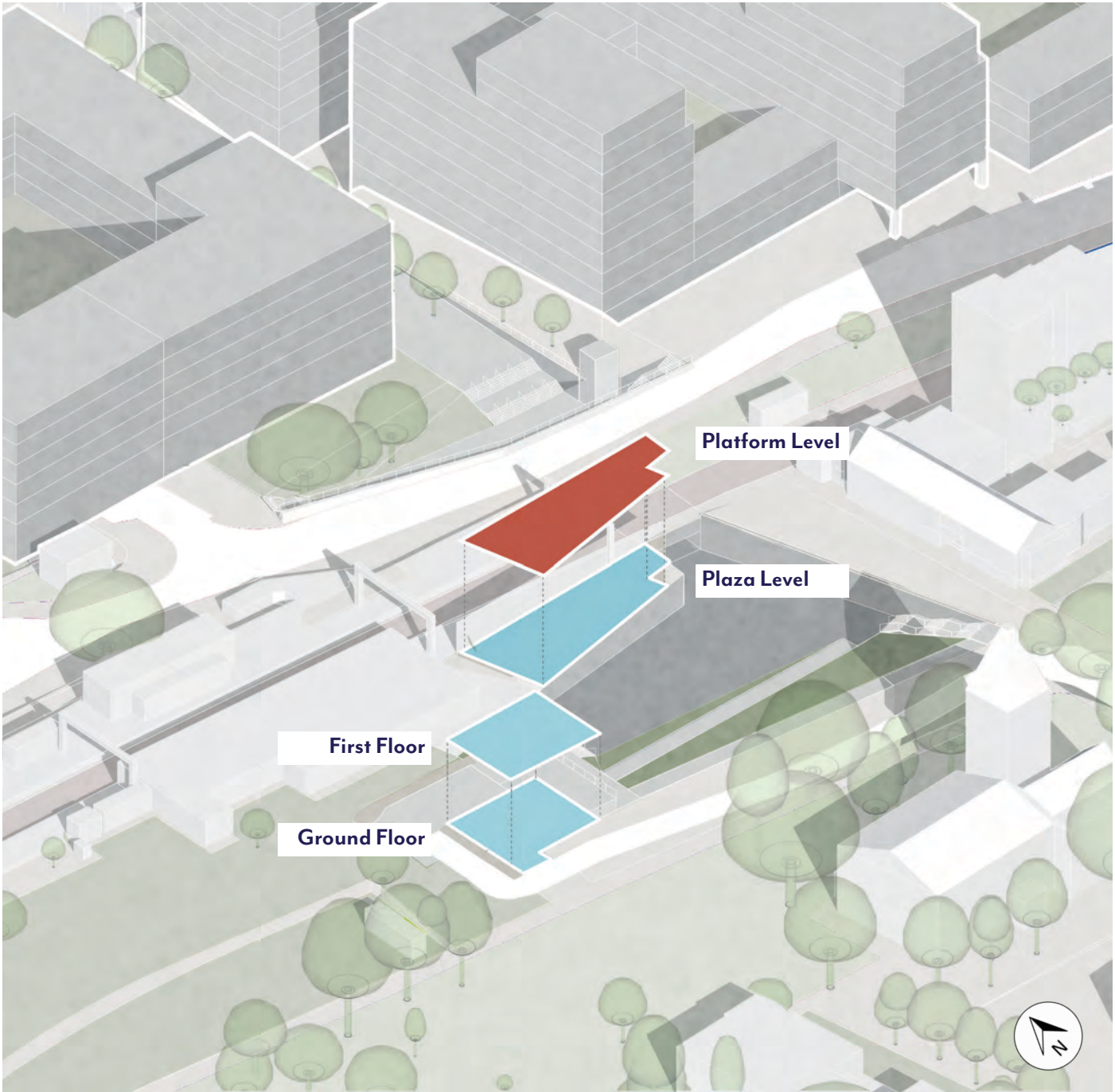
The plot size of the High Street block is 225m<sup>2</sup>. The ground floor will have mixed commercial use. This is at plaza level accessed from the new public plaza at underpass level.

#### First Floor Uses







The first floor will be at the same level as the train station platform. It will potentially be used as a cafe providing another 225m<sup>2</sup> of F&B space.

PLOT 7B - High Street Block		
Land Use	GIA/m <sup>2</sup>	Indicative Units
Retail/F&B	225	
Mixed Commercial (offices, gym, health, community space)	225	
TOTAL GIA	450	

Table 4.3: Plot 7B Land Uses



Key:

	Retail/F&B		Mixed Commercial		Residential		Hotel		Carpark/Servicing		Amenity Space
--	------------	---	------------------	---	-------------	---	-------	---	-------------------	---	---------------



# Appendix

Plots 1 | 2 | 3 | 7

# Schedule 1

Development Quantum (GIA/m<sup>2</sup>)

SPACE					
GIA/m <sup>2</sup>					
Plot No.	Max Height	Total GIA	Plot Size	No. Building Cores	Notes
2A	6	4,132	968	1	
2B + 2A	5	7,894	2,272	2	
2C + 2B + 2A	5	11,080	3,133	3	
2D + 2C + 2B + 2A	6	15,606	4,235	4	
2D (Podium)	1	848	-	-	This is the Podium Only
7A (Station House)	2	350	175	1	This would be a 2 levels building replacing the existing one
7B (High Street Block)	2	450	225	1	
3A	6	8,955	5,690	3	Plot Size includes the 3,500sqm Square
3B	7	13,006	3,350	3	
3C	11	17,663	3,330	3	Max Height is 10 from Crown Road
3D	9	25,103	5,800	4	Max Height is 8 from Crown Road
1 (CO1)	7	8,466		3	We have used Option 1 (which is the one with the biggest GIA). However please note that all options have the same amount of units. Also, COSTING HAS ALREADY BEEN DONE.
	Min GIA	78,125			
	Max GIA	90,447			

# Schedule 2

## Land Uses

PRIMARY LAND USES										OTHER USES	
Plot No.	Residential		Retail + F&B	Hotel		Mixed Commercial (offices, gym, health, community space)	Others (incl. covered parking)	Parking Capacity	Notes	Private Amenity Space excl. balconies	Amenity Roofs (assumed at 30% of the total surface)
	GIA/m²	Indicative Units (assuming avg. 2B)	GIA/m²	GIA/m²	Indicative Units	GIA/m²	GIA/m²	Indicative Units		Area/m²	Area/m²
2A	3,444	46	689	-		-	-	-		-	-
2B + 2A	6,453	86	1,441	-		-	-	-		-	480
2C + 2B + 2A	6,453	86	2,078	-		2,549	-	-		-	692
2D + 2C + 2B + 2A	10,224	136	2,078	-		3,303	-	-		-	692
2D (Podium)	-	-	-	-		-	846	40	1 level of parking	800	-
7A (Station House)	-	-	-	-		350	-	-	The GIA occupies a slightly bigger footprint (175sqm) of currently grassed / paved areas around the current building	-	-
7B (High Street Block)	-	-	225	-		225	-	-	Mixed Commercial at Plaza Level and new Café at platform level	-	-
3A	5,294	75	1,177	2,160	80	-	324	-		240	198
3B	5,956	84	1,003	-		2,354	3,694	120	3 levels of parking	1,200	-
3C	11,583	156	2,322	-		990	2,768		2 levels of parking (however in 2D is on one level as we need the other level for servicing)	550	227
3D	16,035	209	473	-		1,215	7,380	220		1,800	313
1 (CO1)	6,136	82	-	-		-	-	82		884	546
Minimum Area	48,448	652	5,888	2,160		5,134	14,165	422		4,674	1,284
Maximum Area	71,579	742	7,278	2,160		8,437	7,278	462		5,474	1,976

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## M Indicative Cost Schedules

**RIBA STAGE 1  
INDICATIVE COST ESTIMATE  
REVISION D  
for  
GRAYS HIGH STREET REDEVELOPMENT  
for  
THURROCK COUNCIL  
dated  
JULY 2020**



**DOCUMENT CONTROL SCHEDULE**

Change History

Version	Author	Date	Change
1.0	Roger Morris	19 February 2020	Initial Draft
2.0	Roger Morris	19 February 2020	Initial Issue
3.0	Roger Morris	25 February 2020	Revision A
4.0	Alfie Geater-Day	6 March 2020	Revision B
5.0	Alfie Geater-Day	7 July 2020	Revision C
5.0	Alfie Geater-Day	9 July 2020	Revision D

Review

Version	Reviewer	Date	Role
1.0	Luke Turner	19 February 2020	Partner
2.0	Luke Turner	19 February 2020	Partner
3.0	Luke Turner	25 February 2020	Partner
4.0	Luke Turner	6 March 2020	Partner
5.0	Luke Turner	7 July 2020	Partner
5.0	Luke Turner	9 July 2020	Partner

Approval

Version	Reviewer	Date	Role
1.0	Luke Turner	19 February 2020	Partner
2.0	Luke Turner	19 February 2020	Partner
3.0	Luke Turner	25 February 2020	Partner
4.0	Luke Turner	6 March 2020	Partner
5.0	Luke Turner	7 July 2020	Partner
5.0	Luke Turner	9 July 2020	Partner

Distribution

Name	Role/Organisation
Malcolm Hewines	Thurrock Chouncil
Brian Priestley	Thurrock Chouncil
Rebecca Ellsmore	Thurrock Chouncil

Name: Luke Turner

Position: Partner

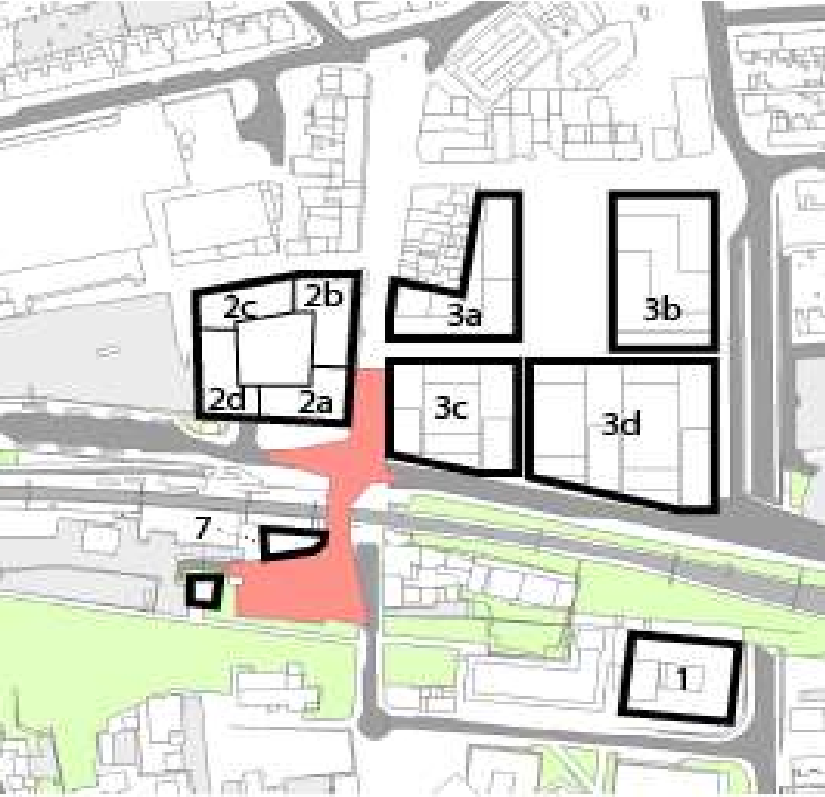
Signed:

Date: 9 July 2020

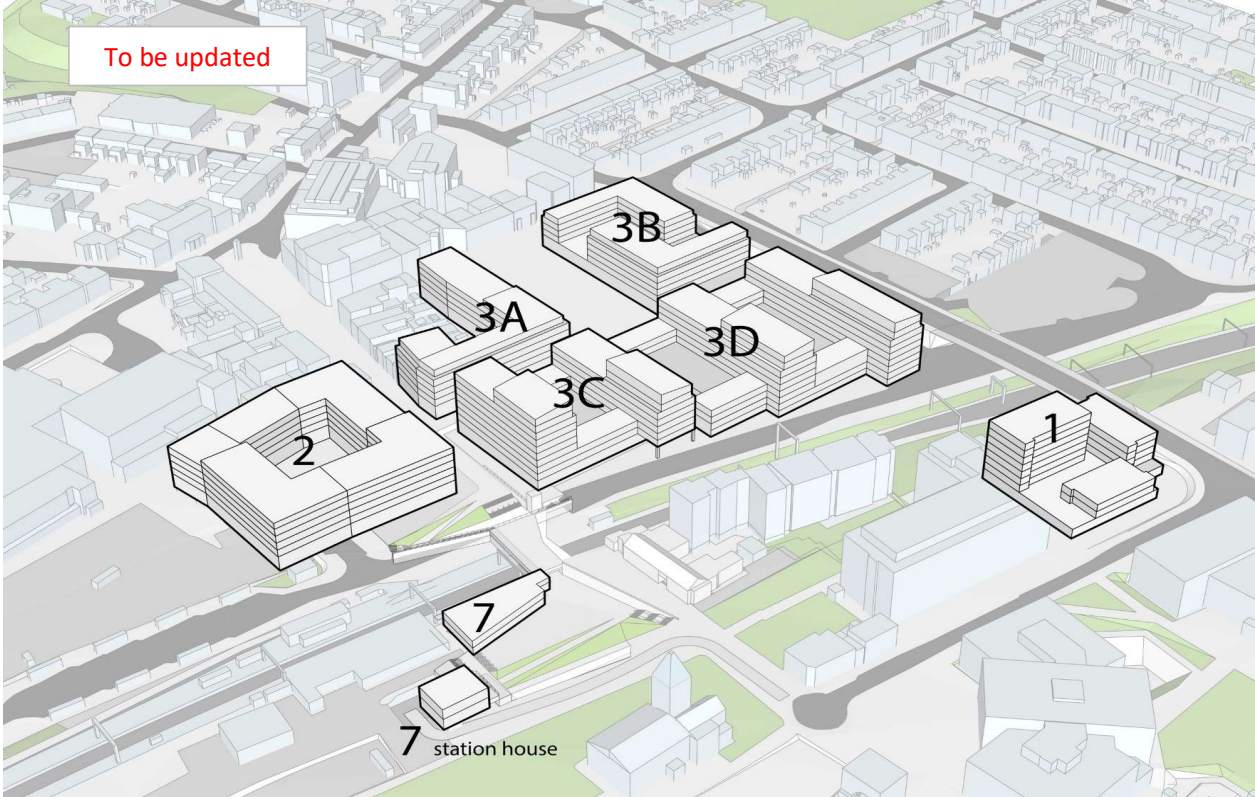


**RIBA**  
Chartered Practice





key plan



Axo of blocks 2 and 3

SPACE (GIA sqm)

LAND USES

Plot #	Option #	Max height (levels)	total GIA	plot size	number of building cores	residential	<i>indicative resi units (assuming 2 bed units as an avg)</i>	retail + food&bev	hotel	mixed commercial (offices, gym, health, community space)	others (incl. covered parking)	private amenity space excl. blaconies (sqm)	amenity roofs (assumed at 30% of the total surface)	indicative parking capacity
2	A	6	4,132	968	1	3,444	46	689	-	-	-	-	-	-
2	B	5	7,894	2,272	2	6,453	86	1,441	-	-	-	-	480	-
2	C	5	11,080	3,133	3	6,453	86	2,078	-	2,549	-	-	692	-
2	D	6	15,605	4,235	4	10,224	136	2,078	-	3,303	-	-	692	-
2	D podium only	1	846	-	-	-	-	-	-	-	846	800	-	40
7 (station house)		2	350	175	1	-	-	-	-	350	-	-	-	-
7 (high street block)		2	450	225	1	-	-	225	-	225	-	-	-	-
3A		6	8,955	5,690	3	5,294	75	1,177	2,160	-	324	240	198	-
3B		7	13,006	3,350	3	5,956	84	1,003	-	2,354	3,694	1,200	-	120
3C		11	17,663	3,330	3	11,583	156	2,322	-	990	2,768	550	227	220
3D		9	25,103	5,800	4	16,035	209	473	-	1,215	7,380	1,800	313	
1 (CO1)		7	8,466		3	6,136	82	-	-	-	-	884	546	82
						48,448	652	5,888	2,160	5,134	14,165	4,674	1,284	422
						71,579	742	7,278	2,160	8,437	15,011	5,474	1,976	462
						(of which 524 on plot 3)								
						this is due to decrease probably by								
						20-40 units once we start sculpting the massing...								
						plus 3,500 sqm public square								



Item	Area (m <sup>2</sup> )				Cost (£)				Cost (£/m2)
	Residential	Retail	Commerical	Combined	Residential	Retail	Commerical	Combined	
Plot 2A	3,444	689	-	4,133	7,330,000	720,000	-	8,050,000	1,948
Plot 2B	3,010	752	-	3,762	6,360,000	780,000	-	7,140,000	1,898
Plot 2C	-	637	2,549	3,186	-	680,000	3,100,000	3,780,000	1,186
Plot 2D	3,771	-	754	4,525	8,120,000	-	900,000	9,020,000	1,993
Plot 7 Station House	-	-	350	350	-	-	790,000	790,000	2,257
Plot 7 High Street Block	-	225	225	450	-	490,000	500,000	990,000	2,200
Sub-total	10,225	2,303	3,878	16,406	21,810,000	2,670,000	5,290,000	29,770,000	1,815
Public Realm					-	-	-	670,000	
Podium					-	-	-	610,000	
Total					21,810,000	2,670,000	5,290,000	31,050,000	

- NOTES
- 1 This Indicative Cost Estimate is based on the following information:
  - 2 Grays Core Town Centre Capacity Study Version 6 dated 13 January 2020 but revised and published by Steer on 10 February 2020.
  - 3 Plot 2A comprises construction of a six storey block with retail units on the ground floor and 46 residential units above.
  - 4 Plots 2B comprises construction of a five storey block with retail units on the ground floor and 40 residential units above.
  - 5 Plots 2C comprises construction of a five storey block with retail units on the ground floor and mixed commercial accommodation above.
  - 6 Plots 2D comprises construction of a six storey block with mixed commercial accommodation on the gropund floor and 50 residential units above.
  - 7 Plot 7 High Street Block comprises construction of a two storey block with retail units on the ground floor with mixed commercial above.
  - 8 All Plots include associated external works, drainage and external services.
  - 9 Due to the preliminary nature of the scope of works, it is considered that thee Indicative Cost Estimates are accurate to +/-10%.

- ASSUMPTIONS
- 1 Construction methodology will be traditional.
  - 2 A two stage design and build procurement strategy is assumed will be adopted for this project.
  - 3 Form of Contract is to be the JCT Design and Build Contract 2016.
  - 4 Indicative costs are based on current prices, i.e. 1Q 2020.
  - 5 The Public Realm works would be the subject of a separate contract from the redevelopment works.
  - 6 New sub-stations will be required for Plot 2 of the redevelopment.
  - 7 Demolition of the existing shops in Plot 2a is included with 'Underpass Works'.
  - 8 Demolition of the existing buildings is otherwise included within the Indicative Cost Estimates for each Plot.
  - 9 Retail units are to shell and core only with 10% of floor space fitted out as toilets, kitchen stores and office space.
  - 10 Mixed Commercial accommodation is to shell and core only with no internal fitting out.
  - 11 Sprinkler installations are to be provided throughout the flats.

- EXCLUSIONS
- 1 Building and Works Related:
    - 1.1 Treatment or removal of contaminated material
    - 1.2 Work asociated with venting or managing ground gas.
    - 1.3 Abnormal foundation costs due to ground conditions other than piled foundations.
    - 1.4 Services diversion costs.
    - 1.5 Any works to existing drainage infrastructure.
    - 1.6 Fit out works to the retail units and mixed commercial accommodation.
    - 1.7 Section 278 works and costs.
    - 1.8 Public realm works other than those adjacent to the building works.
    - 1.9 Acoustic treatment to any boundaries.
    - 1.10 Costs associated with offsite services infrastructure and upgrades.
    - 1.11 Increased costs beyond 1Q 2020.
    - 1.11 Phasing of the works.
    - 1.12 Financial impact resulting from Brexit.
    - 1.13 VAT.
    - 1.14 Main contractor's design fees.
    - 1.15 Designing to and achieving BREEAM accreditation.
    - 1.16 Designed to meet BIM Level 2 compliance.
    - 1.17 Design and risk allowances.
  - 2 Employer Related:
    - 2.1 Site acquisition costs and easement charges.
    - 2.2 Survey and site investigation costs.
    - 2.3 Planning and Building Control fees.
    - 2.4 Client side consultant fees - pre and post contract.
    - 2.5 Loose FF&E (fixed is included in Building Works).
    - 2.6 IT equipment.
    - 2.7 Marketing and promotional fees.
    - 2.8 LBC and Mayoral CIL levies.
    - 2.9 Section 106 contributions.
    - 2.10 Internal project management and procurment costs.
    - 2.11 Legal fees and costs.
    - 2.12 Financing or interest charges.
    - 2.13 Client contingency.

9971 - GRAYS HIGH STREET DEVELOPMENT

RIBA STAGE 1 - INDICATIVE COST ESTIMATE - FITOUT

Item	Commercial Fit Out			Food & Beverage Fit-out			Combined	
	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)
Site 2	1,000	971	971,000	-	-	-	971	971,000
Site 7 Station House	175	501	88,000	175	601	106,000	554	194,000
			<div>1,059,000</div>			<div>106,000</div>		<div>1,165,000</div>

- NOTES
- 1

This Indicative Cost Estimate is based on the following information:
- 2

Grays Core Town Centre Capacity Study Version 6 dated 13 January 2020 but revised and published by Steer on 10 February 2020.
- 3

Fit out areas and scope provided by email from Malcolm Hewines dated 30 June 2020.
- 4

Plot 2A comprises construction of a six storey block with retail units on the ground floor and 46 residential units above.
- 5

Plots 2B comprises construction of a five storey block with retail units on the ground floor and 40 residential units above.
- 6

Plots 2C comprises construction of a five storey block with retail units on the ground floor and mixed commercial accommodation above.
- 7

Plots 2D comprises construction of a six storey block with mixed commercial accommodation on the gropund floor and 50 residential units above.
- 8

Plot 7 High Street Block comprises construction of a two storey block with retail units on the ground floor with mixed commercial above.
- 9

Due to the preliminary nature of the scope of works, it is considered that thee Indicative Cost Estimates are accurate to +/-10%.
- 10

Inflation is included up to 2Q 2020 on the basis of the current position of the UK construction industry. The current status of the global and UK economy is potentially very volatile and this could change very quickly and very drastically. To be reviewed on a regular basis.
- 11

The Report has been prepared based on the position prior to the Government Action and ongoing action in respect of Covid 19. At this stage we cannot assess the impact that this will have on the project in terms of programme, cost and overall delivery and it would in our opinion be incorrect to make assumptions on this especially as it is such a fluid situation and the outcomes not easy to predict

- ASSUMPTIONS
- 1

Construction methodology will be traditional.
- 2

A two stage design and build procurement strategy is assumed will be adopted for this project.
- 3

Form of Contract is to be the JCT Design and Build Contract 2016.
- 4

Indicative costs are based on current prices, i.e. 1Q 2020.
- 5

Rates inclusive of main contractor's preliminaries, overheads and profit.

- EXCLUSIONS
- 1

Facilitating works, building works and external works shown seperately in main summary.
- 2

Treatment or removal of contaminated material
- 3

Work asociated with venting or managing ground gas.
- 4

Abnormal foundation costs due to ground conditions other than piled foundations.
- 5

Services diversion costs.
- 6

Any works to existing drainage infrastructure.
- 7

Section 278 works and costs.
- 8

Public realm works other than those adjacent to the building works.
- 9

Acoustic treatment to any boundaries.
- 10

Costs associated with offsite services infrastructure and upgrades.
- 11

Increased costs beyond 1Q 2020.
- 12

Phasing of the works.
- 13

Financial impact resulting from Brexit.
- 14

VAT.
- 15

Main contractor's design fees.
- 16

Designing to and achieving BREEAM accreditation.
- 17

Designed to meet BIM Level 2 compliance.
- 18

Design and risk allowances.
- 19

Site acquisition costs and easement charges.
- 20

Survey and site investigation costs.
- 21

Planning and Building Control fees.
- 22

Client side consultant fees - pre and post contract.
- 23

Loose FF&E (fixed is included in Building Works).
- 24

IT equipment.
- 25

Marketing and promotional fees.
- 26

LBC and Mayoral CIL levies.
- 27

Section 106 contributions.
- 28

Internal project management and procurment costs.
- 29

Legal fees and costs.
- 30

Financing or interest charges.
- 31

Client contingency.

Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Residential	3,444		
	Retail	689		
	Total gross internal floor area	4,133		
0	Facilitating works		19	80,000
	Sub-total of facilitating works		19	80,000
1	Substructure		103	425,537
2	Superstructure		637	2,634,118
3	Internal finishes		173	714,553
4	Fittings, furnishings and equipment		99	409,845
5	Services		482	1,990,515
	Sub-total of building works		1,494	6,174,568
8	External works		122	505,224
	Sub-total of external works		122	505,224
	Sub-total		1,635	6,759,792
9	Main contractor's preliminaries	15.00%	245	1,013,969
	Sub-total of main contractor's preliminaries		245	1,013,969
10	Main contractor's overheads and profit	3.50%	66	272,082
	Sub-total of main contractor's overheads and profit		66	272,082
	Balance		1	4,157
	Sub-total of works cost estimate	(say)	1,947	8,050,000

Ref.	Item	Area (m <sup>2</sup> )	Residential		Retail		Combined	
			Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Residential	3,444						
	Retail	689						
	Total gross internal floor area	4,133						
0	Facilitating works							
0.1	Toxic/hazardous/contaminated material treatment		-	-	-	-	-	-
0.2	Major demolition works		11	37,498	11	7,502	11	45,000
0.3	Temporary support to adjacent structures		-	-	-	-	-	-
0.4	Specialist groundworks		8	29,165	8	5,835	8	35,000
0.5	Temporary diversion works		-	-	-	-	-	-
0.6	Extraordinary site investigation works		-	-	-	-	-	-
1	Substructure							
1.1	Substructure		103	355,706	101	69,831	103	425,537
2	Superstructure							
2.1	Frame		95	327,180	95	65,455	95	392,635
2.2	Upper floors		59	204,488	59	40,909	59	245,397
2.3	Roof		51	174,926	44	30,253	50	205,179
2.4	Stairs and ramps		23	79,800	-	-	19	79,800
2.5	External walls		156	537,567	138	95,305	153	632,872
2.6	Windows and external doors		110	377,146	25	17,449	95	394,595
2.7	Internal walls and partitions		116	399,352	12	8,550	99	407,902
2.8	Internal doors		74	253,508	32	22,230	67	275,738
3	Internal finishes							
3.1	Wall finishes		67	230,197	22	15,010	59	245,207
3.2	Floor finishes		92	317,820	13	8,957	79	326,777
3.3	Ceiling finishes		41	140,802	3	1,767	34	142,569
4	Fittings, furnishings and equipment							
4.1	Fittings, furnishings and equipment		110	378,840	45	31,005	99	409,845
5	Services							
5.1	Sanitary installations		44	152,950	12	8,550	39	161,500
5.2	Services equipment		-	-	-	-	-	-
5.3	Disposal installations		18	61,512	13	9,263	17	70,775
5.4	Water installations		78	267,754	14	9,342	67	277,096
5.5	Heat source		-	-	-	-	-	-
5.6	Space heating and air conditioning		90	310,821	10	6,650	77	317,471
5.7	Ventilation		33	114,513	8	5,700	29	120,213
5.8	Electrical installations		145	500,270	17	11,400	124	511,670
5.9	Fuel installations		-	-	-	-	-	-
5.10	Lift and conveyor installations		25	85,500	-	-	21	85,500
5.12	Fire and lightning protection		59	204,911	12	8,076	52	212,987
5.13	Communication, security and control systems		26	89,585	-	-	22	89,585
5.14	Specialist installations		-	-	-	-	-	-
5.15	Builder's work in connection with services		40	138,897	7	4,821	35	143,718
	Sub-total		1,674	5,770,708	701	483,860	1,513	6,254,568
8	External works							
8.1	Site preparation works		4	12,499	4	2,501	4	15,000
8.2	Roads, paths, pavings and surfacings		12	41,665	12	8,335	12	50,000
8.3	Soft landscapes, planting and irrigation systems		2	8,333	2	1,667	2	10,000
8.4	Fencing, railings and walls		4	12,499	4	2,501	4	15,000
8.5	External fixtures		4	14,999	4	3,001	4	18,000
8.6	External drainage		33	112,995	33	22,605	33	135,600
8.7	External services		54	186,145	73	50,479	57	236,624
8.8	Minor building works and ancillary buildings		7	25,000	-	-	6	25,000
	Sub-total		1,794	6,184,844	833	574,948	1,635	6,759,792

Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Residential	3,010		
	Retail	752		
	Total gross internal floor area	3,762		
0	Facilitating works		77	290,000
	Sub-total of facilitating works		77	290,000
1	Substructure		123	463,931
2	Superstructure		531	1,998,334
3	Internal finishes		165	619,206
4	Fittings, furnishings and equipment		97	365,300
5	Services		469	1,764,080
	Sub-total of building works		1,385	5,210,851
8	External works		132	496,112
	Sub-total of external works		132	496,112
	Sub-total		1,594	5,996,963
9	Main contractor's preliminaries	15.00%	239	899,544
	Sub-total of main contractor's preliminaries		239	899,544
10	Main contractor's overheads and profit	3.50%	64	241,378
	Sub-total of main contractor's overheads and profit		64	241,378
	Balance		1	2,115
	Sub-total of works cost estimate	(say)	1,898	7,140,000

Ref.	Item	Area (m <sup>2</sup> )	Residential		Retail		Combined	
			Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Residential	3,010						
	Retail	752						
	Total gross internal floor area	3,762						
0	Facilitating works							
0.1	Toxic/hazardous/contaminated material treatment		-	-	-	-	-	-
0.2	Major demolition works		70	211,826	64	48,174	69	260,000
0.3	Temporary support to adjacent structures		-	-	-	-	-	-
0.4	Specialist groundworks		8	23,969	8	6,031	8	30,000
0.5	Temporary diversion works		-	-	-	-	-	-
0.6	Extraordinary site investigation works		-	-	-	-	-	-
1	Substructure							
1.1	Substructure		124	373,823	120	90,108	123	463,931
2	Superstructure							
2.1	Frame		95	285,855	95	71,440	95	357,295
2.2	Upper floors		57	171,356	57	43,019	57	214,375
2.3	Roof		59	177,057	51	38,450	57	215,507
2.4	Stairs and ramps		21	63,213	2	1,387	17	64,600
2.5	External walls		93	279,245	82	61,553	91	340,798
2.6	Windows and external doors		61	184,860	23	17,587	54	202,447
2.7	Internal walls and partitions		115	347,263	13	9,619	95	356,882
2.8	Internal doors		73	219,450	36	26,980	66	246,430
3	Internal finishes							
3.1	Wall finishes		63	190,542	21	16,055	55	206,597
3.2	Floor finishes		92	277,886	13	9,776	76	287,662
3.3	Ceiling finishes		41	123,018	3	1,929	33	124,947
4	Fittings, furnishings and equipment							
4.1	Fittings, furnishings and equipment		110	331,100	45	34,200	97	365,300
5	Services							
5.1	Sanitary installations		44	133,000	11	8,550	38	141,550
5.2	Services equipment		-	-	-	-	-	-
5.3	Disposal installations		18	55,135	13	9,940	17	65,075
5.4	Water installations		78	234,681	13	9,854	65	244,535
5.5	Heat source		-	-	-	-	-	-
5.6	Space heating and air conditioning		90	271,562	9	6,650	74	278,212
5.7	Ventilation		33	100,049	8	5,700	28	105,749
5.8	Electrical installations		146	438,283	15	11,400	120	449,683
5.9	Fuel installations		-	-	-	-	-	-
5.10	Lift and conveyor installations		28	85,500	-	-	23	85,500
5.12	Fire and lightning protection		60	180,078	11	8,527	50	188,605
5.13	Communication, security and control systems		26	77,900	-	-	21	77,900
5.14	Specialist installations		-	-	-	-	-	-
5.15	Builder's work in connection with services		41	122,313	7	4,958	34	127,271
	Sub-total		1,646	4,958,964	720	541,887	1,463	5,500,851
8	External works							
8.1	Site preparation works		4	12,024	4	2,976	4	15,000
8.2	Roads, paths, pavings and surfacings		32	97,303	30	22,697	32	120,000
8.3	Soft landscapes, planting and irrigation systems		3	8,016	3	1,984	3	10,000
8.4	Fencing, railings and walls		4	12,024	4	2,976	4	15,000
8.5	External fixtures		4	11,159	4	2,841	4	14,000
8.6	External drainage		29	86,056	29	21,844	29	107,900
8.7	External services		54	163,421	48	35,791	53	199,212
8.8	Minor building works and ancillary buildings		5	15,000	-	-	4	15,000
	Sub-total		1,781	5,363,968	842	632,995	1,596	5,996,963



Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Retail	637		
	Commercial	2,549		
	Total gross internal floor area	3,186		
0	Facilitating works		61	195,000
	Sub-total of facilitating works		61	195,000
1	Substructure		125	398,978
2	Superstructure		483	1,538,948
3	Internal finishes		46	146,669
4	Fittings, furnishings and equipment		36	113,407
5	Services		118	374,457
	Sub-total of building works		807	2,572,460
8	External works		127	404,158
	Sub-total of external works		127	404,158
	Sub-total		995	3,171,618
9	Main contractor's preliminaries	15.00%	149	475,743
	Sub-total of main contractor's preliminaries		149	475,743
10	Main contractor's overheads and profit	3.50%	40	127,658
	Sub-total of main contractor's overheads and profit		40	127,658
	Balance		2	4,981
	Sub-total of works cost estimate	(say)	1,186	3,780,000

Ref.	Item	Area (m <sup>2</sup> )	Retail		Commercial		Combined	
			Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Retail	637						
	Commercial	2,549						
	Total gross internal floor area	3,186						
0	Facilitating works							
0.1	Toxic/hazardous/contaminated material treatment		-	-	-	-	-	-
0.2	Major demolition works		68	43,430	48	121,570	52	165,000
0.3	Temporary support to adjacent structures		-	-	-	-	-	-
0.4	Specialist groundworks		11	6,936	9	23,063	9	30,000
0.5	Temporary diversion works		-	-	-	-	-	-
0.6	Extraordinary site investigation works		-	-	-	-	-	-
1	Substructure							
1.1	Substructure		122	77,714	126	321,264	125	398,978
2	Superstructure							
2.1	Frame		95	60,515	100	254,900	99	315,415
2.2	Upper floors		58	36,946	60	153,979	60	190,925
2.3	Roof		52	33,124	56	143,955	56	177,079
2.4	Stairs and ramps		-	-	15	38,265	12	38,265
2.5	External walls		85	54,145	137	350,043	127	404,188
2.6	Windows and external doors		34	21,658	63	161,613	58	183,271
2.7	Internal walls and partitions		14	8,918	44	112,472	38	121,390
2.8	Internal doors		37	23,569	33	84,846	34	108,415
3	Internal finishes							
3.1	Wall finishes		23	14,651	40	100,898	36	115,549
3.2	Floor finishes		13	8,488	7	18,287	8	26,775
3.3	Ceiling finishes		3	1,720	1	2,625	1	4,345
4	Fittings, furnishings and equipment							
4.1	Fittings, furnishings and equipment		45	28,665	33	84,742	36	113,407
5	Services							
5.1	Sanitary installations		13	8,281	16	40,491	15	48,772
5.2	Services equipment		-	-	-	-	-	-
5.3	Disposal installations		13	8,281	18	47,112	17	55,393
5.4	Water installations		14	8,918	24	60,577	22	69,495
5.5	Heat source		-	-	-	-	-	-
5.6	Space heating and air conditioning		10	6,370	-	-	2	6,370
5.7	Ventilation		8	5,096	-	-	2	5,096
5.8	Electrical installations		17	10,829	12	30,509	13	41,338
5.9	Fuel installations		-	-	-	-	-	-
5.10	Lift and conveyor installations		-	-	19	49,581	16	49,581
5.12	Fire and lightning protection		12	7,644	12	31,280	12	38,924
5.13	Communication, security and control systems		-	-	9	22,752	7	22,752
5.14	Specialist installations		-	-	-	-	-	-
5.15	Builder's work in connection with services		11	7,007	12	29,730	12	36,737
	Sub-total		758	482,906	894	2,284,554	869	2,767,460
8	External works							
8.1	Site preparation works		6	3,720	4	11,280	5	15,000
8.2	Roads, paths, pavings and surfacings		58	36,797	33	83,204	38	120,001
8.3	Soft landscapes, planting and irrigation systems		4	2,480	3	7,520	3	10,000
8.4	Fencing, railings and walls		6	3,720	4	11,280	5	15,000
8.5	External fixtures		6	3,968	5	12,033	5	16,001
8.6	External drainage		32	20,423	31	79,577	31	100,000
8.7	External services		48	30,576	38	97,582	40	128,158
8.8	Minor building works and ancillary buildings		-	-	-	-	-	-
	Sub-total		918	584,589	1,012	2,587,029	996	3,171,618

Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Residential	3,771		
	Commercial	754		
	Total gross internal floor area	4,525		
0	Facilitating works		38	172,124
	Sub-total of facilitating works		38	172,124
1	Substructure		97	440,746
2	Superstructure		634	2,870,090
3	Internal finishes		214	968,386
4	Fittings, furnishings and equipment		97	439,692
5	Services		495	2,240,210
	Sub-total of building works		1,538	6,959,124
8	External works		99	448,052
	Sub-total of external works		99	448,052
	Sub-total		1,675	7,579,300
9	Main contractor's preliminaries	15.00%	251	1,136,895
	Sub-total of main contractor's preliminaries		251	1,136,895
10	Main contractor's overheads and profit	3.50%	67	305,067
	Sub-total of main contractor's overheads and profit		67	305,067
	Balance		-	-
	Sub-total of works cost estimate	(say)	1,993	9,020,000

Ref.	Item	Area (m <sup>2</sup> )	Residential		Commercial		Combined	
			Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Residential	3,771						
	Commercial	754						
	Total gross internal floor area	4,525						
0	Facilitating works							
0.1	Toxic/hazardous/contaminated material treatment		-	-	-	-	-	-
0.2	Major demolition works		32	120,491	48	36,192	35	156,683
0.3	Temporary support to adjacent structures		-	-	-	-	-	-
0.4	Specialist groundworks		2	8,655	9	6,786	3	15,441
0.5	Temporary diversion works		-	-	-	-	-	-
0.6	Extraordinary site investigation works		-	-	-	-	-	-
1	Substructure							
1.1	Substructure		92	345,742	126	95,004	97	440,746
2	Superstructure							
2.1	Frame		82	308,152	100	75,400	85	383,552
2.2	Upper floors		51	191,023	60	45,240	52	236,263
2.3	Roof		49	185,505	56	42,224	50	227,729
2.4	Stairs and ramps		21	79,013	15	11,310	20	90,323
2.5	External walls		148	559,050	137	103,298	146	662,348
2.6	Windows and external doors		50	189,527	63	47,502	52	237,029
2.7	Internal walls and partitions		163	616,391	44	33,176	144	649,567
2.8	Internal doors		95	358,397	33	24,882	85	383,279
3	Internal finishes							
3.1	Wall finishes		88	333,049	40	30,160	80	363,209
3.2	Floor finishes		118	444,974	7	5,278	100	450,252
3.3	Ceiling finishes		41	154,171	1	754	34	154,925
4	Fittings, furnishings and equipment							
4.1	Fittings, furnishings and equipment		110	414,810	33	24,882	97	439,692
5	Services							
5.1	Sanitary installations		63	236,075	16	12,064	55	248,139
5.2	Services equipment		-	-	-	-	-	-
5.3	Disposal installations		23	85,164	18	13,572	22	98,736
5.4	Water installations		91	344,342	24	18,096	80	362,438
5.5	Heat source		-	-	-	-	-	-
5.6	Space heating and air conditioning		90	340,333	-	-	75	340,333
5.7	Ventilation		33	125,386	-	-	28	125,386
5.8	Electrical installations		144	542,549	12	9,048	122	551,597
5.9	Fuel installations		-	-	-	-	-	-
5.10	Lift and conveyor installations		12	46,634	19	14,326	13	60,960
5.12	Fire and lightning protection		59	222,664	12	9,048	51	231,712
5.13	Communication, security and control systems		36	136,610	9	6,786	32	143,396
5.14	Specialist installations		-	-	-	-	-	-
5.15	Builder's work in connection with services		18	68,465	12	9,048	17	77,513
	Sub-total		1,711	6,457,172	894	674,076	1,575	7,131,248
8	External works							
8.1	Site preparation works		3	11,894	4	3,016	3	14,910
8.2	Roads, paths, pavings and surfacings		30	111,459	33	24,882	30	136,341
8.3	Soft landscapes, planting and irrigation systems		-	761	3	2,262	1	3,023
8.4	Fencing, railings and walls		1	4,726	4	3,016	2	7,742
8.5	External fixtures		4	13,404	5	3,770	4	17,174
8.6	External drainage		20	74,731	31	23,374	22	98,105
8.7	External services		32	122,104	38	28,652	33	150,756
8.8	Minor building works and ancillary buildings		5	20,000	-	-	4	20,000
	Sub-total		1,806	6,816,252	1,012	763,048	1,674	7,579,300

Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Commercial	350		
	Total gross internal floor area	350		
0	Facilitating works		279	97,500
	Sub-total of facilitating works		279	97,500
1	Substructure		113	39,375
2	Superstructure		769	269,271
3	Internal finishes		36	12,518
4	Fittings, furnishings and equipment		-	-
5	Services		254	88,920
	Sub-total of building works		1,172	410,083
8	External works		434	152,000
	Sub-total of external works		434	152,000
	Sub-total		1,885	659,583
9	Main contractor's preliminaries	15.00%	283	98,937
	Sub-total of main contractor's preliminaries		283	98,937
10	Main contractor's overheads and profit	3.50%	76	26,548
	Sub-total of main contractor's overheads and profit		76	26,548
	Balance		14	4,932
	Sub-total of works cost estimate	(say)	2,258	790,000

Ref.	Item	Area (m <sup>2</sup> )	Commercial		Combined	
			Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Commercial	350				
	Total gross internal floor area	350				
0	Facilitating works					
0.1	Toxic/hazardous/contaminated material treatment		-	-	-	-
0.2	Major demolition works		264	92,500	264	92,500
0.3	Temporary support to adjacent structures		-	-	-	-
0.4	Specialist groundworks		14	5,000	14	5,000
0.5	Temporary diversion works		-	-	-	-
0.6	Extraordinary site investigation works		-	-	-	-
1	Substructure					
1.1	Substructure		113	39,375	113	39,375
2	Superstructure					
2.1	Frame		75	26,250	75	26,250
2.2	Upper floors		35	12,250	35	12,250
2.3	Roof		138	48,255	138	48,255
2.4	Stairs and ramps		51	18,000	51	18,000
2.5	External walls		274	95,897	274	95,897
2.6	Windows and external doors		176	61,644	176	61,644
2.7	Internal walls and partitions		10	3,375	10	3,375
2.8	Internal doors		10	3,600	10	3,600
3	Internal finishes					
3.1	Wall finishes		25	8,818	25	8,818
3.2	Floor finishes		8	2,900	8	2,900
3.3	Ceiling finishes		2	800	2	800
4	Fittings, furnishings and equipment					
4.1	Fittings, furnishings and equipment		-	-	-	-
5	Services					
5.1	Sanitary installations		-	-	-	-
5.2	Services equipment		-	-	-	-
5.3	Disposal installations		40	14,000	40	14,000
5.4	Water installations		11	4,000	11	4,000
5.5	Heat source		-	-	-	-
5.6	Space heating and air conditioning		-	-	-	-
5.7	Ventilation		-	-	-	-
5.8	Electrical installations		46	16,000	46	16,000
5.9	Fuel installations		-	-	-	-
5.10	Lift and conveyor installations		114	40,000	114	40,000
5.12	Fire and lightning protection		11	4,000	11	4,000
5.13	Communication, security and control systems		-	-	-	-
5.14	Specialist installations		-	-	-	-
5.15	Builder's work in connection with services		31	10,920	31	10,920
	Sub-total		1,448	507,583	1,448	507,583
8	External works					
8.1	Site preparation works		14	5,000	14	5,000
8.2	Roads, paths, pavings and surfacings		186	65,000	186	65,000
8.3	Soft landscapes, planting and irrigation systems		14	5,000	14	5,000
8.4	Fencing, railings and walls		29	10,000	29	10,000
8.5	External fixtures		14	5,000	14	5,000
8.6	External drainage		106	37,000	106	37,000
8.7	External services		71	25,000	71	25,000
8.8	Minor building works and ancillary buildings		-	-	-	-
	Sub-total		1,882	659,583	1,882	659,583

Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Retail	225		
	Commercial	225		
	Total gross internal floor area	450		
0	Facilitating works		297	133,750
	Sub-total of facilitating works		297	133,750
1	Substructure		113	50,625
2	Superstructure		775	348,545
3	Internal finishes		41	18,484
4	Fittings, furnishings and equipment		13	6,000
5	Services		276	124,260
	Sub-total of building works		1,218	547,914
8	External works		329	148,000
	Sub-total of external works		329	148,000
	Sub-total		1,844	829,664
9	Main contractor's preliminaries	15.00%	277	124,450
	Sub-total of main contractor's preliminaries		277	124,450
10	Main contractor's overheads and profit	3.50%	74	33,394
	Sub-total of main contractor's overheads and profit		74	33,394
	Balance		6	2,492
	Sub-total of works cost estimate	(say)	2,201	990,000

Ref.	Item	Area (m <sup>2</sup> )	Retail		Commercial		Combined	
			Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Retail	225						
	Commercial	225						
	Total gross internal floor area	450						
0	Facilitating works							
0.1	Toxic/hazardous/contaminated material treatment		-	-	-	-	-	-
0.2	Major demolition works		286	64,375	286	64,375	286	128,750
0.3	Temporary support to adjacent structures		-	-	-	-	-	-
0.4	Specialist groundworks		11	2,500	11	2,500	11	5,000
0.5	Temporary diversion works		-	-	-	-	-	-
0.6	Extraordinary site investigation works		-	-	-	-	-	-
1	Substructure							
1.1	Substructure		113	25,313	113	25,313	113	50,625
2	Superstructure							
2.1	Frame		75	16,875	75	16,875	75	33,750
2.2	Upper floors		35	7,875	35	7,875	35	15,750
2.3	Roof		137	30,781	137	30,781	137	61,563
2.4	Stairs and ramps		-	-	80	18,000	40	18,000
2.5	External walls		251	56,543	251	56,543	251	113,086
2.6	Windows and external doors		206	46,398	160	35,898	183	82,297
2.7	Internal walls and partitions		10	2,250	10	2,250	10	4,500
2.8	Internal doors		79	17,800	8	1,800	44	19,600
3	Internal finishes							
3.1	Wall finishes		33	7,529	21	4,729	27	12,259
3.2	Floor finishes		16	3,625	6	1,450	11	5,075
3.3	Ceiling finishes		3	750	2	400	3	1,150
4	Fittings, furnishings and equipment							
4.1	Fittings, furnishings and equipment		27	6,000	-	-	13	6,000
5	Services							
5.1	Sanitary installations		27	6,000	-	-	13	6,000
5.2	Services equipment		-	-	-	-	-	-
5.3	Disposal installations		44	10,000	36	8,000	40	18,000
5.4	Water installations		27	6,000	13	3,000	20	9,000
5.5	Heat source		-	-	-	-	-	-
5.6	Space heating and air conditioning		22	5,000	-	-	11	5,000
5.7	Ventilation		22	5,000	-	-	11	5,000
5.8	Electrical installations		27	6,000	62	14,000	44	20,000
5.9	Fuel installations		-	-	-	-	-	-
5.10	Lift and conveyor installations		-	-	178	40,000	89	40,000
5.12	Fire and lightning protection		13	3,000	13	3,000	13	6,000
5.13	Communication, security and control systems		-	-	-	-	-	-
5.14	Specialist installations		-	-	-	-	-	-
5.15	Builder's work in connection with services		26	5,740	42	9,520	34	15,260
	Sub-total		1,490	335,355	1,539	346,310	1,514	681,664
8	External works							
8.1	Site preparation works		11	2,500	11	2,500	11	5,000
8.2	Roads, paths, pavings and surfacings		122	27,500	122	27,500	122	55,000
8.3	Soft landscapes, planting and irrigation systems		7	1,500	7	1,500	7	3,000
8.4	Fencing, railings and walls		22	5,000	22	5,000	22	10,000
8.5	External fixtures		11	2,500	11	2,500	11	5,000
8.6	External drainage		89	20,000	89	20,000	89	40,000
8.7	External services		48	15,000	67	15,000	67	30,000
8.8	Minor building works and ancillary buildings		-	-	-	-	-	-
	Sub-total		1,800	409,355	1,868	420,310	1,843	829,664

Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
		2,050		
	Total area	2,050		
0	Facilitating works			
0.1	Toxic/hazardous/contaminated material treatment		-	-
0.2	Major demolition works		12	25,000
0.3	Temporary support to adjacent structures		-	-
0.4	Specialist groundworks		-	-
0.5	Temporary diversion works		-	-
0.6	Extraordinary site investigation works		-	-
	Sub-total of facilitating works		12	25,000
8	External works			
8.1	Site preparation works		8	16,408
8.2	Roads, paths, pavings and surfacings		111	227,415
8.3	Soft landscapes, planting and irrigation systems		3	6,091
8.4	Fencing, railings and walls		5	10,000
8.5	External fixtures		6	13,000
8.6	External drainage		115	235,865
8.7	External services		15	30,765
8.8	Minor building works and ancillary buildings		-	-
	Sub-total of external works		263	539,544
	Sub-total		275	564,544
9	Main contractor's preliminaries	15.00%	41	84,682
	Sub-total of main contractor's preliminaries		41	84,682
10	Main contractor's overheads and profit	3.50%	11	22,723
	Sub-total of main contractor's overheads and profit		11	22,723
	Balance		- 1	- 1,949
	Sub-total of works cost estimate	(say)	326	670,000

9971 - GRAYS HIGH STREET DEVELOPMENT  
RIBA STAGE 1 - INDICATIVE COST ESTIMATE - PODIUM

Ref.	Item	Area (m <sup>2</sup> )	Cost (£/m <sup>2</sup> )	Total Cost (£)
	Plot 2 Podium and Car Park	846		
	Total area	846		
	Plot 2 Podium and Car Park		603	510,000
	Sub-total		603	510,000
9	Main contractor's preliminaries	15.00%	90	76,500
	Sub-total of main contractor's preliminaries		90	76,500
10	Main contractor's overheads and profit	3.50%	24	20,528
	Sub-total of main contractor's overheads and profit		24	20,528
	Balance		4	2,972
	Sub-total of works cost estimate	(say)	721	610,000

Quantity Surveying

Building Surveying

Architecture

Principal Designer

CDM Consultant

Project Management

Employer's Agents

Party Wall Matters

Expert Witness



**Lambert  
Smith  
Hampton**

[www.lsh.co.uk](http://www.lsh.co.uk)

## Order of Cost 1

For

Demolish Thurrock Council  
Office Block C01 and Develop  
High Quality Apartments  
(Options 1, 2 and 3)

on behalf of



**Thurrock Council**

Prepared by  
Lambert Smith Hampton  
Pyramus House  
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Date: 21/01/2020  
Ref: Thurrock C01  
Ver: 1a



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This document has been prepared and checked in accordance with the Lambert Smith Hampton Quality Assurance procedures and authorised for release.

