



South East Local Enterprise Partnership (SELEP) Transport Business Case Report

Sandwich Rail Infrastructure
Project

Revision 3 - October 2017



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1 Project Overview

1.1 Project Name

Sandwich Station Improvements

1.2 Project Type

Rail

1.3 Federal Board Area

Kent & Medway

1.4 Lead County Council/Unitary Authority

Kent County Council

1.5 Development Location

Sandwich Railway Station, St George's Road, Sandwich, Kent, CT13 9JR



1.6 Project Summary

- 1.6.1 The Open is the world's leading major golfing tournament and is held at different links courses in the UK. There are eight links courses in total historically eligible to host the event, with a ninth Royal Portrush joining the group in 2019. The courses used are all in Scotland and the north west of England, bar Portrush and the only one in close proximity to London, Sandwich (Royal St George's).
- 1.6.2 The organisers of the tournament (The Royal and Ancient) are keen to establish the event more frequently in Kent, in order to capture the potential London 'day tripper' market, and because Royal St George's is one of the largest on the Open rota, in terms of footprint of the actual accessed venue. In other words, the venue has a good amount of space to put the required infrastructure and has the potential to grow the overall number of spectators hosted.
- 1.6.3 Sandwich uniquely offers an additional opportunity to grow spectator numbers from Europe due to its close proximity to the Channel. However, due to the historic nature/layout of Sandwich and the growth in visitor numbers to the event, this created a number of problems during the 2011 event, when The Open was last staged at Royal St George's.
- 1.6.4 One of the major issues related to the event was the impact that the High Speed rail service had on the town. The High Speed service generally uses 12 car carriages to increase capacity, but the station could only support 8 carriages. This led to a blocking of a level crossing of up to 40 minutes in every hour, and delays to the park and ride buses. This led to a very poor customer experience. The Royal and Ancient has made it very clear that The Open cannot return to Sandwich without the transport problems of 2011 being fully addressed.
- 1.6.5 To overcome the problem and meet the increased demand of the event it is necessary to extend both platforms and construct a new footbridge that will allow the longer trains to stop without blocking the crossing. The platform extensions will enable a new walking route to the golf course to be established that will separate all modes of transport improving capacity for and safety of spectators, as well providing a good customer experience, for what is a prestigious international sporting event.
- 1.6.6 Park and Ride will be improved by establishing two rather than the single car park for Park and Ride as was used for 2011. One will be north of the town, and one south, to ameliorate congestion. Park and Ride bus routes will not interact with spectators on the walking route, again as learning from the 2011 Sandwich Open. The platform extensions will ensure the Park and Ride buses do not get 'stuck' at the level crossing for any length of time.
- 1.6.7 Three years of negotiation and exploration between Kent County Council (KCC), the Royal and Ancient, Network Rail and other interested parties examined in detail three options, of which the permanent and temporary options laid out in this report are Option 3 "A" and "B". Further details on the two rejected options (Option 1 – 'Do Nothing' and Option 2 – 'Alternative Rail Solutions') are included below.

Option 1 - Do Nothing

- 1.6.8. This is not an option as the award of The Open by The Royal and Ancient was based upon the changes to the transport infrastructure provision. If the proposed permanent infrastructure option is not delivered, the 2020 Open will be stripped from Kent. The award of The Open is conditional upon KCC and others' investment, as laid out in this business case. Without this investment, the county would miss out on the projected positive economic impact, which in 2011 was worth c. £77m to the Kent economy. Moreover, there would be reputational damage to Kent as a county and KCC as an organisation, as the announcement that Kent would host The Open in 2020 was made in February 2017.
- 1.6.9. Further, failing to provide required rail infrastructure changes for the 2020 Open would cause significant damage to the relationship between KCC, DDC and The R&A, which has been built up over many years. As a result, it would become much more difficult to secure the return of The Open, to Sandwich, in future years.

