## The template

This document provides the business case template for projects seeking funding which is made available through the **South East Local Enterprise Partnership**. It is therefore designed to satisfy all SELEP governance processes, approvals by the Strategic Board, the Accountability Board and also the early requirements of the Independent Technical Evaluation process where applied.

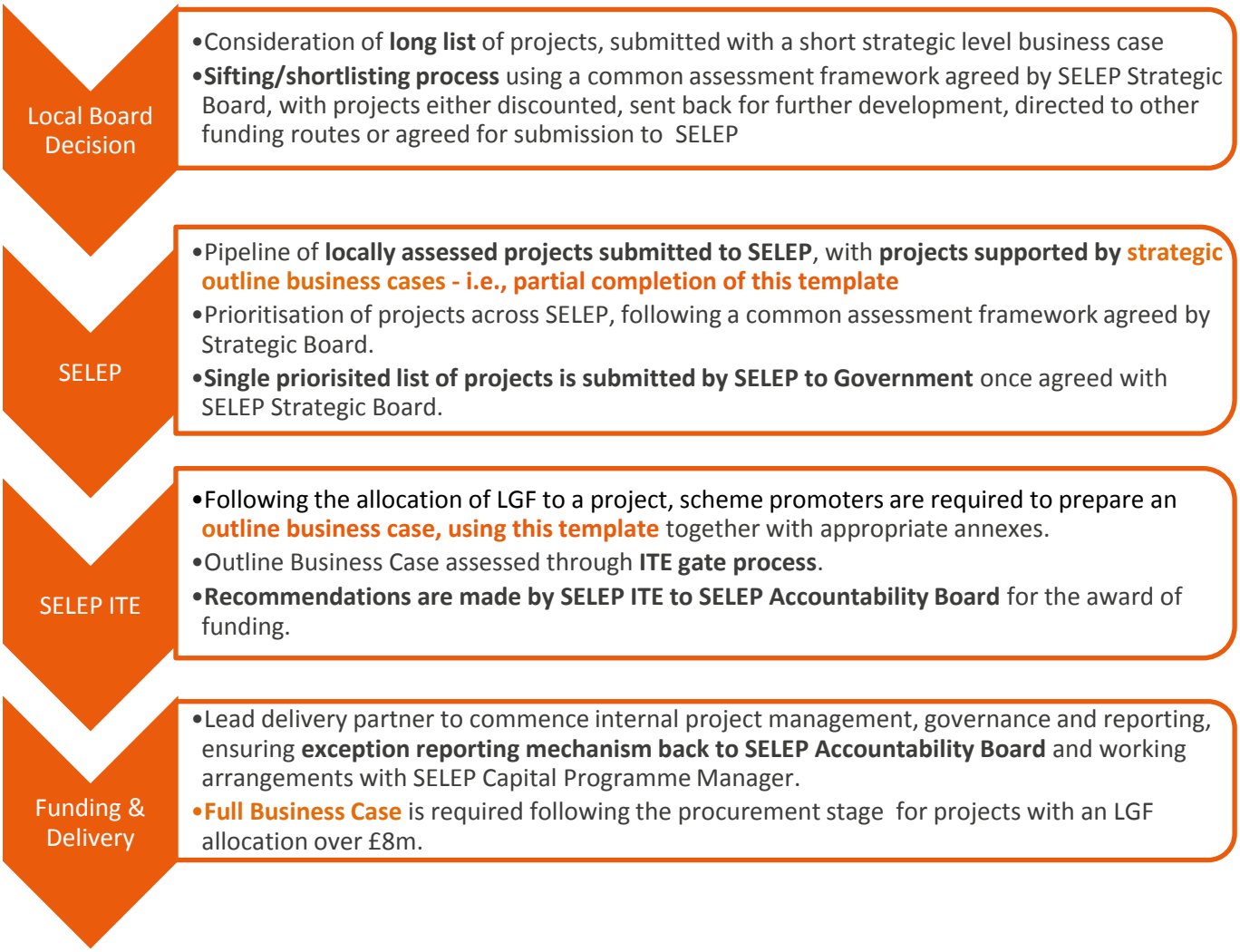
It is also designed to be applicable across all funding streams made available by Government through SELEP. It should be filled in by the scheme promoter – defined as the final beneficiary of funding. In most cases, this is the local authority; but in some cases the local authority acts as Accountable Body for a private sector final beneficiary. In those circumstances, the private sector beneficiary would complete this application and the SELEP team would be on hand, with local partners in the federated boards, to support the promoter.

Please note that this template should be completed in accordance with the guidelines laid down in the HM Treasury's Green Book. https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent

As described below, there are likely to be two phases of completion of this template. The first, an 'outline business case' stage, should see the promoter include as much information as would be appropriate for submission though SELEP to Government calls for projects where the amount awarded to the project is not yet known. If successful, the second stage of filling this template in would be informed by clarity around funding and would therefore require a fully completed business case, inclusive of the economic appraisal which is sought below. At this juncture, the business case would therefore dovetail with SELEP's Independent Technical Evaluation process and be taken forward to funding and delivery.

## The process

This document forms the initial SELEP part of a normal project development process. The four steps in the process are defined below in simplified terms as they relate specifically to the




LGF process. Note – this does not illustrate background work undertaken locally, such as evidence base development, baselining and local management of the project pool and reflects the working reality of submitting funding bids to Government. In the form that follows:

| Version control | |
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| Document ID | |
| Version | |
| Author | |
| Document status | |
| Authorised by | |
| Date authorised | |

## 1. PROJECT OVERVIEW

### 1.1. Project name:

*[Specify the name of the scheme, ensuring it corresponds with the name of the scheme at programme entry (when added to the LGF prioritised list of projects).]*
Grays South

### 1.2. Project type:

*[Site development, skills, innovation etc.]*
Town centre regeneration

### 1.3. Federated Board Area:

*[East Sussex, Kent & Medway, Essex, and Thames Gateway South Essex]*
Essex

### *1.4.* Lead County Council / Unitary Authority:

Thurrock

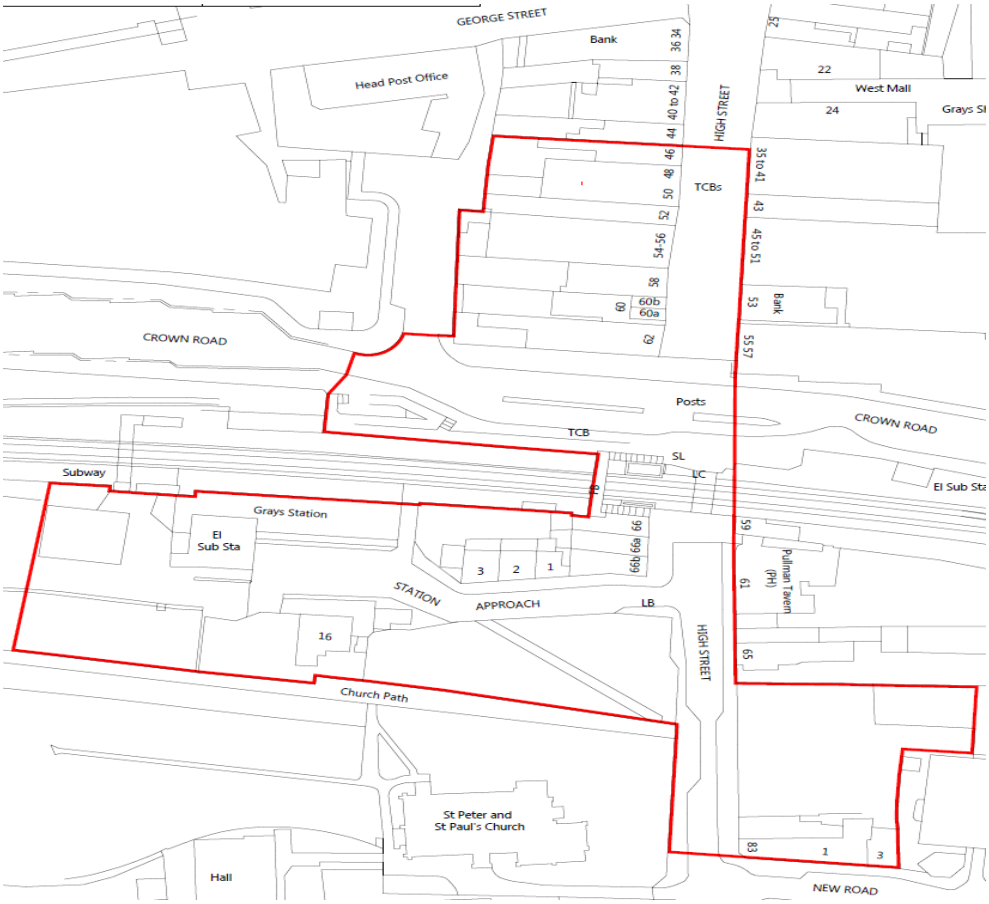
### 1.5. Development location:

*[Specify location, including postal address and postcode.]*
The location of Grays Underpass is in Grays' Town Centre and is bordered by High Street which runs north-south through the town centre, Crown Road located immediately north of the railway line and the railway line from Fenchurch Street runs approximately east-west through the town. The postcode for the location is RM17 6NN.

More specifically in Railway terms the Engineer's Line Reference is as follows: TLL with a distance of 19 miles and 76 chains (1628 yards) down the line from London Fenchurch Street via Rainham and is located at the junction when a branch line from Upminster via Ockendon re-joins the route from Rainham.

This can be seen in both the site plan and artists impression below:

## Site Plan




## Artist Impression

## 1.6. Project Summary:

*[Provide* a summary of the project; max. 0.5 pages.]

The Grays Development Framework Refresh (see appendix M) approved by the Council's Cabinet in November 2017 (see Appendix G) provides the context for the Grays South Regeneration Area (GSRA), the Council's response to several key drivers;

a) The level crossing is amongst the most dangerous crossings in the eastern region and is the only pedestrian crossing that features in the top 10 most dangerous. Additionally Network Rail have provided a deadline for the closure of the crossing within 3 years (see appendix H).
b) The need to support and enhance the viability and vitality of the town centre.
c) The need to address the significant barrier to pedestrians moving to and from the town centre created by the level crossing. Gates can currently be closed for up to 12 minutes in normal operation. The frequency and duration of closures will increase as the passenger rail service becomes more frequent from 2020 and commercial rail freight from DP World and Port of Tilbury increases, also increasing the risks of accident.
d) Recognition that the area around the rail station does not provide a welcoming arrival point to Grays and that the quality of the public realm needed to be uplifted in response to the South Essex College.
e) The need to provide a modern approach to delivery of the Council's services in flexible multi-purpose accommodation.

The GSRA comprises 2 phases;
Phase 1: Extension to Civic Offices
Phase 2a: Creation of an underpass to replace the level crossing and creation of public squares at each end designed to provide active urban spaces suited to a wide range of events, markets and similar activities.
Phase 2b; Creation of new, modern retail units (c1300sq.m) and residential above (c84 flats) on land created by phase 2a to provide definition to the public squares, street cafes, residential and retail and opportunities for urban living. Thereby contributing towards additional footfall within the town centre, and supporting the development of an evening economy and responding to a lack of town centre facilities to serve the c4million passenger movements per year through the rail station.

Support is required for phase 2a which includes design and construction in partnership with Network Rail, land acquisition, relocation of public highway and demolition of some existing property. The highways relocations and property demolitions required for the underpass and public squares create the space required for the development plots in phase 2b.

## 1.7. Delivery partners:

*[List all delivery partners and specify the lead applicant and nature of involvement, as per the table below.]*

| **Partner** | **Nature of involvement (financial, operational etc.)** |
|---|---|
| Thurrock Council | Lead Applicant |
| Network Rail | Delivery Partner – |

| | |
|---|---|
| | commitment of land, £800k of funding and delivery of works to create the underpass. See appendix I for letter of support from Network Rail for this scheme. |
| Steer Group | Urban Realm Design |
| Montagu Evans | Property Consultant |
| Shoosmiths | Legal Support |

1.8. Promoting Body:

*[Specify who is promoting the scheme.]*

Thurrock Council

*1.9.* Senior Responsible Owner (SRO):

*[Specify the nominated SRO and provide their contact details. The SRO ensures that a programme or project meets its objectives and delivers projected benefits. This is not the same as a Section 151 Officer.]*

Detlev Munster, Assistant Director for Property and Development.

*1.10.* Total project value and funding sources:

*[Specify the total project value, how this is split by funding sources, and any constraints, dependencies or risks on the funding sources, as per the table below.]*

This project forms part of the wider Grays South Project, and relates to the underpass and associated infrastructure and public realm. The total cost of these elements is £27.4m, of which £10.8m in funding from the LGF is being sought via a two phased approach.

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The breakdown of the cost is as follows:

| **Item** | **Cost** | **Source** |
|---|---|---|
| Underpass and access steps and ramps | £12,295,499 | GRIP2 Development and Selection of Access Option by Atkins. June 2015 |
| Public Squares | £2,520,745 | GRIP2 Development and Selection of Access Option by Atkins. June 2015 |
| Relocation of Crown Road | £4,841,000 | GRIP2 Development and Selection of Access Option by Atkins. June 2015 |
| Lifts from rail station platforms | £2,391,932 | GRIP2 Development and Selection of Access Option by Atkins. June 2015 |
| Land acquisition (assuming CPO) | £5,387,805 | Property Cost Estimate and Acquisition Strategy by Montagu Evans. Feb. 2015 |
| **Total** | **£27,436,981** | |

The funding sources as currently identified are:

| Funding Source | Value |
|---|---|
| Thurrock Borough Council Capital Programme | £9,000,000 |
| S106 Funds held by Thurrock Council | £1,200,000 |
| Network Rail* | £800,000 |
| Development Receipts | £5,596,707 |
| **Total** | **£16,596,707** |

*Network Rail contribution is up to £1.5 to be spend before end of March 2019. Current run-rate is £800k

Network Rail's funds are time limited as they are being drawn from programmes which must secure spend prior to March 2019, which is the end of Control Period 6. The LGF grant would evidence completion of the funding strategy and therefore enable the project to proceed and the Network Rail funding contribution be secured in Network Rail's funding plan.

The development receipts are derived from the surpluses anticipated through the development of plots created through the project, together with the linked development of other plots that the Council owns within the town centre but outside of the immediate project area. The expected level of receipts was identified through work undertaken by Montagu Evans. The Council anticipates taking the financial risk on these developments and bringing them forward through its wholly owned development company, Thurrock Regeneration Limited. This would secure greater returns than would otherwise be achieved through the disposal of the sites directly to the market.

## 1.11. SELEP funding request, including type (LGF, GPF etc.):

[*Specify the amount and type of funding sought from SELEP to deliver the project. Please also confirm that the funding will not constitute State Aid.]*

£10,840,274 is sought from the LGF to support the delivery of the underpass, associated infrastructure and public squares of the Grays South Project. This initial submission is seeking to request £3.7m of funds, relating to expenditure in 2019/20, with the remainder (£7.1m) to be drawn down in late 2019 when a design approval in principle has been agreed with Network Rail with confirmed costings. As shown above, the Council and Network Rail have already committed a range of funds to the project to enable the project to reach this stage.

Whilst it is anticipated that the Council will bring forward the development of the plots created from the creation of the underpass and public squares and reinvest the receipts generated to support the delivery of the project, there remains a gap in the funding strategy at this stage of the project. This is the amount which is sought through the LGF.

We can confirm that the funding does not constitute State Aid based upon legal advice the Council has sought.

## *1.12.* Exemptions:

*[Specify if this scheme business case is subject to any exemptions (and provide details of these exemptions) as per the SELEP Assurance Framework 2017, Section 5.7.4 and 5.7.5]*

None.

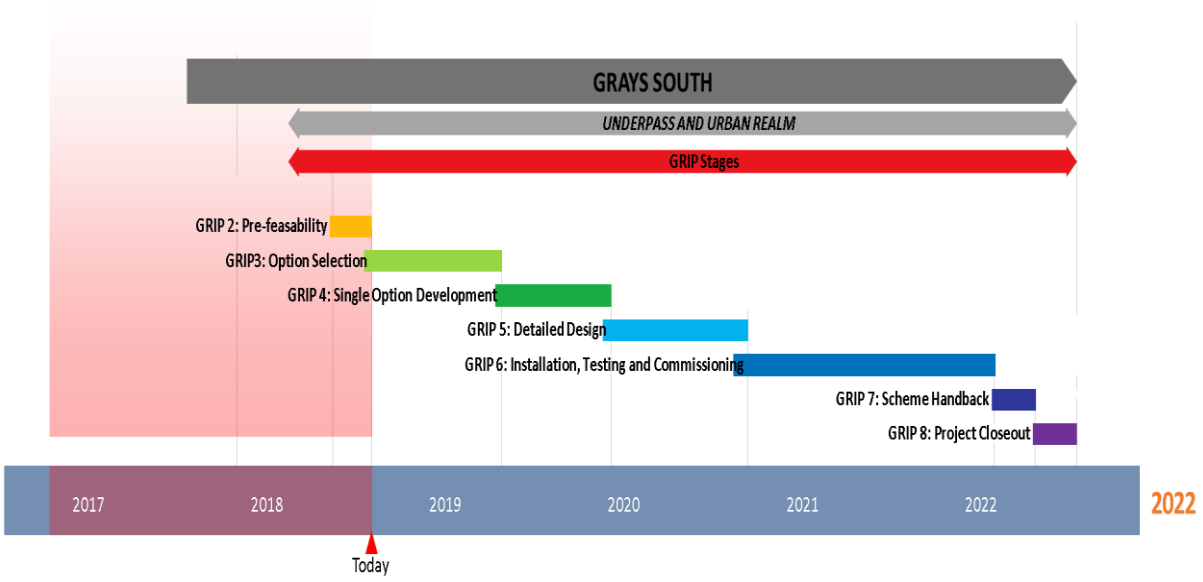
## 1.13. Key dates:

*[Specify dates for the commencement of expenditure, the construction start date and the scheme completion/opening date.]*

The timescales for commencement of the project will be driven by Network Rail's progress through the GRIP3 stage. This will be formalised upon signing of the Development Service Agreement which is expected before the end of September. This will signify the start of the GRIP 3 process.

It is anticipated that the project will be completed within 5 years from the start of the GRIP 3 process, with the design works to commence immediately and construction expected to begin within 3 years. The configuration of land for the development plots will be defined during the public realm design undertaken as part of GRIP3. An indicative programme has been illustrated below which has been agreed with Network Rail. A detailed MS Project plan has been included in appendix L.

**Grays South: Indicative Project Programme) – Underpass & Urban Realm: GRIP Stage 1-8**




The critical path cannot be determined at the current time until Network Rail issue a revised programme which is normal practice at this early GRIP Stage. A revised programme is a deliverable of GRIP Stage 3 (Option Selection), scheduled to be issued within the next 2 months (January 2019) now that the Direct Services Agreement with Network Rail has been signed recently allowing their project team to progress developing the scheme. This programme will be updated and issues in Primavera which will list all the GRIP deliverables (broken down into specific tasks), including contingency.

## 1.14. Project development stage:

[*Specify the project development stages to be funded, such as inception, option selection, feasibility, outline business case, detailed design, procurement, full business case, implementation, the current project development stage, and a brief description of the outputs from previous development stages. Add additional rows as necessary. Please note, not all sections of the table may require completion.]*

| Project development stages completed to date | | | |
|---|---|---|---|
| **Task** | **Description** | **Outputs achieved** | **Timescale** |
| GRIP 1 | Output Definition | Defined project scope | Completed |
| GRIP 2 | Feasibility | Feasibility assessment of options | Completed |
| Procure urban realm designer | Procure designer for public squares | Appointed designer | Completed |
| Procure property advisor | Procure advisor for property consultancy and CPO process | Appointed and land acquisition strategy prepared. | Completed |
| Procure legal support on CPO | Procure legal advisor for CPO process | Appointed and briefed | Completed |
| Project development stages to be completed | | | |
| **Task** | **Description** | | **Timescale** |
| Procure general legal support | Procure legal advisor for general legal support on project | | To be completed by end of Sept 18 |
| GRIP 3 | Option Selection | | 9-12 months |
| Urban realm design | Design process for public squares either end of the underpass | | 9-12 months |
| GRIP 4 - 8 | Development through to project close out | | 4 years |

1.15. Proposed completion of outputs:

*[Include references to previous phases / tranches of the project (link to the SELEP website) and to future projects to be funded by SELEP. Please see SELEP Programme for more information.]*

Work Stages completed:

- Initial Feasibility completed 2013
- GRIP2 design and feasibility completed 2015
- Development Appraisals Completed 2016
- Land Acquisition Strategy completed 2017
- Budget approved 2017
- Client Requirement and Route Requirement Documents completed for GRIP3 completed 2018

## 2. STRATEGIC CASE

*The Strategic Case should present a robust case for intervention, and demonstrate how the scheme contributes to delivering the SELEP Strategic Economic Plan (SEP) and SELEP's wider policy and strategic objectives. It includes a rationale of why the intervention is required, as well as a clear definition of outcomes and the potential scope for what is to be achieved.*

*The outlook and objectives of the Strategic Case need should, as far as possible, align with the Monitoring and Evaluation and Benefits Realisation Plan in the Management Case.*

### *2.1.* Scope / Scheme Description:

*[Outline the strategic context for intervention, by providing a succinct summary of the scheme, issues it is addressing and intended benefits; max. 2 pages.]*

Grays is the main town centre serving Thurrock and is one of six Growth Hubs in the Borough; these are the locations where the Council is working with partners and stakeholders to deliver significant levels of new housing and employment.