*Lambert Smith Hampton*

Signed: .....



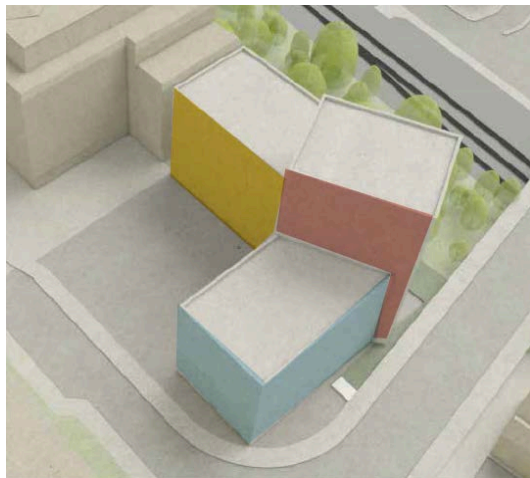
For and on behalf of Lambert Smith Hampton

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1.00 ORDER OF COST

			OPTION 1			OPTION 2			OPTION 3		
			Stepping Volume Concept			Two Rectilinear Towers Concept			Statement Tower Concept		
Note: These visuals are conceptual only and do not align with indicative layouts in all instances. Once schemes are developed further we would welcome the opportunity to review the costs.											
Element			Total Cost £	£/m2 £	£/ft2 £	Total Cost £	£/m2 £	£/ft2 £	Total Cost £	£/m2 £	£/ft2 £
1.01	Facilitating Works Estimate (See Appendix A)		1,228,000	145	13	1,227,000	148	14	1,227,000	196	18
1.02	Building Works Estimate (See Appendix A)		13,480,000	1,592	148	13,385,000	1,610	150	11,376,000	1,813	168
1.03	External works Estimate (See Appendix A)		596,000	70	7	620,000	75	7	770,000	123	11
1.04	Main Contractor's Preliminaries	10.00%	1,530,000	181	17	1,523,000	183	17	1,337,000	213	20
1.05	Main Contractor's Overheads and Profit	6.00%	1,010,000	119	11	1,005,000	121	11	883,000	141	13
Works Cost Estimate			17,844,000	2,108	196	17,760,000	2,137	199	15,593,000	2,485	231
1.06	Project/Design Team Fees	11.00%	1,963,000	232	22	1,954,000	235	22	1,715,000	273	25
1.07	Other Development/Project Costs (See Appendix B)		Excluded			Excluded			Excluded		
Base Cost Estimate			19,807,000	2,340	217	19,714,000	2,372	220	17,308,000	2,758	256
1.08	Contingency/Risk Allowance Estimate	10.00%	1,981,000	234	22	1,971,000	237	22	1,731,000	276	26
COST LIMIT (Exc inflation)			21,788,000	2,574	239	21,685,000	2,609	242	19,039,000	3,034	282
1.09	Tender Inflation		Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded
1.10	Construction Inflation		Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded
1.11	VAT		Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded	Excluded
COST LIMIT (Exc VAT)			21,788,000	2,574	239	21,685,000	2,609	242	19,039,000	3,034	282
Number of 1 Bedroom Apartments			58	Nr		82	Nr		58	Nr	
Number of 2 Bedroom Apartments			24	Nr		-	Nr		24	Nr	
Total Apartments			82	Nr		82	Nr		82	Nr	
Shared Amenity (Gym or similar); Shell and Core			178	m2		-	m2		105	m2	
Car parking Spaces			82	Spaces		82	Spaces		-	Spaces	
Level 1 shared amenity/public gardens			884	m2		1,331	m2		1,277	m2	
Rooftop landscaped gardens			546	m2		-	m2		-	m2	

## 2.00 BASIS OF ESTIMATE

**Project Description** Demolish part of the existing Thurrock Council Offices on New Road, Grays, RM17 6SL and develop high quality residential apartments. Including podium parking (Options 1 and 2) and other associated external works. 3 Options to be explored and costed.

**Drawings/Specifications** This estimate has been prepared using the following information:-

LSI Architects (Design) Ltd - Feasibility Study Rev A. 20th December 2019  
Max Fordham M&E Stage 1 Report  
Hurley Palmer Flatt Structural Strategy email dated 11th Dec 2019  
Indicative Storey Height and Mix (1 page)

Accommodation	Option 1		Option 2		Option 3	
	Floor ID	GIFA (sq.m)	GIFA (sq.ft)	GIFA (sq.m)	GIFA (sq.ft)	GIFA (sq.m)
	Podium	2,152	23,164	2,152	23,164	0
	1	1,285	13,832	880	9,472	969
	Amenity	89	958			105
	2	1,285	13,832	880	9,472	969
	Amenity	89	958			
	3	1,285	13,832	880	9,472	969
	4	779	8,385	880	9,472	969
	5	669	7,201	880	9,472	969
	6	542	5,834	880	9,472	265
	7	291	3,132	880	9,472	265
	8		0		0	265
	9		0		0	265
	10		0		0	265
	<b>TOTAL</b>	<b>8,466</b>	<b>91,128</b>	<b>8,312</b>	<b>89,470</b>	<b>6,275</b>

Note: Shared Amenity areas added where relevant. These areas are in addition to the areas provided on the 'Schedule of Accommodation' included in the Feasibility Study

**Assumptions** Neighbouring Thurrock Council Offices C02 will remain in occupation throughout the works.  
No costs included in connection with adjacent railway lines over and above piling costs  
Natural ventilation to podium car parking  
1 bathroom per 1 bedroom apartment. Additional ensuite to 2 bedroom apartments.  
Open plan living, kitchen dining to all apartments  
Shared amenity space (Gym) shell and core only.  
Kitchens included no utility rooms.  
Unmanned apartment blocks with no reception.  
Allowance of £100k included for underground drainage alterations  
Allowance of £200k included for utility connections  
Engineered timber floors to flats generally, carpet to bedrooms and tile to bathroom floors  
We have excluded any works outside of the site boundary.  
Car charging points by others, ducts and pads only  
Assumes no existing basement

**Base Date** 1Q 2020

**Forecast Tender Date** 4Q 2020 (Thurrock Council Relocation Programme Completes Summer 2021)

**Location** Thurrock Council Offices, New Road, Grays, RM17 6SL

**Tender Basis** Competitive tender, Traditional JCT Contract with a single building contract.

**Inclusions** Consultant Fees  
10% Contingency

**Exclusions** Any works to existing drainage infrastructure  
Works associated with venting or dealing with ground gas  
PV and other LZC measures. M&E strategy states to be developed in next stage.  
Fit out or equipment to resident shared amenity (eg Gym).  
Furniture fittings and equipment other than specifically stated  
Solar shading to elevations  
Acoustics treatments to the boundaries  
Allowance for phasing of the works  
Costs associated with alterations to the highway other than vehicular access to site.

## 2.00 BASIS OF ESTIMATE

Costs associated with offsite services infrastructure upgrades.  
Developers funding costs  
Site abnormalities, finance, land costs etc  
Legal costs  
Marketing and PR  
Provision of incoming services outside the site boundary, localised connections only  
Statutory changes  
S278 costs and contributions required for planning  
Working outside normal working hours  
S106 contributions  
Community Infrastructure Levies  
IT and AV equipment  
VAT  
Option 2 - Glazed walls from L1-L7 at front and rear joining the two buildings. Shown on two generic images but not mentioned in the report wording and therefore excluded.

**Definition** £/m2 - Cost/m2 of Gross Internal Floor Area (GIFA)

**Measurement Basis** The Order of Cost plan has been prepared generally in accordance with the RICS New Rules of Measurement NRM1

**Comments** The feasibility information provided is outline in nature with no detailed reference to materials, dimensions, sections or scope of the fit-out. As such, once the drawings have been worked up to a greater detail we would welcome the opportunity to revisit the estimate and firm up on the specification, quantities and scope of work.

All costs are subject to further detailed surveys

**Opportunities** The order of cost estimate excludes any allowances in connection with capital allowances, land remediation relief and grants. However, it is recommended that specialist advice is sought to maximise the opportunities available.

**APPENDIX A**

**WORKS ESTIMATE**

## APPENDIX A.1 - WORKS ESTIMATE - OPTION 1 STEPPED VOLUME CONCEPT

					Total £
<b>1.00</b>	<b>Facilitating Works</b>				
1.01	Asbestos removal	Item		Excluded	
1.02	Removal of contaminated material	Item		Excluded	
1.04	Demolitions and Alterations	1 Item	1,227,543	1,227,543	1,227,543
<b>FACILITATING WORKS ESTIMATE</b>					<b>1,227,543</b>
<b>2.00</b>	<b>Buildings</b>				
2.01	Substructure	1 Item	1,214,702	1,214,702	
2.02	Superstructure				
2.03	Frame	1 Item	2,100,525	2,100,525	
2.04	Upper Floors	1 Item	-	-	
2.05	Roofing Works	1 Item	700,677	700,677	
2.06	Stairs and Ramps	1 Item	220,800	220,800	
2.07	External Walling	1 Item	1,332,790	1,332,790	
2.08	Windows and External Doors	1 Item	661,120	661,120	
2.09	Internal Walls	1 Item	465,595	465,595	
2.10	Internal Doors	1 Item	297,225	297,225	
2.11	Internal Finishes	1 Item	1,480,026	1,480,026	
2.12	Fittings and Furnishings	1 Item	1,208,224	1,208,224	
2.13	Services (Incl BWIC)	1 Item	3,797,833	3,797,833	13,479,517
<b>BUILDING WORKS ESTIMATE (Exc VAT)</b>					<b>13,479,517</b>
<b>3.00</b>	<b>External Works</b>				
3.01	Drainage	1 Item	180,000.00	180,000	
3.02	Access road to parking; RC, sub-base, including drainage, kerbs road markings	230 m2	125.00	28,750	
3.03	Allowance for works to public highways; lower kerb and form vehicle entrance to site	1 Item	40,000.00	40,000	
3.04	Podium edge balustrade; 1100mm high handrail with metal infill panels	65 m	350.00	22,750	
3.05	Concrete steps finished with pavings included above; including handrails	2 Nr	8,000.00	16,000	
3.06	Soft landscaping and planting; dense planting to rear of buildings	496 m2	69.00	34,224	
3.07	Allowance for street furniture; benches, bins, bike rack etc.	1 item	20,000.00	20,000	
3.08	External lighting allowance	1 item	40,000.00	40,000	
3.09	External signage	1 Item	8,000.00	8,000	
3.10	Car charging points; foundations, BWIC and ducts only	5 Nr	1,200.00	6,000	
3.11	Allowance for Utility Connections Water, Electricity and Telecommunications (no Gas as stated in Max Fordham Strategy report)	1 Item	200,000.00	200,000	595,724
<b>EXTERNAL WORKS ESTIMATE (Exc VAT)</b>					<b>595,724</b>



**APPENDIX A.1 - WORKS ESTIMATE - OPTION 1 STEPPED VOLUME CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	<b>FACILITATING WORKS ESTIMATE</b>					
<b>0.00</b>	<b><u>Demolitions and Alterations</u></b>					
	Hoarding to site boundary; incorpoarate required pedestrian and vehiclar access and security and lighting	1	Item	40,300.00	40,300	
	Demolish and dispose of existing 3 storey brick faced office building complete (assumed no basement); including ground slab, consideration/protection to adjacent railway lines, disconnection of services and disposal of all arisings	17,240	m3	58.00	999,920	
	Allowance to breakout and dispose of existing foundations (pile caps etc.)	1,915	m2	40.00	76,583	
	Demolish C02 link wall that abutts C01					
	Allowance for temporary bracing	1	Item	15,000.00	15,000	
	Internal hoarding to separate C02 office building and link from works to close off link.	1	Item	11,400.00	11,400	
	Demolish and dispose of CO1 wall adjacent to CO2 link; Fully demolish and dispose of existing wall	1	Item	13,300.00	13,300	
	Independent masonry wall to close off link to C02 office building.	1	Item	41,040.00	41,040	
	Allowance for alteration and strengthening works to level B1 basement car park retaining wall of neighbouring office builidng C02 directly below the footprint of C01 office building. Stregthening works to accommodate proposed schemes and podium parking access road.	1	Item	30,000.00	30,000	
						1,227,543
						<b>1,227,543</b>

	<b>BUILDING WORKS ESTIMATE</b>					
<b>1.00</b>	<b><u>Substructure</u></b>					
	Excavation (existing building covers majority of proposed site, area to north of site will require excavation)	2,971	m3	4.00	11,884	
	Disposal of excavated material	3,714	m3	31.00	115,126	
	Piling including pile caps on a notional 3x3m grid	1	Item	664,000.00	664,000	
	Reinforce concrete slab; 400mm thick	2,152	m2	146.00	314,192	
	Part retaining wall at Podium level.	292	m2	375.00	109,500	
						1,214,702
<b>2.00</b>	<b><u>Superstructure</u></b>					
<b>2.A</b>	<b><u>Frame</u></b>					
	Reinforced concrete frame, upper floors and roof structure, including external terraces/balcony slabs and frame	9,016	m2	145.00	1,307,320	
	Extra over allowance for enhancements to podium roof slab	2,152	m2	110.00	236,720	
	Extra over allowance for enhancements to Level 4 Roof Garden roof slab	546	m2	110.00	60,060	
	RC Structural core walls	1,793	m2	195.00	349,635	
	RC Structural columns to Podium parking level; 2750mm high; assumed columns required approx every 3 bays in areas where of no core walls	56	Nr	545.00	30,520	
	RC Cantilevered balconies to Courtyard South Elevation; 1.50m wide x 1.2m deep	24	Nr	3,000.00	72,000	
	Insulation to Level 1 building slabs to insulate from car park; 100mm kingspan	1,374	m2	25.00	34,350	
	Insulation to integral balconies/terraces; cold bridgeing detail incorporated into slab	248	m	40.00	9,920	
						2,100,525
<b>2.B</b>	<b><u>Upper Floors</u></b>					
	<i>Included in frame</i>					0
<b>2.C</b>	<b><u>Roofing Works</u></b>					
	RC slab		m2		Incl in frame	

**APPENDIX A.1 - WORKS ESTIMATE - OPTION 1 STEPPED VOLUME CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	Flat roof coverings; single ply membrane; including insulation, walkways, safety handrails or mansafe	950	m2	180.00	171,000	700,677
	Pavings/tile to balconies; integral and bolt on	497	m2	80.00	39,760	
	Level 4 Lightly Landscaped Roof Garden; single ply membrane; including insulation, slabs on pedestals, planters and planting	546	m2	290.00	158,340	
	Level 1 Lightly Landscaped Roof Garden (Structural slab included in Frame and Upper Floors above); waterproofing/bitumen roofing; slabs on pedestals, planters and planting	884	m2	230.00	203,320	
	Roof parapet/perimeter/capping detail	296	m	85.00	25,160	
	Rainwater disposal from roof outlets connection to underground drainage	1	Item	38,097.00	38,097	
	Lift motor rooms	5	Nr	8,000.00	40,000	
	Rooftop plant room	1	Nr	25,000.00	25,000	
2.D	<u>Stairs and Ramps</u>					220,800
	RC stairs from Podium level to top floors; finished including balustrade and handrails; priced per flight, 3m rise with dogleg	21	Nr	10,000.00	210,000	
	Hooped access ladders to roofs	6	Nr	1,800.00	10,800	
2.E	<u>External Walling</u>					1,332,790
	Cavity wall; facing brick outer skin; Metsec SFS, insulation; plasterboard inner skin	3,921	m2	275.00	1,078,275	
	Brick slips cladding to external balconies/terraces columns, 4 sides; balconies/terraces slab edges measured over above; calculated at 15% of elevation area	589	m2	135.00	79,515	
	Balcony balustrades; 1100mm high handrail with metal infill panels	500	m	350.00	175,000	
2.F	<u>Windows and External Doors</u>					661,120
	Composite aluminium style windows and external doors; Allowed 25% of external elevation to be glazed	981	m2	570.00	559,170	
	Unitized curtain wall system to Shared Amenity (Gym..) frontage	62	m2	1,075.00	66,650	
	Glazed single automated entrance doors at Level 1; disabled access	3	Nr	3,000.00	9,000	
	Timber single automated door with vision panel to Cores at Podium Level; disabled access	3	Nr	2,500.00	7,500	
	Car park automated vehicle entrance shutter doors; key fob operated with two fobs per apartment	2	Nr	7,400.00	14,800	
	Metal faced security single doors	2	Nr	2,000.00	4,000	
2.G	<u>Internal Walls and Partitions</u>					465,595
	Stud partitions to party walls and common parts; metal studs, rockwool between, 2 layers of soundbloc plasterboard each side, taped and jointed both sides; slab to slab	2,626	m2	95.00	249,470	
	Stud partitions in apartments; metal studs, rockwool between, plasterboard, taped and jointed both sides; slab to slab	3,325	m2	65.00	216,125	
2.H	<u>Internal Doors</u>					297,225
	Apartment entrance doors; 1hr	82	Nr	1,000.00	82,000	
	Apartment internal single doors; 1/2hr	294	Nr	590.00	173,460	
	Stair core single doors; 1hr	17	Nr	920.00	15,640	
	Riser double doors; 1hr	19	Nr	1,375.00	26,125	
	Allowance for doors to Shared Amenity (Gym)	1	Item		Excl	
3.00	<u>Internal Finishes</u>					
3.A	<u>Wall Finishes</u>					
	Plasterboard on dabs to structural concrete core walls; both sides taped and jointed	3,586	m2	20.00	71,720	
	<i>Plasterboard to internal face of external walls included in external walls</i>					
	<i>Plasterboard to internal partitions included in internal walls</i>					

**APPENDIX A.1 - WORKS ESTIMATE - OPTION 1 STEPPED VOLUME CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	Emulsion paint to plasterboard partitions and drylined walls	16,861	m2	6.00	101,166	287,736
	Allowance for wallpaper to feature wall in apartments	1,618	m2	25.00	40,450	
	Wall tiling to apartment bathrooms and ensuites	701	m2	80.00	56,080	
	Wall tiling to apartment kitchen splashbacks	229	m2	80.00	18,320	
3.B	<u>Floor Finishes</u>					682,754
	Podium level car park polyurethane paint	1,913	m2	26.00	49,738	
	Car park floor markings, bays and directional signage	1	Item	5,000.00	5,000	
	Self levelling screed throughout Levels 1 to 7	6,553	m2	12.00	78,636	
	Engineered timber floors to apartments generally	1,772	m2	80.00	141,760	
	Carpet to bedrooms; including underlay, transition strips and grippers	1,648	m2	50.00	82,400	
	Tiling to bathrooms and kitchens	1,287	m2	80.00	102,960	
	Lift lobby and stairs flooring; Ceramic tile	1,490	m2	90.00	134,100	
	Entrance matt and form mattwell to apartments	154	m2	65.00	10,010	
	Entrance matt and form mattwell to Podium and Level 1 Core entrances	24	m2	365.00	8,760	
	Skirtings; painted	6,939	m	10.00	69,390	509,536
3.C	<u>Ceiling Finishes</u>					
	Plasterboard ceilings throughout; insulated, skimmed and decorated; fire barriers etc.	8,288	m2	40.00	331,520	
	Allowance for ceiling features to apartments	1	Item	82,000.00	82,000	
	Allowance for ceiling features to cores	1	Item	38,000.00	38,000	1,208,224
	Emulsion paint to ceilings throughout	8,288	m2	7.00	58,016	
4.00	<u>Fittings and Furnishings</u>					
4.A	<u>Fittings &amp; Furnishings</u>					
	Kitchens					
	1 Bedroom Apartments	58	Nr	9,000.00	522,000	
	2 Bedroom Apartments	24	Nr	10,000.00	240,000	
	Roller blinds	981	m2	44.00	43,164	
	Joinery Allowance					
	1 Bedroom Apartments	58	Nr	4,000.00	232,000	
	2 Bedroom Apartments	24	Nr	6,000.00	144,000	371,000
	Mailboxes	82	Nr	140.00	11,480	
	Statutory signage	1	Item	13,325.00	13,325	
	Sundries; notice board, other signage, etc.	1	Item	2,255.00	2,255	
5.00	<u>Mechanical, Electrical and Plumbing Services</u>					165,760
5.A	<u>Sanitary appliances</u>					
	Bathroom sanitary fittings, taps etc.	82	Nr	3,500.00	287,000	
	Ensuite sanitary fittings. Taps etc.	24	Nr	3,500.00	84,000	
5.B	<u>Disposal Installations</u>					518,808
	Waste, soil and vent installations; upvc pipework and fittings	8,288	m2	20.00	165,760	
5.C	<u>Water Installations</u>					
	Centralised boosted water mains	1	Item	15,000.00	15,000	
	Air source heat pumps located on roof and heat interface units for each apartment	1	Item	164,000.00	164,000	745,920
	Hot and cold water supplies	8,288	m2	41.00	339,808	
5.D	<u>Space heating and air treatment and ventilation</u>					
	Heating by electrical means as stated in Max Fordham strategy; electric panel radiators	8,288	m2	60.00	497,280	
	MVHR; Ventilation systems to apartments and common parts including smoke clearance; ventilation with heat recovery	8,288	m2	30.00	248,640	