Option 2 – Alternative rail solutions

- 1.6.10. A number of rail 'solutions' were explored before this project of platform extensions and additional footbridge was agreed upon. These principally were use of Thanet Parkway, and creating a temporary halt outside Sandwich town.

Thanet Parkway option

- 1.6.11. This option was rejected because it would generate an unworkable number of Rail and Ride buses attempting to navigate Sandwich's narrow streets. These buses would also have to share the same route as car derived Park and Ride buses as Sandwich roads are constrained, and despite all ticketing and marketing messaging, there will be many spectators who still access the event by car. This option was also rejected after detailed examination determined that it would add considerably to the journey time for spectators, and therefore this option was not supported by The R&A. There is also a significant risk that Thanet Parkway would not be delivered in time for the Open, leading to this option being abandoned for The Open project. It might be partially revisited for Opens beyond 2020 for spectators with mobility challenges.

Temporary halt

- 1.6.12. This was rejected as the cost would have significantly exceeded that of the infrastructure options within the station boundaries, due to the site constraints and engineering difficulties that would present outside the station. There are water courses running parallel to the railway track ahead of entering the station, which a temporary halt structure would have to bridge alongside the halt platform works. This would increase the costs significantly. The walking route was also longer than the proposed platform extension and therefore extended the walking time to access the golf course. This was unacceptable to The R&A.

Option 3 – Delivering platform extensions at Sandwich Station

- 1.6.13. The preferred option is to deliver the required platform extensions to Sandwich Station. This is the only viable transport solution to the issues experienced at the 2011 event, and is the basis on which The R&A have agreed to return the event in 2020. It also enables spectator growth that will support an increase in the positive economic impact generated by the event.
- 1.6.14. Originally there were two options under consideration for Option 3: (A) a permanent option which would leave the platform extensions and footbridge in situ for future events, and (B) a temporary option which would require the erection and removal of these for each event. Following discussion between all parties to the project, and in light of the costs of re-establishment of the temporary option for Opens beyond 2020, the cost of the permanent option unquestionably provides provide better value.
- 1.6.15. This is owing to the fact the re-establishment of the temporary option will cost £909,500 at 17/18 prices upon each return of The Open. One permanent installation will cost £4,299,200. For three temporary installations the cost is £4, 890, 048, allowing for inflation at 2.5% PA as per the below table, and including the original cost of one temporary installation at £2.342m.

Table 1 – Cost Breakdown of Temporary option over three events

Re-establishment cost (at 2017 prices)	£850,000
Industry Risk Fund & Fee Fund @ 7%	£59,500
Sub-Total	£909,500
Assumed inflation at 2.5%pa by 2027	£254, 737
Assumed inflation at 2.5%pa by 2034	£474, 411
RE-ESTABLISHMENT TOTAL FOR 2 FURTHER EVENTS, 7 YEARS APART	£2, 548, 148

1.7 Delivery Partners

Table 2 – List of Delivery Partners

Partner	Nature of involvement (financial, operational etc.)
Kent County Council	Lead on Transport and will develop the Transport Plan for the event. Will be the financial and operational transport lead.
Dover District Council	Main sponsor for the event and will oversee all project streams and financial contributor
Network Rail	Project delivery lead
Royal and Ancient	Event organiser and financial contributor

1.8 Promoting body

The promoting body is Kent County Council

1.9 Senior Responsible Owner (SRO)

The Senior Responsible Officer for the project will be Stephanie Holt of Kent County Council, Invicta House, Maidstone, Kent (03000 412064).

1.10 Total project value and anticipated funding sources

Table 3 - Option 3 (A): Permanent platform extension and footbridge

Funding source	Amount (£)	Constraints, dependencies or risks
Kent County Council	250,000	
5 East Kent Councils	100,000	Collection of 5 local authorities
Royal and Ancient	TBA	
Department for Transport (DfT)	TBA	
SELEP	1,025,745	
Total project value	4,299,200	

Table 4 - Option 3 (B): Temporary platform extension and bridge

Funding source	Amount (£)	Constraints, dependencies or risks
Kent County Council	250,000	
5 East Kent Councils	100,000	Collection of 5 local authorities
Royal and Ancient	421,542	
Department for Transport (DfT)	819,665	Up to this value to cover the contingency
SELEP	750,693	
Total project value	2,341,900	

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

£1,025,745 - Local Growth Fund contribution.

