

Agenda Item 8

Cabinet Member	Councillor Bridget Kendrick, Cabinet Member for Projects
Strategic Leadership Team Lead Officer	Emma Day, Executive Head of Service (Prosperity)
Author	Alison Woolgar, Principal Project Surveyor
Telephone	01306 879106
Email	Alison.woolgar@molevalley.gov.uk
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Ward (s) affected	Leatherhead North Leatherhead South	Key Decision	Yes
Subject	Approval to procure a development partner for the Swan Centre and Bull Hill		

Recommendations

The Cabinet is asked to

- (1) approve the procurement of a development partner for the Swan Centre and Bull Hill together with the necessary expenditure of up to £200,000 in professional fees and disbursements.

Executive Summary

In March 2019, Cabinet approved the recommended Master Plan for the Swan Centre following completion of the Swan Centre Development Strategy and Viability Study. The Master Plan proposes that the Swan Centre be re-purposed to introduce a greater mix of uses, to focus the retail offer on the fundamental shop together with independent retailers, supported by quality public realm and parking.

Given the challenges facing retailing and the wider economic uncertainty, Cabinet agreed that further specialist advice and soft market testing be commissioned ahead of commencing procurement for a potential development partner (given the allocation of cost and resources).

The soft-market testing identified that the Swan Centre is unlikely to be commercially attractive to a developer as a stand-alone development for the reasons set out in the body of the report.

Two alternative delivery strategies for Mole Valley District Council (**MVDC**) to bring forward the redevelopment of the Swan Centre were identified and assessed:

- 1) MVDC redevelops the Swan Centre, outsourcing planning and construction risk to a development manager, but retaining financing, leasing and sales risk (**Direct Development**); or
- 2) MVDC procures a development partner for the Swan Centre together with Bull Hill (**Development Partner**).

These options have been considered in the context of the alternatives. In the short-

term, the lowest cost option is to pro-actively manage the Swan Centre, and not implement any development. This is not recommended for the reasons outlined in Annex 1. The other alternative is to sell the Centre, which is not recommended for the reasons outlined in the report.

Accordingly, it is recommended to procure a development partner to redevelop both the Swan Centre and Bull Hill. The inclusion of Bull Hill, based on the soft market testing, should attract a wider pool of potential partners as it is a more commercially attractive opportunity.

The procurement of a one partner to bring forward both regeneration sites will be more time and cost effective for MVDC, as it avoids having to undertake a separate procurement for Bull Hill.

It is anticipated that the procurement process will take approximately 12 months following appointment of external commercial and legal advisors. A further report will be submitted to the Cabinet in relation to the procurement and seeking approval of the preferred bidder.

Corporate Priority Outcomes

PROSPERITY - A vibrant local economy with thriving towns and villages

The procurement of the development partner is a key milestone to continue to drive the transformation of Leatherhead Town Centre. In partnership with MVDC, the development partner can develop and implement the Swan Centre Master Plan as a catalyst to revitalise the High Street and bring forward proposals for Bull Hill in a phased and controlled approach. This approach will ensure that MVDC continues to retain control of Transform Leatherhead.

The Cabinet has the authority to determine the Recommendations

1.0 Background

- 1.1 MVDC owned the freehold of the Swan Centre and decided to purchase an additional long-leasehold interest in April 2016. The Transform Leatherhead Masterplan identified the remodelling of the Swan Centre as a catalyst for a revitalised town centre.
- 1.2 The objective of the Development Strategy and Viability Study (**Study**) was to deliver a robust, evidenced based, fully researched and viable development option for the Centre as a catalyst to revitalise the High Street.
- 1.3 As part of the report to Cabinet at its meeting in March 2019, officers outlined the ongoing polarisation between prime and secondary centres and the importance of creating a unique visitor experience. The Swan Centre needs to be re-purposed to introduce a greater mix of uses, including leisure and residential, and focus the retail offer on the fundamental shop together with independent retailers, supported by quality public realm and parking.