**APPENDIX A.1 - WORKS ESTIMATE - OPTION 1 STEPPED VOLUME CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
5.E	<u>Electrical and Gas Installations</u>					
	Solar PV Installation	1	Item		Excl	
	500kva transformer and central switchgear	1	Item	65,000.00	65,000	
	Distribution boards to cores	19	Nr	2,500.00	47,500	
	Cabletray/ways	8,288	m2	7.00	58,016	
	Small power	8,288	m2	30.00	248,640	
	Lighting	8,288	m2	32.00	265,216	
	Power to lifts	1	Item	20,000.00	20,000	
	Power mechanical	1	Item	10,000.00	10,000	
						714,372
5.F	<u>Lift Installation</u>					
	Lift installation; 8 person serving 4 floors	1	Nr	91,500.00	91,500	
	Lift installation; 13 person serving 7 floors	2	Nr	115,000.00	230,000	
	Lift installation; 13 person serving 8 floors	2	Nr	135,000.00	270,000	
						591,500
5.F	<u>Protective, Communication and Special Installations</u>					
	Sprinklers					
	Sprinkler equipment installation, pipework, valve sets, booster pumps and water storage	1	Item	90,000.00	90,000	
	Price per sprinkler head, including pipework, valves and supports (allowed ordinary hazard, 1 head every 12m2)	8,466	m2	23.00	194,718	
	Fire and smoke detection and alarm	8,288	m2	12.00	99,456	
	Door entry	82	Nr	550.00	45,100	
	Voice, data, TV	82	Nr	675.00	55,350	
	Allowance for security and CCTV	1	Item	25,000.00	25,000	
						509,624
5.D	<u>Builders Work in Connection</u>					
	Builders work in connection with services installation (5% of M&E)	1	item	180,849.20	180,849	180,849
<b>BUILDING WORKS ESTIMATE</b>						<b>13,479,517</b>

	<b>EXTERNAL WORKS</b>					
6.00	<u>External Works</u>					
6.A	<u>Drainage</u>					
	Allowance for alterations to existing underground site drainage to accommodate podium car park proposed building over; new underground foul and surface water drainage	1	Item	100,000.00	100,000	
	Attenuation	1	Item	70,000.00	70,000	
	Petrol Interceptor	1	Item	10,000.00	10,000	
						180,000
6.B	<u>External Works</u>					
	<i>Lightly landscaped garden and pavings over Podium to Level 1 in front of buildings included in roof</i>					
	Access road to parking; RC, sub-base, including drainage, kerbs road markings	230	m2	125.00	28,750	
	Allowance for works to public highways; lower kerb and form vehicle entrance to site	1	Item	40,000.00	40,000	
	Podium edge balustrade; 1100mm high handrail with metal infill panels	65	m	350.00	22,750	
	Concrete steps finished with pavings included above; including handrails	2	Nr	8,000.00	16,000	
	Soft landscaping and planting; dense planting to rear of buildings	496	m2	69.00	34,224	
	Allowance for street furniture; benches, bins, bike rack etc.	1	item	20,000.00	20,000	
	External lighting allowance	1	item	40,000.00	40,000	
	External signage	1	Item	8,000.00	8,000	
	Car charging points; foundations, BWIC and ducts only	5	Nr	1,200.00	6,000	

APPENDIX A.1 - WORKS ESTIMATE - OPTION 1 STEPPED VOLUME CONCEPT

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	Allowance for Utility Connections Water, Electricity and Telecommunications (no Gas as stated in Max Fordham Strategy report)	1	Item	200,000.00	200,000	415,724
			EXTERNAL WORKS ESTIMATE			595,724

**APPENDIX A.2 - WORKS ESTIMATE - OPTION 2 TWO RECTILINEAR TOWERS CONCEPT**

					<b>Total £</b>
<b>1.00</b>	<b>Facilitating Works</b>				
1.01	Asbestos removal	Item		Excluded	
1.02	Removal of contaminated material	Item		Excluded	
1.04	Demolitions and Alterations	1 Item	1,227,034	1,227,034	1,227,034

**FACILITATING WORKS ESTIMATE**

**1,227,034**

<b>2.00</b>	<b>Buildings</b>				
2.01	Substructure	1 Item	1,214,702	1,214,702	
2.02	Superstructure				
2.03	Frame	1 Item	2,157,105	2,157,105	
2.04	Upper Floors	1 Item	-	-	
2.05	Roofing Works	1 Item	622,369	622,369	
2.06	Stairs and Ramps	1 Item	303,600	303,600	
2.07	External Walling	1 Item	1,361,575	1,361,575	
2.08	Windows and External Doors	1 Item	853,320	853,320	
2.09	Internal Walls	1 Item	315,325	315,325	
2.10	Internal Doors	1 Item	293,240	293,240	
2.11	Internal Finishes	1 Item	1,442,751	1,442,751	
2.12	Fittings and Furnishings	1 Item	1,141,724	1,141,724	
2.13	Services (Incl BWIC)	1 Item	3,679,211	3,679,211	13,384,922

**BUILDING WORKS ESTIMATE (Exc VAT)**

**13,384,922**

<b>3.00</b>	<b>External Works</b>				
3.01	Drainage	1 Item	180,000.00	180,000	
3.02	Access road to parking; RC, sub-base, including drainage, kerbs road markings	230 m2	125.00	28,750	
3.03	Allowance for works to public highways; lower kerb and form vehicle entrance to site	1 Item	40,000.00	40,000	
3.04	Podium edge balustrade; 1100mm high handrail with metal infill panels	40 m	350.00	14,000	
3.05	Concrete steps finished with pavings included above; including handrails	4 Nr	8,000.00	32,000	
3.06	Hardlandscaping to front of site	252 m2	90.00	22,680	
3.07	Soft landscaping and planting; dense planting to rear of buildings	412 m2	69.00	28,428	
3.08	Allowance for street furniture; benches, bins, bike rack etc.	1 item	20,000.00	20,000	
3.09	External lighting allowance	1 item	40,000.00	40,000	
3.10	External signage	1 Item	8,000.00	8,000	
3.11	Car charging points; foundations, BWIC and ducts only	5 Nr	1,200.00	6,000	
3.12	Allowance for Utility Connections Water, Electricity and Telecommunications (no Gas as stated in Max Fordham Strategy report)	1 Item	200,000.00	200,000	619,858

**EXTERNAL WORKS ESTIMATE (Exc VAT)**

**619,858**



**APPENDIX A.2 - WORKS ESTIMATE - OPTION 2 TWO RECTILINEAR TOWERS CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	<b>FACILITATING WORKS ESTIMATE</b>					
<b>0.00</b>	<b><u>Demolitions and Alterations</u></b>					
	Hoarding to site boundary; incorpoarate required pedestrian and vehiclar access and security and lighting	1	Item	40,300.00	40,300	
	Demolish and dispose of existing 3 storey brick faced office building complete (assumed no basement); including ground slab, consideration/protection to adjacent railway lines, disconnection of services and disposal of all arisings	17,231	m3	58.00	999,411	
	Allowance to breakout and dispose of existing foundations (pile caps etc.)	1,915	m2	40.00	76,583	
	Demolish C02 link wall that abutts C01					
	Allowance for temporary bracing	1	Item	15,000.00	15,000	
	Internal hoarding to separate C02 office building and link from works to close off link.	1	Item	11,400.00	11,400	
	Demolish and dispose of CO1 wall adjacent to CO2 link; Fully demolish and dispose of existing wall	1	Item	13,300.00	13,300	
	Independent masonry wall to close off link to C02 office building.	1	Item	41,040.00	41,040	
	Allowance for alteration and strengthening works to level B1 basement car park retaining wall of neighbouring office builidng C02 directly below the footprint of C01 office building. Stregthening works to accommodate proposed schemes and podium parking access road.	1	Item	30,000.00	30,000	
						1,227,034
						<b>1,227,034</b>

	<b>BUILDING WORKS ESTIMATE</b>					
<b>1.00</b>	<b><u>Substructure</u></b>					
	Excavation (existing building covers majority of proposed site, area to north of site will require excavation)	2,971	m3	4.00	11,884	
	Disposal of excavated material	3,714	m3	31.00	115,126	
	Piling including pile caps on a notional 3x3m grid	1	Item	664,000.00	664,000	
	Reinforce concrete slab; 400mm thick	2,152	m2	146.00	314,192	
	Part retaining wall at Podium level.	292	m2	375.00	109,500	
						1,214,702
<b>2.00</b>	<b><u>Superstructure</u></b>					
<b>2.A</b>	<b><u>Frame</u></b>					
	Reinforced concrete frame, upper floors and roof structure, including external terraces/balcony slabs and frame	8,312	m2	145.00	1,205,240	
	Extra over allowance for enhancements to podium roof slab	2,152	m2	110.00	236,720	
	RC Structural core walls	1,675	m2	195.00	326,625	
	RC Structural columns to Podium parking level; 2750mm high; assumed columns required approx every 3 bays in areas where of no core walls	56	Nr	545.00	30,520	
	RC Cantilevered balconies ; 1.50m wide x 1.2m deep	56	Nr	3,000.00	168,000	
	RC Cantilevered corner balconies ; 3.50m wide x 3.5m deep	28	Nr	6,000.00	168,000	
	Insulation to Level 1 building slabs to insulate from car park; 100mm kingspan	880	m2	25.00	22,000	
						2,157,105
<b>2.B</b>	<b><u>Upper Floors</u></b>					
	<i>Included in frame</i>					
<b>2.C</b>	<b><u>Roofing Works</u></b>					
	RC slab		m2		Incl in frame	
	Flat roof coverings; single ply membrane; including insulation, walkways, saftey handrails or mansafe	880	m2	180.00	158,400	
	Pavings/tile to balconies; integral and bolt on	444	m2	80.00	35,520	
						0



**APPENDIX A.2 - WORKS ESTIMATE - OPTION 2 TWO RECTILINEAR TOWERS CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	Level 1 Lightly Landscaped Roof Garden (Structural slab included in Frame and Upper Floors above); waterproofing/bitumen roofing; slabs on pedestals, planters and planting	1,331	m2	230.00	306,130	
	Roof parapet/perimeter/capping detail	199	m	85.00	16,915	
	Rainwater disposal from roof outlets connection to underground drainage	1	Item	37,404.00	37,404	
	Lift motor rooms	4	Nr	8,000.00	32,000	
	Rooftop plant rooms	2	Nr	18,000.00	36,000	
						622,369
2.D	<u>Stairs and Ramps</u>					
	RC stairs from Podium level to top floors; finished including balustrade and handrails; priced per flight, 3m rise with dogleg	30	Nr	10,000.00	300,000	
	Hooped access ladders to roofs	2	Nr	1,800.00	3,600	
						303,600
2.E	<u>External Walling</u>					
	Cavity wall; facing brick outer skin; Metsec SFS, insulation; plasterboard inner skin	4,423	m2	275.00	1,216,325	
	Balcony balustrades; 1100mm high handrail with metal infill panels	415	m	350.00	145,250	
						1,361,575
2.F	<u>Windows and External Doors</u>					
	Composite aluminium style windows and external doors; Allowed 25% of external elevation to be glazed	1,106	m2	570.00	630,420	
	Unitized curtain wall system to stair cores; 2m wide full height from floor 1-7 inclusive	168	m2	1,075.00	180,600	
	Extra over curtain wall for glazed double door; automated to each stair core entrance	4	Nr	4,000.00	16,000	
	Timber single automated door with vision panel to Cores at Podium Level; disabled access	3	Nr	2,500.00	7,500	
	Car park automated vehicle entrance shutter doors; key fob operated with two fobs per apartment	2	Nr	7,400.00	14,800	
	Metal faced security single doors	2	Nr	2,000.00	4,000	
						853,320
2.G	<u>Internal Walls and Partitions</u>					
	Stud partitions to party walls and common parts; metal studs, rockwool between, 2 layers of soundbloc plasterboard each side, taped and jointed both sides; slab to slab	1,569	m2	95.00	149,055	
	Stud partitions in apartments; metal studs, rockwool between, plasterboard, taped and jointed both sides; slab to slab	2,558	m2	65.00	166,270	
						315,325
2.H	<u>Internal Doors</u>					
	Apartment entrance doors; 1hr	82	Nr	1,000.00	82,000	
	Apartment internal single doors; 1/2hr	246	Nr	590.00	145,140	
	Stair core single doors; 1hr	30	Nr	920.00	27,600	
	Riser double doors; 1hr	28	Nr	1,375.00	38,500	
	Allowance for doors to Shared Amenity (Gym)	1	Item		Excl	
						293,240
3.00	<u>Internal Finishes</u>					
3.A	<u>Wall Finishes</u>					
	Plasterboard on dabs to structural concrete core walls; both sides taped and jointed	3,350	m2	20.00	67,000	
	<i>Plasterboard to internal face of external walls included in external walls</i>					
	<i>Plasterboard to internal partitions included in internal walls</i>					
	Emulsion paint to plasterboard partitions and drylined walls	13,796	m2	6.00	82,776	
	Allowance for wallpaper to feature wall in apartments	1,493	m2	25.00	37,325	
	Wall tiling to apartment bathrooms and ensuites	533	m2	80.00	42,640	
	Wall tiling to apartment kitchen splashbacks	205	m2	80.00	16,400	
						246,141

**APPENDIX A.2 - WORKS ESTIMATE - OPTION 2 TWO RECTILINEAR TOWERS CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
3.B	<b><u>Floor Finishes</u></b>					
	Podium level car park polyurethane paint	1,913	m2	26.00	49,738	
	Car park floor markings, bays and directional signage	1	Item	5,000.00	5,000	
	Self levelling screed throughout Levels 1 to 7	6,399	m2	12.00	76,788	
	Engineered timber floors to apartments generally	2,358	m2	80.00	188,640	
	Carpet to bedrooms; including underlay, transition strips and grippers	1,312	m2	50.00	65,600	
	Tiling to bathrooms and kitchens	1,107	m2	80.00	88,560	
	Lift lobby and stairs flooring; Ceramic tile	1,426	m2	90.00	128,340	
	Entrance matt and form mattwell to apartments	164	m2	65.00	10,660	
	Entrance matt and form mattwell to Podium and Level 1 Core entrances	32	m2	365.00	11,680	
	Skirtings; painted	5,694	m	10.00	56,940	681,946
3.C	<b><u>Ceiling Finishes</u></b>					
	Plasterboard ceilings throughout; insulated, skimmed and decorated; fire barriers etc.	8,312	m2	40.00	332,480	
	Allowance for ceiling features to apartments	1	Item	82,000.00	82,000	
	Allowance for ceiling features to cores	1	Item	42,000.00	42,000	
	Emulsion paint to ceilings throughout	8,312	m2	7.00	58,184	514,664
4.00	<b><u>Fittings and Furnishings</u></b>					
4.A	<b><u>Fittings &amp; Furnishings</u></b>					
	Kitchens					
	1 Bedroom Apartments	82	Nr	9,000.00	738,000	
	2 Bedroom Apartments	0	Nr	10,000.00	0	
	Roller blinds	1,106	m2	44.00	48,664	
	Joinery Allowance					
	1 Bedroom Apartments	82	Nr	4,000.00	328,000	
	2 Bedroom Apartments	0	Nr	6,000.00	0	
	Mailboxes	82	Nr	140.00	11,480	
	Statutory signage	1	Item	13,325.00	13,325	
	Sundries; notice board, other signage, etc.	1	Item	2,255.00	2,255	1,141,724
5.00	<b><u>Mechanical, Electrical and Plumbing Services</u></b>					
5.A	<b><u>Sanitary appliances</u></b>					
	Bathroom sanitary fittings, taps etc.	82	Nr	3,500.00	287,000	
	Ensuite sanitary fittings. Taps etc.	0	Nr	3,500.00	0	287,000
5.B	<b><u>Disposal Installations</u></b>					
	Waste, soil and vent installations; upvc pipework and fittings	8,312	m2	20.00	166,240	166,240
5.C	<b><u>Water Installations</u></b>					
	Centralised boosted water mains	1	Item	15,000.00	15,000	
	Air source heat pumps located on roof and heat interface units for each apartment	1	Item	164,000.00	164,000	
	Hot and cold water supplies	8,312	m2	41.00	340,792	519,792
5.D	<b><u>Space heating and air treatment and ventilation</u></b>					
	Heating by electrical means as stated in Max Fordham strategy; electric panel radiators	8,312	m2	60.00	498,720	
	MVHR; Ventilation systems to apartments and common parts including smoke clearance; ventilation with heat recovery	8,312	m2	30.00	249,360	748,080
5.E	<b><u>Electrical and Gas Installations</u></b>					
	Solar PV Installation	1	Item		Excl	
	500kva transformer and central switchgear	1	Item	65,000.00	65,000	
	Distribution boards to cores	28	Nr	2,500.00	70,000	

**APPENDIX A.2 - WORKS ESTIMATE - OPTION 2 TWO RECTILINEAR TOWERS CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	Cabletray/ways	8,312	m2	7.00	58,184	736,528
	Small power	8,312	m2	30.00	249,360	
	Lighting	8,312	m2	32.00	265,984	
	Power to lifts	1	Item	18,000.00	18,000	
	Power mechanical	1	Item	10,000.00	10,000	
5.F	<u>Lift Installation</u>					540,000
	Lift installation; 13 person serving 8 floors	4	Nr	135,000.00	540,000	
5.F	<u>Protective, Communication and Special Installations</u>					506,370
	Sprinklers					
	Sprinkler equipment installation, pipework, valve sets, booster pumps and water storage	1	Item	90,000.00	90,000	
	Price per sprinkler head, including pipework, valves and supports (allowed ordinary hazard, 1 head every 12m2)	8,312	m2	23.00	191,176	
	Fire and smoke detection and alarm	8,312	m2	12.00	99,744	
	Door entry	82	Nr	550.00	45,100	
	Voice, data, TV	82	Nr	675.00	55,350	
	Allowance for security and CCTV	1	Item	25,000.00	25,000	
5.D	<u>Builders Work in Connection</u>					175,201
	Builders work in connection with services installation (5% of M&E)	1	item	175,200.50	175,201	
<b>BUILDING WORKS ESTIMATE</b>						<b>13,384,922</b>

	<b>EXTERNAL WORKS</b>					
6.00	<u>External Works</u>					
6.A	<u>Drainage</u>					180,000
	Allowance for alterations to existing underground site drainage to accommodate podium car park proposed building over; new underground foul and surface water drainage	1	Item	100,000.00	100,000	
	Attenuation	1	Item	70,000.00	70,000	
	Petrol Interceptor	1	Item	10,000.00	10,000	439,858
6.B	<u>External Works</u>					
	<i>Lightly landscaped garden and pavings over Podium to Level 1 in front of buildings included in roof</i>					
	Access road to parking; RC, sub-base, including drainage, kerbs road markings	230	m2	125.00	28,750	
	Allowance for works to public highways; lower kerb and form vehicle entrance to site	1	Item	40,000.00	40,000	
	Podium edge balustrade; 1100mm high handrail with metal infill panels	40	m	350.00	14,000	
	Concrete steps finished with pavings included above; including handrails	4	Nr	8,000.00	32,000	
	Hardlandscaping to front of site	252	m2	90.00	22,680	
	Soft landscaping and planting; dense planting to rear of buildings	412	m2	69.00	28,428	
	Allowance for street furniture; benches, bins, bike rack etc.	1	item	20,000.00	20,000	
	External lighting allowance	1	item	40,000.00	40,000	
	External signage	1	Item	8,000.00	8,000	
	Car charging points; foundations, BWIC and ducts only	5	Nr	1,200.00	6,000	
	Allowance for Utility Connections Water, Electricity and Telecommunications (no Gas as stated in Max Fordham Strategy report)	1	Item	200,000.00	200,000	
<b>EXTERNAL WORKS ESTIMATE</b>						<b>619,858</b>

**APPENDIX A.3 - WORKS ESTIMATE - OPTION 3 STATEMENT TOWER CONCEPT**

					<b>Total £</b>
<b>1.00</b>	<b>Facilitating Works</b>				
1.01	Asbestos removal	Item		Excluded	
1.02	Removal of contaminated material	Item		Excluded	
1.04	Demolitions and Alterations	1 Item	1,227,034	1,227,034	1,227,034

**FACILITATING WORKS ESTIMATE**

**1,227,034**

<b>2.00</b>	<b>Buildings</b>				
2.01	Substructure	1 Item	516,128	516,128	
2.02	Superstructure				
2.03	Frame	1 Item	1,658,350	1,658,350	
2.04	Upper Floors	1 Item	-	-	
2.05	Roofing Works	1 Item	309,568	309,568	
2.06	Stairs and Ramps	1 Item	239,000	239,000	
2.07	External Walling	1 Item	1,243,250	1,243,250	
2.08	Windows and External Doors	1 Item	690,620	690,620	
2.09	Internal Walls	1 Item	521,845	521,845	
2.10	Internal Doors	1 Item	311,070	311,070	
2.11	Internal Finishes	1 Item	1,392,672	1,392,672	
2.12	Fittings and Furnishings	1 Item	1,215,324	1,215,324	
2.13	Services (Incl BWIC)	1 Item	3,278,436	3,278,436	11,376,263

**BUILDING WORKS ESTIMATE (Exc VAT)**

**11,376,263**

<b>3.00</b>	<b>External Works</b>				
3.01	Drainage	1 Item	135,000.00	135,000	
3.02	External retaining walls to north and eastern boundaries to form lightwell walkways for natural light to Level 1; footings and faced with brickwork	251 m2	525.00	131,775	
3.03	Level 1 landscaped garden to South West area of site providing public amenity space in front of buildings; pavings, planters and planting	1,277 m2	150.00	191,550	
3.04	Soft landscaping and planting; dense planting to rear of buildings	629 m2	69.00	43,401	
3.05	Allowance for street furniture; benches, bins, bike rack etc.	1 item	20,000.00	20,000	
3.06	External lighting allowance	1 item	40,000.00	40,000	
3.07	External signage	1 Item	8,000.00	8,000	
3.08	Allowance for Utility Connections Water, Electricity and Telecommunications (no Gas as stated in Max Fordham Strategy report)	1 Item	200,000.00	200,000	769,726

**EXTERNAL WORKS ESTIMATE (Exc VAT)**

**769,726**

**APPENDIX A.3 - WORKS ESTIMATE - OPTION 3 STATEMENT TOWER CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	<b>FACILITATING WORKS ESTIMATE</b>					
<b>0.00</b>	<b><u>Demolitions and Alterations</u></b>					
	Hoarding to site boundary; incorpoarate required pedestrian and vehiclar access and security and lighting	1	Item	40,300.00	40,300	
	Demolish and dispose of existing 3 storey brick faced office building complete (assumed no basement); including ground slab, consideration/protection to adjacent railway lines, disconnection of services and disposal of all arisings	17,231	m3	58.00	999,411	
	Allowance to breakout and dispose of existing foundations (pile caps etc.)	1,915	m2	40.00	76,583	
	Demolish C02 link wall that abutts C01					
	Allowance for temporary bracing	1	Item	15,000.00	15,000	
	Internal hoarding to separate C02 office building and link from works to close off link.	1	Item	11,400.00	11,400	
	Demolish and dispose of CO1 wall adjacent to CO2 link; Fully demolish and dispose of existing wall	1	Item	13,300.00	13,300	
	Independent masonry wall to close off link to C02 office building.	1	Item	41,040.00	41,040	
	Allowance for alteration and strengthening works to level B1 basement car park retaining wall of neighbouring office builidng C02 directly below the footprint of C01 office building. Stregthening works to accommodate proposed schemes and podium parking access road.	1	Item	30,000.00	30,000	
						1,227,034
						<b>1,227,034</b>