Grays' retail function has been in gradual decline since the opening of the Lakeside Shopping Centre in 1990, with the place and retail offer declining in quality and custom.

The 2012 Thurrock Retail Study Update by Roger Tyms and Partners observed at para 6.53, stated that "Grays town centre is more dated and suffers from poor quality buildings and shop frontages. There is a sharp qualitative deficiency in good quality retail space itself and there is an opportunity to improve this if a suitable development opportunity can be identified". Para 6.57 goes on to state, There is scope to improve the offer in Grays and local centres including environmental improvements".[1]

Further to this, a recent Retail and Leisure Study carried out in January 2018 by Peter Brett Associates found that Grays has more limited representation from national multiple retailers compared to 2007. Grays' Town Centre now has just two of the current 28 Experian Goad key multiple retail attractors, compared to five in 2007 (WH Smiths, McDonalds, New Look, Woolworths and Boots. While outlets such as Costa Coffee and Subway have opened in recent years, there has been a preponderance of low level retail based around low value offers (outlets selling items for £1 or less) and pawn and money shops. [2]The study also found that evidence on retail rents and the provision of rent free periods indicate low demand for retail space, and that the quality of lettings is poor compared to other retail locations in Thurrock. Furthermore, it identified that the evening economy is limited and could be improved by the introduction of more commercial leisure facilities together with an improved food and beverage offer.

The 2012 Thurrock Retail Study Update by Roger Tyms and Partners observed at para 6.53, "Grays town centre is more dated and suffers from poor quality buildings and shop frontages. There is a sharp qualitative deficiency in good quality retail space itself and there is an opportunity to improve this if a suitable development opportunity can be identified". Para 6.57 goes on to state, There is scope to improve the offer in Grays and local centres including environmental improvements".

[1] https://www.thurrock.gov.uk/sites/default/files/assets/documents/ldf_tech_retail_appx.pdf

[2] https://www.thurrock.gov.uk/sites/default/files/assets/documents/ldf_tech_retail_201202.pdf see section 6.10

Nonetheless, the town centre continues to provide essential civic/education functions for residents of Grays and the rest of Thurrock including the Council Offices, central library, museum and police station, theatre, South Essex College and a range of business services and banking functions. The Retail and Leisure Study recommended building on the importance of the town through its civic function in the Borough and recommended that other town centre uses should be encouraged since they drive day time footfall and have potential to support additional retail shops and services.

In response to these challenges, the Council led a wide ranging consultation and engagement programme[3] to define a role for Grays going forward and develop a clear vision for the town's offer to local people. The vision, which was signed off by Thurrock Council Cabinet in July 2013, seeks to build on Grays' existing strengths and supplement those with a greater convenience retail function, increased day time population and the development of an evening economy. This is further supported by the Thurrock: Your Place Your Voice public consultation exercise undertaken earlier this year.

The vision was underpinned by four principles which broadly cover the following areas:

1) Building the local economy which would be based on a diverse retail and leisure offer, supply of housing and of business accommodation;
2) Making it easier to travel in to and move around the town centre;
3) Enhancing the quality of the public realm; and
4) Supporting Thurrock's communities through opportunities for community activities.

The vision and principles have subsequently guided the Council's work which, together with the support of a range of partners, is already yielding positive results evidenced by the new £45m South Essex College Thurrock Campus, the refurbishment of the Seabrooke Rise Estate and the opening of a new Business Centre in the refurbished, former Magistrates Court (providing around 11,500 sq ft of accommodation for small and new businesses and supporting the creation of around 200 new jobs).

Whilst the projects that have already been brought forward are starting to address the declining town centre, a range of studies have consistently identified the need to overhaul the station and level crossing to provide a greatly enhanced arrival point to the town, improve the public realm and bring forward the quality of development which will encourage the private sector market to follow suit.

In particular, the Council has identified two key challenges that are holding back the growth and regeneration of Grays' Town Centre:

- The appearance and perception of the town has been identified as a significant barrier to securing the investment necessary to deliver these homes and jobs.
- The railway line which bisects the town is a barrier to pedestrian movements between Grays South and the town centre to the north, and therefore acts as a constraint to making Grays' Town Centre a more integrated and accessible location. The Peter Brett Associates Retail and Leisure Study found that pedestrian accessibility through the town centre is impeded by the railway level crossing which severs the north and the south of the High Street, resulting in a low pedestrian flow along the southern part of the High Street. The increasing frequency and duration of closures of the pedestrian level crossing creates a barrier to pedestrians wanting to access the town's retail offer. This issue is expected to worsen going forward as commercial rail freight from DP World increases.

The Council and its delivery partner Network Rail are therefore proposing the following:

[3] A public consultation was carried out in 2013 that received almost 1,500 responses through a range of survey methods.

1. Creation of an 8m wide pedestrian underpass to replace the existing pedestrian level crossing thereby addressing safety concerns shared by Network Rail and Thurrock Council and the significant severance the crossing creates within the town centre.
2. Creation of new public squares at both ends of the underpass to create new public realm that provides a high quality arrival point and meeting place within the town centre and links to the existing College and High Street. These public squares will also provide the opportunity to host events within the town centre, thereby adding to its vibrancy and vitality and supporting local businesses.

Network Rail has identified the level crossing as one of the most dangerous in the Anglian Region. The level crossing has been given an All Level Crossings Risk Model (ALCRM) rating of D for individual risk and 1 for collective risk, which represent a high and very high rating respectively[4]. The number of instances of unsafe crossings is likely to increase as the frequency and duration of closure of the crossing increases the risk of pedestrians to cross without waiting for the gates to open.

Furthermore, Network Rail have written to the Council to give formal notice of their intention to close Grays Level Crossing no earlier than three years from the date of a letter received on the 8th January 2016. This letter and the applicable text can be found in paragraph 3 of Appendix H. Network Rail reserve the right to exercise at its discretion the precise date of the closure after the three year grace period but it is important to note that the likelihood of Grays level crossing closing is exceptionally high. Since this time Network Rail wish to work collaboratively to close the level crossing and replace the method of crossing the railway with a pedestrian underpass and have such have provided a letter of support with this submission (see appendix I).

There is a pedestrian foot bridge adjacent to the level crossing but this asset has come to the end of its life-cycle and Network Rail do not wish to continue to maintain this once the crossing closes. This footbridge is not suitable for users who mobility impaired and at times where the crossing is closed for maintenance the foot bridge has become grid-locked with users carrying pushchairs, shopping trolleys and wheelchairs over the bridge and causing congestion. Users tend not to use this foot bridge due to the amount of stairs, lack of lighting and blind spots.

The Office of Road and Rail has also recently written to the council to express its safety concerns. Both Network Rail and Thurrock Council are keen to close the level crossing to remove this risk to public safety.

The delivery of the underpass, its associated infrastructure and the public squares will help to:

- Address safety concerns identified by Network Rail;
- Integrate public and private transport to create a genuine multi-modal hub for pedestrians and cyclists together with bus and taxi passengers – including DDA compliant access to the station platforms;
- redevelop plots around the public squares to create premises more conducive to attracting retail, cafés and restaurants with residential and office accommodation in upper floors – this has the potential to deliver up to 400 new homes; and
- Create public squares that can better support community events;

[4] The letter represents the individual risk with A being the highest and M being the lowest. Individual risk is the annualised probability of a fatality to a 'regular user', being taken as a person making a daily return trip over the crossing, assumed to be 500 traverses per year. The number represents the collective risk, being the risk to crossing users, rail staff, and passengers. 1 is the highest and 13 is the lowest. Collective risk considers the total risk for the crossing, including users (pedestrian and/or vehicle), plus train staff, plus passengers. Crossings ranked 1 to 3 are considered particularly high risk. See: http://bailey.persona-pi.com/Public-Inquiries/Essex/NR%20Dox/NR26%20Statement%20of%20Case.pdf

- Support the Council's refurbishment and development of the Civic Offices in Grays where it is proposed an extension to the main office will be built. This will help to maintain the Council's presence in Grays and enhance footfall for the town centre, as the extension will permit the consolidation of Council staff from other premises located throughout the borough and will also permit the co-location of other public services.

## *2.2.* Location description:

*[Describe the location (e.g. characteristics, access constraints etc.) and include at least one map; max. 1 page excluding map.]*

The site of the proposed underpass is at the crossover point between High Street and Crown Road in Grays' Town Centre and is designed to provide uninterrupted passage between the north and south sides of High Street under the London/Southend rail line. The main town centre uses comprising shopping centre, major supermarket, small scale retail and business uses are concentrated to the North of the railway line. However, the southern side of the railway line hosts important civic functions such as the Council Offices, the South Essex College Thurrock Campus and the Beehive Voluntary Community Resource Centre as well as important open space in Kilverts Field and Grays Beach Park and the Thames riverfront. The level crossing is a clear barrier to pedestrian movement between the two areas.

The area generally has low quality urban design although the College Campus, grade II listed church and new residential development at Seabrook rise are notable exceptions. Public realm in the town centre and around the station is of poor quality which limits both private sector investment and visitor dwell time.

Residential areas border the town centre on all sides however there is very limited residential accommodation in the town centre itself.

A satellite image of the area is presented below with the indicative red line boundary showing the area currently under consideration for the underpass.  This will be confirmed following GRIP Stage 3.

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## 2.3. Policy context:

*[Specify how the intervention aligns with national/regional/local planning policies and the SELEP SEP; max. 3 pages.*

Smaller schemes: *(less than £2 million) are required to complete this section in line with the scale of the scheme; max. 1 page]*

SELEP Strategic Economic Plan

In common with the LEP's priority to build more housing, Thurrock's Strategic Plan highlights significant growth potential in Grays and its immediate hinterland with sites identified capable of supporting 4,540 new homes and 1,650 jobs. However, it is recognised that the appearance and perception of the town is a significant barrier to securing the investment necessary to deliver these homes and jobs.

In response to this challenge, the Grays South Project aims to create a new quarter within the town centre based around a boulevard underpass linking two new public squares bounded by a series of mixed use developments (including the recently completed £45m Thurrock College campus) and integrating the rail station in to the High Street, including 1,279 sqm of new retail floorspace to replace the existing offer and 84 new homes.

This quarter will create a high quality arrival point and meeting place at the heart of Grays including new active public spaces designed to meet the requirements of street cafes, markets and entertainment defined by the new development.

In recognition of the importance of this project to the wider LEP objectives, the Grays South Project is specifically highlighted within SELEP's Strategic Economic Plan ("SEP") as 'Grays Station public Realm and housing'. It also features as part of the Thameside Towns programme within the South Essex Growth Strategy and Grays generally is one of six Growth Hubs identified within the Thurrock's Local Plan and Economic Growth Strategy.

This submission specifically seeks the necessary additional funding for the first stage of the Grays South Project – the creation of a new underpass to improve access from the north to south side of Grays' Town Centre, the public squares and its associated infrastructure.

Whilst the subject of this business case is to request funding to support the development of the underpass and public squares, the wider strategic benefit of this new infrastructure will indirectly support the wider Grays South project. The wider project is expected to contribute to the targets of 4,540 new homes and 1,650 jobs through the delivery of 417 new homes and 41 gross jobs.

It will also support the creative, cultural and media, and the visitor economy sectors, identified as strengths for the LEP in the SELEP SEP. By improving the town centre, the LEP will improve the visitor economy and attract visitors to the area.

If this scheme is successful in addressing the image challenges faced by Grays it will also contribute towards the delivery of the further housing targets and the associated jobs.

The project also aligns strongly to other national and local policies as set out below:

National planning policy

The National Planning Policy Framework (NPPF) sets out the Government's Planning Policies for England and how they are expected to be applied. The NPPF is supported by planning guidance practice which is published on line and regularly updated.

The NPPF supports sustainable development that contributes to a strong economy and strong vibrant communities. The planning process is expected to support and promote the vitality and viability of town centres as the heart of the community.

The NNPF practice guidance for Ensuring the Vitality of Town Centres explains (paragraph 001) that Local Planning Authorities should plan positively to support town centres to generate local employment, to promote beneficial competition within and between town centres, and to create attractive, diverse places where people want to live, visit and work.

The NPPF practice guidance for town centres (paragraph 002) explains the importance of a positive vision or strategy for town centres including town teams, town centre management organisations and neighbourhood planning.

Thurrock Council's vision and objectives for the Grays South project directly align with this policy guidance.

Local Policy

The Council's Local Plan Core Strategy was adopted in December 2011. Following a focussed review of some policies an amended strategy was adopted in January 2015.

Chapter 3 describes the Thurrock Spatial Vision for 2026. Para 3.10 explains that regeneration and growth will be focussed in five regeneration areas, one of which is Grays.

The spatial vision for Grays is to establish its role as the administrative centre for the Borough including municipal, education, health and leisure facilities catering for Thurrock's communities. The vision sets out that Grays will be regenerated and modernised through the following:

- The key civic, cultural and education centre in the Borough
- New homes and employment
- A new commercial and residential quarter south of the rail line
- A new transport zone around the rail station including an improved railway crossing
- Improved pedestrian environment including better links between north of the rail line and the south and riverfront.

The Grays South project aligns to this vision as well as to the following core policies within the Local Plan:

- **Housing**: Grays is a key location with capacity for 2,605 dwellings between 2009 and 2021 and indicative capacity for a further 1,935 dwellings to be developed between 2021 and 2026. The Grays South project will contribute to this by improving the perception of Grays and opening up investment in housing.
- **Employment and growth**: Grays is one of the Thurrock's Key Strategic Employment Hubs. The core sectors in Grays' Town Centre is retail with growth sectors identified as business services, recreation and leisure and public services to support growth and 1650 additional jobs. The Grays South project will contribute to this by attracting investment in commercial space to Grays and generating business and employment growth through promoting a vibrant town centre and 18 hour economy.
- **Network of Centres**: Core Strategic Policy CSTP 7 defines the role of Grays' Town Centre based around culture, administration and leisure with a retail offer that is

complimentary to Lakeside. The Grays South project will help regenerate the town centre and improve its retail and cultural offer.

- **Viability and vitality of town centres**: Core Strategic Policy CSTP 8 promotes the viability and vitality of town centres by supporting appropriate housing, employment, retail, cultural, entertainment, leisure and community uses, the quality of the public realm and accessibility. The Grays South project directly aligns to this policy through the accessibility enabled by the underpass and the planned public realm improvements which aim to support the wider vitality of Grays' Town Centre.
- **Transport and accessibility**: 'Transport in the Thurrock Urban Area' identifies the importance of delivering a coordinated transport network including cycle and pedestrian routes, particularly within the growth hubs and with a focus on access to employment, education and transport facilities  Grays rail station is identified as a transport interchange, including the implementation of the Transport Zone. The proposed underpass directly supports this integration.
- **Character and design:** Grays and Grays' Town Centre are identified in the Local Plan and the Plan sets out the Council's vision for the Grays Regeneration Area as a focus for growth in jobs and homes, and for civic functions, culture and education and including a new transport zone around the rail station including an improved crossing of the rail line.

Local Transport Plan

The Transport Act and the Local Transport Act require Local Authorities to maintain a Local Transport Strategy. The Council adopted the current Local Transport Strategy in 2013 to support the delivery of the adopted core strategy. Policy TTS1 Delivering Sustainable Growth supports the formation of a Transport Zone around Grays Rail Station including an improved means of crossing the rail line.  The proposed underpass will therefore directly support this policy.

Grays Vision

Following consultation with the public and local businesses, with over 1500 responses, a vision was agreed by the Council's Cabinet in July 2013 which included the underpass as a means of maintaining and enhancing connectivity within the town.

Grays Development Framework

Following consultation and Development Framework was adopted by the Council's Cabinet in March 2016. 85% of respondents to consultation supported the approach set out for the town centre and 72% supported strongly or very strongly supported the underpass. A refreshed framework was agreed by Cabinet in November 2017. The Framework refers specifically to the underpass.

## *2.4.* Need for intervention:

*[Specify the current and future context and articulate the underlying issues driving the need for intervention referring to a specific market failure, need to reduce externalities, Government redistribution objectives etc.; max. 2 pages.]*

There are barriers which are inhibiting investment in the town, and therefore Thurrock Council's ability to secure the delivery of the large numbers of homes and employment that the area can support. The Grays South project seeks to meet the following objectives:

1. To close Grays Level Crossing for pedestrian access and replace with a pedestrian underpass by January 2023.

2. To create an equalities act compliant, unimpeded route across the railway line from one side of Grays high street to the other by 2023.
3. To deliver and create a high quality public realm at Grays by 2024.
4. To improve connectivity between different modes of transport around Grays station by 2024.
5. To enable delivery of 84 homes and 1,279 sqm of retail floorspace to compete the Urban Realm at Grays by 2025.

In order for the wider scheme to progress, we must first undertake the creation of a new underpass to enable a better connection between the north and south sides of the town centre.

While the underpass would benefit the economy and residents of the locality, the underpass itself would not provide a direct commercial return to a private investor and therefore the private sector would not be able to directly deliver the public infrastructure. It is a "public good".

There are also positive externalities associated with the project as the underpass is key to being able to unlock the later elements of the Grays South Project.

As such, intervention is required at this stage in order to 'kick-start' the project and the Council fully anticipates that once the redevelopment area is confirmed through the creation of the underpass, it will be able to fully explore the commercial opportunities that can arise from this improved infrastructure.

The specific challenges being responded to through the creation of the underpass and public squares are as follows:

**Safety**: Network Rail has identified the existing level crossing as one of the two most dangerous in the Anglian Region. The level crossing has been given an All Level Crossings Risk Model (ALCRM) rating of D for individual risk and 1 for collective risk, which represent a high and very high rating respectively. Whilst there have been no serious injuries or fatalities, the level of misuse from people jumping the barriers or accessing the tracks from the level crossing gives rise to an undeniable and significant level of risk. The number of instances of unsafe crossings is likely to increase as the frequency and duration of closure of the crossing increases the risk of pedestrians to cross without waiting for the gates to open. This issue is exacerbated through an increase in the level of passenger and freight traffic on the network. The number of pedestrians or cyclists per day using the crossing has increased from 8,806 in February 2015 to 9,541 in August 2017.[5] The increase in freight traffic has been driven in part by the accelerating development of London Gateway putting more, longer freight trains on the line resulting in more instances where the barriers are down and for longer periods of time.[6] These safety concerns reflect individuals' imperfect perception of risk – a market failure that results in, in this instance, individuals valuing the short term certain time savings more heavily than the risk weighted cost of being involved in an accident. Furthermore, individuals will not take into consideration the wider negative cost, or externality, of a rail incident, including time cost to passengers, health service costs and cost to the operator of compensation and damage.

In order to reduce the incidents of misuse, the British Transport Police have recently increased patrols of the station. However this is not a long term solution.

Therefore, due to these safety concerns, Network Rail has resolved to close the crossing (see paragraph 3 of letter in Appendix H). The underpass is Network Rail's preferred method of securing this, failure to secure its delivery is likely to see it closing the crossing and replacing it with an upgraded bridge; but with poorer accessibility for people with limited mobility or the

[5] Network rail. Level crossing safety. https://www.networkrail.co.uk/communities/safety-in-the-community/level-crossing-safety/

[6] London Gateway is providing new deep sea container handling facilities and is planned to serve Europe's largest logistic park.

removal of the footbridge entirely as the footbridge and level crossing were always meant to be used in conjunction with one another.

**Enhancing Connectivity:** Currently there are 129 passenger trains passing through the crossing each day together with freight trains. These require gate closures at the crossing of 5-12 minutes duration. The frequency and duration of closures will increase with planned increases in the passenger service from 2020 and the planned growth of Port of Tilbury and London Gateway. Therefore even if the crossing was retained the level of severance and safety risk will increase. The closure of the level crossing and its replacement with a bridge or no alternative crossing would sever the longstanding connection between the northern and southern sections of the High Street, slowing much of the momentum that has been created through the College development and undermining the ambition to reconnect the town with its waterfront. The underpass will enable uninterrupted movement across the rail line. This improved connectivity provided by the underpass will generate positive externalities in the form of time savings to pedestrians and commuters as well as facilitating the flow of pedestrians to the town centre.