The Project is not part of the Local Growth Fund programme and therefore there is no funding currently allocated to deliver this scheme. The SELEP funding contribution will be sought from predicted underspend on KCC's LGF allocation, following the

Federated Board (Kent & Medway Economic Partnership) agreement to use the anticipated underspend from the Ashford Spurs Project. The SELEP Accountability Board will be asked in November 2017 to include this project within the overall programme of works.

1.12 Exemptions

None

1.13 Start date

The start date for either the temporary or permanent option will be November 2017.

1.14 Project development stage

Table 5 – Project Development Stages (Network Rail Grip Stages)

Project development stages completed to date			
Task	Description	Outputs achieved	Timescale
Feasibility (grip 1-2)	Feasibility assessment	Feasibility report delivered	Complete
Project development stages to be completed			
Task	Description	Timescale	
Option appraisal and detailed design (grip 3 to 5)	Option assessment for temporary and permanent solutions	August 2018	
Implementation (grip 6 to 8)	Delivery of project	July 2019	

2 Strategic Case

2.1 Scope / Scheme Description

- 2.1.1. The Open is a prestigious sporting event and independent research demonstrates that it brings significant economic benefits to the area in which the event is held, due to the global profile it provides the area and the resulting interest from international business and spectators.
- 2.1.2. The Open is the oldest of the four major international championships in professional golf. This event is administered by The Royal and Ancient Golf Club (The R&A) and is the only 'major' outside the United States. It is a 72-hole tournament held annually at one of nine designated links golf courses across the UK.
- 2.1.3. Royal St George's is the only course in the South of England that holds the event and is the closest venue to the high value London market. This event offers significant opportunities to showcase Kent to a national and international audience. It promotes the county as a destination to the large numbers of spectators. It is expected that the number of spectators will be in excess of 200,000 in 2020.
- 2.1.4. Following three years of negotiation between KCC, DDC and The R&A, The Open will be returning to Royal St George's Golf Club in Sandwich for the fifteenth time in 2020. There is an agreement in principle that The Open will return a further two times, no more than eight years apart each time. The last time Kent hosted The Open in 2011, it generated a £77m benefit to the Kent economy, of which £24.14m was direct additional spend.
- 2.1.5. The event is forecast to grow from 180,000 spectators in 2011 to at least 200,000 spectators for 2020 (the 2017 venue exceeded this figure, and its capacity is smaller than Royal St George's), and will be able to accommodate an even higher number of visitors in future years beyond 2020, owing to the layout of the course. That economic impact is therefore forecast to grow. In 2020, the economic impact is forecast to be in excess of £85m, of which at least £26.8m is forecast to be direct additional spend.
- 2.1.6. In 2017, the Open was held at Royal Birkdale on Merseyside which saw the largest crowd witness the event outside St Andrews with in excess of 235,000 attending. This represented a 17% increase in spectator numbers from the previous event held at Royal Birkdale in 2008.
- 2.1.7. There were a number of issues that occurred during the last Open in Sandwich in 2011 so a complete review of the event led to the development of a new Transport Plan. The plan identifies improvements that will overcome the concerns of the event organiser related to the customer experience and access for spectators to the course through the medieval town. The key elements of the Transport Plan are:
- Separate all modes of transport to reduce conflicts.
 - Remove spectator parking at the course.