	<b>BUILDING WORKS ESTIMATE</b>					
<b>1.00</b>	<b><u>Substructure</u></b>					
	Excavation (existing building covers majority of proposed site, area to north of site will require excavation)	665	m3	4.00	2,660	
	Disposal of excavated material	831	m3	31.00	25,769	
	Piling including pile caps on a notional 3x3m grid	1	Item	322,000.00	322,000	
	Reinforce concrete slab; 400mm thick	969	m2	146.00	141,474	
	Insulation to groundbearing slab; 100mm kingspan	969	m2	25.00	24,225	
	<i>External retaining walls included in external works</i>					516,128
<b>2.00</b>	<b><u>Superstructure</u></b>					
<b>2.A</b>	<b><u>Frame</u></b>					
	Reinforced concrete frame, upper floors and roof structure, including external terraces/balcony slabs and frame	6,874	m2	145.00	996,730	
	RC Structural core walls	1,516	m2	195.00	295,620	
	RC Cantilevered balconies ; 1.50m wide x 1.2m deep	68	Nr	3,000.00	204,000	
	RC Cantilevered corner balconies ; 4.50m wide x 5.5m deep	6	Nr	12,000.00	72,000	
	RC Cantilevered corner balconies ; 5.0m wide x 6.5m deep	6	Nr	15,000.00	90,000	1,658,350
<b>2.B</b>	<b><u>Upper Floors</u></b>					
	<i>Included in frame</i>					0
<b>2.C</b>	<b><u>Roofing Works</u></b>					
	RC slab		m2		Incl in frame	
	Flat roof coverings; single ply membrane; including insulation, walkways, saftey handrails or mansafe	969	m2	180.00	174,420	
	Pavings/tile to balconies; integral and bolt on	466	m2	80.00	37,280	
	Roof parapet/perimeter/capping detail	211	m	85.00	17,935	
	Rainwater disposal from roof outlets connection to underground drainage	1	Item	30,933.00	30,933	
	Lift motor rooms	3	Nr	8,000.00	24,000	
	Rooftop plant rooms	1	Nr	25,000.00	25,000	309,568

**APPENDIX A.3 - WORKS ESTIMATE - OPTION 3 STATEMENT TOWER CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
2.D	<u>Stairs and Ramps</u>					
	RC stairs from Level 1 to top floors; finished including balustrade and handrails; priced per flight, 3m rise with dogleg	23	Nr	10,000.00	230,000	
	Hoop access ladders to roofs	5	Nr	1,800.00	9,000	239,000
2.E	<u>External Walling</u>					
	Cavity wall; facing brick outer skin; Metsec SFS, insulation; plasterboard inner skin	4,022	m2	275.00	1,106,050	
	Balcony balustrades; 1100mm high handrail with metal infill panels	392	m	350.00	137,200	1,243,250
2.F	<u>Windows and External Doors</u>					
	Composite aluminium style windows and external doors; Allowed 25% of external elevation to be glazed	1,006	m2	570.00	573,420	
	Unitized curtain wall system to stair cores; 2m wide full height to all 3 cores	96	m2	1,075.00	103,200	
	Extra over curtain wall for glazed double door; automated to each stair core entrance	3	Nr	4,000.00	12,000	
	Metal faced security single doors	1	Nr	2,000.00	2,000	690,620
2.G	<u>Internal Walls and Partitions</u>					
	Stud partitions to party walls and common parts; metal studs, rockwool between, 2 layers of soundbloc plasterboard each side, taped and jointed both sides; slab to slab	3,175	m2	95.00	301,625	
	Stud partitions in apartments; metal studs, rockwool between, plasterboard, taped and jointed both sides; slab to slab	3,388	m2	65.00	220,220	521,845
2.H	<u>Internal Doors</u>					
	Apartment entrance doors; 1hr	82	Nr	1,000.00	82,000	
	Apartment internal single doors; 1/2hr	298	Nr	590.00	175,820	
	Stair core single doors; 1hr	25	Nr	920.00	23,000	
	Riser double doors; 1hr	22	Nr	1,375.00	30,250	
	Allowance for doors to Shared Amenity (Gym)	1	Item		Excl	311,070
3.00	<u>Internal Finishes</u>					
3.A	<u>Wall Finishes</u>					
	Plasterboard on dabs to structural concrete core walls; both sides taped and jointed	3,032	m2	20.00	60,640	
	<i>Plasterboard to internal face of external walls included in external walls</i>					
	<i>Plasterboard to internal partitions included in internal walls</i>					
	Emulsion paint to plasterboard partitions and drylined walls	17,606	m2	6.00	105,636	
	Allowance for wallpaper to feature wall in apartments	1,628	m2	25.00	40,700	
	Wall tiling to apartment bathrooms and ensuites	715	m2	80.00	57,200	
	Wall tiling to apartment kitchen splashbacks	231	m2	80.00	18,480	282,656
3.B	<u>Floor Finishes</u>					
	Self levelling screed throughout Levels 1 to 10	6,874	m2	12.00	82,488	
	Engineered timber floors to apartments generally	2,952	m2	80.00	236,160	
	Carpet to bedrooms; including underlay, transition strips and grippers	1,676	m2	50.00	83,800	
	Tiling to bathrooms and kitchens	1,302	m2	80.00	104,160	
	Lift lobby and stairs flooring; Ceramic tile	768	m2	90.00	69,120	
	Entrance matt and form mattwell to apartments	164	m2	65.00	10,660	
	Entrance matt and form mattwell to Level 1 Core entrances	12	m2	365.00	4,380	
	Skirtings; painted	7,217	m	10.00	72,170	662,938
3.C	<u>Ceiling Finishes</u>					



**APPENDIX A.3 - WORKS ESTIMATE - OPTION 3 STATEMENT TOWER CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	Plasterboard ceilings throughout; insulated, skimmed and decorated; fire barriers etc.	6,874	m2	40.00	274,960	447,078
	Allowance for ceiling features to apartments	1	Item	82,000.00	82,000	
	Allowance for ceiling features to cores	1	Item	42,000.00	42,000	
	Emulsion paint to ceilings throughout	6,874	m2	7.00	48,118	
<b>4.00</b>	<b><u>Fittings and Furnishings</u></b>					
4.A	<u>Fittings &amp; Furnishings</u>					
	Kitchens					
	1 Bedroom Apartments	56	Nr	9,000.00	504,000	1,215,324
	2 Bedroom Apartments	26	Nr	10,000.00	260,000	
	Roller blinds	1,006	m2	44.00	44,264	
	Joinery Allowance					
	1 Bedroom Apartments	56	Nr	4,000.00	224,000	
	2 Bedroom Apartments	26	Nr	6,000.00	156,000	
	Mailboxes	82	Nr	140.00	11,480	
	Statutory signage	1	Item	13,325.00	13,325	
	Sundries; notice board, other signage, etc.	1	Item	2,255.00	2,255	
<b>5.00</b>	<b><u>Mechanical, Electrical and Plumbing Services</u></b>					
5.A	<u>Sanitary appliances</u>					
	Bathroom sanitary fittings, taps etc.	82	Nr	3,500.00	287,000	287,000
	Ensuite sanitary fittings. Taps etc.	0	Nr	3,500.00	0	
5.B	<u>Disposal Installations</u>					
	Waste, soil and vent installations; upvc pipework and fittings	6,874	m2	20.00	137,480	137,480
5.C	<u>Water Installations</u>					
	Centralised boosted water mains	1	Item	15,000.00	15,000	460,834
	Air source heat pumps located on roof and heat interface units for each apartment	1	Item	164,000.00	164,000	
	Hot and cold water supplies	6,874	m2	41.00	281,834	
5.D	<u>Space heating and air treatment and ventilation</u>					
	Heating by electrical means as stated in Max Fordham strategy; electric panel radiators	6,874	m2	60.00	412,440	618,660
	MVHR; Ventilation systems to apartments and common parts including smoke clearance; ventilation with heat recovery	6,874	m2	30.00	206,220	
5.E	<u>Electrical and Gas Installations</u>					
	Solar PV Installation	1	Item		Excl	637,306
	500kva transformer and central switchgear	1	Item	65,000.00	65,000	
	Distribution boards to cores	28	Nr	2,500.00	70,000	
	Cabletray/ways	6,874	m2	7.00	48,118	
	Small power	6,874	m2	30.00	206,220	
	Lighting	6,874	m2	32.00	219,968	
	Power to lifts	1	Item	18,000.00	18,000	
	Power mechanical	1	Item	10,000.00	10,000	
5.F	<u>Lift Installation</u>					
	Lift installation; 13 person serving 6 floors	2	Nr	110,000.00	220,000	530,000
	Lift installation; 13 person serving 10 floors	2	Nr	155,000.00	310,000	
5.F	<u>Protective, Communication and Special Installations</u>					



**APPENDIX A.3 - WORKS ESTIMATE - OPTION 3 STATEMENT TOWER CONCEPT**

No.	Description	Qty	Unit	Rate	Cost	Elemental Total
	Sprinklers					
	Sprinkler equipment installation, pipework, valve sets, booster pumps and water storage	1	Item	85,000.00	85,000	
	Price per sprinkler head, including pipework, valves and supports (allowed ordinary hazard, 1 head every 12m2)	6,874	m2	23.00	158,102	
	Fire and smoke detection and alarm	6,874	m2	12.00	82,488	
	Door entry	82	Nr	550.00	45,100	
	Voice, data, TV	82	Nr	675.00	55,350	
	Allowance for security and CCTV	1	Item	25,000.00	25,000	
						451,040
5.D	<u>Builders Work in Connection</u>					
	Builders work in connection with services installation (5% of M&E)	1	item	156,116.00	156,116	156,116
				<b>BUILDING WORKS ESTIMATE</b>		<b>11,376,263</b>

	<b>EXTERNAL WORKS</b>					
6.00	<u>External Works</u>					
6.A	<u>Drainage</u>					
	Allowance for alterations to existing underground site drainage to accommodate podium car park proposed building over; new underground foul and surface water drainage	1	Item	100,000.00	100,000	
	Attenuation	1	Item	35,000.00	35,000	
						135,000
6.B	<u>External Works</u>					
	External retaining walls to north and eastern boundaries to form lightwell walkways for natural light to Level 1; footings and faced with brickwork	251	m2	525.00	131,775	
	Level 1 landscaped garden to South West area of site providing public amenity space in front of buildings; pavings, planters and planting	1,277	m2	150.00	191,550	
	Soft landscaping and planting; dense planting to rear of buildings	629	m2	69.00	43,401	
	Allowance for street furniture; benches, bins, bike rack etc.	1	item	20,000.00	20,000	
	External lighting allowance	1	item	40,000.00	40,000	
	External signage	1	Item	8,000.00	8,000	
	Allowance for Utility Connections Water, Electricity and Telecommunications (no Gas as stated in Max Fordham Strategy report)	1	Item	200,000.00	200,000	
						634,726
				<b>EXTERNAL WORKS ESTIMATE</b>		<b>769,726</b>

## N Cashflows

Thurrock Council

Site 1

Heading	Category	Total	Cost Code	Jan 20 1	Feb 2020 2	Mar 2020 3	Apr 2020 4	May 2020 5	Jun 2020 6	Jul 2020 7	Aug 2020 8	Sep 2020 9
Revenue												
Cap - Mixed Commercial	4	230,338	None	0	0	0	0	0	0	0	0	0
Sale - Private Residential	2	11,775,400	None	0	0	0	0	0	0	0	0	0
Sale - Affordable Residential	2	3,188,591	None	0	0	0	0	0	0	212,572	212,572	212,572
Disposal Costs												
Purchaser's Costs	8	-15,663	None	0	0	0	0	0	0	0	0	0
Sales Agent Fee	9	-151,786	None	0	0	0	0	0	0	-2,125	-2,125	-2,125
Sales Legal Fee	10	-75,893	None	0	0	0	0	0	0	-1,062	-1,062	-1,062
Acquisition Costs												
Residualised Price	12	7,368,193	None	7,368,193	0	0	0	0	0	0	0	0
Town Planning	20	-250,000	None	-250,000	0	0	0	0	0	0	0	0
Construction Costs												
Demolition	27	-1,228,000	None	-204,666	-204,666	-204,666	-204,666	-204,666	-204,666	0	0	0
Con. - Build Cost	24	-16,615,999	None	0	0	0	0	0	0	-245,256	-570,579	-849,262
Section 106 Costs	80	-409,999	None	0	0	0	0	0	0	-6,051	-14,079	-20,955
Contingency	25	-830,800	None	0	0	0	0	0	0	-12,262	-28,528	-42,463
Professional Fees												
Design Team Fees	32	-1,962,999	None	0	0	0	0	0	0	-28,974	-67,407	-100,331
Marketing/Letting												
Marketing	40	-149,639	None	0	0	0	0	0	0	-2,125	-2,125	-2,125
Letting Agent Fee	41	-1,915	None	0	0	0	0	0	0	0	0	0
Letting Legal Fee	42	-957	None	0	0	0	0	0	0	0	0	0
Escrow Account												
Deposits Received		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Received		0		0	0	0	0	0	0	0	0	0
Deposits Used		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Used		0		0	0	0	0	0	0	0	0	0
Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Received on Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Payable		0		0	0	0	0	0	0	0	0	0
Finance Details												
Total Revenue		15,178,667		0	0	0	0	0	0	212,572	212,572	212,572
Total Cost		-14,309,799		6,913,526	-204,666	-204,666	-204,666	-204,666	-204,666	-297,859	-685,910	-1,018,326
Net Cash Flow		868,868		6,913,526	-204,666	-204,666	-204,666	-204,666	-204,666	-85,286	-473,337	-805,753
Net Cash Flow (Interest Calculation)				0	6,913,526	6,708,859	6,504,193	6,299,526	6,094,859	6,102,766	6,017,479	5,544,142
Inflation Set 1. Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Interest Set 1. Debit Rate pa = 5.000%				5	5	5	5	5	5	5	5	5
Interest Set 1. Credit Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Total Interest (Interest Set 1)		-9,697		0	0	0	0	0	0	0	0	0
Total Interest (All Sets)		-9,697		0	0	0	0	0	0	0	0	0
Net Cash Flow (IRR)		868,868		6,913,526	-204,666	-204,666	-204,666	-204,666	-204,666	-85,286	-473,337	-805,753
Cumulative Net Cash Flow		859,170		6,913,526	6,708,859	6,504,193	6,299,526	6,094,859	5,890,193	5,804,906	5,331,569	4,525,816

Oct 2020 10	Nov 2020 11	Dec 2020 12	Jan 2021 13	Feb 2021 14	Mar 2021 15	Apr 2021 16	May 2021 17	Jun 2021 18	Jul 2021 19	Aug 2021 20	Sep 2021 21	Oct 2021 22	Nov 2021 23
0	0	0	230,338	0	0	0	0	0	0	0	0	0	0
0	0	0	1,358,700	1,283,216	1,207,733	1,132,250	1,056,766	981,283	905,800	830,316	754,833	679,349	603,866
212,572	212,572	212,572	212,572	212,572	212,572	212,572	212,572	212,572	212,572	212,572	212,572	0	0
0	0	0	-15,663	0	0	0	0	0	0	0	0	0	0
-2,125	-2,125	-2,125	-17,859	-14,957	-14,203	-13,448	-12,693	-11,938	-11,183	-10,428	-9,674	-6,793	-6,038
-1,062	-1,062	-1,062	-8,929	-7,478	-7,101	-6,724	-6,346	-5,969	-5,591	-5,214	-4,837	-3,396	-3,019
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
-1,081,303	-1,266,702	-1,405,460	-1,497,577	-1,543,053	-1,541,887	-1,494,079	-1,399,630	-1,258,540	-1,070,808	-836,435	-555,421	0	0
-26,681	-31,255	-34,679	-36,952	-38,074	-38,046	-36,866	-34,535	-31,054	-26,422	-20,639	-13,705	0	0
-54,065	-63,335	-70,273	-74,878	-77,152	-77,094	-74,703	-69,981	-62,927	-53,540	-41,821	-27,771	0	0
-127,744	-149,647	-166,039	-176,922	-182,294	-182,157	-176,509	-165,351	-148,682	-126,504	-98,815	-65,617	0	0
-2,125	-2,125	-2,125	-15,712	-14,957	-14,203	-13,448	-12,693	-11,938	-11,183	-10,428	-9,674	-6,793	-6,038
0	0	0	-1,915	0	0	0	0	0	0	0	0	0	0
0	0	0	-957	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
212,572	212,572	212,572	1,785,948	1,495,789	1,420,306	1,344,822	1,269,339	1,193,856	1,118,372	1,042,889	967,406	679,349	603,866
-1,295,108	-1,516,255	-1,681,768	-1,831,706	-1,877,970	-1,874,692	-1,815,779	-1,701,232	-1,531,051	-1,305,235	-1,023,784	-686,699	-16,983	-15,096
-1,082,535	-1,303,682	-1,469,195	-45,757	-382,180	-454,386	-470,957	-431,893	-337,195	-186,862	19,104	280,706	662,366	588,769
4,738,388	3,655,853	2,352,171	2,456,351	2,120,434	1,662,770	1,132,900	586,460	79,083	-333,594	-595,940	-652,319	-666,260	-79,377
0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	5	5	5	5	5	5	5	5	5	5	5	5	5
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	-1,389	-2,483	-2,717	-2,776	-330
0	0	0	0	0	0	0	0	0	-1,389	-2,483	-2,717	-2,776	-330
-1,082,535	-1,303,682	-1,469,195	-45,757	-382,180	-454,386	-470,957	-431,893	-337,195	-186,862	19,104	280,706	662,366	588,769
3,443,280	2,139,598	670,403	624,645	242,464	-211,921	-682,879	-1,114,772	-1,451,967	-1,640,220	-1,623,598	-1,345,610	-686,019	-97,580

Dec 2021 24	Jan 2022 25
0	0
528,383	452,899
0	0
0	0
-5,283	-4,528
-2,641	-2,264
0	0
0	0
0	0
0	0
0	0
0	0
-5,283	-4,528
0	0
0	0
0	0
0	0
0	0
0	0
0	0
528,383	452,899
-13,209	-11,322
515,173	441,577
433,909	870,493
0	0
5	5
0	0
0	0
0	0
515,173	441,577
417,593	859,170

Thurrock Council		Site 2a-2d										
Heading	Category	Total	Cost Code	Jan 20 1	Feb 2020 2	Mar 2020 3	Apr 2020 4	May 2020 5	Jun 2020 6	Jul 2020 7	Aug 2020 8	Sep 2020 9
<b>Revenue</b>												
Cap - Retail	4	3,362,914	None	0	0	0	0	0	0	0	0	0
Cap - Mixed Commercial	4	6,137,568	None	0	0	0	0	0	0	0	0	0
Sale - Private Residential	2	21,283,150	None	0	0	0	0	0	0	0	0	0
Sale - Affordable Residential	2	5,762,741	None	0	0	0	0	0	0	384,182	384,182	384,182
<b>Disposal Costs</b>												
Purchaser's Costs	8	-646,032	None	0	0	0	0	0	0	0	0	0
Sales Agent Fee	9	-359,003	None	0	0	0	0	0	0	-3,841	-3,841	-3,841
Sales Legal Fee	10	-179,501	None	0	0	0	0	0	0	-1,920	-1,920	-1,920
<b>Acquisition Costs</b>												
Residualised Price	12	7,815,995	None	7,815,995	0	0	0	0	0	0	0	0
<b>Construction Costs</b>												
Planning	27	-300,000	None	-300,000	0	0	0	0	0	0	0	0
CPO	27	-500,000	None	-500,000	0	0	0	0	0	0	0	0
Con. - Build Costs	24	-27,862,875	None	0	0	0	0	0	0	-411,262	-956,788	-1,424,102
Public Realm	79	-669,999	None	0	0	0	0	0	0	-9,889	-23,007	-34,244
Fit Out Costs	79	-970,999	None	0	0	0	0	0	0	0	0	0
Demolition	79	-737,124	None	-122,854	-122,854	-122,854	-122,854	-122,854	-122,854	0	0	0
Section 106 Costs	80	-679,999	None	0	0	0	0	0	0	-10,036	-23,350	-34,755
Contingency	25	-1,430,000	None	-6,142	-6,142	-6,142	-6,142	-6,142	-6,142	-20,563	-47,839	-71,205
<b>Professional Fees</b>												
Professional	32	-2,860,000	None	-12,285	-12,285	-12,285	-12,285	-12,285	-12,285	-41,126	-95,678	-142,410
<b>Marketing/Letting</b>												
Marketing	40	-270,458	None	0	0	0	0	0	0	-3,841	-3,841	-3,841
Letting Agent Fee	41	-72,400	None	0	0	0	0	0	0	0	0	0
Letting Legal Fee	42	-36,200	None	0	0	0	0	0	0	0	0	0
<b>Escrow Account</b>												
Deposits Received		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Received		0		0	0	0	0	0	0	0	0	0
Deposits Used		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Used		0		0	0	0	0	0	0	0	0	0
Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Received on Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Payable		0		0	0	0	0	0	0	0	0	0
<b>Finance Details</b>												
Total Revenue		43,716,337		7,815,995	0	0	0	0	0	384,182	384,182	384,182
Total Cost		-36,928,564		-941,282	-141,282	-141,282	-141,282	-141,282	-141,282	-502,482	-1,156,269	-1,716,322
Net Cash Flow		6,787,773		6,874,713	-141,282	-141,282	-141,282	-141,282	-141,282	-118,300	-772,086	-1,332,139
Net Cash Flow (Interest Calculation)				0	6,874,713	6,733,430	6,592,148	6,450,866	6,309,584	6,552,485	6,434,185	5,662,098
Inflation Set 1. Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Interest Set 1. Debit Rate pa = 6.000%				6	6	6	6	6	6	6	6	6
Interest Set 1. Credit Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Total Interest (Interest Set 1)		-276,831		0	0	0	0	0	0	0	0	0
Total Interest (All Sets)		-276,831		0	0	0	0	0	0	0	0	0
Net Cash Flow (IRR)		6,787,773		6,874,713	-141,282	-141,282	-141,282	-141,282	-141,282	-118,300	-772,086	-1,332,139
Cumulative Net Cash Flow		6,510,941		6,874,713	6,733,430	6,592,148	6,450,866	6,309,584	6,168,302	6,050,002	5,277,916	3,945,776

Oct 2020 10	Nov 2020 11	Dec 2020 12	Jan 2021 13	Feb 2021 14	Mar 2021 15	Apr 2021 16	May 2021 17	Jun 2021 18	Jul 2021 19	Aug 2021 20	Sep 2021 21	Oct 2021 22	Nov 2021 23
0	0	0	152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859
0	0	0	278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980
0	0	0	1,451,123	1,405,056	1,358,989	1,312,921	1,266,854	1,220,786	1,174,719	1,128,651	1,082,584	1,036,517	990,449
384,182	384,182	384,182	384,182	384,182	384,182	384,182	384,182	384,182	384,182	384,182	384,182	0	0
0	0	0	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365
-3,841	-3,841	-3,841	-22,377	-21,917	-21,456	-20,995	-20,535	-20,074	-19,613	-19,153	-18,692	-14,389	-13,929
-1,920	-1,920	-1,920	-11,188	-10,958	-10,728	-10,497	-10,267	-10,037	-9,806	-9,576	-9,346	-7,194	-6,964
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
-1,813,205	-2,124,096	-2,356,775	-2,511,243	-2,587,499	-2,585,544	-2,505,377	-2,346,999	-2,110,409	-1,795,607	-1,402,594	-931,369	0	0
-43,600	-51,076	-56,671	-60,386	-62,219	-62,172	-60,245	-56,436	-50,747	-43,177	-33,727	-22,396	0	0
0	0	0	0	0	0	0	0	0	0	0	-970,999	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
-44,251	-51,839	-57,517	-61,287	-63,148	-63,100	-61,144	-57,279	-51,505	-43,822	-34,230	-22,730	0	0
-90,660	-106,204	-117,838	-125,562	-129,374	-129,277	-125,268	-117,349	-105,520	-89,780	-70,129	-46,568	0	0
-181,320	-212,409	-235,677	-251,124	-258,749	-258,554	-250,537	-234,699	-211,040	-179,560	-140,259	-93,136	0	0
-3,841	-3,841	-3,841	-18,353	-17,892	-17,431	-16,971	-16,510	-16,049	-15,589	-15,128	-14,667	-10,365	-9,904
0	0	0	-72,400	0	0	0	0	0	0	0	0	0	0
0	0	0	-36,200	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0	0	0	0
384,182	384,182	384,182	2,237,781	2,191,714	2,145,646	2,099,579	2,053,511	2,007,444	1,961,377	1,915,309	1,869,242	1,438,992	1,392,924
-2,182,643	-2,555,230	-2,834,086	-3,170,123	-3,151,761	-3,148,266	-3,051,038	-2,860,077	-2,575,384	-2,196,958	-1,724,799	-2,129,907	-31,950	-30,798
-1,798,460	-2,171,048	-2,449,903	-932,341	-960,047	-1,002,619	-951,459	-806,565	-567,940	-235,581	190,510	-260,665	1,407,042	1,362,126
4,329,959	2,531,498	360,450	-235,853	-1,214,263	-2,220,377	-3,287,417	-4,284,943	-5,137,577	-5,815,134	-6,096,782	-5,952,340	-6,732,576	-5,371,602
0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	6	6	6	6	6	6	6	6	6	6	6	6	6
0	0	0	0	0	0	0	0	0	0	0	0	0	0
0	0	0	-1,179	-6,071	-11,101	-16,437	-21,424	-25,687	-29,075	-30,483	-29,761	-33,662	-26,858
0	0	0	-1,179	-6,071	-11,101	-16,437	-21,424	-25,687	-29,075	-30,483	-29,761	-33,662	-26,858
-1,798,460	-2,171,048	-2,449,903	-932,341	-960,047	-1,002,619	-951,459	-806,565	-567,940	-235,581	190,510	-260,665	1,407,042	1,362,126
2,147,316	-23,732	-2,473,635	-3,407,156	-4,373,275	-5,386,996	-6,354,892	-7,182,883	-7,776,511	-8,041,168	-7,881,141	-8,171,568	-6,798,189	-5,462,921