1.4 The approved Swan Centre Master Plan is summarised in Figures 1 and 2 below.

Use	Existing size / sq ft	Recommended Masterplan Size / sq ft	Commentary
Retail	47,000	40,000	Include a wider range of small units (500 – 1,500 sq ft)
Food and Beverage (F&B)	4,400	10,000	Up to 4 units proposed
Food store	44,000	44,000	A 20,000 sq ft food store would result in a more 'local' concept; the Masterplan proposes to retain the existing food store due to the length of the unexpired lease terms
Cinema	N/A	15,000	5 – 7 screens were considered; the Masterplan proposes 5 screens
Offices	12,300	12,000	Potential co-working facility
Residential	N/A	40,000	Approx 50 units (depending on mix) with 40% affordable
Hotel	N/A	25,000	70 bed hotel
Community / Unique use	4,500	10,000	Potential rooftop vineyard garden
Car parking	280 spaces	401 spaces	Single storey extension to complement new mix of uses

Figure 1 – Potential mix and quantum of uses

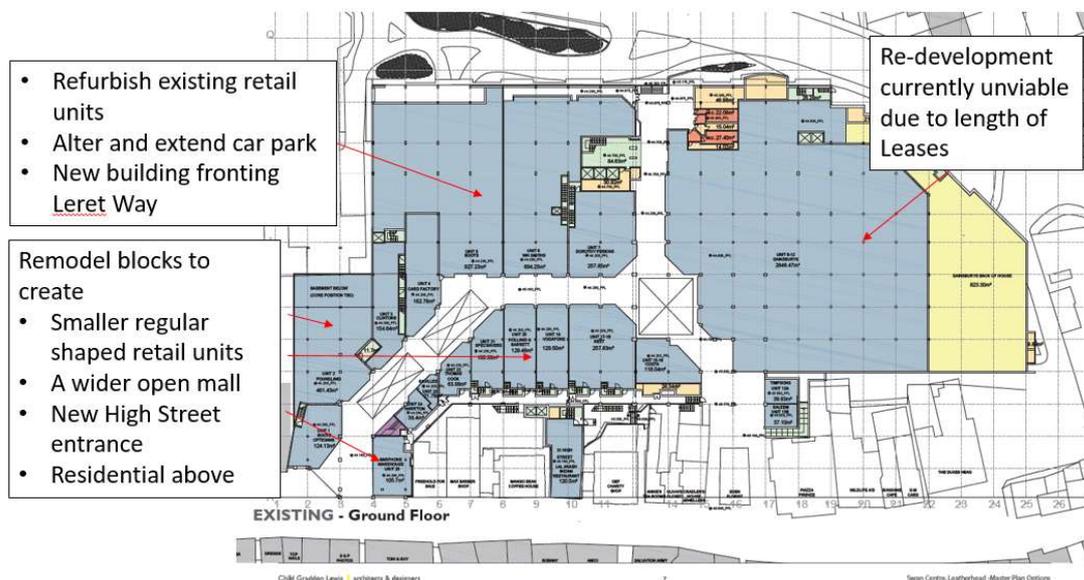


Figure 2 – Potential redevelopment option

2.0 Existing Income and Asset Management and Development Viability

2.1 Detailed information on the existing income and asset management initiatives and the development viability is set out in Annex 1 (exempt from publication).

3.0 Soft-market testing

- 3.1 Cushman Wakefield Debenham Tie Leung Ltd (**C&W**) undertook the Study. Given their detailed knowledge of the Master Plan, they were appointed to identify and approach relevant developers with experience in this type of redevelopment and to run the soft-market testing.
- 3.2 To maximise the value of the soft-market testing, a data room was set up. Access to the data room and participation in the soft-market testing was conditional on interested developers signing mutual confidentiality agreements.
- 3.3 C&W and MVDC officers presented the proposals to a number of developers to understand the likely developer appetite for partnering with MVDC in relation to the Swan Centre Master Plan, commercial return expectations and feedback as to the likely commercial structures available to implement the Master Plan.
- 3.4 In parallel with the soft-market testing, MVDC obtained external legal advice from lawyers, Browne Jacobson LLP, on the alternative legal structures available to MVDC and the legal implications.