**Retaining & Enhancing Quality of Public Realm:** The chosen design of the underpass will support an enhanced public realm by avoiding the need for complex (and bulky) bridge/ramp structures and will cater for the growing number of passenger movements through Grays Station. This, combined with the new public squares that will accompany the underpass will increase the attractiveness of Grays' Town Centre and provide improved public realm and ambiance benefits.

**Facilitating Intermodal Travel:** The underpass proposals have been identified as the optimum method for tying the public/private transport modes together within an integrated and accessible public realm that can provide direct access to the rail platforms. This will generate public benefits in the form of time savings and benefits from reduced car use.

**Supporting Retail & Commercial Development:** The infrastructure being developed to support the underpass will require the demolition of some of the surrounding properties and therefore the loss of some commercial space. This project therefore provides the opportunity to reshape the town's commercial offer by providing better quality retail experience for consumers through easier passage between the north and south side of the rail line, thereby allowing for improved access to the main retail area and also providing higher quality commercial space for prospective retailers and employers. This aims to subsequently attract higher quality retailers and employers which will in turn attract more visitors to Grays, with catalytic effect.

## 2.5. Sources of funding:

*[Promoters should provide supporting evidence to show that:*

- *all reasonable private sector funding options have been exhausted; and*
- *no other public funding streams are available for or fit the type of scheme that is being proposed*

*Public funding is regarded as a last resort. Promoters are encouraged to think carefully about and provide strong evidence that the intervention they are proposing has exhausted all other potential sources of funding and there is a genuine need for intervention from the public sector; max. 1.5 pages.*]

The purpose of the funding being sought in this application is to support the delivery of the underpass itself and the associated access points (e.g. steps, lifts, ramps etc.). Whilst this business case sets out the potential commercial benefits which will be derived from delivering this new infrastructure, the underpass itself will only deliver direct benefits through that of removing safety risk and removing barriers to movement in the town. There is therefore no direct commercial benefit from the underpass on its own, hence the requirement for public intervention to 'kick-start' this scheme.

In the absence of LGF funding, the most likely alternative sources of funds are through the Council or Network Rail. Both sources have been discounted.

The Council is already investing £9m through the capital programme to support land acquisition on which it does not expect to make a return.

Furthermore, the Council will be taking the full commercial risk on the ability to generate the anticipated development receipts following delivery of the underpass on the commercial redevelopment of the town centre and the Civic offices. The Council is unable to take out further borrowing at this stage because of the impact of further debt repayments on the Council's Medium Term Financial Strategy and its ability to undertake other capital works. Network Rail is providing funds through the Network Rail Level Crossing Risk Reduction Fund.

As a result of changes to Network Rail's funding position, there are no other funds available to support the delivery of the project and, as noted elsewhere, those funds which have been committed are time limited. Outside of the two partners, both of which have been ruled out, there are not considered to be any immediately available alternative sources for the additional funds required.

S.106 funds have been secured but the rules on pooling s.106 contributions mean that there is no scope for further contributions to this project.

As demonstrated by the studies[7] which have been undertaken to date by the Council, the space required for this new infrastructure requires the demolition of surrounding properties and consequent loss of commercial floor space. In time, these demolitions will provide the space for the development plots to replace the lost commercial space, providing new modern commercial floor space and flats.

## *2.6.* Impact of non-intervention (do nothing):

*[Describe the expected outcome of non-intervention. Promoters should clearly establish a future reference case and articulate the impacts on environment, economy and society, if applicable. The future reference case should acknowledge that market conditions are likely to change in the future, with or without any intervention. 'Do nothing' scenarios where nothing changes are unlikely; max. 1 page.]*

Without securing the necessary additional funds to close the existing gap the project will be unable to proceed. On that basis, we would expect Network Rail to close the crossing on safety grounds and they have expressed their wish to do so via various correspondences with Thurrock Council but most recently a letter included in Appendix H; with no commitment to providing an alternative or what form the alternative might take. Whilst, in the face of no connection, as explained above, a bridge would be preferable, it would not achieve the stated objective of Thurrock Council of this project. We explain our assessment of a bridge as an alternative option in section 3.1.

A lack of support for the underpass would impact on the subsequent design of the public realm and the Council's ability to bring forward a broader enhancement scheme to improve the appearance and perception of the town in order to attract investment. The redevelopment of plots around the public squares relies on the provision of the underpass and development of the public squares. These could not be brought forward without the underpass as fall in the construction boundary/likely site compound. Without these elements of the development, the problem of the perception of the town centre will remain and the redevelopment of these plots would not generate the required returns to secure investment. Finally, the benefits of the refurbishment and

[7] Ramboll Grays Town Centre Public Realm Improvement Module 3 Report 2013; WS Atkins CP5 Anglia Grays Pedestrian Underpass GRIP2 Development and Selection of Access Option 2015

development of the Civic Offices would be limited if not completed as part of the wider public realm improvements, and therefore would be unlikely to go ahead if the wider project did not receive support.

Therefore, in the absence of this intervention, the perception of the town centre could continue to decline, as a result of continued lack of investment and the impact of severing the north and south ends of the High Street.

## 2.7. Objectives of intervention:

*[Outline the primary objectives of the intervention in the table below, and demonstrate how these objectives align with the problems presented in the Need for Intervention section.*

*Project Objectives*

Objective 1: To close Grays Level Crossing for pedestrian access and replace with a pedestrian underpass by January 2023.

Objective 2: To create an equalities act compliant, unimpeded route across the railway line from one side of Grays high street to the other by 2023.

Objective 3: To deliver and create a high quality public realm at Grays by 2024.

Objective 4: To improve connectivity between different modes of transport around Grays station by 2024.

Objective 5: To enable delivery of 84 homes and 1,279 sqm of retail floorspace, to compete the Urban Realm at Grays by 2025.

*Problems or opportunities the project is seeking to address*

Problem 1: The rail crossing is identified as one of the most dangerous in the Anglian region and poses a significant level of risk to the public.

Problem 2: Connectivity between the north and south sides of High Street is hampered by the rail crossing, creating an interrupted flow of movement between the two sides.

Problem 3: Existing public realm spaces are of poor quality and create a negative image of the town from a gateway perspective. An improved gateway and public realm will act as a catalyst for further private sector investment.

Problem 4: The retail offer in the town is in decline. Recent interventions have improved this however; an improved gateway will offer better, more suitable commercial space for prospective businesses.

Problem 5: Housing demand in the area continues to outstrip supply and more houses are required to meet future demand.

*[Complete the following using a system of 0, ✓, ✓✓, ✓✓✓which maps the objectives to their ability to address each problem. Add rows and columns as required and note not all sections of the table may require completion; max. 1 page.]*

| | Problems identified in Need for Intervention section | | | | |
|---|---|---|---|---|---|
| | Connectivity | Crossing Safety | Public Realm Quality | Retail Quality | Housing Demand |
| Objective 1 | ✓✓✓ | ✓✓✓ | ✓ | ✓ | ✓ |
| Objective 2 | ✓ | 0 | ✓✓✓ | ✓✓ | ✓✓ |
| Objective 3 | 0 | 0 | ✓✓✓ | ✓✓✓ | ✓✓✓ |
| Objective 4 | 0 | 0 | ✓✓✓ | ✓✓✓ | ✓✓ |
| Objective 5 | 0 | 0 | ✓ | ✓ | ✓ |
| | | | | | |

## 2.8. Constraints:

*[Specify high level constraints or other factors such as social/environmental/financial/ developments/schemes/legal consents and agreements which may affect the suitability of the Preferred Option; max. 0.5 page.]*

The main constraints to the delivery of the project relate to planning, land assembly, funding, stakeholder support and ground conditions. There is a linked delivery constraint/dependency in respect of the funding contribution expected from the development receipts. Each of these are considered below.

### Planning

There is currently no planning consent in place. However, the scheme is supported by the adopted Local Plan and the Grays South scheme is specifically included in the Development Framework that has been adopted by the Council. The public consultation on the Framework indicated very high levels of public support for the proposals. Planning consent will be required to support the delivery of the project and the time and cost of this activity is built into the project programme and budget.

### Land Assembly

Network Rail and Thurrock Council own approximately two thirds of the land required to deliver the proposals. The remaining land is held by a number of third parties and will need to be acquired. The Council has already committed to make these acquisitions and made provision for the associated costs within its Capital Programme. Agents (Montagu Evans) have been appointed and are actively engaged in discussions with the interested parties (leaseholders and freeholders).

Within the agreed acquisitions strategy every effort is to be made to acquire the properties through negotiation. However, it is anticipated that a Compulsory Purchase may be required. The council resolved to use compulsory purchase powers if necessary at its Cabinet meeting of April 2017.

The time required to do so is built into the project programme. The Council team has good experience of the CPO process having undertaken three CPOs in the recent past to deliver regeneration projects in the Borough including a new Community Hospital and College Campus in Grays' Town Centre. The major challenges to any CPO process revolve around evidencing

planning support, the availability of sufficient funding to deliver the ultimate project and an overwhelming public benefit.

It is anticipated that the Council will make the second resolution (which formally commences CPO proceedings) following the grant of planning consent – thereby addressing the planning challenge. The time required to undertake and complete a CPO – including any time required to go through arbitration to determine land value etc. – is built into the project programme.

**Funding**

The availability of funding will need to be evidenced at the time of any public inquiry and the Council will need to evidence that all necessary funds are in place. This is covered below.

The overwhelming public benefit will again have to be proven at the time of any public inquiry, but given the nature of the scheme and the facilities and services which are being provided, there is not considered to be any significant risk in preparing a suitably robust case to evidence this point.

Stakeholders have been informed and engaged throughout the development of the project to date and will continue to be engaged as the project progresses. The project has been reported regularly to the Grays Town Partnership where there has been clear support. Consultation completed earlier this year on the Grays Development Framework showed that 82.27% of respondents supported the proposals for the Town Centre and Station Quarter and that 72.87% either supported or strongly supported the proposals for an underpass. There are not considered to be any major objections to the delivery of this scheme.

## *2.9.* Scheme dependencies:

*[Provide details of any related or interdependent activities that if not resolved to a satisfactory conclusion would mean that the benefits of the scheme would not be fully realised; max. 0.5 page.]*

With regards to funding, £11m has been secured to date by Thurrock Council and Network Rail. The funds from the Council (made up of £9m from the capital programme and £1m in s106 funds) are confirmed whilst the funds from the Network Rail (£0.8m) are time limited. If the funding can be secured through LGF then the Network Rail monies will be secured. If not, it is likely that the Network Rail monies will be withdrawn so that they can be applied to other projects rather than being lost.

Part of the funding package is derived from receipts generated by the future development of plots in and around the project area. These make up approximately £6m of the project budget. Due to the timing of these receipts, the Council will meet this commitment through its own borrowing and as such, will bear all risk if the receipts were not ultimately generated.

The direct housing benefits from the scheme in the form of land value uplift rely on the completion of phase 2b – relating to the development of mixed-use plots released by the development of the public squares. These plots will either be sold for development; developed by the Council-owned Thurrock Regeneration Ltd; or developed in partnership with Network Rail and C2C. The approach to development is expected to be selected to enable development to commence towards the latter stages of the construction of the underpass and public realm.

## *2.10.* Expected benefits:

*[This section identifies scheme benefits (which will be achieved through delivering the scheme) which may not be valued in the Economic Case. Specify the extent of the scheme benefits referring to relevant economic, social, environmental, transport or other benefits. This is where any 'GVA based' estimates of benefits should be reported together with any dependent*

*development (e.g. commercial or residential floorspace). Please reference the relevant section of the Economic Case where additional information regarding the assessment approach can be found; max. 0.5 page.]*

The project's main focus is the building of an underpass and public squares to replace the existing pedestrian level crossing.

This will have quantifiable impacts including:
- no loss of life or injury on the crossing
- reduced costs associated with incidents of misuse and accidents at the level crossing
- benefits from increased physical activity from increased walking
- reduced costs associated with car use
- ambience benefits from public realm improvements.
- pedestrian and driver journey time savings.

In addition, there will be direct positive unquantifiable impacts such as:
- avoided near misses reported on the level crossing
- reduced vandalism of the level crossing.

The project is also expected to have further wider benefits through the development of plots around the public squares. This will generate quantifiable impacts such as:
- 84 new homes directly enabled created on the site of the project
- 417 new homes catalysed in the wider regeneration of Grays
  1,279 sqm gross commercial floor space redeveloped excluding the Civic Centre[8]

There will be additional unquantifiable benefits to the area including:
- temporary GVA impacts generated from the construction phase of the project
- GVA and employment impacts from increased footfall (and the prevention of a decline in footfall) in the town centre generating increased spending and activity
- reduced and avoided severance impacts from the rail line
- increased productivity of commercial space through later opening and development of an evening economy
- the catalytic impact on potential further developments through making Grays a more attractive investment opportunity.

## *2.11.* Key risks:

*[Specify the key risks affecting delivery of the scheme and benefit realisation e.g. project dependencies, stakeholder issues, funding etc. Information on risk mitigation is included later in the template. This section should be kept brief and refer to the main risk register in the Management Case; max. 0.5 page.]*

The major technical risk is in respect of encountering unexpected ground conditions not identified by current surveys. Desk top studies, radar surveys and some intrusive surveys have provided information to inform design work to date and further, more detailed surveys would be carried out as the project progresses and the timing and costs of these works have been built into the project programme and budget.

This work will be undertaken by Network Rail at the GRIP3 stage of the process which is due to commence imminently. Within Network Rail's costings for the delivery of the underpass, there

[8] These figures are based on plans developed by Montagu Evans for the development of the sites around the public square.

has been the inclusion of contingency within their costings to cover potential eventualities such as this. This has been calculated in line with industry standards and reflective of this type of development works.

Risks are actively monitored by the project manager and recorded within a risk register which notes the severity and impact of the risk as well as mitigating actions to be undertaken. This is discussed further within the management case.

## 3. ECONOMIC CASE

*The economic case determines whether the scheme demonstrates value for money. It presents evidence of the expected impact of the scheme on the economy as well as its environmental, social and spatial impacts.*

*In addition to this application form, promoters will need to provide a supporting Appraisal Summary Table (AST). This should provide:*

- *a calculation of Benefit-Cost Ratio (BCR) according to the DCLG Appraisal Guidance, with clearly identified, justified and sensitivity-tested assumptions and costs*
- *inclusion of optimism bias and contingency linked to a quantified risk assessment*
- *inclusion of deadweight, leakages, displacement and multipliers*

*Smaller schemes (less than £2 million) are not required to provide a supporting AST, and do not have to calculate a BCR.*

### *3.1.* Options assessment:

*[Outline all options that have been considered, the option assessment process, and specify the rationale for discounting alternatives.*

*Promoters are expected to present a sufficiently broad range of options which avoid variations (scaled-up or scaled-down version) of the main options. The key to a well scoped and planned scheme is the identification of the right range of options, or choices, in the first instance. If the wrong options are appraised the scheme will be sub-optimal from the onset.*

*<u>Long list of options considered:</u>*
*Description of all options which have been considered to address the problem(s) identified in the* ***Need for Intervention*** *section above, including options which were considered at an early stage, but not taken forward.*

Network Rail has resolved to close the Grays level crossing on safety grounds.[9][10] Therefore, to address the issue of safety whilst meeting the other objectives of the project, there are 3 options that have been considered, in addition to the 'Do Minimum' of Network Rail removing the level crossing with nothing to replace it:

A. To replace the level crossing with a pedestrian underpass.
B. To replace the pedestrian crossing with a new footbridge over the railway line.
C. To remove the level crossing and refurbish the existing footbridge.
D. To remove the level crossing and existing pedestrian footbridge with no replacement crossing.

*<u>Options assessment:</u>*
*Describe how the long list of options has been assessed (assessment approach), rationale behind shortlisting/discarding each option.*

In the early stages of option testing, Thurrock Council worked in collaboration with Network Rail to assess each of these options and agree on a preferred option. In December 2012 Thurrock Council commissioned Ramboll and Coe Design to develop options for replacing the current arrangements for crossing the rail line whilst improving the appearance of the arrival point in to

[9] Appendix R: Network Rail Safety Census

[10] Appendix H: Network Rail Letter – Grays Level Crossing: Notice of proposed closure

the town and the area between the rail station and the college. The study followed three broad stages; baseline, development of options and the development of a preferred option. The proposals identified a range of public realm improvements coupled with options for enhancement of the rail crossing.

The proposals were discussed with Ward Members at the options stage and the underpass was considered to be the favoured option as it provided "the greatest opportunity to create a continual flow for pedestrians within a very high quality landscaped public realm which could be integrated with a redeveloped rail station that enhances the arrival point in the town centre". The options for a bridge were also considered, but it was decided that these "would require substantial above ground structures incorporating steps and lifts. Consequently these are not considered to offer the same benefits as an underpass."[11]

More detail on the each option considered is set out below.

**Option A** - the underpass - was jointly selected by Network Rail and the Council as the preferred option to replace the level crossing because it will enable uninterrupted movement across the rail line and could cater for the growing number of passenger movements through Grays Station. Furthermore, this option offers the potential for an enhanced public realm by avoiding the need for complex (and bulky) bridge and ramp structures.

**Option B -** a new bridge - was recognised as the lowest cost option and considered as the most viable alternative to the underpass. The requirements for a new bridge were scoped as part of the Ramboll Module 2 study and Module 3 (see appendix P and Q). This determined that a new bridge would need to be higher (5.8m) than an underpass would be low (5m) because of the need for clearance of overhead power lines. Therefore, a bridge would require more land for ramps to provide the same level of accessibility, as required under the Equalities Act.

It would therefore result in large structures that would undermine the setting and interrupt sight lines of the Grade II Listed St Peter and St Paul's Church. This would negatively impact the public realm and therefore bring disbenefits. It would also compromise the planned wider development of Grays due its imposing structure. It would, therefore, impact on the subsequent design of the public realm and the Council's ability to bring forward a broader enhancement scheme that would aim to encourage greater integration of the various modes of transport.

We also considered the equality impacts of a new upgraded footbridge. A bridge funded solely by Network Rail would have lower levels of disability access and therefore could not be supported by the Council on the grounds it did not support our objectives. A bridge with a ramp would be needed to meet equality considerations, at additional cost.

Furthermore, within the underpass proposals there is the potential to provide direct access to the platforms from within the underpass enabling direct access for pedestrians and cyclists and a much higher level of integration north and south of the underpass with buses and taxis. There would be no scope to provide this level of accessibility through a bridge solution which would serve to reinforce the existing relationships whereby buses and taxis serve one platform directly while cars and pedestrians directly access the other. A stepped bridge would be around two thirds of the cost of the proposed underpass, but would not provide the required accessibility. A bridge with ramps has not been costed so cannot be directly compared to the underpass, however we expect that it would cost more than a stepped bridge, but less than the underpass.[12]

[11] Appendix N – Thurrock Council: Cabinet Report, July 2013

[12] Ramboll. Grays Town Centre Public Realm Improvement Module 3 Report 2013

**Option C** – refurbishing the existing footbridge - was rejected as the existing footbridge was designed only for occasional, temporary use while the level crossing is closed. The specifications of the existing footbridge are not compliant with the DfT Design Manual for Roads and Bridges for use as the only pedestrian route. It does not have the capacity to accommodate the footfall that would use it if the level crossing was closed. More detail relating to this can be found in Appendix K – Grays Footbridge Asset Information.

Furthermore, upgrading the existing footbridge would not allow for disability access, meaning it would discriminate against people with disability and mobility difficulties. The road-bridge to the east of the level crossing that provides an alternative crossing point has an incline of 1:18, greater than the recommended maximum gradient of 1:20 for ramp access without flat rest areas.[13]

This means that refurbishing the existing footbridge could provide only a short term, suboptimal solution, and the option of maintaining footbridge access rather than a new underpass would require a new footbridge to be built, as set out in option B.

**Option D** – providing no replacement footbridge or an underpass - was rejected as there is no reasonable alternative crossing point available. The closest alternative crossing is a road bridge located 177m along the rail line to the east, the use of which would mean pedestrians would bypass much of the town centre and therefore it would not provide the required access to the town centre from the Grays South and the station. This is the "Do Nothing" option.

**Preferred option:** Option A has therefore been identified as the optimum method for tying the public/ private transport modes together within an integrated and accessible public realm that can provide direct access to the rail platforms.

*Short list of options:*
*The 'Options Assessment' section is an opportunity to demonstrate how learning from other projects and experience has been used to optimise the proposal, and the Preferred Option is expected to emerge logically from this process; max. 2 pages.*

*Smaller schemes (less than £2 million) are required to complete an Options assessment which is proportionate to the size of the scheme; max. 1 page.]*

In February 2017 the Council received confirmation that it would receive funding for this project from the Local Growth Fund which completed the funding package. In April 2017 the Council's Cabinet determined that the project should now be implemented, the report can be viewed here[14] at no.128.