Dec 2021 24	Jan 2022 25	Feb 2022 26	Mar 2022 27	Apr 2022 28	May 2022 29	Jun 2022 30	Jul 2022 31	Aug 2022 32	Sep 2022 33	Oct 2022 34
152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859	152,859
278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980	278,980
944,382	898,314	852,247	806,179	760,112	714,045	667,977	621,910	575,842	529,775	483,707
0	0	0	0	0	0	0	0	0	0	0
-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365	-29,365
-13,468	-13,007	-12,547	-12,086	-11,625	-11,165	-10,704	-10,243	-9,783	-9,322	-8,861
-6,734	-6,503	-6,273	-6,043	-5,812	-5,582	-5,352	-5,121	-4,891	-4,661	-4,430
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
-9,443	-8,983	-8,522	-8,061	-7,601	-7,140	-6,679	-6,219	-5,758	-5,297	-4,837
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0	0
1,346,857	1,300,789	1,254,722	1,208,654	1,162,587	1,116,520	1,070,452	1,024,385	978,317	932,250	886,182
-29,646	-28,494	-27,343	-26,191	-25,039	-23,888	-22,736	-21,584	-20,433	-19,281	-18,129
1,317,210	1,272,294	1,227,379	1,182,463	1,137,547	1,092,631	1,047,716	1,002,800	957,884	912,968	868,053
-4,055,543	-2,865,198	-1,638,971	-457,659	653,926	1,745,406	2,791,971	3,793,620	4,750,352	5,662,170	6,529,071
0	0	0	0	0	0	0	0	0	0	0
6	6	6	6	6	6	6	6	6	6	6
0	0	0	0	0	0	0	0	0	0	0
-20,277	-14,325	-8,194	-2,288	0	0	0	0	0	0	0
-20,277	-14,325	-8,194	-2,288	0	0	0	0	0	0	0
1,317,210	1,272,294	1,227,379	1,182,463	1,137,547	1,092,631	1,047,716	1,002,800	957,884	912,968	868,053
-4,165,988	-2,908,019	-1,688,835	-508,660	628,886	1,721,518	2,769,234	3,772,035	4,729,919	5,642,888	6,510,941

Heading	Category	Total	Cost Code	Jan 20 1	Feb 2020 2	Mar 2020 3	Apr 2020 4	May 2020 5	Jun 2020 6	Jul 2020 7	Aug 2020 8	Sep 2020 9
Revenue												
Cap - Retail	4	291,321	None	0	0	0	0	0	0	0	0	0
Cap - Mixed Commercial	4	334,490	None	0	0	0	0	0	0	0	0	0
Disposal Costs												
Purchaser's Costs	8	-42,555	None	0	0	0	0	0	0	0	0	0
Sales Agent Fee	9	-5,832	None	0	0	0	0	0	0	0	0	0
Sales Legal Fee	10	-2,916	None	0	0	0	0	0	0	0	0	0
Acquisition Costs												
Residualised Price	12	752,922	None	752,922	0	0	0	0	0	0	0	0
Construction Costs												
Planning	27	-50,000	None	-50,000	0	0	0	0	0	0	0	0
Con. - Build Costs	24	-856,249	None	0	0	0	0	0	0	-18,511	-43,767	-64,328
Demolition	79	-133,749	None	-22,291	-22,291	-22,291	-22,291	-22,291	-22,291	0	0	0
Contingency	25	-98,999	None	-2,229	-2,229	-2,229	-2,229	-2,229	-2,229	-1,851	-4,376	-6,432
Professional Fees												
Professional	32	-98,999	None	-2,229	-2,229	-2,229	-2,229	-2,229	-2,229	-1,851	-4,376	-6,432
Marketing/Letting												
Letting Agent Fee	41	-4,844	None	0	0	0	0	0	0	0	0	0
Letting Legal Fee	42	-2,422	None	0	0	0	0	0	0	0	0	0
Escrow Account												
Deposits Received		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Received		0		0	0	0	0	0	0	0	0	0
Deposits Used		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Used		0		0	0	0	0	0	0	0	0	0
Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Received on Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Payable		0		0	0	0	0	0	0	0	0	0
Finance Details												
Total Revenue		1,336,179		752,922	0	0	0	0	0	0	0	0
Total Cost		-1,254,014		-76,749	-26,749	-26,749	-26,749	-26,749	-26,749	-22,213	-52,520	-77,193
Net Cash Flow		82,164		676,172	-26,749	-26,749	-26,749	-26,749	-26,749	-22,213	-52,520	-77,193
Net Cash Flow (Interest Calculation)				0	676,172	649,422	622,672	595,922	569,172	542,422	520,208	467,688
Inflation Set 1. Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Interest Set 1. Debit Rate pa = 6.000%				6	6	6	6	6	6	6	6	6
Interest Set 1. Credit Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Total Interest (Interest Set 1)		-6,531		0	0	0	0	0	0	0	0	0
Total Interest (All Sets)		-6,531		0	0	0	0	0	0	0	0	0
Net Cash Flow (IRR)		82,164		676,172	-26,749	-26,749	-26,749	-26,749	-26,749	-22,213	-52,520	-77,193
Cumulative Net Cash Flow		75,632		676,172	649,422	622,672	595,922	569,172	542,422	520,208	467,688	390,494

Oct 2020 10	Nov 2020 11	Dec 2020 12	Jan 2021 13	Feb 2021 14	Mar 2021 15	Apr 2021 16	May 2021 17	Jun 2021 18	Jul 2021 19
0	0	0	0	0	0	0	0	0	291,321
0	0	0	0	0	0	0	0	0	334,490
0	0	0	0	0	0	0	0	0	-42,555
0	0	0	0	0	0	0	0	0	-5,832
0	0	0	0	0	0	0	0	0	-2,916
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
-80,195	-91,367	-97,845	-99,629	-96,719	-89,114	-76,815	-59,821	-38,133	0
0	0	0	0	0	0	0	0	0	0
-8,019	-9,136	-9,784	-9,962	-9,671	-8,911	-7,681	-5,982	-3,813	0
-8,019	-9,136	-9,784	-9,962	-9,671	-8,911	-7,681	-5,982	-3,813	0
0	0	0	0	0	0	0	0	0	-4,844
0	0	0	0	0	0	0	0	0	-2,422
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	583,256
-96,234	-109,641	-117,415	-119,555	-116,063	-106,937	-92,178	-71,786	-45,760	-16,014
-96,234	-109,641	-117,415	-119,555	-116,063	-106,937	-92,178	-71,786	-45,760	567,242
390,494	294,259	184,618	67,203	-52,352	-168,415	-276,456	-368,635	-440,421	91,647
0	0	0	0	0	0	0	0	0	0
6	6	6	6	6	6	6	6	6	6
0	0	0	0	0	0	0	0	0	0
0	0	0	0	-261	-842	-1,382	-1,843	-2,202	0
0	0	0	0	-261	-842	-1,382	-1,843	-2,202	0
-96,234	-109,641	-117,415	-119,555	-116,063	-106,937	-92,178	-71,786	-45,760	567,242
294,259	184,618	67,203	-52,352	-168,677	-276,456	-370,017	-443,646	-491,609	75,632

Heading	Category	Total	Cost Code	Jan 20 1	Feb 2020 2	Mar 2020 3	Apr 2020 4	May 2020 5	Jun 2020 6	Jul 2020 7	Aug 2020 8	Sep 2020 9
Revenue												
Cap - Mixed Commercial	4	453,099	None	0	0	0	0	0	0	0	0	0
Disposal Costs												
Purchaser's Costs	8	-30,810	None	0	0	0	0	0	0	0	0	0
Sales Agent Fee	9	-4,222	None	0	0	0	0	0	0	0	0	0
Sales Legal Fee	10	-2,111	None	0	0	0	0	0	0	0	0	0
Acquisition Costs												
Residualised Price	12	812,937	None	812,937	0	0	0	0	0	0	0	0
Construction Costs												
Contingency	25	-39,499	None	-812	-812	-812	-812	-812	-812	-748	-1,769	-2,601
Demolition	79	-97,499	None	-16,249	-16,249	-16,249	-16,249	-16,249	-16,249	0	0	0
Fit Out Costs	79	-194,000	None	0	0	0	0	0	0	0	0	0
Con. - Mixed Commercial	24	-692,499	None	0	0	0	0	0	0	-14,971	-35,396	-52,026
Planning	27	-50,000	None	-50,000	0	0	0	0	0	0	0	0
Professional Fees												
Professional	32	-78,999	None	-1,624	-1,624	-1,624	-1,624	-1,624	-1,624	-1,497	-3,539	-5,202
Marketing/Letting												
Letting Agent Fee	41	-3,767	None	0	0	0	0	0	0	0	0	0
Letting Legal Fee	42	-1,883	None	0	0	0	0	0	0	0	0	0
Escrow Account												
Deposits Received		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Received		0		0	0	0	0	0	0	0	0	0
Deposits Used		0		0	0	0	0	0	0	0	0	0
Cumulative Deposits Used		0		0	0	0	0	0	0	0	0	0
Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Received on Unused Deposits		0		0	0	0	0	0	0	0	0	0
Interest Payable		0		0	0	0	0	0	0	0	0	0
Finance Details												
Total Revenue		1,235,226		812,937	0	0	0	0	0	0	0	0
Total Cost		-1,164,484		-68,687	-18,687	-18,687	-18,687	-18,687	-18,687	-17,216	-40,706	-59,830
Net Cash Flow		70,741		744,249	-18,687	-18,687	-18,687	-18,687	-18,687	-17,216	-40,706	-59,830
Net Cash Flow (Interest Calculation)				0	744,249	725,562	706,874	688,187	669,499	650,812	633,595	592,888
Inflation Set 1. Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Interest Set 1. Debit Rate pa = 6.000%				6	6	6	6	6	6	6	6	6
Interest Set 1. Credit Rate pa = 0.000%				0	0	0	0	0	0	0	0	0
Total Interest (Interest Set 1)		-822		0	0	0	0	0	0	0	0	0
Total Interest (All Sets)		-822		0	0	0	0	0	0	0	0	0
Net Cash Flow (IRR)		70,741		744,249	-18,687	-18,687	-18,687	-18,687	-18,687	-17,216	-40,706	-59,830
Cumulative Net Cash Flow		69,918		744,249	725,562	706,874	688,187	669,499	650,812	633,595	592,888	533,058

Oct 2020 10	Nov 2020 11	Dec 2020 12	Jan 2021 13	Feb 2021 14	Mar 2021 15	Apr 2021 16	May 2021 17	Jun 2021 18	Jul 2021 19
0	0	0	0	0	0	0	0	0	453,099
0	0	0	0	0	0	0	0	0	-30,810
0	0	0	0	0	0	0	0	0	-4,222
0	0	0	0	0	0	0	0	0	-2,111
0	0	0	0	0	0	0	0	0	0
-3,242	-3,694	-3,956	-4,028	-3,911	-3,603	-3,106	-2,419	-1,542	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	-194,000	0
-64,858	-73,894	-79,133	-80,576	-78,222	-72,072	-62,125	-48,381	-30,841	0
0	0	0	0	0	0	0	0	0	0
-6,485	-7,389	-7,913	-8,057	-7,822	-7,207	-6,212	-4,838	-3,084	0
0	0	0	0	0	0	0	0	0	-3,767
0	0	0	0	0	0	0	0	0	-1,883
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0	422,288
-74,587	-84,978	-91,003	-92,663	-89,956	-82,882	-71,443	-55,638	-229,467	-11,984
-74,587	-84,978	-91,003	-92,663	-89,956	-82,882	-71,443	-55,638	-229,467	410,304
533,058	458,471	373,492	282,488	189,825	99,869	16,986	-54,457	-110,095	81,903
0	0	0	0	0	0	0	0	0	0
6	6	6	6	6	6	6	6	6	6
0	0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	-272	-550	0
0	0	0	0	0	0	0	-272	-550	0
-74,587	-84,978	-91,003	-92,663	-89,956	-82,882	-71,443	-55,638	-229,467	410,304
458,471	373,492	282,488	189,825	99,869	16,986	-54,457	-110,367	-340,385	69,918

## O Property cost estimates

Plot Ref:	Address	Description	FH / LH	Land Reg	Lease from	Lease Expire	Yrs Remaining	VOA N/A. Sq.m	RV/Tax Band	L & T Compensation	Market Value Land / Buildings	Disturbance Incl. Reinvestment	Claimant's Prof. Fees	Basic & Occupier Loss Payment	Acquiring Authority's SDLT	Acquiring Authority's Prof. Fees	TOTAL	Value PSM	Note	ME Comment
1	Public road known as High Street, Grays	High Street - Pedestianised Road	FH - Unregistered	N/A													£0			Approximatley 668 sqm of adopted highway incl telephone boxes
			Thurrock Council (Highway Authority)	N/A													£0		Market traders occupy part of High Street - assume traders are located outside of scheme boundary and traders occupy stalls on flexible terms. Assume T.S. Eliot sculpture relocated as a Project cost	
		Various frontage to High Street	FH - Various								£100	£0	£3,000	£0	£0	£1,500	£4,600		Assume sub-soil interests beneath adopted highway	Owners of 53 and 55-57 high street are listed as subsoil owners
2	Land forming part of public road known as High Street fronting 35-51 (odd) High Street, Grays	Part of pedestrianised High Street	FH - Thurrock Council	EX858112													£0		Council owned public highway	Approx 93 sqm of adopted highway. Land Reg does not make reference to third party rights or ownership of subsoil or air rights over land
6	52 High Street, Grays	Ground floor retail unit with first floor ancillary space	FH - Cassim Malam & Maryam Malam	EX201442							£443,000	£19,500	£7,500	£33,225	£11,650	£5,000	£519,875	£3,199	Purchased November 1999 for £145,000	RV x 1.25 = £25,300 @ 7.5% = £337,500 less reinv £318,000  Plus £125,000 (net) for the one bedroom flat located at the rear. Council Tax Band B.
		Ground Floor Retail Unit	LH - Prashant Patel (Via Your Local Top Up Store)	EX855690	19/08/2010	18/08/2026	6	138.50	£20,250			£150,000	£5,000	£3,800	£0	£3,500	£162,300		Assume extinguishment Recently re-opened as Your Local Top Up Store	Fit out new unsure what unit will be trading as. Disturbance £125,000 plus £25,000 for new premises etc. Previously trading as Londis, but closed due to works to footway outside. S: 144.53 sq / 50.26 sm ZA. Lesses from 2010@ £25,000 Lease prohibits / restricts alienation
1	34, 36 High Street, Grays.		FH - Abdul Azeem Dhillon, Abdul Aleem Dhillon and Abdul Samad Dhillon	EX63610							£875,000	£50,000	£7,500	£65,625	£33,250	£5,000	£1,036,375	£1,530	Lloyds Bank occupy basement, ground and first floors.  Second floor previously occupied by a firm of solicitors but now vacant.	MV = RV x 1.25 £60,000 @ 6.5% = £925,000 less purchaser's costs, say £875,000
			LH - Lloyds Bank plc	EX915509	29/10/2014	28/10/2024	4	572.00	£48,700			£600,000	£25,000	£60,000		£10,000	£695,000		The value as at 16 January was stated to be under £100,000.  Assume relocation.	
2	38 High Street, Grays		FH - Michael Thomas Purcell & Deborah Claire Purcell	EX439464							£40,000	£5,000	£5,000	£3,000	£0	£2,500	£55,500		Assumes nominal ground rent.	RV x 1.25 = £25,000 @ 8% = £312,500, say £300,000 after costs. Deferred 41 years @ 5%, say £40,000.
	38 High Street, Grays		LH - Timpson Retail Limited	EX422094	25/12/1962	24/12/2061	41				£282,500	£17,500	£5,000	£22,000	£3,625	£2,500	£333,125	£1,735		£25,000 @ 8% for 41 years = £300,000. Less reinv = £282,500
	38 High Street, Grays		T - Sense, The National DeafBlind and Rubella Association	EX784524	20/11/2006	19/11/2021	1	162.80	£20,000			£40,000	£5,000	£5,000		£3,500	£53,500		Assume relocation.	D: £40,000 for relocation (£22 per sq ft) incl. notification, changes in stationary, fit out etc.
3	40 & 42 High Street, Grays.		FH - Balwinder Singh Dosanjh and Jaspal Kaur Dosanjh	EX188558							£640,000	£40,000	£7,500	£48,000	£21,500	£3,500	£760,500	£2,490	The price stated to have been paid on 19th June 2013 for the land in this title and in EX63133 was £495,000.	RV x 1.25 = £47,500 @ 7% = £680,000, say £640,000 after purchaser's costs
	40 & 42 High Street, Grays.		LH - Barclays Bank plc	EX782446	04/07/2006	03/07/2026	6												Assume no profit rent.	
	40 & 42 High Street, Grays.		T - Caversham Trading Limited (Via Bright House)	EX821706	21/08/2008	01/07/2026	6	256.50	£38,000			£150,000	£7,500	£7,000		£5,000	£169,500		Assume extinguishment.	270 Bright House stores nationwide serving more than 280,000 customers (263 in 2017 and 312 in 2016). Profit after tax 2016 £4.04m (£2.7m in 2015) = £14,970 per store. EBITDA of £11.7m for y/e 2017 and a loss of £105m in 2017.
4	44 High Street, Grays		FH - Gurdatar Singh Bance	EX393534							£315,000	£15,000	£5,000	£35,000	£9,450	£3,500	£382,950	£4,077	The price stated to have been paid on 8th February 2007 was £350,000 The price, other than rents, stated to have been paid on the grant of the lease was £16,750.	RV x 1.25 = £21,500 @ 6.5% = £330,000 less reinv = £315,000
	44 High Street, Grays		LH - Greggs plc	EX829330	05/12/2008	04/12/2018	0	77.27	£17,250			£250,000	£7,500	£2,500		£3,500	£263,500		D: £100 psf, temp loss of profits and double overheads etc.	Assume a lease renewal and relocation.
6	46 High Street, Grays	Ground floor retail unit with first floor ancillary space	FH - Alfred Nathan, Maureen Anne Nathan and John Dye	EX199821							£974,000	£70,000	£15,000	£73,050	£40,750	£10,000	£1,182,800	£1,992	The price stated to have been paid on 30th November 2017 was £907,000 (includes EX959392).	Halfax RV Term and Reversion  Term = £47,000 for 2.3 years @ 5.5% = £39,011 Reversion = £64,800 in perp deff 2.3 years @ 6% = £944,467 Total = £1,043,478 Less costs = £974,000
		Ground floor retail unit with first floor ancillary space	SLH - Bank of Scotland (Isa Halifax Building Society)	EX962008	27/06/2017	26/06/2032	12	435.60	£47,250			£550,000	£25,000	£12,000		£12,500	£599,500		Assume relocation.	
		Ground Floor Retail Unit	LH - Doctor Han	EX970615	02/12/2016	01/12/2026	6	53.40	£10,000			£50,000	£5,000	£2,500		£2,500	£60,000			
9	Thurrock Centre for Business, 2 George Street and Thurrock Learning Centre, 4 George Street		FH - Thurrock Borough Council	EX757302				474.00	£69,647		£1,075,000	£85,000	£2,500	£75,000	£43,250	£39,500	£1,300,250	£2,268	The price stated to have been paid on 23rd December 2008 was £900,000.  The land is subject to the easements granted by a lease dated 26 Jan 2010 of part of The Old Post Office for a term 5 years from 4 Dec 2009.	RV x 1.25 = £85,500 @ 7.5% = £1,140,000 say £1,075,000 after costs
	2 George Street		T - Various														£0		Assume COT and Council will obtain VP.	
	4 George Street		T - Temple Springs Music Centre														£0		Assume COT and £75,000 ex gratia payment.	
10	Land and Buildings at London Road, Eastern Way and George Street, Grays	17 car parking spaces, parking meter, signage, perimeter wall and associated landscaping	FH: WM Morrison Supermarkets plc	EX634181							£300,000	£30,000	£10,000	£22,500	£4,500	£5,000	£372,000		Parking charge £1 for 3 hours (max stay)	MV: 17 parking spaces x £1,500 p.a. per space @ 7.5% = £340k, say £300k after costs  D: £4,500 + 3,000 + £2,000 + severance / injurious affection, say £30,000
11	The Bus Drivers Facility, Crown Road, Grays		FH - Thurrock Borough Council	EX693671													£0		Assume bus facility to be removed / replaced as part of the scheme.	
12	Land forming part of Crown Road, Grays		FH - Thurrock Borough Council	EX197605													£0		Highway. Nil value.	
1	Land forming part of Crown Road, Grays		FH - Thurrock Borough Council	EX271949													£0		Highway. Nil value.	
TOTAL PROPERTY COSTS ESTIMATE "Additional Areas 2020"											£4,944,600	£2,102,000	£148,000	£470,200	£167,975	£118,500	£7,951,275			



## P Section 151 Officer statement

Thurrock Council, Civic Offices  
New Road, Grays  
RM17 6SL

31 July 2020

**Future High Street Fund Business case**

As S151 I affirm that consideration has been made regarding the forecasts and financial assumptions within this submission. Consideration has also been given to the affordability of any revenue consequences. This consideration has been made based on information available to me at this time.

Based on the above and assurances I have received I support this application and consider it affordable.

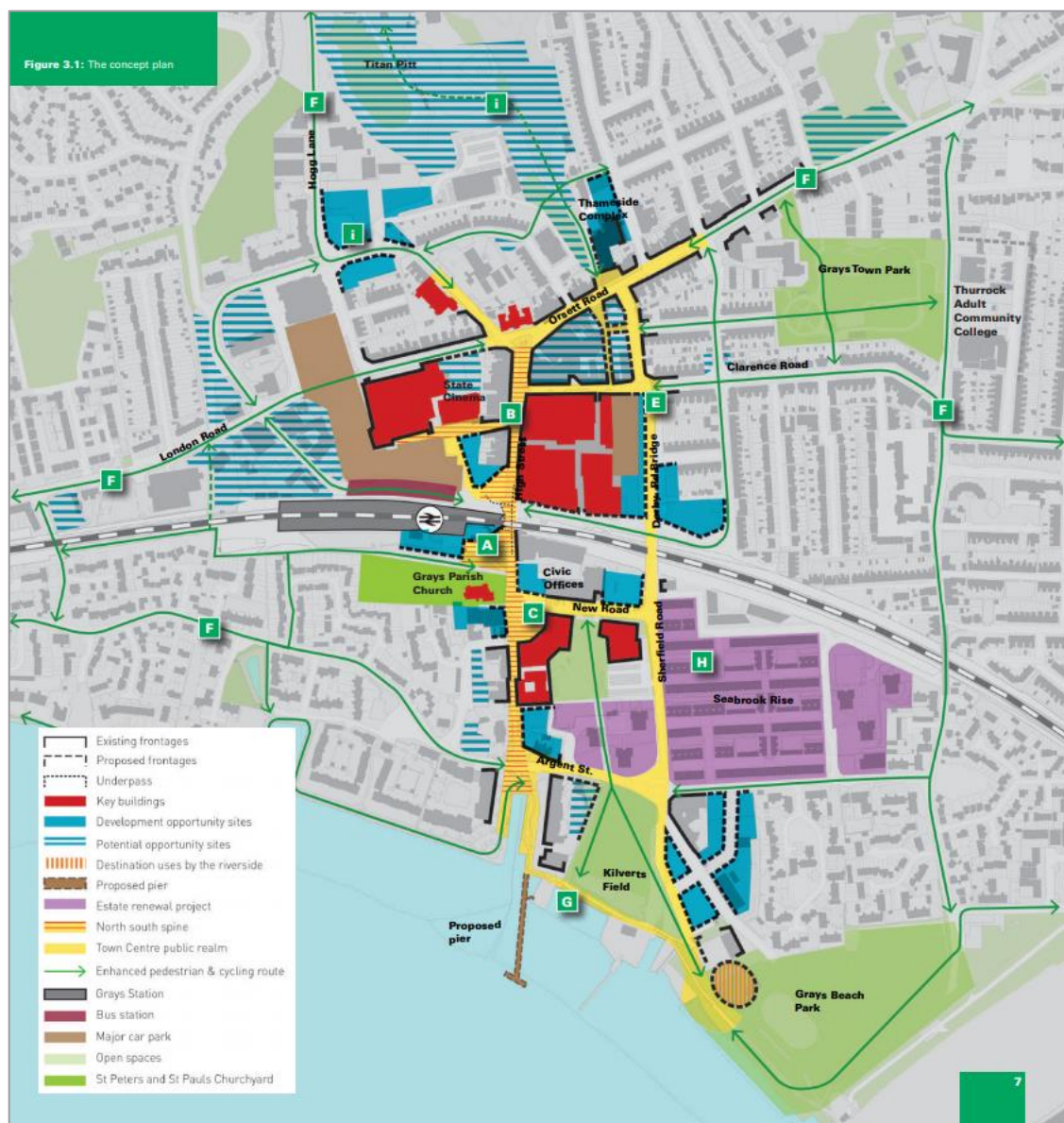
Yours sincerely,



Sean Clark

Director Finance and IT

## Q Grays Town Centre Framework Refresh – Concept Plan



Source: Grays Town Centre Framework Refresh (2017), Thurrock Council.