4.0 Soft-market testing

- 4.1 The soft-market testing indicated that developers' expectations of a commercial return range from 15% - 30% of the construction costs depending on the market sector and the level of risk.
- 4.2 In terms of demand, whilst there is strong interest in the location, the ongoing difficulties facing the retail sector compounded by the current uncertain economic outlook, the Swan Centre Master Plan does not offer sufficient commercial profitability to attract a development partner as a stand-alone project.
- 4.3 In order to work as a stand-alone project, it would be necessary to increase the profitability by increasing the residential content to approximately 120 residential units. The most obvious way of increasing the amount of residential units would be increase the height of the scheme, which is contrary to heritage and planning advice.

5.0 Delivery Options

- 5.1 Following the soft-market testing, two delivery options were identified:

- Direct Development of the Swan Centre
- Delivery Partner for both the Swan Centre and Bull Hill

5.2 Direct Development of Swan Centre

- 5.2.1 Given the viability outlined in Annex 1, and the stated range of commercial return requirement, the only option for MVDC to bring forward the redevelopment of the Swan Centre in isolation is via Direct Development.
- 5.2.2 If MVDC were to develop directly, this would involve significant additional officer resource, additional expertise and taking on all the development risk in relation to planning, finance, construction and future market risk.
- 5.2.3 It is possible to share this risk by appointing a Development Manager who would assume the planning and construction risk, in return for a percentage fee, linked to delivery and profit KPIs.
- 5.2.4 In this model, MVDC would finance the redevelopment. This could be via PWLB loans, forward selling elements of the development to an investor or via undertaking a sale-and-leaseback arrangement, known as a wrapper-lease.
- 5.2.5 In addition MVDC would be responsible for securing future tenants for the

redeveloped scheme. It would be possible to seek to mitigate this through securing pre-lets prior to commencement of redevelopment. However, it still exposes MVDC to a significant revenue risk, with MVDC incurring considerable annual costs to MVDC in loan interest charges (or rent) and there would be a deficit in income during the development period. It therefore does not make economic sense to MVDC.

5.3 **Development Partner – Swan Centre & Bull Hill**

- 5.3.1 The soft-market testing indicated that there would be strong developer interest in the opportunity to partner with MVDC to redevelop the Swan Centre if the opportunity also included Bull Hill. This is based on Bull Hill being a residential-led scheme and therefore likely to generate a higher profit.
- 5.3.2 Procuring a development partner could still enable MVDC to retain control over the redevelopment to ensure it meets the objectives of Transform Leatherhead, through various contractual mechanisms.
- 5.3.3 In addition to offering potential development partners a more attractive opportunity, procuring one partner for both sites could shorten delivery times, bring economies of scale and through sensible phasing of the works, potentially reduce the impact of the works on the town centre. This latter factor, given the proximity of the sites to each other in a constrained, town-centre situation, constitutes a very practical benefit.
- 5.3.4 There are broadly two types of Development Partnership (i) the establishment of a joint venture company and (ii) a development agreement.

Joint venture company

- 5.3.5 This involves setting up with the preferred developer a company (a limited liability partnership (**LLP**)) which would be owned equally by MVDC and the Development Partner.
- 5.3.6 Typically, this approach involves the local authority partner, here MVDC, contributing the land to the company, with the development partner taking the lead in providing the expertise in implementation and delivery. At the appropriate time (e.g. when a specific condition has been satisfied), MVDC would transfer its interest in the sites to the company. This works well with a multi-site approach. The company could still choose to appoint a Development Manager to implement the development.
- 5.3.7 As an equal partner, this approach would enable MVDC to maintain a degree of control over the redevelopment whilst sharing the risk. The detailed risk / resource allocation would be developed through the procurement process and recorded in an agreement between MVDC and the development partner (known as the members agreement), with the business of the company managed through an agreed business plan.
- 5.3.8 This option offers the most flexibility as the Partner would be procured on the basis of their expertise/resources, not based on the detail of the individual schemes. Retaining flexibility as to the final detail of the proposed schemes for both the Swan Centre and Bull Hill is seen as an important consideration, given the current economic climate as well the current difficulties in the retail sector.