Having agreed on an underpass as the preferred approach to the pedestrian rail crossing, the Council has been working with Network Rail to develop the proposals for the underpass, with Network Rail leading the technical design and the Council leading land acquisition and urban design.

[13] Building regulations 2010.
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/441786/BR_PDF_AD_M2_2015.pdf

[14] https://democracy.thurrock.gov.uk/ieListDocuments.aspx?CId=129&MId=5169

Having rejected all alternatives to an underpass, the assessment of the short list of options has considered the design of an underpass. Network Rail funded the design of four options, summarised below. Detailed designs of the options are available on request.

In each case the design of the underpass itself is the same. Each of the options presents a different approach to the ramps/steps and the public squares. The development of these options has sought to balance the quality of public space, public safety, accessibility and connectivity and the amount of land required. The differences between the options can be summarised as follows:

| | Description | Pros | Cons |
|---|---|---|---|
| 1 | Compact ramps. Segregated steps. | • Minimum land take<br>• DDA compliance | • Heavily engineered, not meeting public realm quality requirements.<br>• High walls along ramps create enclosure<br>• Long foot access on north side to station/buses. |
| 2 | Long ramps. Integrated steps. | • Better public realm than option 1<br>• Opportunities for landscaping<br>• DDA compliance | • Long ramps<br>• Low wall structures required<br>• Larger land take than option 1<br>• Long foot access to station/buses on north side |
| 3 | Integrated ramps and steps | • Better public realm than option 1<br>• More accessible than option 2<br>• Lower land take than option 2<br>• DDA compliance | • Requires long retaining wall structures<br>• Long foot access to station/buses on north side |
| 4 | Crescent shaped integrated ramps and steps | • Highest levels of accessibility<br>• Highest level of public safety<br>• Engineered structures are less obvious<br>• Highest quality of public realm<br>• DDA compliance | • Second highest land take of the different options. |

Network Rail and Thurrock Council have agreed on Option 4 as the preferred option for the design of the underpass.

## *3.2.* Preferred option:

*[Describe the Preferred Option and identify how the scheme aligns with the objectives. Include evidence of stakeholder support for the Preferred Option either through consultation on the scheme itself or on the strategy the scheme forms part of; max. 1 page.]*

Option 4 for the underpass will provide crescent shaped steps on both sides of the rail line with fully integrated steps and ramps. This approach has the benefit of maximising the ways in which people can access the pedestrian rail crossing by enabling access from all points at which the

ramps and steps reach street level. Therefore, it will maximise the accessibility of the underpass and the flow of pedestrians, while minimising the visible retaining wall structures in order to meet the Council's wider objectives of providing a high quality public realm.

For these reasons it is considered that Option 4 will best meet the direct objectives of the project:

Objective 1: To significantly improve safety. Creation of a safe, accessible, attractive and Equalities Act compliant access route across the Essex Thameside Rail Line enabling the closure of the existing level crossing.

Objective 2: To enhance connectivity.

Objective 3: To enhance quality of public realm by creating public squares around the access to the underpass suited to street cafés, markets and entertainment which connect the northern and southern sections of the High Street and support intermodal travel.

Objective 4: To facilitate intermodal travel/ improve journey times.

Objective 5: To regenerate Grays. Creation of a high quality, well designed and safe public realm which increase economic prosperity and activity by ensuring the conditions necessary to support further private sector investment.

The underpass and public squares has been the subject of several approvals from Cabinet in 2013, 2014 and 2015. In March Cabinet agreed a Development Framework for Grays which includes the underpass and associated plot developments.

The development framework included public consultation; there was strong public support with 72% of respondents either supporting or strongly supporting the pedestrian rail crossing and 85% of respondents supporting the overall approach proposed for the town centre and rail station area. See Appendix N – Thurrock Council: Cabinet Report, 2013 for further information on stakeholder engagement.

The project has also been the subject of discussions with every freeholder and leaseholder within the scheme area identified through Report on Title. In 2016 we ran a public consultation on the Grays Development Framework and asked specific questions about the underpass scheme. The Grays Town Management Partnership has also been provided with a series of presentations.

Planning Transport and Regeneration Overview and Scrutiny Committee in March 2017 supported the approach to delivery discussed in this report. The Committee requested that issues of safety, including CCTV, and proper drainage be addressed in future design, and that every effort is made to keep the crossing open until the project is completed, and that the public is kept informed.

### *3.3.* Assessment approach:

*[Describe the approach used to assess the impacts of the scheme, describing both the quantitative and qualitative methods used, and specify the Do Minimum and Do Something scenarios. The assessment approach should be a proportionate application of the DCLG guidance; max. 1.5 pages.].*

The project's main focus is the closure of the existing level crossing and the building of a new underpass and public squares.

Network Rail has committed to closing the level crossing. In the absence of an underpass being built to replace the level crossing, the only available crossing point would be a road bridge approximately 200m to the east, and the existing footbridge. This route by passes much of the town centre and at a gradient of 1:18 is steeper than the 1: 20 maximum necessary to enable disabled access.

However, the existing footbridge is coming to the end of its useful life and has seen a series of repairs (see Appendix H). It was installed with the purpose of being used in conjunction with the level crossing, meaning it does not have the capacity to accommodate the footfall that would use it if the level crossing was closed. Its specifications do not meet the requirements of the DfT Design Manual for Roads and Bridges for use as the only pedestrian route.

The Design Manual for Roads and Bridges (Section B, Part 8)[15] states that the width of a pedestrian footbridge recommends an absolute minimum width of 2 metres for pedestrians only and 4.7 metres to include cyclists.

Furthermore, upgrading the existing footbridge would not allow for disability access across the rail line, meaning it would discriminate against people with disability and mobility difficulties. The road bridge to the east of the level crossing, that provides the only alternative crossing point, has an incline of 1:18, greater than the recommended maximum gradient of 1:20 for ramp access without flat rest areas.[16]

We, therefore, assume in our "Do Minimum" scenario that the footbridge could not provide a suitable alternative to the level crossing and would need to be removed on health and safety grounds.

The economic case therefore covers the costs and benefits of the project relative to the "Do Minimum" in which the level crossing is closed and the footbridge removed, resulting in no alternative crossing other than the road bridge to the east of the station.

The expected benefits of the 'Do Something' relative to the 'Do Minimum' counterfactual scenario are set out in section 2.10. We also detail those benefits that are quantified in our analysis and those which are assessed qualitatively.

[15] http://www.standardsforhighways.co.uk/ha/standards/dmrb/vol2/section2/BD2917_May.pdf Its Volume 2 Section B Part 8

[16] Building regulations 2010. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/441786/BR_PDF_AD_M2_2015.pdf

We have conducted our assessment of the impacts of the project in accordance with the best practice principles set out in the HM Treasury Green Book[17] , MHCLG Appraisal Guide[18], and DfT WebTAG[19].

All of the impacts we have quantified have been adjusted to reflect current (2018) prices, based on the social time preference discount rate of 3.5%, in accordance with the HM Treasury Green Book. Where necessary we have converted inputted historic monetary values into 2018 prices to adjust for inflation. This applies to the use of WebTAG values which are in 2010 prices. These have been adjusted based on GDP deflators produced by HM Treasury.[20] For the conversion of 2010 WebTAG prices into 2018 prices the deflator used is 1.15.

We have assessed all impacts (with the exception of the public realm ambience benefits) over a 30 year time period to reflect what we consider to be the useful asset life of the developments, and in accordance with the MHCLG Appraisal Guide. We have assessed the public realm impacts over a 10 year period, as we consider the public realm will likely have a shorter asset life, with respect to the ambience benefits, and will require renewal after 10 years.

Cost estimates provided by Network Rail include an adjustment for inflation. We have applied an optimism bias to our estimates of costs associated with the project in accordance with the MHCLG Appraisal Guide.

The assumptions adopted in our analysis of the impacts of the project are summarised in Appendix E. Below we set out our approach to quantifying the benefits associated with each area of impact.

We have estimated the impacts of the project in two stages: first we estimate the impact of the status quo (i.e. the level crossing) relative to a counterfactual of no crossing (the level crossing being removed with no replacement crossing); we then estimate the impact of the proposed underpass and public realm development relative to the status quo. We sum these together to understand the impact of the proposed project relative to the counterfactual of no crossing.

*Do Minimum (the counterfactual) – no crossing*

Network Rail has committed to closing the level crossing. Therefore in the absence of the project going ahead, we assume the level crossing and the existing footbridge will be closed with no replacement crossing. In this instance the closest alternative crossing is a road bridge approximately 200m to the east of the existing crossing.

The road layout means that to walk from one side of the current level crossing to the other, via the road bridge, would be a journey of 0.9km.

However, the actual additional distance that pedestrians wishing to cross the railway line would have to walk will depend on their origin and destination. We assume an average distance of

[17] 2018. HM Treasury. The Green Book: appraisal and evaluation in central government https://www.gov.uk/government/publications/the-green-book-appraisal-and-evaluation-in-central-governent

[18] 2016, DCLG. Appraisal Guide. https://www.gov.uk/government/publications/department-for-communities-and-local-government-appraisal-guide

[19] 2018, DfT TAG https://www.gov.uk/guidance/transport-analysis-guidance-webtag and Dft WebTAG Databook 2018.

[20] HM Treasury, GDP deflators at market prices, and money GDP March 2018 (Spring Statement).

0.45km per journey, and 0.9km for each return journey. As per DfT WebTAG guidance, we assume that 90% of journeys are return journeys.

To assess the impact of the closure of the level crossing with no replacement crossing, we have made a number of assumptions about the behaviour of current users of the crossing in response to the crossing being closed, and any journeys to cross the railway requiring them taking a longer route.

We assume the current average distance walked is 1.18km per trip, based on NTS 2017 data. On this basis, the addition of an average of 0.45km would mean a total distance of 1.63 – just over a mile. Therefore, on average, 50% of pedestrians would need to travel a distance of over a mile.

There is a lack of evidence relating to the distance pedestrians are willing to walk. However there is evidence which suggests that for students, there is a threshold walking distance of 1.35 km for adolescents commuting to school.[21] We therefore consider an assumption of a threshold of a mile (1.6 km) to be reasonable.

Based on this threshold we assume that all those for whom the journey remains less than a mile in length (i.e. 50%) will continue to walk.

We have based our assumptions about behaviour change as a result of the longer journey on statistics from the National Travel Survey (NTS) 2017[22] relating to the average number of trips by trip length and main mode and the relative difference in mode between journeys of less than a mile and between 1 and 2 miles, summarised in the table below:

| Main mode | Under 1 mile | | 1 to under 2 miles | |
|---|---|---|---|---|
| **Total trips per person per year** | 236 | | 179 | |
| **Walk** | 192 | 81% | 53 | 30% |
| **Bicycle** | 2 | 1% | 5 | 3% |
| **Car/van** | 39 | 16% | 108 | 60% |
| **Bus** | 2 | 1% | 9 | 5% |
| **Taxi/ other private** | 1 | 1% | 3 | 2% |

This provides an indication of the relative propensity to walk dependent on the length of the journey, specifically relating to the change between journeys of less than a mile and more than a mile but less than two miles. Based on the number and proportion of journeys made by each mode by trip length, we have made assumptions about the behaviour of users of the level crossing who currently walk. This includes a reduction in the total number of journeys made.

| **Mode shift by 50% of those who currently walk (assumed < 1 mile) when faced with a journey of 1 - 2 miles:** | |
|---|---|
| **Walk** | 23% |
| **Cycle** | 2% |

[21] Rodriguez-Lopez et al. (2017) The Threshold Distance Associated With Walking From Home to School. Health education and behaviour.

[22] DfT (2017) National Travel Survey 2017. https://www.gov.uk/government/statistics/national-travel-survey-2017

| | |
|---|---|
| **Car/van** | 46% |
| **Bus** | 4% |
| **Other** | 1% |
| **Do not take journey** | 24% |

Combining these assumptions with the assumption that those who currently walk less than a mile continue to walk, generates the following mode shift assumptions:

| **Overall mode shift from walking as a result of longer distance:** | |
|---|---|
| **Walk** | 61% |
| **Cycle** | 1% |
| **Car/van** | 25% |
| **Other** | 1% |
| **Do not take journey** | 12% |

This includes an assumption that there is no mode shift to bus use, and that bus users in the NTS data would shift to car use. This is due to the fact that there are no bus routes on the south side of the railway track. Therefore for users of the crossing who need to access the other side of the tracks, bus travel will not provide a convenient alternative to walking.

These assumptions regarding behavioural change are consistent with other evidence relating to the impact of distance on active commuting. Research by Nelson et al. (2008) indicates that a 1 mile increase in distance decreased the likelihood of active commuting by 71%.[23]

However, given uncertainty related to the assumptions about behavioural change in the case of the level crossing closing and no replacement being provided, we test the sensitivity of the estimated impacts to these in our sensitivity analysis.

We consider that the assumption that only 12% of those who currently walk would no longer make the journey to be reasonable. Whilst some users of the crossing would be able to avoid the journey, the crossing is a key link between the town centre, bus station and larger population to the north of the railway track, to the station and college (with 1,466 students) to the south of the track. Users of these will have little choice but to find alternative routes. The journeys that are more likely to be avoided are convenience shopping trips into the town centre, for example from work places and the college in Grays South.

In addition to the mode shift assumptions above, we have applied the following assumptions in our analysis:

- Total users of the level crossing of 8,412 (source: average of Network Rail estimates for August 2017 of 9,541[24] and February 2018 of 7,283).
- 54% of users of the level crossing walk from home (4,542), 13% travel by bus (1,094) and 33% drive (2,776) (source: Grays Station Travel Plan 2014).
- Individual journeys made by users of the crossing are on average 1.18km in length for all users who currently walk. We apply this assumption due to a lack of available alternative

[23] Nelson et al. (2008). Active commuting to school: How far is too far? International Journal of Behavioural Nutrition and Physical Activity. 2008. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2268942/

[24] https://www.networkrail.co.uk/communities/safety-in-the-community/level-crossing-safety/

estimates, but note that average length of journey among those who shift to car use is likely to be longer than the average across all those who walk – applying a higher estimate would increase the estimated benefits of the project.
- Current users of the crossing who drive or use a taxi from home would continue to drive. In the absence of the level crossing, we assume that they all would drive the additional average distance of 0.45km per journey, to access their destination.
- Current bus users will continue to use the bus. Due to a lack of more detailed transport modelling we do not account for any additional distance that users may walk, or any mode shift from bus use to other modes. It is uncertain whether this would over, or under-estimate the benefits. This would depend on whether the closure in the crossing resulted in bus users walking further or shifting to car use.
- Due to a lack of evidence, we do not account for the reduction in active mode benefits for those who currently drive and then use the crossing to access their destination, but who may drive the full distance if the crossing were closed. The inclusion of this impact would increase the benefits attributable to the project.

These assumptions form the basis of our assessment of the status quo relative to the outcome in the 'Do Minimum' scenario in which the level crossing is closed with no replacement crossing. Our assessment includes safety benefits from reduced incidents on the railway; health impacts in terms of avoided premature deaths and absenteeism as a result of mode shift to walking and increased walking distance in the 'Do Minimum'; journey time impacts resulting from longer walking distance in the 'Do Minimum'; impacts associated with car use in terms of external costs and vehicle operating costs; and ambience impacts with the route over the road bridge.

Our methods for quantifying these impacts are set out following our description of our approach to assessing the 'Do Something' scenario.

*Do Something – project as specified*

In addition to avoiding the negative impacts of the 'Do Minimum' scenario (the scenario where the level crossing is closed and no alternative crossing replaces it), there are additional benefits expected from undertaking the project (the 'Do Something'). These include ambience benefits from the public realm and health benefits associated with modal shift to walking due to an improved walking environment.

The main assumption applied in the 'Do Something' scenario relates to the mode shift from car to walking as a result of the improved accessibility and public realm improvements. We base this on assumptions applied in similar business cases. The Rathmore Road business case[25] applies an assumption of 11% mode shift to walking as a result of improved access and public realm work. To take a conservative approach, we apply an assumption of half this (5.5%) in our central estimate of mode shift.

**Methodology for quantification**

The impacts we include in our analysis are summarised below. These relate to the 'Do Something' (project as specified) compared to a 'Do Minimum' of no crossing:

- Safety benefits as a result of closing the level crossing.

[25] https://www.southeastlep.com/app/uploads/LGFSE45_Rathmore_Road_Business_Case.pdf

- Negative impact of reduction in walking of 0.45km on average for those who in the absence of the crossing would continue to walk the extra distance.
- Journey time savings for those who, in the absence of the crossing, would walk the additional distance.
- Positive health impacts for those who currently walk, but, in the absence of the crossing, would walk or take the bus.
- Net health impacts for those who currently walk but would, in the absence of the crossing, take the bus.
- Avoided external costs and vehicle operating costs associated with avoided car use by those who currently walk, but, in the absence of the crossing, would drive.
- Avoided external costs and vehicle operating costs associated with avoided longer journeys for those who currently drive.
- Public realm benefits associated with the status quo relative to the journey over the road bridge for those who would walk in the Do Minimum scenario.
- Public realm benefits associated with the underpass and public realm improvements.
- Health benefits and reduced external costs and vehicle operating costs as a result of mode shift generated by the underpass and public realm improvements.
- Land value uplift resulting from housing units developed as part of the site surrounding the public squares.

Our methodology for estimating each is set out below.

*Safety benefits/ avoided incidents*

In assessing the value of avoided incidents we have drawn upon data on Network Rail's Fatality and Weighted Injury index value for the Grays Level Crossing and the DfT average value of prevention per casualty of £1.55 million (in 2010 prices) for a fatal casualty.[26]

We have estimated this cost based on Network Rail's Fatality and Weighted Injury (FWI) rate of 0.064 based on the ALCRM rating of D1. This is very high relative to the average risk score for automatic barrier level crossings of 0.003.[27] All monetary impacts have been converted to 2018 prices discounted to 2018 values.

In addition to the monetised impacts, there will be non-monetised benefits from reduced vandalism and incidents where pedestrians misused the level crossing, for example crossing when barriers were down or using the crossing to gain access to the station. In the period from July 2014 and February 2015, 26 trespass offences were recorded in and around Grays station by the British Transport Police[28], with many more incidents having been recorded of people taking shortcuts, climbing fencing at the crossing and damaging the barrier railings. More recently, there have been increased patrols at the station in order to reduce the incidents of misuse and two people have been fined for trespassing.[29]

The high number of violations increases the chances of a minor or major incident and vandalism of property occurring. It is expected that these will be avoided with the removal of the level

[26] Dft WebTAG June 2018 Table A 4.1.1 Average value of prevention per casualty
[27] Network Rail. Transforming Level Crossings 2015-2040. http://bailey.persona-pi.com/Public-Inquiries/Essex/NR%20Dox/NR17.pdf
[28] Network Rail. 2015. Don't risk your life at Grays level crossing. https://www.networkrailmediacentre.co.uk/news/dont-risk-your-life-at-grays-level-crossing#
[29] Network Rail. 2018. https://www.networkrail.co.uk/feeds/shocking-cctv-footage-shows-scale-of-misuse-at-thurrock-level-crossing-as-two-people-are-fined-for-trespass/

crossing. This will benefit Network Rail who will no longer have to bear the costs of vandalism and other incidents and the British Transport Police will be able to reduce patrols of the station.

We have only quantified the safety benefits based on current misuse of the crossing. An increase in freight use of the line is expected to increase the instances in when the level crossing would be temporarily closed for extended periods. Anecdotal evidence on the drivers of misuse of the crossing suggests that it is at times of extended closure that most incidents of misuse occur, due to pedestrians not wanting to wait for the crossing to open. Therefore we expect that more frequent and longer closures of the crossing would increase incidents of misuse in the future, whilst at the same time more frequent trains would increase the risk of accidents. In addition, if the level crossing were to permanently close with no viable alternative crossing, then incidents of misuse may increase further as a way of avoiding the longer journey via the road bridge, depending on the nature of the barrier between the track and the highway.

*DfT Active Mode Appraisal Toolkit – health impacts and external costs.*

We have used the DfT WebTAG Active Mode Appraisal Toolkit (AMAT) to estimate the health impacts relating to avoided premature death and absenteeism; and external costs relating to changes in behaviour.

This is a change to the previous iteration of the business case in which the analysis used the World Health Organisation HEAT tool[30] to estimate the benefits associated with walking. Whilst the AMAT is reported to be consistent with the HEAT tool, there appear to be significant differences in the results from each, with the HEAT tool providing estimates of the value of prevented premature deaths of around 3 times higher than AMAT for equivalent inputs. We believe this may be due to the assumptions applied relating to how the value of a statistical life is applied in each tool. To take a conservative approach, we have used the AMAT to estimate the health impacts.