## R Delivery confidence – similar projects

## **CONVERSION OF MAGISTRATES COURT TO BUSINESS CENTRE, GRAYS**

### **Project Description**

Conversion of former magistrate's court in in London Road Grays to a business centre. Conversion and extension for 39 business units of varying size from 7.3 to 82.8sq.m employing between 1 and 25 people, reception, hot desking facilities, board room for up to 25 and other meeting rooms.

### **Delivery Partnership**

Thurrock Council commissioned the design team and building contractors. The management company Norfolk and Waveney Enterprise Services, were commissioned from the outset to enable their expertise to support design.

### **Funding**

Thurrock Council Capital Programme

1.5million loan from the Local Growth Fund

Thurrock Council own the site

### **Delivery**

Planning permission granted March 2014

Opened January 2016

At April 2020 occupancy at 96%, plus 'virtual occupants'.

## **SOUTH ESSEX COLLEGE, GRAYS**

### **Project Description**

Land assembly, demolitions and construction of a 15,000 sq.m FE/HE College in Grays town centre. Securing planning permission of previous college site for residential development

### **Delivery Partnership**

South Essex College as promoter and funder, lead for construction.

Thurrock Council as main land owner, education authority, and strategic planning authority

Thurrock Thames Gateway Development Corporation as funder of land acquisition for land outside the Council's control and development control planning authority

### **Funding**

South Essex College

### **Delivery**

Planning permission granted March 2014

Opened January 2016

At April 2020 occupancy at 96%, plus 'virtual occupants'.

## GRAYS UNDERPASS

### Project Description

Construction of an 8 metre wide pedestrian underpass of the rail line in Grays High Street with new public squares to enable closure of a dangerous level crossing.

### Delivery Partnership

Thurrock Council is main funder, land owner, and for land assembly. The Council has appointed a team of planners (Montagu Evans), architects (Landolt Brown Architects), and designers (Steer and AR Urbanism) to lead the design, consultant support for land assembly (Montagu Evans) and Shoosmiths legal support (Shoosmiths). The Council has also appointed a project manager with relevant rail experience.

Network Rail is part funder, land owner, impact on operational rail land. Network Rail have used their framework contractors to lead their design and project development; WS Atkins and Volcker Fitzpatrick.

C2C is the service operator.

### Funding

Item	Cost
<b>PRINCIPAL CONTRACTOR/DESIGNER COSTS</b>	
<b>Volker Fitzpatrick Estimate (underpass, steps and ramps, structures, public squares, Station Road diversion)</b>	£15,985,699
Highway diversions, contribution to maintenance of routes used for construction traffic etc.	£250,000
COWD Network Rail (up until end of Control Period 5)	£705,000
Crown Road	£2,750,000
Public realm beyond red line	£858,000
Land Acquisition (based on Montagu Evans	£6,500,000
<b>PROFESSIONAL FEES</b>	
Fees for Steer (urban realm design)	£715,000
Fees for Montagu Evans (planning consultants)	£225,000
Fees for Montagu Evans (land acquisition)	£100,000
Fees for Shoosmiths (legal support)	£300,000
Others	£350,000
<b>TOTAL</b>	<b>£28,738,699</b>

### Delivery

Cabinet decision April 2017 to support budget and proceed

Network Rail GRIP 3 to be completed autumn 2020

First stage GRIP 4 (Approval in Principle of single preferred option) February 2021.

Construction start August 2022

Construction Completion August 2024



## **CIVIC OFFICES EXTENSION**

### **Project Description**

Land assembly, demolitions and construction of a 3 storey 2310 sq.m extension to civic offices in High Street Grays

### **Delivery Partnership**

Thurrock Council completed land assembly (supported by Montagu Evans and Shoosmiths solicitors), funded the project, commissioned the design and project management team (LSI Architects and LSH), secured planning permission and appointed contractors.

### **Funding**

£9.8million from council capital programme

### **Delivery**

Planning permission granted August 2019

Commence construction autumn 2020

## **PURFLEET CENTRE**

### **Project Description**

59 hectare brown field regeneration project requiring land assembly, demolitions, land decontamination and re-contouring, and provision of all infrastructure to support a development that includes;

- 2,681 new homes parks and leisure spaces
- New town centre with shops, restaurants and great public spaces
- New health centre, new primary school and new community facilities
- The closure of a dangerous rail crossing and improved railway station
- Future proofing of the Thames Estuary 2100 flood defences

Thurrock Council and its development partner, PCRL, won the Best Public Participation Award at the 14th Annual Brownfield Briefing Awards in 2018.

### **Delivery Partnership**

Thurrock Council has procured development partner Purfleet Centre Regeneration Ltd (PCRL), a joint venture company that includes Urban Catalyst Ltd. and Swan Housing Association. The Council has appointed CBRE as Project Property advisors and to support land assembly and management, and Eversheds Solicitors to provide all legal support.

### **Funding**

The £1billion project has been funded by Thurrock Council and PCRL with a long term expectation of returns on development. The Council is awaiting confirmation of a HIF application for £75 million.

### **Delivery**

Outline planning permission for the whole scheme, including master plans, approved in 2019. Reserved matters approved for phase 1A consisting 61 houses and is expected to commence on site in 2020 subject to the impact of Covid 19

## **HIGH HOUSE PRODUCTION PARK, PURFLEET**

### **Project Description**

High House Production Park (HHPP) is a 14-acre site in Purfleet, Thurrock dedicated to production and skills development in the creative sector. Since it opened in 2010, HHPP has become recognised as an international centre for the creative industries. It is home to the Royal Opera House Bob and Tamar Manoukian Production Workshop, Royal Opera House Bob and Tamar Manoukian Costume Centre, Royal Opera House Bridge, the Backstage Centre, Thurrock Music Hub, High House Artists' Studios and National College for the Creative and Cultural Industry.

The schemes have received various accolades for innovation and achievements over the years and below is a list of some of the awards received:

- RICS East of England Awards 2011 Project of the Year winner - High House Production Park
- RICS East of England Awards 2011 Regeneration winner - High House Production Park
- RICS East of England Awards 2011 Building Conservation winner - High House Farm
- Regeneration and Renewal Awards 2011 Sustainability winner - High House Production Park
- Regeneration and Renewal Awards 2011 Best Use of Arts and Culture in Regeneration winner - High House Production Park
- Regeneration and Renewal Awards 2011 Partnership Working winner - High House Production Park
- New London Architecture Award 2011 nominated - Royal Opera House Bob and Tamar Manoukian Production Workshop
- RIBA East Spirit of Ingenuity Award 2012 winner - Royal Opera House Bob and Tamar Manoukian Production Workshop
- British Construction Industry Awards 2013 Building of the Year Highly Commended - The Backstage Centre
- RIBA East Award 2014 winner - High House Artists' Studios
- RICS East of England Award 2014 Best Regeneration Project winner - High House Production Park
- RICS East of England Award 2014 Community Benefit Highly Commended - High House Production Park
- RIBA East Award 2014 Client of the Year winner - High House Production Park
- New London Awards 2017 Workplace nominated - Royal Opera House Bob and Tamar Manoukian Costume

### **Delivery Partnership**

Thurrock Council together with the Thurrock Thames Gateway Development Corporation (TTGDC) assembled the site; acquiring four separate interests and in the process negotiated overage agreements, land use covenants, and S106

agreements, and renegotiated existing S.106 agreements that reserved half of the site for a school, so the school could be re-provided in the Purfleet Centre scheme.

High House Production Park Ltd was established to facilitate developments and operational management of the Production Park. In 2012, High House Production Park Ltd was transferred from the Council into the charitable sector. It is now led by a Board of Trustees chaired by Alex Beard, Chief Executive of the Royal Opera House, and actively supported by the Council with our Chief Executive fulfilling the role as “founder member” and three Councillors as Trustees appointed through an open recruitment process.

The Council ( and previously the TTGDC) on behalf of HHPP Ltd, brought-in key partners and funders to help manifest the vision for the Production Park and have been responsible for the procurement and management of works undertaken to create the Production Park (over £40m of direct services and works to-date).

Thurrock Council, TTGDC, and EEDA utilised their funding and skills to assemble the site (acquiring four separate interests in the process), plan the development (securing all of the required consents) and procure the works required to create the Production Park.

The Arts Council utilised their links within the sector and beyond to drive up the profile of the project, attracting significant political interest and support which was critical in securing sector buy-in required to turn the scheme from a concept into reality.

Both the Royal Opera House and the National Skills Academy (National College for the Creative and Cultural Industries) fully embraced the scheme; accepting significant risks to fund and procure their respective buildings and ultimately relocate to a previously unestablished location. This strong support for the Production Park (especially from the Royal Opera House), has served to highlight the potential of the site and attract interest which continues to help bring forth the other phases on the Park.

Other partners includes Acme in the provision of affordable artists’ studios, South Essex College and Creative and Cultural Skills.

## **Funding**

Thus far, a total of more than £65m has been invested to create the Production Park. This funding is made up of contributions from the Council, TTGDC, grants and private sector partner organisations (principally long leaseholders).

Since inception the Council has contributed c.£2.73m toward the Production Park. This does not include the 7-acre land we have provided to assemble the 14-acre site, support in terms of staff time, etc... to deliver the capital projects, loan facility to partner organisation(s) and other support.

It may also be useful to note that the TTGDC (integrated with the Council in 2011) was the main contributor in assembling the site and funding c.£12.9m of the early works.

Over the years, the Council and TTGDC had help secured over £23m grant funding to help support developments on the Production Park. They include:

£6.0m	Arts Council England (ACE)
£4.8m	The East of England Development Agency (EEDA)
£4.5m	Skills Funding Agency (SFA)
£2.0m	European Regional Development Fund
£1.4m	Homes and Communities Agency (HCA)
£1.1m	Economic Participation Programme (EPP) - Formerly Investing in Communities (IiC)
£1.0m	East England Development Agency
£0.7m	Communities and Local Government (CLG)
£1.7m	Private Trusts and Foundations: Manoukian Foundation, Foyle Foundation, Garfield Weston Foundation, Clore Duffield Foundation

### **Delivery**

Much has been completed and is operating successfully.

Development of the Production Park is still ongoing; the HHPP and the Council continue to pursue development opportunities on the remaining 4 vacant plots and historic farm complex on the Production Park and is actively seeking partners and grant funding to support these schemes. At the same time, Thurrock Council is also reaching out to the wider industry and education providers to explore partnerships opportunities to enhance the training and community offer on the Production Park.

## **TOPS CLUB SITE ARGENT STREET GRAYS**

### **Project Description**

29 Affordable rent units following demolition of existing vacant building. Scheme includes;

8 x 1B2P apartments

4 x 2B3P apartments

11 x 2B4P apartments

6 x 3B5P maisonettes with 9m<sup>2</sup> winter gardens

An office space for Council Housing department use, measuring 180.5m<sup>2</sup>

23 new parking spaces

An 800m<sup>2</sup> public playground

Winner – best new development under 50 Homes – Essex Housing awards

### **Delivery Partnership**

Thurrock Council own the site. ECD Architects were procured to design the scheme to RIBA 3 and then novated to the contractor appointed by the Council, Roof Ltd with Employers Agent Bailey Garner.

### **Funding**

£7.8 million scheme funded by Thurrock Council.

### **Delivery**

Contract Programme November 2018 to January 2020

# S Co-funding and commitments

## Details of Council co-funding and commitments

Site	Details
<b>FHSF funded</b>	
Site 1 (CO1)	<ul style="list-style-type: none"> <li>Extension and redevelopment of CO1 for housing approved at Cabinet on 12 December 2018 Decision Number 110492</li> <li>At the same Cabinet the budget was approved for the Civic Offices extension</li> <li>The same Cabinet resolved “A planning application for approximately 120 new residential units on the CO1 site to be submitted at a later date”. Co-funding is limited to the CO extension and for CO1 (site 1) the site value.</li> </ul>
Site 2 (north of railway)	<ul style="list-style-type: none"> <li>Proposal to develop plot 2a included in Underpass scheme, but development of these plots was not funded at the Cabinet 5th April 2017 Decision Number 01104419</li> <li>Included in the Council’s Capital Programme: Full Council 18 February 2020. Decisions of full Council are not assigned a decision, the relevant items on the agenda are 114 ‘Capital Strategy’ and 115 ‘General Fund Budget Proposals</li> <li>Co funding also includes land currently owned by the Council</li> </ul>
Site 5 (digital infrastructure)	<ul style="list-style-type: none"> <li>Co-funding to be confirmed as part of the Towns fund bid.</li> </ul>
Site 7 (SH and HSB south of railway)	<ul style="list-style-type: none"> <li>Proposal to develop plot 2a included in Underpass scheme, but development of these plots was not funded at the Cabinet 5th April 2017 Decision Number 01104419</li> <li>Included in the Council’s Capital Programme: Full Council 18 February 2020. Decisions of full Council are not assigned a decision, the relevant items on the agenda are 114 ‘Capital Strategy’ and 115 ‘General Fund Budget Proposals</li> <li>Co funding also includes land currently owned by the Council</li> </ul>
<b>Intra- and inter-dependant scheme</b>	
Underpass project	<ul style="list-style-type: none"> <li>Cabinet 5th April 2017 Decision Number 01104419</li> <li>Co Funding includes Council Capital Programme and Borrowing on returns from development, Local Growth Fund Grant, and S.106 Funds and land currently owned by the Council</li> </ul>
Civic Offices Extension	<ul style="list-style-type: none"> <li>12 December 2018 Decision Number 110492</li> <li>Co funding includes full capital cost and land currently owned by the Council</li> </ul>



## T Soft market testing

## GRAYS: SOFT MARKET TESTING

### DEVELOPER: CITYHEART

All comments below are provided by the developer on a confidential basis and should be treated accordingly.

1. Is there a particular geographic focus for your company at present?
  - *Cityheart work on schemes across the UK.*
  - *Presence in student accommodation, housing and repurposing town centres*
2. Are you active / have previously developed in Thurrock or nearby areas?
  - *Active in South East: Bishop's Stortford, Kingston and Hounslow*
3. What scale of development/value opportunities is your company generally seeking?
  - *£20 - £200m*
4. Do you think Grays / site 2 would be of interest to your company? Can you explain why?
  - *Yes – fundamentals are good. Next to station; fast links to London. Scope for sales price growth as underperforming compared to other centres with similar accessibility characteristics*
5. If Grays / site 2 is not of interest, please can you explain why? What could be done to enhance the appeal of the site?
  - *n/a*
6. What are your thoughts on the indicative development proposals at Site 2 in terms of scale, mix of uses and layout?
  - *With 136 dwellings, acceptable scale. Instinct is that smaller dwellings (1 & 2 beds) will be appropriate. Parking helpful for marketing, but acknowledgement the station is in very close proximity. Would need to consider servicing solutions.*
7. Do you think offering affordable rents for commercial and retail uses would be a positive – and why? What other initiatives may help drive demand for occupiers?
  - *Positive regarding affordable rents (though indicated that investors are more interested in leases which allows for uplifts)*

8. What are your views on the type(s) of residential market(s) this development would suit in terms of tenures, property types, socio-demographics, etc.?

- *Noted scope for value enhancement given sales vales are £350 per sq ft “got to get better”. Likely too small for PRS, but would met build to rent market.*

9. What do you think are the key challenges for this project and how might they be overcome for this development?

- *Viability*
- *Fit out space to improve lettability*
- *Site assembly: increases risk*
- *Would look for certainty on preletting some office space (60%)*
- *Need to take wider view than just retail uses; mixed commercial positive*

10. How might the opportunity be more attractive to developers?

- *The site being assembled*
- *Demonstrating up front that the scheme is viable*
- *Ensuring the scheme has the right mix*

11. How might you look to phase the development?

- *Site 2 doesn’t lend itself to being phased.*
- *Risks around delivering only part of the scheme*

12. From your experience, are there any lessons you have learned from delivering other sites in terms of achieving high quality design and placemaking that could apply to Grays?

- *Councils promoting holistic regeneration: and be seen to be delivering*
- *Engage with the public*
- *Good design always helps*

13. What further information would you need to bid on the project in terms of technical and design information?

- *Solid / clear brief as to what Council wants*
- *Back this up confirming its deliverable / viable*
- *Technical info: topos, site investigations, etc: should be provided to all bidders*
- *Understanding public sector grants and how to access them*
- *Evidence of a project ‘champion’ within the Council*

14. What would be your preferred deal structure that would you consider for the scheme?  
Would a typical Development Agreement arrangement be appropriate?

- *Development agreement – yes.*
- *OJEU OK (less keen on competitive dialogue)*
- *Need to get developers involved at an early stage*

15. In light of Covid-19, how has this affected your approach and appetite for development opportunities?

- *Not affected by COVID*
- *Heartened by government messages and intervention*
- *Sees it as an opportunity*

# U Contractual issues

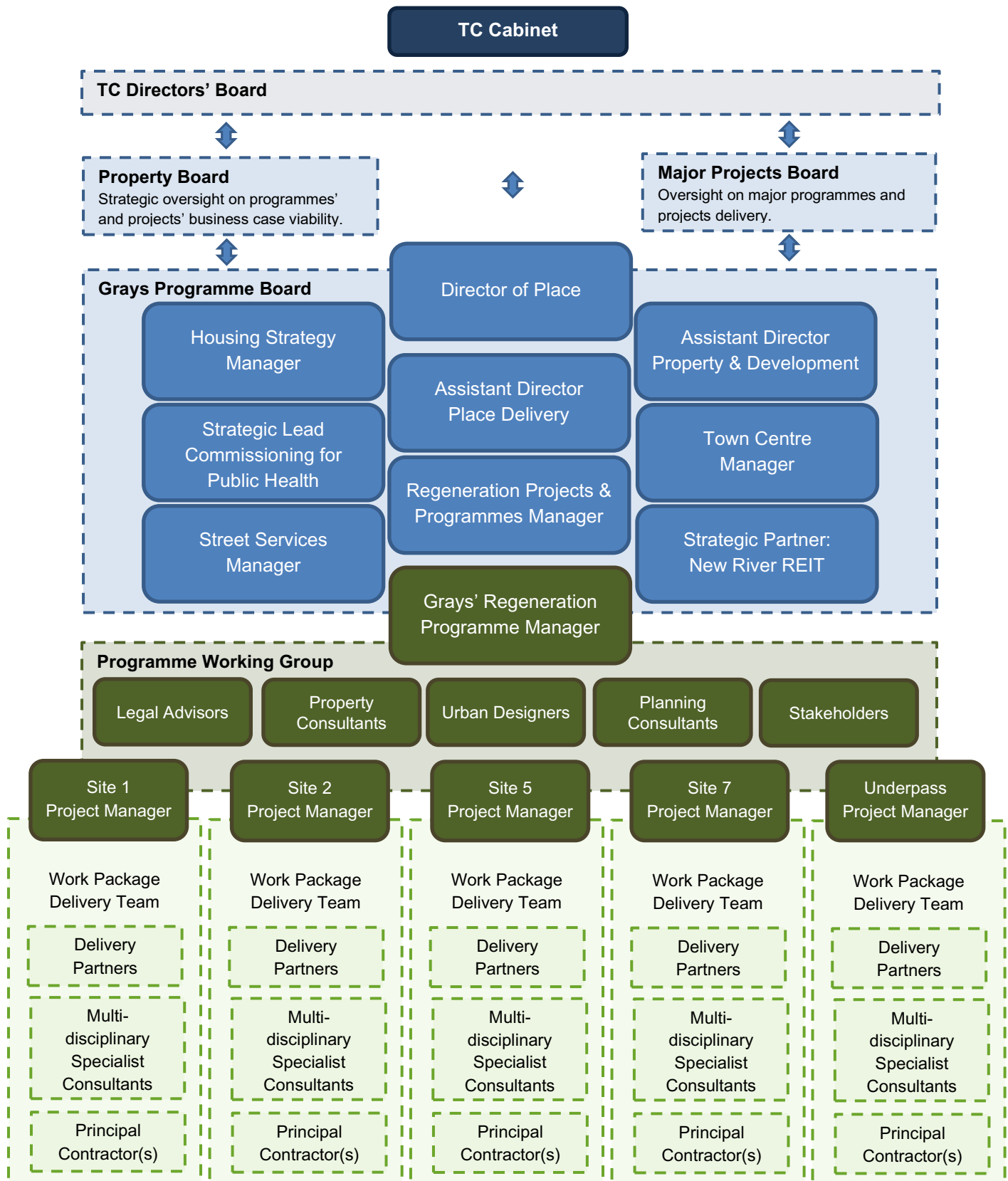
## Potential legal, contractual or procurement issues

- U.1 General delivery approach for Works and Services: Works and Services on the programme will be procured in accordance with EU directives and the Public Contracts Regulations 2015. Standard form contracts (e.g. JCT, NEC, FIDIC contracts) would be used for the commissioning of works and services.