Development Agreement

- 5.3.9 A development agreement is a contract between MVDC and a developer that would transfer the development and sales risk to the developer with MVDC being offered a minimum land value for the sites based on the developer's detailed proposals for the site(s).

5.3.10 This approach typically provides the local authority with less control over delivery once the sites have transferred to the developer.

5.3.11 It offers little flexibility to the partner and MVDC as the partner would be selected on the detail of their development solution submitted as part of the procurement process. Given the current uncertainty in the market and the potential planning risk, this would result in the developer carrying additional upfront risk, which would be reflected in the terms offered to MVDC.

5.3.12 Any change in the development solution as a result in changing market conditions could trigger the legal requirement to re-procure the development agreement.

5.3.13 A number of developers have indicated they would not be interested in a competitive procurement on this basis.

5.4 For the reasons set out above, it is recommended that MVDC procures a development partner for both the Swan Centre and Bull Hill on a joint venture basis. The soft-market testing indicates that this is likely to be the most attractive delivery solution.

6.0 Next Steps

6.1 The procurement process is likely to take around 12 months from appointment of legal and property advisers, which will include a full OJEU tender process to identify a preferred partner.

6.2 It is anticipated a budget of up to £200,000 will be required to employ relevant legal and property advisers to undertake the procurement process.

6.3 A further report would be brought to a meeting of Cabinet to report on the outcome of the procurement and the offered terms, prior to MVDC entering into any legal agreements or establishing any joint venture company.

7.0 Financial Implications

7.1 A summary of the Regeneration Reserve allocations since the Regeneration Reserve was established in 2016, together with a statement of the unallocated funds is set out below:

Regeneration Reserve Account (June 2019)	£000	£000
Original allocation from general revenue reserves		1,000
Add: Benefit from 2015/16 NNDR Pool	541	
Benefit from 2017/18 NNDR Pool	261	
Potential benefit from 2018/19 NNDR Pilot*	800	1,602
Less: Claire/James House viability/planning	-820	
Swan Centre development strategy	-190	
Housing Ready, affordable housing report	-30	
Transport data collection and modelling study	-84	
Soft-market testing and advice on the Swan Centre	-30	
Phase 2 Highways Feasibility Study	100	
Other minor commissions	-50	<u>-1,104</u>
Remaining reserve		<u>1,298</u>

*2018/2019 NNDR Pilot Benefit has not been confirmed as at the time of writing this report.

- 7.2 If the recommendation in this report is approved, it would leave a balance of £1,098,000 in the Regeneration Reserve.

8.0 Risk Implications

Programme

- 8.1 The Transform Leatherhead programme (published for download on the Transform Leatherhead website here targets the procurement of the Swan Centre development partner commencing in autumn 2019, with the aim to secure a partner next year. This tied into the likely timescales for redevelopment in light of the potential work involved in securing planning consent.
- 8.2 It retains the link to the timing of the recommendations for the highways network in the town centre following the next stage of the Highways feasibility studies. Bull Hill is being promoted by the Regeneration team as a potential brownfield site for the purposes of Future Mole Valley but whether the site will be included in the adopted Local Plan (which will be subject to consultation and examination) will not be known until summer 2021 as per the Local Development Scheme approved by Cabinet in June 2019. Given the flexibility provided by a joint venture company approach, the timing of the Local Plan does not dictate the timing of securing a development partner.

Financial Risks and Risks to Corporate Priority Outcomes

- 8.3 Swan Centre risk assessments outline the inherent financial and project risks of property development and highlight how the appointment of a development partner can mitigate these by transferring these to the joint venture vehicle and using the experience and expertise of the development partner to mitigate, manage and share these risks whilst retaining sufficient control to ensure delivery of the redevelopment in accordance with the MVDC Transform Leatherhead objectives.
- 8.4 The risks will be borne by the company and the risk allocation will be set out as part of the members' agreement between MVDC and the development partner, with the business of the company managed by way of a jointly agreed business plan. The detail of risks will be further developed during the procurement process and will be reported to Cabinet as part of seeking approval of the preferred bidder.
- 8.5 In the short-term, the lowest cost option is to pro-actively asset manage the Swan Centre with ongoing investment and effective estate management. However, this is not necessarily the lowest financial risk as demonstrated in Annex 1. This option is a high risk option in the context of delivering the vision for the Retail and Leisure Quarter set out in the Transform Leatherhead Masterplan, one of MVDC's core priorities.