As the AMAT is not specifically designed for the range of impacts generated by this scheme, we have populated it separately for each route to impact, as set out below. The numbers of users are based on assumptions from the Grays Station Travel Plan and the National Travel Survey, as detailed on page 32:

| Route to impact | Users | Average distance - single trip (km) |
|---|---|---|
| Reduction in distance walked relative to 'Do Minimum' | 2783 | 0.45 |
| Increase in those walking relative to 'Do Minimum' | 1754 | 1.18 |
| Reduction in driving relative to 'Do Minimum' | 1131 | 1.18 |
| Reduction in distance driven relative to 'Do Minimum' | 2776 | 0.45 |
| Reduction in cycling relative to 'Do Minimum' | 47 | 0.45 |
| Increase in walking and reduction in driving as a result of underpass and public realm | 463 | 1.18 |

[30] http://www.heatwalkingcycling.org/

For all routes to impact we have assumed:

- 30 year appraisal period;
- 90% of journeys are return journeys, as per AMAT default assumption;
- Impacts apply 365 days a year. This is based on the fact that the footfall data is the average of two 9 day averages and therefore should reflect the average across the year. This may slightly overestimate the impacts by including days such as Christmas Day, but the impact on the total impact would be small.
- No decay rate given that this does not apply to a specific active mode initiative.
- Background growth rate of 0.75% as per webTAG guidance.
- For impacts relating to additional distance travelled, rather than new trips, we have adjusted the AMAT outputs where necessary (in relation to premature death) such that the output is based on the additional distance, not the average journey (of 1.18km).

All outputs from the AMAT have been converted to 2018 prices for use in the appraisal.

*Vehicle operating costs*

For each of the impacts assessed relating to a change in car use, we have used the estimated annual change in car kilometres generated by the AMAT to estimate the vehicle operating costs associated with this change. These have been estimated using values from the DfT WebTAG databook.[31]

In estimating the impacts from reduced car use we have not assumed any increase in footfall in the 'Do Something' scenario. This is due to uncertainty about the car use of additional station users and a trend towards less car use – meaning that the new users may be less likely to use a car than the existing users.

*Journey time impacts*

This impact relates to the additional distance walked to cross the rail tracks by using the road bridge in the 'Do Minimum'.

A weighted value of time savings was estimated using the relevant WebTAG market value of time for the corresponding years, converted to 2018 prices, and applying an appropriate weight for each type of user, worker or non-worker, for walkers. In the absence of local data, this is estimated based on the 'reasons to walk' identified in the 2014 National Travel Survey.

The weighted value of time savings is measured per minute. We have estimated the additional journey time based on the total additional distance walked over the road bridge, assumed to be 0.45km for a return trip (due to the assumption that those that walk the extra distance, will on average be those that face a shorter additional journey), and an average walking speed of 5 km/h[32]. This produces an average additional journey time of 5.4 minutes per pedestrian. This is applied to the 2,818 walkers and bus users assumed to walk the additional distance and multiplied by the weighted value of time savings for the relevant year.

We then annualised the estimated time savings per day to generate an estimated annual impact.

[31] 2018, DfT TAG https://www.gov.uk/guidance/transport-analysis-guidance-webtag and Dft WebTAG Databook 2018.
[32] DfT WebTAG

*Public realm benefits*

We have quantified the impact of this redevelopment of the public realm using the Transport for London's (TfL) Ambience Benefits Calculator. The calculator estimates the monetary value of improvements to the public realm. We have used this to estimate both the negative public realm impact for pedestrians using the road bridge in the 'Do Minimum' counterfactual, as well as the positive ambience benefits from new public squares. We use this, rather than the AMAT, due to the greater specificity that can be given relating to public realm improvements. As the public realm has not yet been designed, we have based the inputs to the ambience benefits calculator for the public realm work on intended plans for the site and what it will offer set out in the Grays Town Centre Framework Refresh.[33]

For the 2,783 pedestrians assumed to use the road bridge in the 'Do Minimum' counterfactual, we used 'the physical intrusion of traffic' as a proxy for the negative public realm impact of having to use the road bridge.

To account for the increase in public realm benefits from the public squares and underpass we have captured the impacts of expected public realm benefits including provision of seating areas; plants; wider and better conditioned pavements; improved lighting; improved signage and increased safety due to more people being around after dark, taking into account the status quo i.e. what is already there in the public realm. The inputs also include a benefits from improved crossings. This is used as a proxy for the benefit of an underpass relative to the severance generated by having no crossing point. However the impact included, which relates to the provision of a zebra crossing rather in place of no dedicated crossing, is expected to underestimate the ambience benefits of avoiding the severance impact of the railway.

This is based on the current level of footfall using the level crossing of 8,412 and the assumption regarding mode shift to walking of 5.5% due to the underpass and public realm relative to the status quo leading to an additional 463 users per day. The Ambience Benefits Calculator applies the rule of half to these new users.

We have estimated the benefits from improved public realm over a 10 year period to reflect the expected useful asset life of the redevelopments.

We have assumed that the type of pedestrian using the underpass is an average user and applied this in this assumption in the calculator. We have directly utilised the values generated from the tool as, although these are based on benefits to London pedestrians, given that 90% of station users travel into London[34], we consider that the benefits gained by this group will be comparable to those generated by the calculator.

*Commercial and residential development impacts*

The development of the underpass and public squares involves the demolition of some existing commercial property and the development of new commercial property and housing units.

The demolition of existing commercial floorspace as part of the scheme will open up an opportunity for new development of 1,279 sqm of new commercial floorspace and 84 residential

[33] Grays Town Centre Framework Refresh (2017). https://democracy.thurrock.gov.uk/documents/s13592/Appendix%201%20-%20Grays%20Master%20Plan.pdf

[34] Travel Thurrock (2014) Grays Station Travel Plan. https://www.thurrock.gov.uk/sites/default/files/assets/documents/travelplan_station_grays_201404.pdf

units above the retail space. This land will either be sold for development; redeveloped by the Council owned Development Company Thurrock Regeneration Ltd. or developed in partnership with National Rail and C2C.

The development of commercial floorspace will largely directly replace the commercial space destroyed. However, the new floorspace is expected to achieve higher rental yields and we do capture the development receipts as they are expected to contribute to the funding of the underpass.

He residential units will be additional as the current use does not include any residential unit. We estimate the land value uplift of the 84 new housing units that would be developed on the site using the Housing Infrastructure Fund ready reckoner. These housing units will be developed above the commercial property and are being developed as part of the project site.

Within the ready reckoner we assume that 'planning additionality' is high as it would not be possible to develop these housing units if the commercial units were not being replaced, and we understand that there are insufficient alternative plots to meet current housing targets. The Thurrock Local Plan Five Year Housing Land Supply Position Statement identifies a 5 year requirement of 3,441 units but has only identified sites for 1,282 units, equivalent to 2.7 years supply. There is therefore an identified shortage equivalent to 2.3 years of housing. It is therefore considered that unlocking these sites will increase the overall land supply in Grays and will not displace alternative sites.

*Construction impacts*

We have estimated the temporary GVA generated through the construction of the project – construction of the underpass, public squares and commercial and residential developments. The direct GVA generated through construction has been derived by applying appropriate industry output to GVA ratio for the construction industry to the estimated total construction costs. The indirect and induced effects have been estimated by applying the relevant indirect and induced multipliers to the direct GVA. The multipliers used in our analysis are set out in Appendix E.

*Options analysis*

The project represents our 'Do something' scenario and compares this against a 'Do Minimum' scenario of no crossing. We have also considered an alternative option in which a new pedestrian footbridge is built across the railway line. We cannot complete a quantitative assessment of the relative costs and benefits of this option as it was discounted by Thurrock Council Board and Network Rail in 2015 and therefore the relevant costings have not been developed. We have, however, qualitatively considered the relative costs and benefits, presented in the Appraisal Summary Table, and detailed in our options assessment in section 3.1.

## *3.4.* Economic appraisal assumptions:

*[Provide details of the key appraisal assumptions by filling in the table in Appendix A, expand if necessary. Key appraisal assumptions as set out in Appendix providing justification for the figures used and any local evidence, where appropriate (different from the standard assumptions or the ones with the greatest influence on the estimation of benefits). Explain the rationale behind displacement and deadweight assumptions.*

We have detailed a number of our assumptions in section 3.3. Our key appraisal assumptions are set out in Appendix A. Below we set out the rationale behind our additionality assumptions, including displacement and deadweight.

Deadweight

We have assumed that without funding for the underpass the level crossing would be closed and not replaced and the existing footbridge would be removed. We have explored other options and do not consider that there is a viable alternative to the underpass. The safety benefits could be achieved if the crossing were closed and no alternative crossing were provided, but there is a risk of increased incidents due to pedestrians wishing to avoid the longer walk via the road bridge, depending on the nature of the barrier installed between the road and the railway. The underpass development, as well as the public realm work would not be undertaken by the private sector and therefore relies on public sector funding to be brought forward. We have, therefore, not applied any degree of deadweight to the benefits from the closure of the crossing and building of the underpass and public squares.

We have applied some deadweight to the benefits associated with the housing developments. Without the scheme these developments are unlikely to come forward as the public realm work specifically opens up the development plots and there is an unavailability of sufficient alternative plots the town centre. The Thurrock Local Plan Five Year Housing Land Supply Position Statement identifies a 5 year requirement of 3,441 units but has only identified sites for 1,282 units, equivalent to 2.7 years supply. There is therefore an identified shortage equivalent to 2.3 years of housing. It is therefore considered that unlocking these sites will increase the overall land supply in Grays and will not displace alternative sites. For this reason we have applied a 'high' additionality of 75% within the ready reckoner.

Displacement

In estimating the impacts of the underpass and public squares, we have taken into account the existing baseline and consider only the additional impacts that arise. We have, therefore, not assumed any further displacement in our estimates of the impacts as doing so would be under-estimating the additionality of the impacts. Our approach to estimating the impacts is set out in more detail in section 3.3 above.

Substitution

We do not consider there to be any substitution effect associated with the underpass. We have taken into account the effect of the underpass on passenger behaviour within our analysis. We, therefore, do not apply an additional substitution assumption.

With regards to the housing development, we have considered there will be a low level of substitution associated with the development. Substitution is likely to be limited for this type of development, as the provision of the grant is not expected to change behaviours. However, the level of substitution assumed is in line with BEIS benchmarks, with a central case for the housing developments at a regional level of 4%.[35]

35

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/191512/Research_to_improve_the_assessment_of_additionality.pdf

Leakage

We do not anticipate there to be any leakage associated with the project, at the LEP level. We expect that both the underpass, the commercial developments and public realm will be majority used by the local population and therefore retain the economic benefits within the SELEP area.

We note that there may be an uplift in visitors to the area as a result of the improvement in public space, which may result in some leakage of the benefits. However, we have not factored this increase in visitors in our analysis and, therefore, do not consider it appropriate to adjust the impact to factor in the leakage of these benefits.

## 3.5. Costs:

*[Provide details of the costs of the scheme. All public-sector costs should be included:*

- *Public sector grant or loan*
- *[Public sector loan repayments] (negative value)*
- *Other public sector costs*
- *[Other public sector revenues] (negative value)*

*If the land is owned by the public sector, then the public sector will be incurring holding costs assumed to be 2% of the existing value of the land per year. Should the land be used for non-residential development these holding costs will be avoided. This needs to be reflected in the appraisal as a negative cost.*

*Please note that any private costs associated with the development should be included in the appraisal as a dis-benefit and therefore feature in the numerator of the BCR calculation rather than the enumerator.*

*Additional details regarding the consideration of costs as well as standard assumptions that can be used in the absence of local data can be found in the DCLG appraisal data book.]*

| **Funding Source** | **Value** |
|---|---|
| Thurrock Borough Council Capital Programme | £9,000,000 |
| S106 Funds held by Thurrock Council | £1,200,000 |
| Network Rail* | £800,000 |
| Development Receipts | £5,596,707 |
| Funding sought through LGF Grant | £10,840,274 |
| **Total project cost** | **£27,436,981** |
| Total public contribution | £21,840,274 |
| Total private contribution | £5,596,707 |
| **Total project cost (incl. optimism bias)** | **£31,072,381** |
| **Total public contribution (incl. optimism bias)** | **£25,475,674** |

*Network Rail contribution is up to £1.5 to be spend before end of March 2019. Current run-rate is £800k

These costs have already been adjusted to take into account a 30% risk uplift, to reflect the considered level of risk associated with the project, and have been adjusted for inflation.

In accordance with the DCLG Appraisal guide, in our cost benefit analysis we have also applied an optimism bias to the estimated project costs. The HM Treasury Green Book provides an upper and lower estimate of optimism bias for standard civil engineering projects of between 3% and 44%.

We have applied the lower quartile of the HM Treasury Green Book range, 13.25%, to our cost estimate figures. The inclusion of the optimism bias increases the total project cost to £31.1m.

## 3.6. Benefits:

*[Provide details of the benefits of the scheme identifying the 'initial' and adjusted benefits that were used to calculate the 'initial' and 'adjusted' BCR. The DCLG Appraisal Guidance provides additional details regarding the initial and adjusted benefit calculations on page 17.*

*'Initial' Benefits*

*All impacts quantified based on the Green Book Guidance and Green Book Supplementary and Departmental Guidance should feature in the 'initial' BCR calculation. These impacts currently include:*

- *Air quality*
- *Crime*
- *Private Finance Initiatives*
- *Environmental*
- *Transport (see WebTAG guidance)*
- *Public Service Transformation*
- *Asset valuation*
- *Competition*
- *Energy use and greenhouse gas emissions*
- *Private benefits e.g. land value uplift*
- *Private sector costs if not captured in land value*
- *Public sector grant or loan if not captured in land value*
- *Public sector loan repayments if not captured in land value*

*'Adjusted' Benefits*

*There are several external impacts to the users or entities already present in a development area or to the society that are additional to the impacts included in the Green Book Supplementary and Departmental Guidance.*

*Such external impacts include potential agglomeration impacts on third parties, health impacts of additional affordable housing and brownfield land clean-up, educational impacts of additional housing, transport externalities, public realm impacts, environmental impacts, and cultural and amenity impacts of development. Such externalities should still form part of the appraisal and included in the 'adjusted' BCR.*

*Promoter should present here additional estimates of impacts based on their own evidence. These estimates might be based on tentative assumptions where the evidence base is not well established. Additional guidance regarding the identification of externalities and ways of estimating the 'adjusted' impacts are available in Annex F of the DCLG Appraisal Guidance.]*

The project's main focus is the building of an underpass and public squares to replace the existing pedestrian level crossing, preventing a scenario in which the level crossing is closed with no new crossing to replace it.

This will have quantifiable impacts including:
- no loss of life or injury on the crossing
- reduced costs associated with incidents of misuse and accidents at the level crossing
- benefits from increased physical activity from increased walking
- reduced costs associated with car use
- ambience benefits from public realm improvements.
- pedestrian and driver journey time savings.

In addition, there will be direct positive unquantifiable impacts such as:
- avoided near misses reported on the level crossing
- reduced vandalism of the level crossing.

The project is also expected to have further wider benefits through the development of plots around the public squares. This will generate quantifiable impacts such as:
- 84 new homes directly enabled created on the site of the project
- 417 new homes catalysed in the wider regeneration of Grays
- 1,279 sqm gross commercial floor space redeveloped excluding the Civic Centre

There will be additional unquantifiable benefits to the area including:
- temporary GVA impacts generated from the construction phase of the project
- GVA and employment impacts from increased footfall (and the prevention of a decline in footfall) in the town centre generating increased spending and activity
- reduced and avoided severance impacts from the rail line
- increased productivity of commercial space through later opening and development of an evening economy
- the catalytic impact on potential further developments through making Grays a more attractive investment opportunity.

**Routes to impact**

| Category | Impact | Value (2018 prices) | Source |
|---|---|---|---|
| Reduced incidents as a result of closure of the level crossing | Safety | £1,883,761 | DfT WebTAG Databook |
| | | | |
| Reduction in distance walked relative to 'Do Minimum' route over road bridge | Reduced risk of premature death | -£7,281,037 | DfT AMAT adjusted for journey distance |
| | Absenteeism | -£3,932,750 | DfT AMAT |
| | Journey time | £13,226,788 | DfT WebTAG Databook |
| | Public realm | £1,477,101 | TfL Ambience Benefits Calculator |
| | | | £ |
| Reduction in driving and mode shift to walking relative to 'Do Minimum' | Reduced risk of premature death | £12,033,144 | DfT AMAT adjusted for journey distance |
| | Absenteeism | £6,499,534 | DfT AMAT |
| | External costs | £867,823 | DfT AMAT |
| | VOC | £1,052,615 | DfT WebTAG Databook |
| | | | |
| Reduction in | External costs | £1,027,025 | DfT AMAT |

| | | | |
|---|---|---|---|
| distance driven relative to 'Do Minimum' | VOC | £1,252,566 | DfT WebTAG Databook |
| | Journey time | £3,873,663 | |
| | | | |
| Reduction in cycling relative to 'Do Minimum' | Reduced risk of premature death | £685,237 | DfT AMAT |
| | Absenteeism | £100,403 | DfT AMAT |
| | | | |
| Increase in walking and reduction in driving as a result of underpass and public realm | Reduced risk of premature death | £2,762,057 | DfT AMAT |
| | Absenteeism | £1,491,886 | DfT AMAT |
| | External costs | £390,584 | DfT AMAT |
| | VOC | £544,694 | DfT WebTAG Databook |
| | Public realm | £17,222,781 | TfL Ambience Benefits Calculator |
| | | | |
| New housing units | Land value uplift | £2,298,953 | HIF ready reckoner |

**Net impacts**

As we have set out sections 3.3 and 3.4, in our quantification of the impacts of the project, we have identified and quantified only the impacts that would only come about with the project and would not be expected to materialise otherwise. This includes explicit consideration of the additionality of the land value uplift as part of the HIF ready reckoner. These impacts can therefore be considered net impacts. The basis for the additionality assumptions and descriptions of the context are discussed in sections 3.3 and 3.4.

**Summary of net results**

| | | **Net benefits (in NPV terms) over 30 years** |
|---|---|---|
| Economic impacts associated with the underpass | Journey time saving | £17.1m |
| | Reduction in accidents | £1.9m |
| | Reduced risk of premature death | £8.2m |
| | Absenteeism | £4.2m |
| | Reduction in externalities from cars including vehicle operating costs | £5.1m |
| | Social impacts from public realm[36] | £18.7m |
| Wider public realm and housing development | New homes delivered | 84 |
| | Land value uplift | £2.3m |

The net initial benefits from the project are estimated at £55.2m. This includes the benefits from the underpass itself as well as the benefits relating to the public realm.

[36] Assessed over a 10 year period.

The inclusion of the land value uplift from housing would increase the benefit to £57.5m. We do not include the temporary GVA uplift from construction impacts in our BCR calculation, but these would add additional wider benefits of £5.0m including indirect and induced impacts as a result of the build phase of the project.

**The initial BCR for the project, relative to the Growth Deal funding request, is 5.4:1**.

**Including all public sector contributions (present value adjusted for optimism bias) would result in an initial BCR of 2.5:1.**

**The adjusted BCR for the project, relative to the Growth Deal funding request, is 5.6:1**.

**Including all public sector contributions would result in an adjusted BCR of 2.6:1.**

These monetised impacts do not take into account a number on unquantified benefits.

The negative impacts of the 'Do Minimum' scenario, avoided through delivering the underpass and public realm work, could be greater than those quantified in this appraisal.

The appraisal only accounts for the improvement in safety relative to the current situation. However, if no action were taken then the anticipated increase in freight trains would be expected to increase the period during which the level crossing was temporarily closed, leading to increased incidents of misuse. In addition, if the crossing was removed and no viable alternative replaced it, then incidents of misuse may increase as pedestrians seek to avoid the longer route via the road bridge, depending on the nature of the barrier installed between the road and the railway.

Furthermore, there are a number of costs associated with misuse of the level crossing which are not included in the appraisal. These include costs of dealing with damage and vandalism which would be avoided if the crossing were closed. The inclusion of these would increase the benefits.

As noted in our analysis, our estimate of the public realm impacts seeks to include a proxy for the severance impact of closing the level crossing with no replacement. However, it is likely that the proxy applied (of a zebra crossing compared to no dedicated crossing of a road) would underestimate the impact of severance on the high street generated by the railway line with no crossing.

In addition, our analysis is based only on the current users of the level crossing, and does not take into account either increased footfall due to underlying pedestrian growth, or increased footfall as a result of the scheme, for example attracted by the improved public realm. Such increased footfall would increase the estimated impacts of the programme through ambience benefits, and through the number of individuals benefitting from the crossing (as a result of the underlying growth rate in population).