- A new walking route would be created to access the course more directly from the station.
 - Station platforms would have to be extended to enable the development of a new walking route.
 - A network of Park and Ride sites will be identified to ensure that spectators are managed into the sites before coming too close to Sandwich to reduce congestion around the town.
 - Early engagement with stakeholders to ensure access to and around East Kent is maintained during the event.
- 2.1.8. As the event approaches the Transport Plan will be developed into a more detailed document developed through the Transport Working Group.
- 2.1.9. The key element of bringing The Open back to Sandwich is the extension of both station platforms that is necessary to allow the use of 12 car trains to stop at the station without blocking Dover Road which is a main route into Sandwich. Without the extensions the crossing will be blocked for up to 40 minutes in the hour.
- 2.1.10. Dover Road is also the route for the southern Park and Ride sites so significant delays will affect the efficient running of the Park and Ride buses. Without the platform extensions, holding The Open is not sustainable as the transport infrastructure will not be able to host the projected spectator numbers.
- 2.1.11. Platform extensions will also enable future growth in the event, beyond 2020 forecast spectator numbers, only increasing the forecast economic benefit to the county. The new platform extensions will reach a newly created direct walking route to the course that allows separation of the various modes of transport.
- 2.1.12. The service to and from the event will be provided by 12-car High Speed Class 395 trains. These consist of two 6-car units joined together; it is not possible to operate these as 8-car formations, hence the need to lengthen the platforms. Both platforms will be required to serve an hourly service in both directions, i.e. the up platform (facing Dover) will be used for arrivals and the down platform (facing Minster) will be used for departures. In addition, the existing round-the-loop High Speed service would continue to operate with 6-car Class 395 trains in both directions as now.
- 2.1.13. Although the permanent platform extensions will provide ongoing benefits for the community and will support continued growth in the Sandwich area, by allowing the use of 12 car trains linking to the High Speed service to London, the overwhelming reason for investing in the permanent option rather than the temporary is value for money. The permanent infrastructure option provides better value in that installing the temporary option three times (i.e. 2020, and two subsequent returns) will cost more than installing the permanent option once, delivering a financial benefit to investors as soon as the second return of The Open to Sandwich. This is owing to the fact the reestablishment of the temporary option will cost £909,000 at 17/18 prices upon each return of The Open. One permanent installation costs £4,299,200. For three temporary installations the cost is £4,890,048, allowing for inflation at 2.5% PA as per the table below, and including the original cost of one temporary installation at £2.342m.

Table 6 – Cost Breakdown of Temporary option over three events

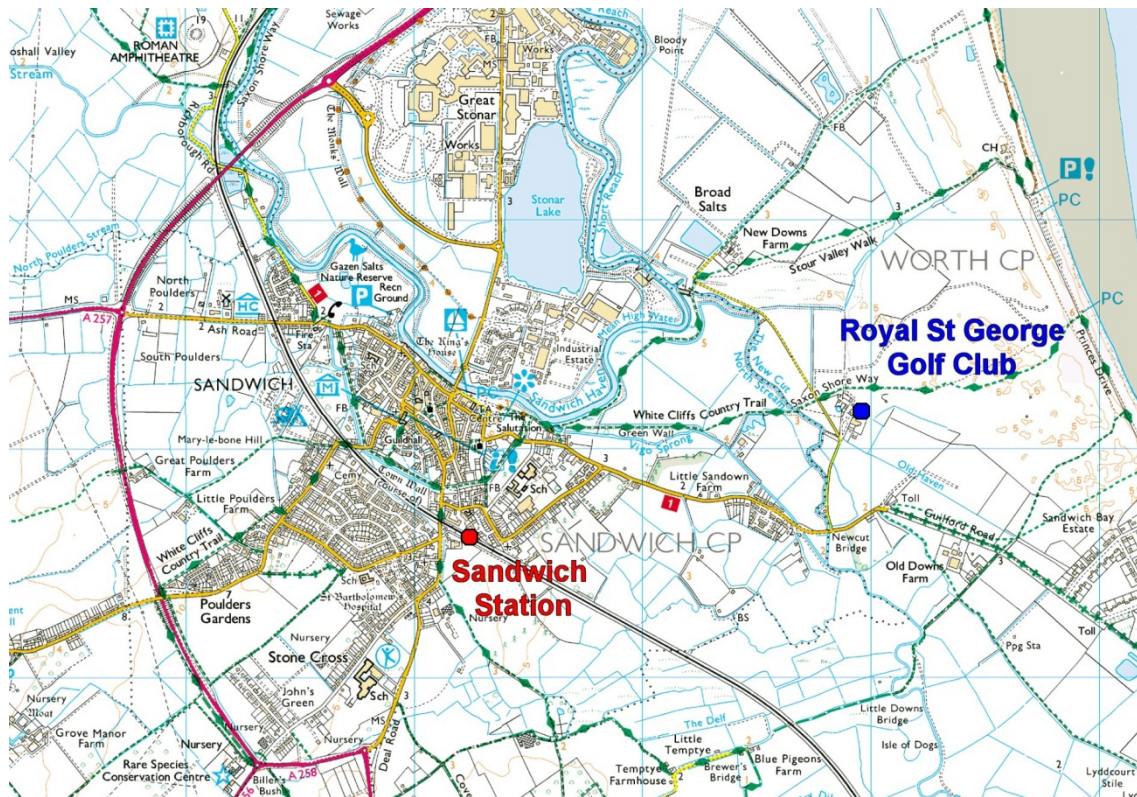
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RE-ESTABLISHMENT TOTAL FOR 2 FURTHER EVENTS, 7 YEARS APART	£2, 548, 148