Development Risks

- 8.6 Property development has inherent risks that can be mitigated by undertaking further due diligence appropriate to the site and proposed scheme such as ground condition surveys, structural surveys, rights of light surveys and legal appropriations. If the recommended option is adopted, these will be undertaken by the joint venture company.
- 8.7 As part of the pre-procurement planning process, officers will commission development appraisals of Bull Hill to have a better understanding of the future development value of the site to help shape the discussions with the potential developers during the procurement process.

Reputational Risk

- 8.8 The mitigation of the reputational risks continues via the Transform Leatherhead Engagement and Communications strategy and annual plan.

9.0 Legal Implications

Procurement

- 9.1 MVDC intends to carry out an OJEU procurement exercise in order to select a development partner for the Project and must do so in compliance with the requirements of the Public Contracts Regulations 2015. The competitive dialogue process is the recommended procurement procedure.
- 9.2 A further report will be brought to Cabinet at a later stage of the procurement exercise to approve the preferred development partner, prior to entering into any legally binding agreements.

Powers

- 9.3 At this stage, members are advised that MVDC may rely upon the General Power of Competence (the **General Power**) provided for in Section 1 of the Localism Act 2011 to pursue the proposed development scheme and related company structure. The general power is a wide power which allows MVDC to do anything that an individual may do (subject to public law principles), but it is subject to certain statutory limitations.
- 9.4 Section 4 of the Localism Act 2011 provides that if MVDC is exercising the General Power for a commercial purpose then it must do so using a company. For this project, MVDC proposes to enter into a joint venture limited liability partnership (“LLP”) with the selected development partner. This approach is permissible because MVDC’s primary purposes in being a corporate member in the LLP will be non-commercial and socio-economic in nature. The primary purpose behind the joint venture, and setting up of the LLP, will be to deliver the redevelopment of the Swan Centre and Bull Hill (the **Project**).
- 9.5 Sections 8 and 9 of the Housing Act 1985 impose a duty on local authorities to review housing needs in their district and provides them with related powers to provide housing accommodation by building and acquiring houses or by converting other buildings into houses. These powers can include provision via third parties.
- 9.6 Section 123 of the Local Government Act 1972 provides MVDC with the power to dispose of non-housing land for best consideration. MVDC will therefore need to demonstrate its compliance with section 123 when transferring land interests. In order to demonstrate full compliance with section 123, MVDC will need to take any necessary further independent valuation advice where necessary throughout the delivery of the Project.

State aid

- 9.7 State aid legal compliance will be managed on an ongoing basis. All land transfers from MVDC will need to be for full value so as to avoid a transaction being deemed to include the grant of state aid. Transfer at an open market value based on an independent valuation will comply with these guidelines.
- 9.8 Any MVDC investment in the Project (by way of either land or finance) will need to be on commercial terms that would be acceptable to a prudent private sector investor in the same circumstances. In doing so, MVDC may rely upon the Market Economy Investor Principle and the proposed structure (contractual and investment) should be kept under review as the project progresses to make sure that MVDC’s investment (by way of either land or finance), is always State aid compliant.

- 9.9 Similarly, it will be for MVDC to ensure that any funding provided (or utilised) to support the Project is also State aid compliant.

General

- 9.10 MVDC has taken preliminary advice on potential delivery models for the Project from appointed external legal advisors, Browne Jacobson LLP. MVDC also intends to appoint external legal advisors to support its procurement of a development partner.
- 9.11 Public law constraints will apply to the Project, including MVDC's fiduciary duty to act prudently with public monies entrusted to it. MVDC therefore must establish (and maintain a full audit trail to support) that the Project and its various components are 'intra vires' and that the decision to undertake the Project is made after having given due and proper consideration to all relevant factors (disregarding irrelevant factors) and in accordance with normal public law considerations.
- 9.12 The LLP will be a separate legal entity and, as such, will have legal capacity to make planning applications and appeal adverse decisions. However, MVDC will need to be mindful of the essential need to separate its decision-making (in its capacity as a member of the LLP) from its functions as a planning authority. This will also have bearing on MVDC's appointment of nominees to the LLP's board.
- 9.13 It is always possible for third parties to make challenge under judicial review to attempt to halt progress with projects of this kind, and this risk cannot be ruled out entirely. However, the legal advice that MVDC has obtained to-date confirms the lawfulness of the proposed arrangement and the statutory powers being relied on.