In assessing the status quo relative to the 'Do Minimum' scenario quantify the health impact of users of the crossing avoiding undertaking journeys altogether in the absence of the crossing, but do not quantify the wider impact of this on the Grays economy. Through its impact on the number of journeys made, the closure of the crossing could impact the flow of people between the town centre and Grays South and have a subsequent impact on health of the town centre. This impact would be particularly driven by the severance it would create between the town centre and South Essex College and the station.

Conversely, by building an underpass and implementing public realm improvements, there are expected to be wider catalytic benefits of the project on the regeneration of the town centre by increasing footfall.

The new commercial development is expected to help attract more multiple retailers to the town centre, to increase attractiveness to shoppers, including commuters who might otherwise have shopped in London.

In addition the new commercial development is expected to increase the evening economy, through later opening times and increased food, drink offerings. This has received the support of New River, the new owners of the Grays shopping centre who want to extend shop opening hours. The development of enhanced theatre and cultural services which are expected to be catalysed by the wider regeneration of Grays will also support this. This will increase the productivity of commercial space through longer opening hours, and will increase spending in the town, generating growth and jobs for the area.

While the underpass and public squares will not be the sole driver in this further development potential for the area, for the reasons set out in the strategic case, they are expected to be a key catalyst, without which the potential for the area will be held back.

**Sensitivity analysis**

We have carried out sensitivity analysis on our assessment of the economic impacts associated with the project. The main sources of uncertainty relate to the assumptions regarding mode shift in both the 'Do Minimum' compared to the status quo and as a result of the underpass and public realm work, the housing developments coming forward, and the cost estimates.

We have, therefore, developed four sensitivity scenarios:

- Scenario 1: Reduced mode shift to car use in 'Do Minimum' scenario relative to the status quo.
- Scenario 2: Higher mode shift as a result of the underpass and public realm work.
- Scenario 3: No additional house building is generated, either directly or catalysed.
- Scenario 4: Increased costs

*Sensitivity scenario 1*

In our central case, we have assumed that, when faced with a longer journey, 61% of those that currently walk will continue to do so, 25% switch to car use, 1% cycle and 12% no longer make the journey.

We test this assumption by adjusting our assumption about the mode shift to car use to 12.5% (half the central case assumption). Under this scenario, the net adjusted benefit would reduce to £50.7m in NPV terms over 30 years. The total public sector (adjusted) BCR would be 2.4:1 and the BCR over the growth funding would be 5.2:1.

*Sensitivity scenario 2*

Under sensitivity scenario 2, we have assumed a mode shift from car use to walking in line with the assumption of 11% applied in similar appraisals[37]. This assumption leads to increased benefits from physical activity and a greater reduction in costs associated with car use.

Accounting for this sensitivity, the net (adjusted) benefit of the project would increase to £64.9m in NPV terms over 30 years. The BCR relating to this would increase to 2.9:1 in relation to total public sector costs and the BCR over the growth funding would be 6.4:1.

*Sensitivity scenario 3*

Under sensitivity scenario 3, we have assumed that there would be no housing directly delivered by the project and no wider housing developments catalysed by the project. This will have two effects which will change the overall benefits and adjusted BCR for the project: (1) there will be no additional land value uplift generated through the housing units delivered; and (2) the Council would not receive £6m in housing receipts, thereby increasing the present value of total public sector costs to £27.2m.

Accounting for this sensitivity, would also result in a reduction in the present value of total net measurable benefits associated with the project to £55.2m over 30 years. The adjusted BCR, over all public sector costs (not just the LEP funding sought in this business case), would change the adjusted BCR to 2.0:1.

*Sensitivity scenario 4*

Under scenario 4, we have assumed that total costs increase by 50% (relative to the baseline estimates excluding optimism bias). This would increase the present value of public sector costs to £31.1m.

Accounting for this sensitivity, this would reduce the adjusted BCR to 1.9:1.

## 3.7. Local impact:

*[If the scheme has a significant level of local impacts these should be set out in this section.]*

The impacts generated will be predominantly local impacts to Grays. In particular:

i) Improved accessibility and connectivity between the town centre and residents and businesses to the south of the level crossing;
ii) Reduced safety risk;
iii) Increased footfall, and therefore spending, for town centre businesses leading to increased GVA and employment;
iv) Enhance public realm and ambience benefits for residents in the town centre.

## 3.8. Economic appraisal results:

*[Please provide details of the key appraisal results (BCR and sensitivity tests) by completing the table below. Please note, not all sections of the table may require completion.*

[37] https://www.southeastlep.com/app/uploads/LGFSE45_Rathmore_Road_Business_Case.pdf

*Promoters should also include a statement which identifies other schemes which may have potentially contributed to the same benefits/impacts.*
*Smaller schemes (less than £2 million) are not required to complete a quantified economic appraisal but are required to include a Value for Money rationale.]*

| | **DCLG Appraisal Sections** | **Option 1 relative to status quo (Do Something)** | **Option 2 relative to status quo (Do Minimum)** |
|---|---|---|---|
| **A** | Present Value Benefits [based on Green Book principles and Green Book Supplementary and Departmental Guidance (£m)] | £57.5m | A pedestrian bridge over the railway line would be expected to deliver similar 'initial' benefits in the form of safety benefits and time savings, but may have less of an impact on car use as it would not be as accessible as the underpass. The health benefits and reduction in external costs would therefore be expected to be smaller. |
| **B** | Present Value Costs (£m) | £10.2m (PV of Growth Deal funding)<br><br>£22.3m (PV of in total public sector contribution) | The costs of a bridge would be cheaper than the underpass, but could require more public funding if, due to its dis-benefit in term of the public realm and perceptions of Grays town centre, it compromised the development of the identified plots, and wider Grays regeneration. |
| **C** | Present Value of other quantified impacts (£m) | £2.3m | The option of a bridge could deliver similar housing units on site, but wider developments would be less likely to be catalysed with a bridge as it would generate public realm dis-benefits and would hinder the flow of pedestrians through to the town centre. |
| **D** | Net Present Public Value (£m) [A-B] or [A-B+C] | £35.2m | |
| **E** | 'Initial' Benefit-Cost Ratio [A/B] | **2.5:1** for all public funding<br>**5.4:1** for Growth Deal funding | We would expect the initial BCR for the bridge to be lower than that of the underpass as the public realm benefits would be |

| | DCLG Appraisal Sections | Option 1 relative to status quo (Do Something) | Option 2 relative to status quo (Do Minimum) |
|---|---|---|---|
| | | | lower, and there may be less of an impact on mode shift as a result. |
| **F** | 'Adjusted' Benefit Cost Ration [(A+C)/B] | **2.6:1** for all public funding<br>**5.6:1** for Growth Deal funding | We would expect the adjusted BCR for the bridge to be lower than that of the underpass for the reasons above, as well as the potential impact on the wider development as a result of a lower quality public realm and reduced access and connectivity between the town centre and Grays South meaning a greater degree of severance would be maintained. |
| **G** | Significant Non-monetised Impacts | The project will generate additional non-monetised benefits:<br><br>Reduced vandalism of the level crossing will generate a public benefit and a reduce cost to Network Rail of repairing and cleaning up damage.<br><br>The safety benefits will be greater than currently estimated due to an anticipated worsening of safety in the future in a 'Do Nothing' scenario.<br><br>The underpass also increase connectivity between Grays South and the town centre and reduce and avoid the negative impact of the severance of the high-street.<br><br>The underpass and public squares are also expected to bring about further developments through making Grays a more attractive investment opportunity. There are a number of identified sites for development that the underpass and public realm work will indirectly support.<br><br>The new commercial development is expected to help attract more multiple retailers to the town centre, to increase attractiveness to shoppers, including commuters who might otherwise have shopped in London. In addition the new commercial development is expected to increase the evening economy, through later opening times and increased food, drink offerings. This will increase the productivity of commercial space through longer opening hours, and will increase | |

| | DCLG Appraisal Sections | Option 1 relative to status quo (Do Something) | Option 2 relative to status quo (Do Minimum) |
|---|---|---|---|
| | | spending in the town, generating growth and jobs for the area. | |
| **H** | Value for Money (VfM) Category | High value for money (BCR>2) | |
| **I** | Switching Values & Rationale for VfM Category | The BCR is above 2, and does not include wider regeneration benefits associated with the public realm work and accessibility provided by the underpass. Our sensitivity analysis shows that with more conservative assumptions applied in the main areas of uncertainty, the BCR would hold within a range of 1.9:1 and 2.9:1. | |
| **J** | DCLG Financial Cost (£m) | (£10.8m Growth Deal funding) | |
| **K** | Risks | The main risk associated with the realisation of benefits, and the benefit cost ratio, relates certainty around the total costs of the project. However, we have conducted sensitivity around the costs and sources of funding which indicate that even with 50% increase in costs above the current estimate, the project would deliver acceptable value for money. | |
| **L** | Other Issues | The wider Grays Masterplan may also contribute to the housing and commercial developments. This is accounted for in the additionality factor applied. | |

# 4. COMMERCIAL CASE

*The commercial case determines whether the scheme is commercially viable and will result in a viable procurement and well-structured deal. It sets out the planning and management of the procurement process, contractual arrangements, and the allocation of risk in each of the design, build, funding, and operational phases.*

## *4.1.* Procurement options:

*[Present the results of your assessment of procurement and contracting route options and the supplier market, and describe lessons learned from others or experience; max. 1 page.]*

The Council has a defined procurement strategy in place which is overseen by the Procurement and Efficiency Management Board (PEMB) to ensure that the procurement processes undertaken:

- give a clear direction for fulfilling the Council's vision and goals;
- contributes to the financial health of the Council by delivering value for money;
- links commissioning and procurement with other 'social value' policies such as economic regeneration, financial control and sustainability; and
- delivers the outcome improvements expected from procurement and commissioning.

There are several elements of the project which require consideration of the procurement approach. These are:

- land acquisition;
- legal support
- public realm;
- project management; and
- design & construction of the underpass.

Land Acquisition

Montagu Evans has been working with the Council to support the process of land acquisition through the CPO process. Montagu Evans is a highly regarded property consultancy with offices throughout the UK and specialises in advising on major mixed use property development projects. Its services were procured through the HCA's Property Panel framework.

Legal Support

The Council retains Paul Shadarevian, QC, of Cornerstone Barristers to provide legal support on the land acquisition process. Paul has over 30 years of experience in planning, compulsory purchase and compensation, having advised extensively on local plans throughout England and Wales.

The Council is also currently in the process of interviewing prospective legal practices through the Places for People Procurement Hub to provide general legal support on the project. We expect to make an appointment imminently.

Public Realm

The Council recently appointed Steer Group as the urban design consultants under the Council's existing procurement process. Steer Group is an international consulting firm with a team specialising in urban design and placemaking.

Project Manager
The Council has hired Neil Muldoon, an external project manager to lead the project on its behalf. Neil possesses a broad range of knowledge of the Rail industry and is a former Network Rail employee and consultant to the DfT.

Design & Construction of the Underpass
Network Rail procured VolkerFitzpatrick and WS Atkins to produce the GRIP2 design and is intending to use the same team to undertake the work for the GRIP3 stage which is due to begin imminently. This has been undertaken through their formal ARC [38]Framework arrangements and in line with their own internal procurement processes.

Beyond completion of the underpass, the Council recognises that the associated development of the surrounding area and contractors to undertake the actual urban realm improvements will require further procurement in the future. The Council believes it has the necessary experience and expertise to undertake this process in the future and will draw upon lessons learned through its own Thurrock Regeneration Limited development company. Once further information is made available principally through the urban design workstream, the Council will begin to shape the planned procurement process for the development stage of the project.

## *4.2.* Preferred procurement and contracting strategy*:*

*[Define the procurement strategy and contracting strategy (e.g. traditional, (design and build, early contractor involvement) and justify, ensuring this aligns with the spend programme in the Financial Case and the project programme defined in the Management Case; max. 2 pages.]*

Through Network Rail and Steer Group, relevant contractors and advisors are in place already to support the delivery of the underpass and design of the public squares.

Network Rail views the project for management purposes as a third party project with the Council as a client. Network Rail follows a design and build procurement route where their main contactor (namely: Voker Fitzpatrick) is appointed to design and construct the works. There is a potential to follow a 'develop and construct' procurement route, which is a variation on design and build, in which most of the design is completed before the contractor is appointed. Further details on the nature of delivery will become clearer once Network Rail progress the GRIP3 (Option Selection) process.

The procurement strategy for contractors to support the public square design will become clearer once Network Rail completes its GRIP3 stage work and Steer Group are able to complete the design study. Thurrock Council will procure the contractor for the public square works through a competitive tender process enabling a construction team to work alongside Network rail once the design is completed. This contractor will be required to have experience of working near the operational railway and with Network Rail so that all railway standards are adhered to.

Consideration is being given to the Council liaising with Network Rail for works and approvals around the underpass and wider area to be completed together – this will ultimately inform the procurement and contracting strategy for these works.

## *4.3.* Procurement experience:

*[Describe promoter (and advisor) experience of the proposed approach including any lessons learnt from previous procurement exercises of a similar scale and scope; max. 0.5 pages.]*

[38] https://www.volkerfitzpatrick.co.uk/en/projects/detail/cp5-southern-multi-functional-framework--anglia-route

Network Rail has significant experience of delivering rail safety schemes such as the underpass works and has a formal management and control process (GRIP – Governance for Railway Investments Projects[39]) for delivering projects on the operational railway. Network Rail also uses a supplier assurance process to ensure the quality of the contractors it uses and who are subject to relevant safety standards, such as holding the Principal Contractor Certificate or Principal Contractor Licence. This ensures that all contractors have appropriate and robust Health & Safety, Quality and Environment management systems to effectively discharge their duties.

The Council team leading this project has amassed significant experience in the delivery of a range of complex capital programmes includes those requiring the use of CPO. These include the delivery of South Essex College's Thurrock Campus in Grays, the development of the £60m High House Production Park in Purfleet and a £100m housing programme delivering more than 450 new homes.

### *4.4.* Competition issues:

*[Describe any competition issues within the supply chain; max. 0.5 page.]*

Suppliers relating to the key design elements for the underpass and public squares have been appointed already and so no further competition issues are identified for the design process at this stage in the project.

As the delivery of the underpass will be largely managed by Network Rail, it has a supplier framework from which it can appoint relevant contractors.

The Council's own advisors have been procured from relevant frameworks and OJEU compliant ITT. Legal services have been procured through the 'Places for People Procurement Hub Lot 2', property advisor from the HCA Property Panel mini competition and the urban realm designers through an OJEU compliant ITT.

### *4.5.* Human resources issues:

*[Where possible, describe what you have done to identify and mitigate against any human resource issues; max. 0.5 pages.]*

Network Rail has a dedicated project sponsor whose role is to coordinate the contributions of Network Rail's relevant departments and contractors to the project and who provides regular day-to-day interface with the Council's own project manager. A quarterly held Senior Steering Group exists as a face to face forum of Senior members of Network Rail, Thurrock Council and C2C (the train operating company running services through Grays Railway Station). No human resource issues have been identified at this stage and it is expected that between the Council's project manager and Network Rail's project sponsor that any issues arising will be identified early with appropriate mitigating actions.

### *4.6.* Risks and mitigation:

*Specify the allocation of commercial risks (e.g. delivery body, federated area, scheme promoters) and describe how risk is transferred between parties, ensuring this is consistent with the cost estimate and Risk Management Strategy in the Management Case; max. 1 page.]*

The delivery of the project will be governed through a service level agreement between Thurrock Council and Network Rail. This is currently in the process of being developed for the GRIP 3 process stage to begin and subsequent agreements will be updated as the project progresses.

[39] https://standards.globalspec.com/std/10252862/nr-l2-ini-p3m-101-issue-5

This will help to provide the Council with a degree of certainty and comfort on the delivery of the scheme and allow the Council to closely monitor and manage any potential delivery risks with Network Rail through these agreements.

### *4.7.* Maximising social value*:*

*[Where possible, provide a description of how the procurement for the scheme increases social value in accordance with the Social Value Act 2012 (e.g. how in conducting the procurement process it will act with a view of improving the economic, social and environmental well-being of the local area and particularly local businesses); max. 0.5 page.]*

The Council has defined in its Commercial and Procurement Strategy for 2018-2021 that social value will be measured within how procurement achieves community benefits. The success of the procurement will be measured based upon how the wellbeing of individuals and communities as well as the effect on social capital and the environment. Alongside this, the Council will also ensure the procurement considers how local SMEs and micro businesses are engaged as well as how voluntary community and social enterprises are engaged. This will developed and tailored accordingly to the required procurement beyond completion of the underpass.

## 5. FINANCIAL CASE

*The Financial Case determines whether the scheme will result in a fundable and affordable Deal. It presents the funding sources and capital requirement by year, together with a Quantitative Risk Assessment (QRA), project and funding risks and constraints. All costs in the Financial Case should be in nominal values*[40]*.*

*The profile of funding availability detailed in the Financial Case needs to align with the profile of delivery in the Commercial Case.*

### *5.1.* Total project value and funding sources:

*[Specify the total project value and how this is split by funding sources by year, as per the table below (expand as appropriate). This should align with the total funding requirement described within the Project Overview section. Please include details of other sources of funding, and any conditions associated with the release of that funding. LGF can only be sought to 2020/21.]*

This project forms part of the wider Grays South Project, and relates to the underpass and associated infrastructure and public realm. The total cost of these elements is £27.4m, of which £10.8m in funding from the LGF is being sought in two instalments. £3.7m in the years 2019/20 and the remaining £7.1m in the years 2020/21.

The breakdown of the cost is as follows:

| Item | Cost | Source |
|---|---|---|
| Underpass and access steps and ramps | £12,295,499 | GRIP2 Development and Selection of Access Option by Atkins. June 2015 |
| Public Squares | £2,520,745 | GRIP2 Development and |

[40] Nominal values are expressed in terms of current prices or figures, without making allowance for changes over time and the effects of inflation.

| | | |
|---|---|---|
| | | Selection of Access Option by Atkins. June 2015 |
| Relocation of Crown Road | £4,841,000 | GRIP2 Development and Selection of Access Option by Atkins. June 2015 |
| Lifts from rail station platforms | £2,391,932 | GRIP2 Development and Selection of Access Option by Atkins. June 2015 |
| Land acquisition (assuming CPO) | £5,387,805 | Property Cost Estimate and Acquisition Strategy by Montagu Evans. Feb. 2015 |
| **Total** | **£27,436,981** | |

Maintenance costs have not been included at the current time due to being at the start of the option selection stage – there is no certainty on what the design may look like and therefore it is difficult to estimate the size/cost/responsibility of the maintenance regime.

It is expected that Network Rail will be responsible for the maintenance of the asset that once constructed providing access under the operational railway, including steps and ramps. The public realm created will be included in highways maintenance, and maintenance issues would be addressed through the normal cycle of highways maintenance. A maintenance strategy, including responsibilities, will be looked at once a detailed design has been created but early initial discussions will take place throughout GRIP Stage 3.

The funding sources as currently identified are:

| **Funding Source** | **Value** |
|---|---|
| Thurrock Borough Council Capital Programme | £9,000,000 |
| S106 Funds held by Thurrock Council | £1,200,000 |
| Network Rail | £800,000 |
| Development Receipts | £5,596,707 |
| **Total** | **£16,596,707** |

Network Rail's funds are time limited as they are being drawn from programmes which must secure spend prior to the end of March 2019. The LGF grant would evidence completion of the funding strategy and therefore enabling the project to proceed and be secured in Network Rail's funding plan.

The development receipts are derived from the surpluses anticipated through the development of plots created through the project, together with the linked development of other plots that it owns within the town centre but outside of the immediate project area as identified by the work undertaken by Montagu Evans in this area. The Council anticipates taking the financial risk on these developments and bringing them forward through its wholly owned development company, Thurrock Regeneration Limited which would secure greater returns than would otherwise be achieved through the disposal of the sites directly to the market.