Site	Delivery approach	Key Contractual Issues
Site 1 (C01)	Delivery via Thurrock Regeneration Limited	<ul style="list-style-type: none"> <li>• <u>Termination of existing leases</u>: Negotiate the surrender/termination of leases within the building.</li> </ul>
Site 2 (north of railway)	Public/Private Partnership via Development Agreement, with development partner(s) procured in accordance with EU Directive and Public Contracts Regulations 2015	<ul style="list-style-type: none"> <li>• <u>Site Assembly</u>: Compulsory Purchase Order (CPO) may be required should the Council fail to negotiate purchase of the identified properties.</li> <li>• <u>Development Agreement</u>: Identify and agree pre-conditions such as scale and scope of the development, securing planning consent.</li> <li>• <u>Development Agreement</u>: Negotiation of profits, overages, costs overruns etc. to reflect allocation of development risks.</li> <li>• <u>Development Agreement</u>: To ensure diversity, quality and future sustainability of Grays' High Street, restrictive use covenants would be applied to secure long-term curation of non-residential uses.</li> </ul>
Site 5 (Public Realm works)	Direct Delivery by Thurrock Council	<ul style="list-style-type: none"> <li>• <u>Compensation to businesses due to works (Particularly for Site 5)</u>: Whilst measures will be taken to mitigate disruptions to businesses in the area during works, businesses may be entitled to compensation due to works.</li> <li>• <u>Proximity of works to rail infrastructure</u>: Negotiation of the relevant asset protection arrangement with Networks Rail is required when developing next to an operational railway asset. The Council will seek to pass on appropriate asset protection obligations to the Contractor(s) to mitigate the Council's construction risk exposure.</li> </ul>
Site 7 (SH and HSB south of railway)	Direct delivery by Thurrock Council (potentially Thurrock Regeneration Ltd)	

## V Grays Programme Organogram

## GRAYS PROGRAMME GOVERNANCE STRUCTURE





## W Example Project Lifecycle and Control Document Guidance

# Linear Project Life Cycle & Milestone Gateways

## Generic Project Life Cycle

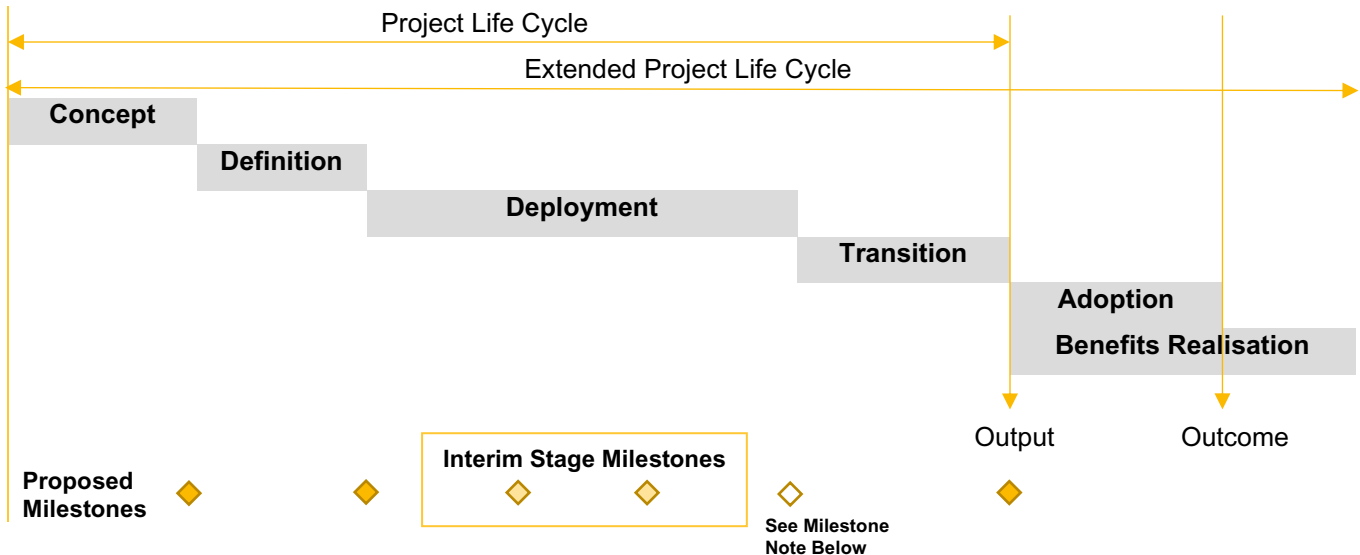


Fig.1 – Life Cycle based on the Extended Life Cycle from APM BOK7

## Life Cycle Stage Description

### Concept

Development of an initial idea through initial studies and high level requirements management, and assessment of viability, including an outline business case.

### Definition

Development of a detailed definition, plans and statement of requirements that include a full justification for the work.

### Deployment

Implementation of plans and verification of performance through testing and assurance to realise intended outputs, outcomes and benefits.

### Transition

Handover, commissioning and acceptance of outputs to the sponsor and wider users, culminating in formal closure.

## Extended Life Cycle Stage Description

### Adoption

Operations and sustainment required to utilise the new project and enable the acceptance and use of the benefits.

### Benefits Realisation

Realisation of the required business benefits.

## Milestones

A key event selected for its importance in the schedule with tangible acceptance of deliverables. It is recommended that each project life cycle stage culminates in a stage milestone. Additional milestones can be added as required depending on the size, nature and complexity of the project (see Building & Infrastructure Projects below).

It is quite common to not have a milestone at the end of deployment (◇) if the transition stage overlaps the completion of deployment.

## Building & Infrastructure Projects

Building & Infrastructure Projects may also follow the RIBA Plan of Works.

The RIBA Plan of Work organises the process of briefing, designing, constructing and operating building projects into eight stages and details the tasks and outputs required at each stage.

The RIBA Plan of Works can be easily mapped into the Linear Lifecycle, with interim gateways added to align with the additional stages identified.

A comparison of the APM Linear Lifecycle and the RIBA Plan of Works is as follows:

APM BOK 7 Life Cycle Stage	RIBA Plan of Work (2013)
1. Concept	1. Strategic Definition
	2. Preparation and Brief
2. Definition	3. Concept Design
	4. Developed Design
	5. Technical Design
	6. Construction
3. Deployment	7. Handover and Close Out
4. Transistion	8. In Use
5. Adoption	
6. Benefits Realisation	

## Milestone Gateway Project Control Documents

Milestone Gateway	Stage Activities	Project Control Documents
1. Concept	<ul style="list-style-type: none"> <li>Establish &amp; Develop Strategic Brief/Establish Client Requirements</li> <li>Develop Initial design options (Feasibility)</li> <li>Undertake Initial Stakeholder Consultations (as required)</li> <li>Initial development of Project Management Plan</li> <li>Produce Stage 1 Report <ul style="list-style-type: none"> <li>Scope</li> <li>Benefits</li> <li>Initial Cost Estimate</li> <li>Initial Risk Review</li> <li>Indicative Programme</li> <li>Assumptions</li> <li>Approvals required for the Deployment Stage</li> </ul> </li> <li>Procure Project Team for Stage 2 – 4 (excl appointment)</li> </ul>	<ul style="list-style-type: none"> <li>Budget Tracker</li> <li>Risk Register</li> <li>Change Log</li> <li>Project Schedule</li> <li>Stakeholder Management Plan</li> <li>Project Management Plan</li> <li>Stage 1 Report</li> </ul>
2. Definition	<ul style="list-style-type: none"> <li>Further Develop &amp; implement Project Management Plan</li> <li>Complete Concept/Developed/Technical Design</li> <li>Undertake Surveys (as required)</li> <li>Undertake Stakeholder Consultations (as required)</li> <li>Produce/Submit Planning Application Package (where applicable)</li> <li>Secure statutory consents required prior to Stage 3</li> <li>Produce Stage 2 Report <ul style="list-style-type: none"> <li>Scope</li> <li>Design Information</li> <li>Benefits Review</li> <li>Cost Plan Review</li> <li>Risk Review</li> <li>Programme Review</li> <li>Change Log</li> <li>Assumptions</li> <li>Approvals required for the Deployment Stage</li> </ul> </li> <li>Procure Additional Project Team for Stage 3 – 4 (excl appointment) where applicable</li> </ul>	<ul style="list-style-type: none"> <li>Project Management Plan</li> <li>Budget Tracker</li> <li>Risk Register</li> <li>Change Log</li> <li>Project Schedule</li> <li>Stakeholder Management Plan</li> <li>Design Review</li> <li>Project Progress Reports</li> <li>Project Dashboard Reports</li> <li>Stage 2 Report</li> </ul>
3. Deployment	<ul style="list-style-type: none"> <li>Award Contract</li> <li>Mobilise Deployment Stage</li> <li>Undertake &amp; Monitor Deployment Stage</li> <li>Secure all statutory Consents required</li> </ul>	<ul style="list-style-type: none"> <li>Budget Tracker</li> <li>Risk Register</li> <li>Change Log</li> <li>Project Schedule</li> <li>Stakeholder Management Plan</li> <li>Project Progress Reports</li> <li>Project Dashboard Reports</li> </ul>

Milestone Gateway	Stage Activities	Project Control Documents
4. Transition	<ul style="list-style-type: none"> <li>• Handover Process</li> <li>• Training/Demonstrations</li> <li>• H&amp;S File/Building Manual/O&amp;M Manuals (where applicable)</li> <li>• Defect Liability Period (where applicable)</li> <li>• Financial Close</li> <li>• Post Completion Review</li> <li>• Stage 4 Report               <ul style="list-style-type: none"> <li>○ Financial Statement</li> <li>○ Outstanding items</li> <li>○ Residual Risk Review</li> <li>○ Benefits Review</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>• Handover Checklist</li> <li>• Risk Register</li> <li>• Post Completion Review</li> <li>• Stage 4 Report</li> </ul>

#### Extended Life Cycle

5. Adoption		
6. Benefits Realisation		

## GRIP: Governance for Railway Investment Projects

Initiate		Choose Option	Design		Build	Close	
1	2	3	4	5	6	7	8
Output Definition	Project Feasibility	Option Selection	Single Option Development	Detailed Design	Construction Test & Commission	Scheme Handback	Project Closeout

The eight stages of the GRIP process.

The stages in detail:

### GRIP Stage 1: Output Definition

This stage establishes the scope of investment and the work being proposed. In particular, it considers:

- The objective, scope, timing, and specification of the enhancement;
- Funding for the project and any project risks;
- Procurement methodology: what should be undertaken in development and implementation works;
- Any likely interface with existing railway operations and other relevant projects and route strategies;
- Other stakeholder involvement.

### GRIP Stage 2: Project Feasibility

Following successful review and prioritisation of the investment proposal, GRIP Stage 2 moves the project forward.

Where a scheme changes the capability of the railway, for example it changes the timetable or operation of the network, or it integrates with existing major programmes of work, then Network Rail's System Operator team is likely to sponsor the scheme. Other schemes, such as investment in stations, will be sponsored by Route Enhancement teams.

### GRIP Stage 3: Option Selection

At the end of this phase, the following workstreams should have been completed:

- The various options available to complete the project will have been identified;
- Each of these available options will have been appraised; and
- A single option and outline design should be recommended.

The business case should confirm whether or not the project is affordable, including consideration of whole-life cost issues, whether it can be delivered in a reasonable timescale, whether it will provide value for money, and, on this basis, whether to proceed to detailed design and implementation.

### GRIP Stage 4: Single Option Development

Development of the chosen single option selected in GRIP Stage 3 commences to create the outline design.

Outline designs are produced, and any technical or legal issues that could cancel an option or a project are usually identified by this point.

### **GRIP Stage 5: Detailed Design**

The completion of a robust engineering design that provides definitive costs, times, resources and risk assessments.

GRIP Stage 5 will deliver the full design to which the project will be built is produced. This includes cost and time estimates.

### **GRIP Stage 6: Construction, Test and Commission**

The project is built to the design and specification detailed during GRIP Stage 5. It is tested to confirm everything is operating as specified and commissioned into use.

### **GRIP Stage 7: Scheme Handback**

Transfer of asset responsibility from the contractor's project team to the operator and maintainer.

### **GRIP Stage 8 – Project close out**

The project is formally closed. Contracts are settled and warranties agreed. Benefit assessments commence and the project team disbands.



# X Project Plan

## Project Plan

[illegible]

## Y Risk register

## Future High Street Fund: Programme Risk

Last updated: 02/07/2020

Risk ID	Raised by	Risk Name	Description of Risk CAUSE	Description of Risk EVENT	Description of Risk EFFECT	Impact			Mitigating Actions	Current Impact			Status change	Action Owner	Action Target Completion Date
						Likelihood	Risk			Current Likelihood	Current Exposure				
P1	BP	Funding: FHSF not available	Funding not forthcoming	Insufficient detail in Business Case to justify draw down of funds	Significant shortfall in project budget	5	3	15	Address in Business Case otherwise projects unable to proceed.	5	3	15	Same	BP	Ongoing
P2	BP	Funding: FHSF less than maximum received	Funding offer below £25million maximum	Funding offer received	Requires prioritisation of projects that enable scaleability	3	5	15	Project prioitisation in buinesss case	3	5	15	Same	BP	Ongoing
P3	BP	Funding: Local Authority match funding reduced	Impact of Covid-19 on Council budget	Expenditure and reduced income due to C-19 reduces funds available	Schemes underfunded	4	4	16	Dependent on Government clarification of C-19 recovery support package	3	4	12	Same	BP	Ongoing
P4	BP	Funding: Development values insufficient	Development returns insufficient to cover cost of borrowing	Market failure impacts viability	Council absorbs costs or project ends. Redesign required.	4	3	12	Monitor property market and review approach	4	4	16	Same	BP	Ongoing
P5	BP	Funding: Costs increase or overrun	Cost of design and construction increase	Costs exceed budget	Project ends before completion or scheme redesign needed	3	4	12	Project and cost management, monitor progress and costs, and control mechanisms.	3	4	12	Same	BP	Ongoing
P6	BP	Funding: Land values increase	Land values increase	Land acquisition and compensation costs exceed funds available	Scheme redesign required or scheme stops	3	4	12	Acquisition strategy. PCE. Design to maximise returns. Monitor market change.	3	4	12	Same	BP	16/02/2021
P7	BP	Resource: Internal project team resource	Insufficient resources within Thurrock Council	Insufficient in house resources	Reduced quality and delivery.	3	4	12	Procuring commissioned partner to provide additional resource. Procure specialist consultants where required	4	3	12	Same	BP	Ongoing
P8	BP	Site: Site constraints	Site constraints require significant changes	Structures, surrounding building and highway access etc restrict site options	Delays and increased costs	3	4	12	Project Management. Clear project definition at outset, addressed in design stages.	3	4	12	Same	NM	Ongoing
P9	BP	Site: Ground conditions incl ground water, contamination, geology	Adverse ground conditions	Discovered in detailed ground surveys or excavation for construction	Delay and cost	4	4	16	Survey information from other projects in the locality reviewed. Detailed site surveys and consultation sufficiently early in process	4	4	16	Same	BP	Ongoing
P10	BP	Implementation: impacts during construction	Disruption to town centre, loss of floorspace and active spaces during discussion. Loss of footfall	Design and site works	Undermine short and long term footfall and viability/vitality of the town centre.	4	3	12	Design and site management by design and construction team. Mitigation plan in place to activate spaces with street art, events etc, Communications plan to provide information and marketing.	4	3	12	Same	BP	Ongoing
P11	BP	Implementation: NR underpass construction phasing	Underpass delivery delayed	Delivery dependent on Network Rail	Plot 7 and 2a programme delayed	4	4	16	Delivery Services Agreement with Network Rail. Project delivery partnership to maintain communications and monitor.	4	3	12	Same	BP	Ongoing
P12	BP	Implementation: New River scheme	Scheme delivery delayed	Commercial decision by New River	Plot 2 delivery delayed or redesigned	4	4	16	Collaboration agreement leading to Joint delivery agreement. Monitor as part of project management	4	3	12	Same	BP	Ongoing
P13	BP	Implementation: Consents	Range of consents required	At various stages in programme	Impact design and delivery timescales	4	4	16	Early engagement with planning, housing and highway authority and Environmnet Agency and other key stakeholders.	4	3	12	Same	BP	Ongoing
P14	BP	Implementation: Land Assembly delayed	Freehold and leasehold interests to be acquired	Negotiated settlement not achieved, CPO required.	Cost and delay to programme	4	4	16	Land Assembly Strategy	4	3	12	Same	BP	Ongoing
P15	BP	Project development and implementation: Stakeholder management	Inadequate communications leading to lack of support or objection	Internal and external partners fail to properly engage with and support the programme	Delays, project uncertainty & potential cancellation	5	3	15	Consultation undertaken. Stakeholder Engament Strategy and Communications Plan	5	2	10	Same	BP	Ongoing

## Z Benefits Realisation Plan example

South East Local Enterprise Partnership  
Local Growth Fund  
Benefits Realisation Plan

Grays South

Note: If you have an annual value, please merge cells across the relevant year

Inputs

								Add or remove annual blocks as required					
								2018/19	2019/20	2020/21	2021/22	2022/23	2023/24
								Year 1 Before Opening	Year 2 Before Opening	Year 3 Before Opening	Year 4 Before Opening	Year 5 Before Opening	Year 6 Before Opening
ID	Description		Value	Monitoring approach	Frequency of Tracking	Source and units	Date	£m	£m	£m	£m	£m	£m
IN1	LGF Grant funding	Planned / Forecast		n/a	n/a	As Business Case	20/09/2019	0	3.7	7.1	0	0	0
		Changes to Planned / Forecast following variation		n/a	n/a	Planned/ Forecast Spend Profile	Date of Variation						
		Actual		n/a	Annually	Actual Spend Profile	Date of One Year After Report	0	3.7				
IN2	Thurrock Council Funding	Planned / Forecast		n/a	n/a	As Business Case	20/09/2019	0.5	1.4	0.4	6	3.3	0
		Changes to Planned / Forecast following variation		n/a	n/a	Planned/ Forecast Spend Profile	Date of Variation						
		Actual		n/a	Annually	Actual Spend Profile	Date of One Year After Report	0.5	1.4				
IN3	Development receipts	Planned / Forecast		n/a	n/a	As Business Case	20/09/2019	0	0	0	0.9	2	2.7
		Changes to Planned / Forecast following variation		n/a	n/a	Planned/ Forecast Spend Profile	Date of Variation						
		Actual		n/a	Annually	Actual Spend Profile	Date of One Year After Report	0	0				
IN3	Network Rail funding	Planned / Forecast		n/a	n/a	As Business Case	20/09/2019	0.7	0	0	0	0	0
		Changes to Planned / Forecast following variation		n/a	n/a	Planned/ Forecast Spend Profile	Date of Variation						
		Actual		n/a	Annually	Actual Spend Profile	Date of One Year After Report	0.7	0				

Add or remove annual blocks as required					
2024/25	2025/26	2026/27	2027/28	2028/29	2029/30
Opening year	1st year after opening	2nd year after opening	3rd year after opening	4th year after opening	5th year after opening
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
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n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a
n/a	n/a	n/a	n/a	n/a	n/a

Outputs

ID	Description		Value	Monitoring approach	Frequency of Tracking	Source and units	Date	Year 1 Before Opening	Year 2 Before Opening	Year 3 Before Opening	Year 4 Before Opening	Year 5 Before Opening	Year 6 Before Opening
OP1	Removal of the existing level crossing and construction of an underpass	Baseline	Level crossing in operation and no underpass	Council held project information on current GRIP Stage.	Once before completion	Project management documentation	2019	Level crossing in operation	Level crossing in operation				
		Planned/Forecast	Completion of GRIP Stage 6 for level crossing removal and completion of the underpass	Tracking progress through GRIP stages.	Once on completion	Full Business Case, section 2.7	2024						
		Actual											
OP2	Public realm improvements and clearing of sites for redevelopment	Baseline	Existing public realm – no improvements	Council held project information on current RIBA Plan of Work stage.	Once before completion	Project management documentation	2019	No public realm improvements	No public realm improvements				
		Planned/Forecast	Completion of Royal Institute of British Architects (RIBA) Plan of Work Stage 6 (Handover and Close Out) by February 2024.	Tracking progress through RIBA Plan of Work stages.	Once on completion	Full Business Case, section 2.7	2024						
		Actual											

Opening year	1st year after opening	2nd year after opening	3rd year after opening	4th year after opening	5th year after opening
Completion of GRIP Stage 6 for level crossing removal and completion of the underpass					
Completion of Royal Institute of British Architects (RIBA) Plan of Work Stage 6 (Handover and Close Out)					

Add or remove Outputs as required

Outcomes

ID	Description		Value	Monitoring approach	Frequency of Tracking	Source and units	Date	Year 1 Before Opening	Year 2 Before Opening	Year 3 Before Opening	Year 4 Before Opening	Year 5 Before Opening	Year 6 Before Opening
OC1	Homes connected to the intervention	Baseline	No homes on the project site	Information provided by Thurrock Council Property and Regeneration team	Once before completion	Thurrock Council Property and Regeneration team	2019	No homes on the project site	No homes on the project site				
		Planned / Forecast	84 new homes constructed on the project site	Information provided by Thurrock Council Property and Regeneration team	Annually post completion for 5 years	Full Business Case, section 2.7	2025			No homes on the project site	No homes on the project site	No homes on the project site	No homes on the project site
		Actual (at the of One Year After Opening Report)											
		Actual (at the time of Five Years After Opening Report)											
OC2	Redeveloped commercial floorspace connected to the intervention	Baseline	No commercial floorspace redeveloped	Information provided by Thurrock Council Property and Regeneration team	Once before completion	Thurrock Council Property and Regeneration team	2019	No commercial floorspace redeveloped	No commercial floorspace redeveloped				
		Planned / Forecast	1,279 sqm redeveloped floorspace	Information provided by Thurrock Council Property and Regeneration team	Annually post completion for 5 years	Full Business Case, section 2.7	2025			No commercial floorspace redeveloped	No commercial floorspace redeveloped	No commercial floorspace redeveloped	No commercial floorspace redeveloped
		Actual (at the of One Year After Opening Report)											
		Actual (at the time of Five Years After Opening Report)											
OC3	Urban realm improvements	Baseline	Pedestrian Environment Review System (PERS) score	PERS walking audit	Once before completion	PERS walking audit	2020						
		Planned / Forecast	Improvement in Pedestrian Environment Review System (PERS) score	PERS walking audit	One year post completion	Full Business Case, section 2.7	2024						
		Actual (at the of One Year After Opening Report)											
		Actual (at the time of Five Years After Opening Report)											
		Baseline	Walkscore of 87	Walkscore assessment of Grays town centre	Once before completion	Walkscore assessment of Grays town centre	2018	Walkscore of 87					

Opening year	1st year after opening	2nd year after opening	3rd year after opening	4th year after opening	5th year after opening
No homes on the project site	84 new homes constructed on the project site	84 new homes constructed on the project site	84 new homes constructed on the project site	84 new homes constructed on the project site	84 new homes constructed on the project site
No commercial floorspace redeveloped	1,279 sqm redeveloped floorspace	1,279 sqm redeveloped floorspace	1,279 sqm redeveloped floorspace	1,279 sqm redeveloped floorspace	1,279 sqm redeveloped floorspace
Improvement in Pedestrian Environment Review System (PERS)					

OC4	Urban realm improvements	Planned / Forecast	Walkscore of above 90	Walkscore assessment of Grays town centre	Once on completion	Full Business Case, section 2.7	2024		Walkscore of 87	Walkscore of 88	Walkscore of 89	Walkscore of 90	Walkscore of 91	
		Actual (at the of One Year After Opening Report)												
		Actual (at the time of Five Years After Opening Report)												
OC5	Pedestrian footfall	Baseline	Number of pedestrians in town centre	Town centre pedestrian survey	Once before completion	Town centre pedestrian survey	2020							
		Planned / Forecast	Maintained footfall in along Grays high street	Town centre pedestrian survey	Once on completion	Full Business Case, section 2.7	2024							
		Actual (at the of One Year After Opening Report)												
		Actual (at the time of Five Years After Opening Report)												
OC6	Risk of fatalities and accidents	Baseline	Network Rail All Level Crossing Risk Model (ALCRM) rating of D1	Review of Network Rail ACLRM ratings	Once before completion	Network Rail safety census	2019	Network Rail All Level Crossing Risk Model (ALCRM) rating of D1	Network Rail All Level Crossing Risk Model (ALCRM) rating of D1					
		Planned / Forecast	No ALCRM score allocated	Review of Network Rail ACLRM ratings	Once on completion	Full Business Case, section 2.7	2024			Network Rail All Level Crossing Risk Model (ALCRM) rating of D1	Network Rail All Level Crossing Risk Model (ALCRM) rating of D2	Network Rail All Level Crossing Risk Model (ALCRM) rating of D3	Network Rail All Level Crossing Risk Model (ALCRM) rating of D4	
		Actual (at the of One Year After Opening Report)												
		Actual (at the time of Five Years After Opening Report)												

Walkscore of above 90					
No ALCRM score allocated					

Add or remove Outcomes as required  
Insert any Unexpected Outcomes here

Impacts													
ID	Description		Value	Monitoring approach	Frequency of Tracking	Source and units	Date	Year 1 Before Opening	Year 2 Before Opening	Year 3 Before Opening	Year 4 Before Opening	Year 5 Before Opening	Year 6 Before Opening
I1	Improved safety in Grays town centre	Baseline	Response score in public perception survey	Public perception survey	Once before completion	Public perception survey	2020						
		Planned / Forecast	Improved response score in public perception survey	Public perception survey	Once on completion	Full Business Case, section 2.7	2024						
		Actual (at the time of Five Years After Opening Report)											
I2	Improved ease of intermodal travel	Baseline	Response score in public perception survey	Public perception survey	Once before completion	Public perception survey	2020						
		Planned / Forecast	Improved response score in public perception survey	Public perception survey	Once on completion	Full Business Case, section 2.7	2024						
		Actual (at the time of Five Years After Opening Report)											
I3	Improved attractiveness of Grays town centre for business	Baseline	Response score in business survey	Survey of local businesses survey	Once before completion	Public perception survey	2020						
		Planned / Forecast	Improved response score in business survey	Survey of local businesses survey	Once on completion	Full Business Case, section 2.7	2025						
		Actual (at the time of Five Years After Opening Report)											

Opening year	1st year after opening	2nd year after opening	3rd year after opening	4th year after opening	5th year after opening
Improved response score in public perception survey					
Improved response score in public perception survey					
Improved response score in business survey					

Add or remove Impacts as required  
Insert any Unexpected Impacts here





## Control Information

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