10.0 Options

Option 1 – Recommended

Approve the procurement of a development partner for the Swan Centre and Bull Hill together with the necessary expenditure of up to £200,000 in professional fees and disbursements.

Option 2 - Do nothing (not recommended)

The 'do nothing' approach needs to be considered in the context of the risks highlighted in Annex 1. It also needs to be carefully considered against the corporate priority outcome of delivering transformational change to Leatherhead town centre.

Option 3 - Sell the Asset (not recommended)

MVDC could dispose of the asset. Although this has not been explored in detail, the polarisation and market conditions outlined have led to a reduction in capital values for secondary town centre retail sites coupled with a lack of investor and developer appetite for retail schemes. Disposal ahead of re-configuration would not deliver best value. It would not deliver on the objectives outlined at purchase and risk reputational risk to MVDC for failing to deliver Transform Leatherhead. MVDC would need to source an alternative source of revenue income through investment of any capital receipt.

11.0 Corporate Implications

Monitoring Officer commentary

The Monitoring Officer confirms that all relevant legal implications have been taken into account.

S151 Officer commentary

Financially, the decision and direction of travel recommended in this report is largely driven by an analysis of risk. There are few 'hard financial facts' and in making any decision, the

Council needs to be aware of the nature, scale and impact of the risks and uncertainties arising from each option.

The work undertaken by C&W has concluded that there is no financially viable development for the Swan Centre on a standalone basis, (that would be compliant with national and local planning policies). In essence the proposed development scheme would generate an additional £1m per year of income, but would cost £40m to deliver, which would incur capital financing costs of £2m per year i.e. the scheme could cost the Council a net £1m per year. The Council does not have the financial resources to fund this.

There are a number of potential ways of dealing with this:

'Do nothing', (Option 2 in the Report), carries a key risk relating to vacant retail premises, lower rents and consequent reduction in income to MVDC, from the Swan Centre. The Report identifies that although the Council has been successful in maintaining occupancy levels, (currently 100%), this has been achieved partly through lower rent levels. Given the national trends on retail rents and vacancy rates it is conceivable that within the medium term, maybe 3 years, there is a credible risk that rental income might be down by a third, costing the Council between £0.2m and £0.3m per year. This would need to be compensated for by savings or additional income within the revenue budget.

'Sell the Asset', (Option 3 in the Report), also carries a material risk of costing the Council money. Excluding the income from the Sainsbury's store, (which is not in MVDC's ownership), the Swan Centre generates just under £1.1m per year income for the Council. Assuming that the Council could invest the proceeds from the sale of the asset to generate a return of 5%, the Swan Centre would need to be sold for £22m to recover the lost income. Although a formal valuation has not been sought, the Report suggests that the sale of the asset would struggle to achieve the necessary price to be worthwhile. Each one million pounds below £22m would cost MVDC approximately £50,000 per year.

So, options 2 and 3 are both likely to cost the Council a significant sum, (as well as failing to deliver regeneration within the town).

This leaves one other significant option, which is to view the development of the Swan Centre as part of a bigger development including Bull Hill, which collectively is likely to be commercially viable. Although detailed commercial viability work has not yet been undertaken on Bull Hill, it is largely a 'blank canvas', which is expected to have a significant amount of residential development. As such, the land is likely to have a significant value. In essence the capital receipt from the sale of Bull Hill could offset the loss arising from the development of the Swan Centre, making it financially viable as a whole scheme.

However, it is important to recognise the scale of such a development. In total, the cost of developing the Swan Centre and Bull Hill, could easily exceed £150m. All of this sum has associated risks: planning risks, construction risks, and commercial risks, (e.g. can we sell the things that have been built, and at what price).