## 5.2. SELEP funding request, including type (LGF, GPF, etc.,):

*[Specify the amount and type of SELEP funding sought to deliver the project. This should align with the SELEP funding requirement described within the Project Overview section.]*

| | |
|---|---|
| Total funding identified | £16,596,707 |
| Total funding sought through LGF grant | £10,840,274 |
| Funding sought through LGF grant through this submission) | £3,700,000 |
| Funding to be sought late 2019 | £7,140,274 |
| **Total** | **£27,436,981** |

## 5.3. Costs by type:

*Detail the cost estimates for the project by year as per the table below (expand as appropriate) and specify how the inclusion of the Quantitative Risk Assessment (QRA) and other overheads aggregate to the total funding requirement. Where conversion has been made between nominal and real cost estimates (and vice versa) please provide details of any inflation assumptions applied. The Financial Case should not include Optimism Bias. Please confirm that optimism bias has not been applied in the Financial Case. Also, include details of the agreed budget set aside for Monitoring and Evaluation, and ensure this aligns with the relevant section in the Management Case. Please note, not all sections of the table may require completion.]*

Construction costs have been developed by Network Rail, whilst Montagu Evans have estimated the land acquisition costs. More detailed costings will become available once Network Rail progress to the GRIP3 stage of the design process. Inflation has already been built into these cost estimates and a 30% contingency has been applied to the construction costs by Network Rail. These figures do not include optimism bias.

| | **Expenditure Forecast** | | | | | | |
|---|---|---|---|---|---|---|---|
| **Cost type** | **17/18 £m** | **18/19 £m** | **19/20 £m** | **20/21 £m** | **21/22 £m** | **22/23 £m** | **Total £m** |
| Design/NR design | | 1.2 | 2.0 | 2.0 | 2.0 | 0 | 7.2 |
| Land Acquisition | | 0 | 3.1 | 2.5 | 0 | 0 | 5.6 |
| Construction | | 0 | 0 | 3.0 | 4.9 | 6.7 | 14.6 |
| **Total funding requirement** | | **1.2** | **5.1** | **7.5** | **6.9** | **7.7** | **27.4** |

## 5.4. Quantitative risk assessment (QRA):

*[Provide justification for the unit costs and a Quantitative Risk Assessment (QRA) provisions (detailed in the capital and non-capital tables above); max. 2 pages. Please provide supporting documents if appropriate.]*

Within the Network Rail cost estimates, Network Rail has used an industry standard risk adjustment of 30% on the cost of the capital works to reflect project risks. This is already costed within the capital costs identified above.

With regards to the land acquisition costs, these have been costed by Montagu Evans on the assumption of a CPO. It is expected that some acquisitions will be able to be completed outside of the CPO process and that in such cases, costs will likely be less than the values set out by Montagu Evans. We believe there is sufficient contingency within the land acquisition costs to cover any unexpected events.

## 5.5. Funding profile (capital and non-capital):

*[Where possible, explain the assumed capital and non-capital funding profile, summarise the total funding requirement by year, and funding source (add rows / columns as appropriate). Please note, not all sections of the table may require completion. Also, explain the external factors which influence/determine the funding profile, describe the extent of any flexibility associated with the funding profile, and describe non-capital liabilities generated by the scheme; max. 1 page.]*

| | Expenditure Forecast | | | | | |
|---|---|---|---|---|---|---|
| **Funding source** | **18/19 £m** | **19/20 £m** | **20/21 £m** | **21/22 £m** | **22/23 £m** | **Total** |
| Thurrock Council Capital Programme | 0 | 1.0 | 0 | 6.0 | 2.0 | 9.0 |
| S106 Funds | 0.4 | 0.4 | 0.4 | 0 | 0 | 1.2 |
| Network Rail Funding | 0.8 | 0 | 0 | 0 | 0 | 0.8 |
| Development Receipts | 0 | 0 | 0 | 0.9 | 4.7 | 5.6 |
| LGF Funding | 0 | 3.7 | 7.1 | 0 | 0 | 10.8 |
| **Total funding requirement** | **1.2** | **5.1** | **7.5** | **6.9** | **6.7** | **27.4** |

The above funding profile is an indicative estimate based on progress to date. This, however, will be influenced by the nature of the design and construction solution developed by Network Rail. Depending upon these construction works, funding areas such as development receipts may be able to be brought forward. Development phasing expected to provide further development returns outside of the period covered in the table.

## 5.6. Funding commitment:

*[Provide signed assurance from the Section 151 officer to confirm the lead applicant will cover any cost overruns relating to expenditure and programme delivery, as per the template in Appendix A. Please also confirm whether the funding is assured or subject to future decision making.]*

Please see signed assurance included in Appendix A. All Thurrock Council contributions are fully secured and can be drawdown as the project dictates.

## 5.7. Risk and constraints:

*[Specify project and funding risks and constraints. Describe how these risks have, where appropriate, been quantified within the QRA/contingency provisions; max 0.5 pages.]*

The Network Rail funding is dependent upon receipt of the LGF as they are time limited, and failure to secure the LGF will mean that Network Rail funding will be allocated elsewhere.

The funding in relation to the development receipts is a risk effectively borne by the Council. In the event that these development receipts are not produced in time to support the underpass development, the Council will provide the additional funding required through their own funds.

Each of the development elements already has an appropriate level of contingency built into the costings, as developed by Network Rail in conjunction with their advisors, Volker Fitzpatrick and WS Atkins. Whilst Network Rail are experienced in the delivery of these infrastructure developments and further confirmation will come once we progress through the GRIP process, in

the event that Network Rail's initial costings are too optimistic, the Council will absorb the commercial risk of funding shortfall through their own development receipts.

## 6. MANAGEMENT CASE

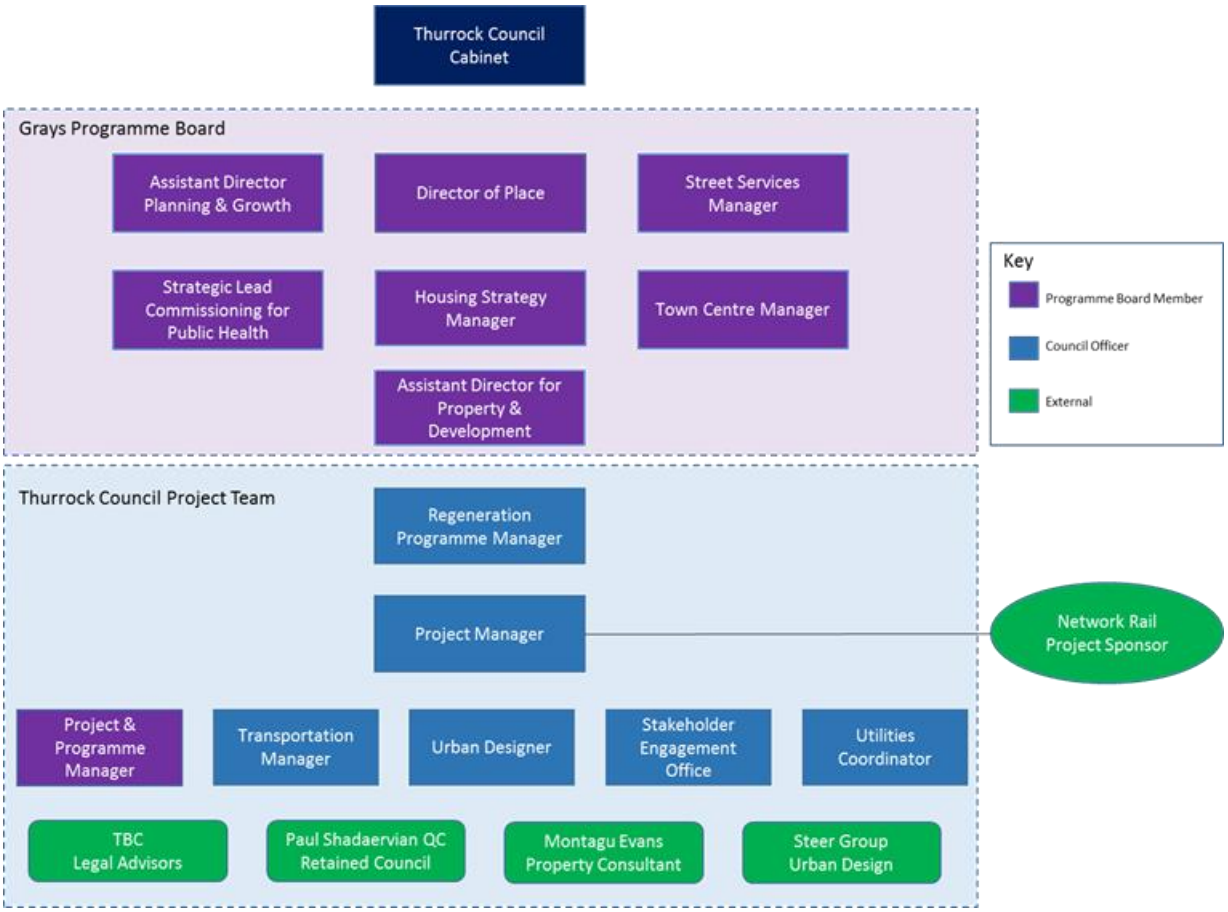
*The management case determines whether the scheme is achievable and capable of being delivered successfully in accordance with recognised best practice. It demonstrates that the spending proposal is being implemented in accordance with a recognised Programme and Project Management methodology, and provides evidence of governance structure, stakeholder management, risk management, project planning and benefits realisation and assurance. It also specifies the arrangements for monitoring and evaluation in terms of inputs, outputs, outcomes and impacts.*

### *6.1.* Governance:

*[Nominate the project sponsor and Senior Responsible Officer, explain the project governance structure (ideally as a diagram with accompanying text) and describe responsibilities, project accountability, meeting schedules etc.; max. 1 page.]*

The Council has pulled together an experienced and senior team to lead the delivery of the project and the governance for the project has been developed in line with the Council's strategic principles.

Council Project Sponsor: [redacted] Director of Place
Senior Responsible Officer: [redacted], Assistant Director for Property & Development



The Project Manager is responsible for the day-to-day issues and acts as the Council's liaison with the Network Rail project sponsor. A Council project team is responsible for the day-to-day delivery of the project, and the Regeneration Programme Manager alongside the Project Manager will report to the Grays Programme Board every 2 months and which is chaired by the Council's Director of Place.

Additional workstreams as required (e.g. finance and planning) will be managed through the project team, with relevant representatives being invited to join the team as the project progresses. Note that legal advisors are currently in the process of being appointed and will be confirmed imminently.

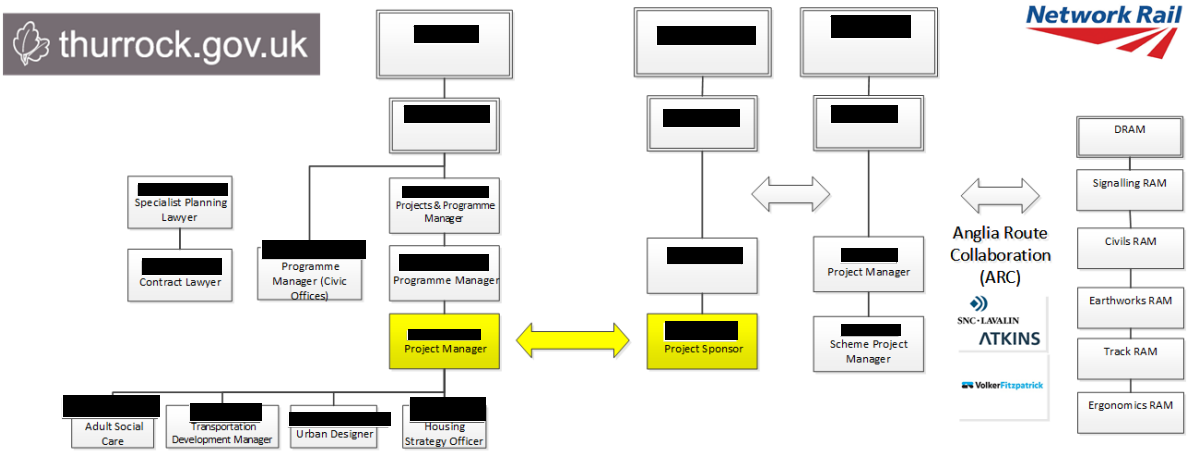
The Grays Programme Board is in charge of oversight of the scheme and will make recommendations to the Council's Cabinet. The Cabinet holds ultimate decision-making responsibilities for the project.

## 6.2. Approvals and escalation procedures:

*[Specify the reporting and approval process; max. 0.5 pages.]*

Ultimate decision making responsibility will rest with the Council Cabinet and the escalation process will follow the upward chain as identified above. Any issues for escalation with regards to Network Rail will be taken through the Network Rail Project Sponsor, [redacted] as necessary and this process is detailed in the recently signed Direct Services Agreement between Thurrock Council and Network Rail.

The organogram illustrated below shows the immediate project teams at both Thurrock Council and Network Rail Anglia Route, Infrastructure Projects and the ARC framework and the key reporting lines – namely at the first level [redacted] Project Manager at Thurrock Council and [redacted], Project Sponsor at Network Rail.




GRIP Stage 3 (Option Selection) is due to be signed with Network Rail imminently. At this point the approval processes will be agreed and set out for the rail element of the scheme. Similarly with regards the Urban Realm aspect this will be set out in a meeting scheduled for the 29th November 2018.

## 6.3. Contract management:

*[Explain your approach to ensuring that outputs are delivered in line with contract scope, timescale and quality; max. 0.5 pages.]*

The outputs of the project will be monitored in line with the governance set out above. The Council's obligations will be monitored through the Grays' Programme Board.

The project manager will be responsible for the day-to-day delivery of the project in line with the contract terms and will be supported by the regeneration programme manager and the project team as required.

Where escalation is required, the Senior Responsible Officer and Project Sponsor will liaise with colleagues from Network Rail.

Formal contract management processes (and the associated monitoring process) will be agreed with Network Rail once the project progresses beyond the GRIP3 stage.

## *6.4.* Key stakeholders:

*[Describe key stakeholders, including any past or planned public engagement activities. The stakeholder management and engagement plan should be provided alongside the Business Case; max. 0.5 pages.]*

A wide range of stakeholders have been identified and have been consulted and/or involved directly in project development and design. Engagement and consultation is intended to be an integral part of project development.

| Stakeholder | Role | Interfaces |
|---|---|---|
| Network Rail | Delivery partner, funder, land owner (land for underpass, adjoining land with development potential), Manages rail infrastructure, approval process, possessions, appointed design/build contractors | Meetings, e-mail, telephone, contact lists circulated , legal documents |
| Contractors | Design/ construction | Specification and tender. Meetings, e-mail, telephone, contact lists circulated |
| C2C | Train operating company, lease station and station car park. Not directly involved in underpass delivery but could be involved in redevelopment of station although advised limited scope in lease arrangement. Interest in relationship of station to underpass. Design input and support, even if no funding. | Meetings, e-mail, telephone, legal documents required if joint development |
| Land owners in scheme area (freehold, leasehold, tenant/occupier, other rights over land) | Land will need to be acquired in sufficient time, process could be extended if CPO | Consultants to lead acquisition. Correspondence, meetings, e-mail, telephone, legal documents |
| Land owners adjacent scheme area (freehold, leasehold, tenant/occupier) | Amenity impact of works and operation and possible impact on business. Potential objectors to or supporters of scheme | Correspondence, e-mail, meetings, consultation |
| Utilities Company: Various National Grid Gas PLC | Range of utilities may require stopping/moving/replacing. Need to know there's no 'show stoppers' | Consultations on design and through approvals processes |

| | | |
|---|---|---|
| Councillors: ward | Impact on ward | E-mail updates, reports to committee, briefing meetings |
| Councillors: Cabinet/O&S | Impact on Council priorities, decisions about implementation and funding | Reports to committees, briefings for key members |
| MP | Influence on public opinion | Briefings |
| Statutory Consultees: Various identified | Statutory consultee in planning process | Meetings, correspondence, consultation in design and consents processes |
| Community Group: Various identified | Community Group. Area includes part of town centre | Correspondence, attend meetings, consultation |
| Business Groups: Grays Town Partnership | Organised group of town centre interests | Correspondence, meetings, consultation |
| Business Groups: Various identified Thurrock | Representative group with wide contacts in business | Correspondence, meetings |
| Business Group: Town Centre Businesses | Consultative role on design, planning | Correspondence, consultation. |
| Emergency Services: Various | Consultative. Access during construction and accessibility for incidents | Correspondence, meetings, consultation on designs and consents. |
| Transport: Bus operators and taxis | Consultative. Access during construction, relationship to station | Correspondence, meetings, consultation on designs and consents |
| Transport: Thurrock Bus Users Group | Consultative on accessibility issues | Correspondence, meetings, consultation on designs and consents |
| Thurrock Coalition/Thurrock Diversity Network | Consultative on access and design: Represent disability groups | Correspondence, meetings, consultation on designs and consents |
| Press and media | News information to the general public | Communications team. |

A Grays South engagement plan, detailing the strategy in which Thurrock Council wishes to manage, engage and communicate with all stakeholders has been drafted by the Council's newly appointed Urban Designers, Steer. This document is nearing completion and details mitigation measures to deal with any negative impacts.

### *6.5.* Equality Impact:

*[Provide a summary of the findings of the Equality Impact Assessment (EqIA) and attach as an Appendix to the Business Case submission. If an EqIA has not yet been undertaken, please state when this will be undertaken and how the findings of this assessment will be considered as part of the project's development and implementation. The EqIA should be part of the final submission of the Business Case, in advance of final approval from the accountability board; max. 0.5 pages.]*

The Equality Impact Assessment has not been undertaken as yet. This will be undertaken upon completion of Network Rail's GRIP3 process and will be considered as part of the finalisation of the design for the underpass and public squares.

However, based on a strategic rapid assessment we expect the project will have a significant positive impact, particularly on those with disabilities. The proposed underpass has been selected on the basis of its ease of accessibility from the street. The public square and boulevard are expected to provide improved lighting and enhance visibility and safety. This is expected to have a positive effect through reducing crime on particular user groups that are protected, for example the elderly.

No specific groups are expected to be disadvantaged by the project as the focus of the project and the design of the underpass and public squares is to provide amenities and associated benefits that will be accessible to all.

### *6.6.* Risk management strategy:

*[Define the Risk Management Strategy referring to the example provided in Appendix B (expand as appropriate), ensuring this aligns with the relevant sections in the Financial and Commercial Case. Please provide supporting commentary here; max. 0.5 pages.]*

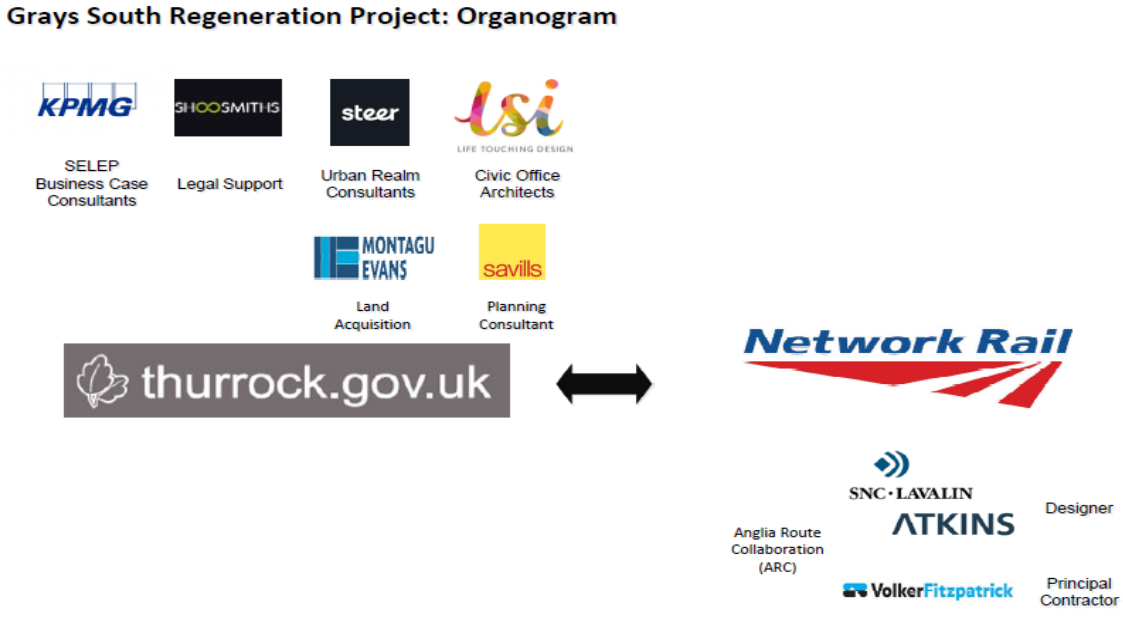
The Council has in place an active risk register which is periodically updated by the project manager and programme manager.

Risks are actively identified and recorded in the risk register, analysing the potential impact of the risk and the likelihood and project exposure it could cause. The register also identified the appropriate implemented mitigating actions that are to be put in place.

Where risks require further action, this is noted in the register where the risk will be flagged for future actions by a relevant date and the current status. This is managed by the project manager who will involve relevant members of the project team and advisors as necessary.

The risks in the register appended have been assigned specific owners within the Council, and there are dates in the diary for regular risk register review meetings where risk mitigation methods will be at play to lower the risk level to an acceptable level/close. This process has commenced since Thurrock Council have signed a Direct Services Agreement with Network Rail in October 2018 and a name project team has been mobilised.

A high level organogram is illustrated below showing the latest project team at the time of writing.



## 6.7. Work programme:

*[Provide a high-level work programme in the form of a Gantt Chart which is realistic and achievable, by completing the table in Appendix C (expand as appropriate). Please describe the critical path and provide details regarding resource availability and suitability here; max. 0.5 pages.]*

At this stage in the project, it is not possible to provide a detailed programme as Network Rail has not yet undertaken the required steps to develop the detail and critical paths that will affect the development of the underpass and public squares.

We anticipate that this will be possible once Network Rail has completed their GRIP 3 stage of work in the autumn of 2019.

Please note that all of the companies that comprise the overall project team, detailed in the organogram above, including Network Rail and their supply chain, have the capability and capacity the deliver the services required.

Please see section 1.13 for an indicative project programme detailing the GRIP process over the duration of the project.

## 6.8. Previous project experience:

*[Describe previous project experience and the track record of the project delivery team (as specified above) in delivering projects of similar scale and scope, including whether they were completed to time and budget and if they were successful in achieving objectives and in securing the expected benefits; max. 0.5 pages.]*

The Council team leading this project has amassed significant experience in the delivery of a range of complex capital programmes includes those requiring the use of CPO. These include the delivery of South Essex College's Thurrock Campus in Grays, the development of the £60m High House Production Park in Purfleet and a £100m housing programme delivering more than 450 new homes. Additionally, there is solid experience within the team in public consultation and public realm improvement and railways. It is important to note that the Council has secured a Project Manager with technical experience in Rail and Railways Infrastructure projects.

## 6.9. Monitoring and evaluation:

*[SELEP are required to submit detailed quarterly project monitoring reports to the Department for Business, Energy and Industrial Strategy for schemes that have been funded through the LGF to enable ongoing monitoring and evaluation of individual projects. Monitoring and evaluation metrics should be aligned to these reporting requirements (South East Local Enterprise Partnership Assurance Framework 2017, Section 5.8 – see SELEP Business Case Resources document). A proportionate approach to Monitoring and Evaluation should be followed ensuring evaluation objectives relate back to the business case and build on assumptions used in the appraisal process.*
*Promoters should also include a statement which identifies other schemes which may have potentially contributed to the same benefits/impacts.*
*Max. 1 page excluding table.*
*Smaller schemes (less than £2 million) are required to complete Monitoring and Evaluation which is proportionate to the size of the scheme; max. 0.5 page.]*

The monitoring and evaluation framework will allow Thurrock Council to monitor the Grays South Project against the identified Key Performance Indicators (KPIs). The monitoring and evaluation framework is intended to be used in conjunction with the project governance processes and not in replacement of it. The plan can be used to track performance of the Grays South Project.

The monitoring and evaluation framework aligns with the objectives of the project as well as the requirements for the SELEP Assurance Framework. In some instances, in particular in relation to the indirect impacts, it will be difficult to fully attribute the impacts to the Grays South Project, given the wider town centre regeneration that is going on as part of the Grays Masterplan and Local Plan. To evaluate this, Thurrock Council supplement the monitoring data with qualitative assessment of the attribution of impacts based on consideration of other potential drivers and perceptions of local residents, businesses and visitors.

The proposed framework below details each KPI, the approach to measuring performance, including data sources, proposed frequency of monitoring and the baseline against which progress should be measured. It should be noted that the KPIs below may be reported as part of the South Grays Project monitor and reporting or incorporated into the Grays Local Plan reporting framework, which intends to cover the wider development of Grays.

| KPI | Source & Description | Baseline | Frequency of measurement |
|---|---|---|---|
| **Inputs and Delivery** | | | |
| | | | |
| Council funding | Monitoring of Council expenditure on the project | Spending to date | Quarterly |
| Network Rail funding contribution | Project management data | 0 | Quarterly |
| Delivery of the project on time and within budget | The delivery timescales and budget of the scheme should be monitored by SELEP as part of project management. | Delivery to date | Quarterly |
| **Direct impacts - safety** | | | |
| Number of pedestrian rail accidents around the area of the current level crossing | Monitoring by Network Rail | Current number of incidents | Ongoing |
| Number of reported incidents of misuse of the railway and station platforms | Monitoring by Network Rail and station | Current number of incidents | Ongoing |
| Number of incidents of vandalism around the site of the current level crossing | Monitoring by Network Rail and station | Current number of incidents | Ongoing |
| **Direct impacts – pedestrian impact** | | | |
| Total footfall using underpass | A number of surveys could be undertaken at different time intervals to understand any step change in total footfall using the underpass. | Baseline based on initial survey results | Annual |
| Total footfall using the square/town centre | A number of surveys could be undertaken at different time intervals to understand any step change in total footfall using the square/town centre. | Baseline based on initial survey results | Annual |
| Information on car use | A number of surveys could be undertaken at different time intervals to understand any step | Baseline based on initial survey | Annual |

| KPI | Source & Description | Baseline | Frequency of measurement |
|---|---|---|---|
| | change in total footfall using the underpass. | results | |
| Total visitors at the station | The total number of visitors at the station could be obtained from the rail administrator | Baseline based on initial data received | Annual |
| Total visitors at the station | The total number of visitors at the station could be obtained from the rail administrator | Baseline based on initial data received | Annual |
| **Indirect impacts – town centre development** | | | |
| FTEs | The number of direct and indirect FTEs that will result from the South Grays project.<br><br>This will be based on the occupancy rates of the commercial developments, and the jobs supported, on plots surrounding the public square – specifically the Station and Underpass site, Mulberry Square, Hogg Lane, Darnley Road, Mulberry Square, Argent Street Car Park and Thames Road. | Employment in the current commercial plots | Annual |
| Commercial floor space developed | The floor space developed on development plots surrounding the public square (see FTE description). | Floorspace of the current commercial plots | Annual |
| Housing unit starts | The number of housing unit starts on development plots surrounding the public squares (see FTE description). | 0 | Annual |
| Development receipts | Value of development receipts received in relation to the public squares (see FTE description). | 0 | Ongoing |
| Uplift in land value as a result of private investment brought forward i.e. for those developments dependent on the project and that may not be improved if the project was not to go forward. | Land value estimates based on development of the plots. | Baseline land value | Ad hoc |
| Increase in visitor numbers to the square and town centre | Area based statistics on the number of visitors and total visitor spend can provide an indication of the potential increase in visitors and visitor spending that arises as a result of the intervention. Statistics for the immediate area of the underpass should be sought if possible, so as to improve accuracy.<br><br>In addition, consulting with, or surveying, all (or a representative sample of) affected businesses could provide some supporting descriptive statistics around the number of visitors. | Baseline based on initial survey results | Annual |
| Improvement in the confidence of local businesses considering investment in the area | The improvement in the confidence of local businesses will be monitored based on a survey of the relevant businesses impacted by the scheme, as well as ad hoc monitoring of business views through ongoing engagement. | | Annual / Ongoing |

## *6.10.* Benefits realisation plan:

*[A Benefits Realisation Plan provides details of the process that will be followed to ensure that benefits are sustained and that returns on investment are maximised where possible. The Benefits Realisation Plan identifies the potential benefits and how these will be tracked and measured, the risks that may prevent benefits being realised and the critical success factors that need to be in place to ensure that benefits are realised. In many cases, benefits realisation management should be carried out as a duty separate from day to day project management. Describe the proposal for developing a Benefits Realisation Plan which should involve continuous public engagement to ensure the anticipated benefits are realised. The Benefits realisation plan should be consistent with the Strategic and Economic Case; max. 0.5 page.]*

Benefits Realisation Planning starts at the start of the project and continues throughout the delivery and in to post delivery. Broadly these fall in to three main categories that will be monitored throughout the project

1. Technical requirements including construction and engineering requirements for all the structures
2. Functional requirements, that the project delivers on key outcomes
3. Funding, that the project is delivered within budget and on time

These will be defined through several processes within each stage of the project;

1. Consultation and engagement with communities and businesses to identify their issues and expectations.
2. Engagement with technical and statutory consultees such as train operating company, utilities companies, Environment Agency
3. Working with Delivery Partners to define technical and other requirements
4. Ensuring that all necessary consents and technical approvals processes have been followed and are in place.
5. Monitoring of funds and deliverables

Public consultation and stakeholder engagement has taken place to inform the current stage of the project and have been built in to the project programme for each stage of design including concept design, to GRIP 3 and Approval in Principle, GRIP 4 designs to secure consent. Technical stakeholders will be further engaged during GRIP 5 construction drawings.

Each stage of phase 2a will follow the Network Rail Guidance for Rail Infrastructure Projects process together with Thurrock Council's governance processes and will incorporate development and implementation of the Benefits Realisation Plan appropriate for each stage. The approach is summarised as;

1. Route Requirements Documents (RRD) which sets out all the technical and design requirements for the stage and the stage 'deliverables' and would have to be signed off by Network Rail and Thurrock Council before a Service Delivery Agreement can be completed
2. Service Delivery Agreement (SDA) sets out project Governance, the delivery and decision making process, roles and responsibilities of each delivery partner, and the programme and costs for a stage and must be completed before works starts on the stage
3. Delivery of outputs stated in 1 and 2.
4. Network Rail would then require the following approvals;
   a. Network Change approval

   b. Route Change Approval
   c. Safety Verification
5. Thurrock Council would require the following approvals;
   a. Grays Programme Board chaired by the Council's Director of Place
   b. Directors Board chaired by the Council's Chief Executive
   c. Planning, transportation and Regeneration Overview and Scrutiny Committee
   d. Cabinet
6. Stage Gate Review to verify all deliverables from 1, to 5 have been satisfactorily completed.

Designs will be subject to an Equality Impacts Assessment and to a Full Design Review with CABE prior to submission of a full planning application to secure an independent assessment of design outputs.

Note that the RRD and SDA have been completed for the next stage and that this has started.

Following completion of Construction (GRIP 6) the approach includes a similar process to the one set out above for Commissioning and Handover (GRIP7) and for Project Close (GRIP8) which include a review of completion of deliverables by Network Rail and Thurrock Council prior to the Stage Gate Review for each stage and Lessons Learned Report. Following completion of the scheme there will be on going monitoring based on the monitoring framework in section 6.9 and including rail safety data, pedestrian footfall surveys, pedestrian and business perception surveys and public realm review.

Phase 2b is programmed to start towards the end of construction of the underpass and access steps/ramps. Development would either be through the Council's wholly owned Development Company, Thurrock Regeneration Ltd, or as a partnership with Network Rail and C2C including their land holdings. While GRIP does not apply, the Council intends to apply the same approach to Phase 2b that it intends to use for phase 2b.

Maintenance of the structure of the underpass and the support structures will be by Network Rail, because these impact directly on the rail line, who will ensure that the structures comply with engineering and safety requirements in accordance with Office for Rail Regulation and Network Rail requirements. The Public Squares and roads will be maintained by Thurrock Council.

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## 7. DECLARATIONS

| | |
|---|---|
| *Has any director/partner ever been disqualified from being a company director under the Company Directors Disqualification Act (1986) or ever been the proprietor, partner or director of a business that has been subject to an investigation (completed, current or pending) undertaken under the Companies, Financial Services or Banking Acts?* | *No* |
| *Has any director/partner ever been bankrupt or subject to an arrangement with creditors or ever been the proprietor, partner or director of a business subject to any formal insolvency procedure such as receivership, liquidation, or administration, or subject to an arrangement with its creditors* | *No* |
| *Has any director/partner ever been the proprietor, partner or director of a business that has been requested to repay a grant under any government scheme?* | *No* |

**If the answer is "yes" to any of these questions please give details on a separate sheet of paper of the person(s) and business(es) and details of the circumstances. This does not necessarily affect your chances of being awarded SELEP funding.*

I am content for information supplied here to be stored electronically, shared with the South East Local Enterprise Partnerships Independent Technical Evaluator, Steer Davies Gleave, and other public sector bodies who may be involved in considering the business case.

I understand that a copy of the main Business Case document will be made available on the South East Local Enterprise Partnership website one month in advance of the funding decision by SELEP Accountability Board. The Business Case supporting appendices will not be uploaded onto the website. Redactions to the main Business Case document will only be acceptable where they fall within a category for exemption, as stated in Appendix E.

Where scheme promoters consider information to fall within the categories for exemption (stated in Appendix E) they should provide a separate version of the main Business Case document to SELEP 6 weeks in advance of the SELEP Accountability Board meeting at which the funding decision is being taken, which highlights the proposed Business Case redactions.

I understand that if I give information that is incorrect or incomplete, funding may be withheld or reclaimed and action taken against me. I declare that the information I have given on this form is correct and complete. Any expenditure defrayed in advance of project approval is at risk of not being reimbursed and all spend of Local Growth Fund must be compliant with the Grant Conditions.

I understand that any offer may be publicised by means of a press release giving brief details of the project and the grant amount.

| | |
|---|---|
| *Signature of applicant* | Detlev O. Munster |
| *Print full name* | *Detlev Munster* |
| *Designation* | *Assistant Director of Property & Development* |

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## 8. APPENDIX A - FUNDING COMMITMENT

*Draft S151 Officer Letter to support Business Case submission*

*Dear Colleague*
*In submitting this project Business Case, I confirm on behalf of [Insert name of County or Unitary Authority] that:*

- *The information presented in this Business Case is accurate and correct as at the time of writing.*
- *The funding has been identified to deliver the project and project benefits, as specified within the Business Case. Where sufficient funding has not been identified to deliver the project, this risk has been identified within the Business Case and brought to the attention of the SELEP Secretariat through the SELEP quarterly reporting process.*
- *The risk assessment included in the project Business Case identifies all substantial project risks known at the time of Business Case submission.*
- *The delivery body has considered the public-sector equality duty and has had regard to the requirements under s.149 of the Equality Act 2010 throughout their decision-making process. This should include the development of an Equality Impact Assessment which will remain as a live document through the projects development and delivery stages.*
- *The delivery body has access to the skills, expertise and resource to support the delivery of the project*
- *Adequate revenue budget has been or will be allocated to support the post scheme completion monitoring and benefit realisation reporting*
- *The project will be delivered under the conditions in the signed LGF Service Level Agreement with the SELEP Accountable Body.*

*I note that the Business Case will be made available on the SELEP website one month in advance of the funding decision being taken, subject to the removal of those parts of the Business Case which are commercially sensitive and confidential as agreed with the SELEP Accountable Body.*

*Yours Sincerely,*
*SRO (Director Level)* .....
*S151 Officer* .....

## 9. APPENDIX B – RISK MANAGEMENT STRATEGY

See attached file for full risk register – confidential appendix

* Likelihood of occurrence scale: Very Low (1) more than 1 chance in 1000; Low (2) more than 1 chance in 100; Medium (3) more than 1 chance in 50; High (4) more than 1 chance in 25; Very High (5) more than 1 chance in 10.
** Impact scale: Very Low (1) likely that impact could be resolved within 2 days; Low (2) potential for a few days' delay; Medium (3) potential for significant delay; High (4) potential for many weeks' delay; Very High (5) potential for many months' delay

## 10. APPENDIX C – GANTT CHART

As set out in 6.7, at this stage in the project, it is not possible to provide a work programme as Network Rail has not yet undertaken the required steps to develop the detail and critical paths that will affect the development of the underpass and public squares.
We anticipate that this will be possible once Network Rail has completed their GRIP 3 stage of work in the autumn of 2019.
Please see section 1.13 for an indicative project programme detailing the GRIP process over the duration of the project.

| **Tasks** | **Start date** | **Finish date** | **2018** | | | | | | **2019** | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | **Jul** | **Aug** | **Sep** | **Oct** | **Nov** | **Dec** | **Jan** | **Feb** | **Mar** | **Apr** | **Etc.** |
| GRIP Stage 3 | *Oct 2018* | *Oct 2019* | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| **Key Milestones / Deliverables** | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |
| | | | | | | | | | | | | | |

## 11. APPENDIX D – MONITORING AND EVALUATIONS METRICS

*Please note, it is not necessary to report against all the Monitoring and Evaluation Metrics below unless they are relevant to the scheme. There is scope to add further Monitoring and Evaluation Metrics where necessary.*

This table reflects Key Performance Indicators that are expected to be monitored and reported to SELEP, in line with the LEP Assurance Framework. In addition to this we will undertake monitoring as set out in the table in section 6.9.

| Category | Key Performance Indicators | Description |
|---|---|---|
| **High-level outcomes** | Jobs connected to intervention (permanent, paid FTE) | Employment growth is expected to be an indirect effect of the project, through population growth as a result of new housing. This will be monitored as part of the wider Local Plan. |
| | Commercial floorspace planned - please state sqm and class | 1,279 sqm retail floorspace developed |
| **Housing** | Housing unit starts (forecast over lifetime) | 84 homes |
| **Transport (outputs)** | Underpass built | 8m wide underpass with public squares |
| **Land, Property and Flood Protection (outputs)** | Follow-on investment at site (£m) - Local Authority and Private Sector | Net development receipts of £5.6m |

## 12. APPENDIX E – ECONOMIC APPRAISAL ASSUMPTIONS

*[The DCLG appraisal guide data book includes all of the appraisal and modelling values referred to in the appraisal guidance. Below is a summary table of assumptions that might be required. All applicants should clearly state all assumptions in a similar table.]*

| **Appraisal Assumptions** | **Details** |
|---|---|
| QRA and Risk allowance | N/A |
| Real Growth | N/A |
| Discounting | We have assumed a discount rate of 3.5% for the first 30 years in accordance with the HM Treasury social time preference rate. |
| Sensitivity Tests | We have undertaken sensitivity tests associated with the impacts generated through the public realm development and the catalysed residential development. Our sensitivity analysis is presented in section 3.6. |
| Additionality | We have set out our assumptions of additionality in section 3.4. |
| Administrative costs of regulation | N/A |
| Appraisal period | All impacts, except for those associated with the public realm developments, have been assessed over a 30 year appraisal period in accordance with the DCLG Appraisal guide and in reflection of the useful asset life of the developments.<br><br>Public realm impacts have been assessed over a 10 year appraisal period, reflecting the short useful asset life of these developments. |
| Distributional weights | N/A |
| Employment | We have estimated the employment impacts of new housing based on the increase in population and applied a factor of 0.15 jobs per resident based on employment densities guidance. |
| External impacts of development | N/A |
| GDP | N/A |
| House price index | N/A |
| Indirect taxation correction factor | N/A |
| Inflation | 1.15 for conversion of 2010 prices to 2018 prices |
| Land value uplift | HIF ready reckoner used with 75% planning additionality |
| Learning rates | N/A |
| Optimism bias | 13.25% |
| Planning applications | N/A |
| Present value year | All impacts have been adjusted for the current value, based on a 2018 appraisal year using a 3.5% discount rate. |
| Private sector cost of capital | N/A |
| Rebound effects | N/A |
| Regulatory transition costs | N/A |

| | |
|---|---|
| Multipliers | We have conservatively not applied any multipliers to the GVA impacts generated from the housing development due to the GVA impacts representing GVA from induced employment.<br>In the estimation of the indirect and induced GVA impacts associated with the construction phase of the project we have applied GVA multipliers. We have applied UK indirect GVA multipliers, sourced from the Office for National Statistics (ONS)[41]. In the estimation of the induced impacts we have applied Scottish Government Type I and Type II multipliers.[42] We have applied the relevant multipliers for the industry based on Standard Industrial Codes (SIC). The following indirect multipliers have been used in our analysis:<br><br>- SIC code 41 'Construction of buildings'<br>  o UK indirect multiplier of 1.91<br>  o Type I multiplier of 1.63<br>  o Type II multiplier of 1.97<br>- SIC code 42: 'Civil engineering''<br>  o UK indirect multiplier of 1.91<br>  o Type I multiplier of 1.63<br>  o Type II multiplier of 1.97 |

[41] Office for National Statistics (2018) 2013 Input-Output Analytical Tables. Multipliers and effects.

[42] Scottish Government (2018) Type I, output, income, employment and GVA multipliers. Scotland 1998-2014.

## 13. APPENDIX F - CATEGORIES OF EXEMPT INFORMATION

*There is a clear public interest in publishing information and being open and transparent. But sometimes there is information which we can't publish because it would cause significant harm to the Council - for example by damaging a commercial deal or harming our position in a court case. Equally sometimes publishing information can harm someone who receives a service from us or one of our partners.*

*The law recognises this and allows us to place information in a confidential appendix if:*

*(a) it falls within any of paragraphs 1 to 7 below; and*
*(b) in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.*

1. *Information relating to any individual.*
2. *Information which is likely to reveal the identity of an individual.*
3. *Information relating to the financial or business affairs of any particular person (including the authority holding that information)*
4. *Information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the authority.*
5. *Information in respect of which a claim to legal professional privilege could be maintained in legal proceedings.*
6. *Information which reveals that the authority proposes— (a) to give under any enactment a notice under or by virtue of which requirements are imposed on a person; or (b) to make an order or direction under any enactment.*
7. *Information relating to any action taken or to be taken in connection with the prevention, investigation or prosecution of crime.*