Not only does MVDC not have the skills, (or the capacity of those skills), in-house to manage these risks, but the scale of this combined development is such that MVDC does not have the financial resources to accept the potential impact of the associated risks, which could be very many millions of pounds.

Consequently, it is not feasible for MVDC to deliver such a development itself. The only feasible way to progress a development of this size is to seek a joint venture partner, who would take on a large part of the risks, and would fund the initial 'at risk' costs of progressing

the scheme. Of course, the partner would expect financial recompense for taking these risks, but at this stage the balance of 'risk and reward' is not known. This can realistically only be identified through a procurement process to identify the precise basis of division of risks, and the associated values of those risks. This is the purpose of the recommended Option 1 in the Report.

Following such a procurement process the Council will be in a better position to form a judgement about which of the options available to its present the best financial outcome. Without the information provided by this procurement it will not be possible to determine the financial impact on the Council, of delivering Transform Leatherhead.

Risk Implications

Option 1 – Approve the recommendations (Recommended)

This option will provide continued evidence of MVDC's intention to deliver Transform Leatherhead and to thereby improve the Swan Centre as a catalyst to revitalise the High Street.

Including Bull Hill could offer delivery benefits, given the constrained, town-centre situation of both sites. It would transfer the planning and highways risk to the joint venture company whilst enabling MVDC to retain control.

This proposed financial and legal structure responds to the results of the soft-market testing.

Option 2 – Do nothing (Not Recommended)

This would not address the risks highlighted in Annex 1.

It would not deliver on the objectives of Transform Leatherhead and risks reputational damage to MVDC in terms of its ability to deliver transformational change.

Option 3 – Sell the Asset (Not Recommended)

This would not deliver best value for MVDC. It would not deliver on the objectives of Transform Leatherhead and risks reputational damage to MVDC in terms of its ability to deliver transformational change.

It would result in a loss of the existing property and car park income.

Equalities Implications

There are no equalities implications directly related to this report. Disabled access and other equality requirements will form part of the design considerations and will be planning considerations as part of any detailed planning application.

Employment and Resource Implications

There are no employment issues for the purposes of the report.

From a resourcing standpoint, successful implementation of the recommendations set out in this report will call upon resources from of a number of in-house teams, including Financial Services, Property, Legal Services, Procurement, and Communications, not just the Investment and Regeneration team. The in-house teams will need to be supported by external consultants to provide commercial agency and legal advice supporting the procurement and by managing agents and project managers to support the interim works.

Please refer to the further implications outlined in Annex 1.

Sustainability Issues

There are no specific sustainability issues as a direct consequence of this report.

However, it is anticipated that, subject to planning, the redevelopment of the Swan Centre and Bull Hill could encourage a greater density, delivering new homes and other complementary uses within a previously developed footprint without building on green field sites.

Sustainability of the built form will be addressed as part of the detailed design of the schemes as part of preparing an application for planning consent; however as part of the procurement, MVDC could include sustainability questions to understand the development partners' experience of/approach to sustainable development. Such questions could include:

- Delivery of Carbon Neutral schemes / improving existing buildings to actively reduce the net amount of carbon produced by human activity, taking into account both production and consumption emissions
- Sustainability considerations in relation to the selection and use of building materials

Consultation

No public consultation has been undertaken in respect of the specific recommendation set out in this report.

However, the long term development options have been formulated based on feedback from the Transform Leatherhead Masterplan consultations, informed and updated by the current market and occupier trends in retail and best practice as to management of place. The proposals have been presented to the public at the March 2019 forum and shared with key stakeholders in the Members Reference Group and the Community Reference Group.

There has been extensive stakeholder consultation to the proposed mix of uses and the movement away from including larger retail units as identified in the Transform Leatherhead Master Plan in 2016.

Any development proposals will be the subject of consultation ahead of submitting any planning application and in respect of Bull Hill, as part of its potential inclusion as a strategic site in the Local Plan.

Communications

Redevelopment and improvement of Swan Centre is part of the Communications and Engagement Strategy for Transform Leatherhead. A draft press release has been prepared to accompany this report.

Background Papers

None.