2.2 Location Description

Figure 1 – Location of Sandwich (Royal St George’s)



Figure 2 - Location of Sandwich Rail Station and Royal St George's Golf Club



- 2.2.1. Sandwich is a medieval town with narrow streets and often suffers from congestion due to the nature of the road network. It has a bypass that is often congested as it forms the link between Thanet and the southern coast including the port of Dover.
- 2.2.2. The golf course at Royal St George's can only be accessed through the town using a single track road. The only other access is a narrow private road, so there is a conflict in the need to provide spectator access and to protect the day to day lives and businesses of the resident Sandwich community. A key element of the Transport Plan and to deliver a successful event is the interchange with rail services. The high speed train service can provide reduced travel times from London to the event.
- 2.2.3. Enabling a significant proportion of spectators to use the train will relieve pressure on the local road network and allow a significant increase in the number of spectators. The transport plan intends to remove any spectator parking in Sandwich so will intercept any drivers coming from the south and north into Park and Rides.
- 2.2.4. The existing station at Sandwich has platforms that only accommodate 8 car trains. Extending the platforms will allow 12 car trains which offer capacity improvements to encourage growth in the area. Extending the platforms will ensure the trains do not extend across the level crossing when they are in station, thus ensuring Park and Ride buses can efficiently reach the course, protecting the customer experience.

2.3 Policy Context

Transport in Kent - Improved Transport to Enable Growth

- 2.3.1. Kent's close proximity to London, with nationally important ports, and road and rail connections to the rest of the UK and continental Europe provide real opportunities for continued growth. However, increased congestion, on both road and rail provides an ongoing challenge. Major routes such as the M20/A20, M2/A2 and A21 form important local and strategic links but when they are congested it results in delay on the local network, and can also have an impact on the wider strategic network.
- 2.3.2. With increasing congestion in the major town centres such as Ashford, Canterbury, Maidstone and Royal Tunbridge Wells, growth across the county will be constrained unless we invest in increasing capacity or can reduce demand on the network. Increased funding for local transport schemes is essential to facilitate housing growth, for example much-needed relief roads for urban areas.
- 2.3.3. Kent's rail network is divided between the High Speed line that runs from London to continental Europe via Ebbsfleet and Ashford, and the mainline. Recent investment such as the High Speed rail service has improved access along its corridor to London but further investment is required on the whole network to increase service capacity.
- 2.3.4. There is also an extensive bus network in Kent which is delivered on a largely commercial basis by a combination of national operators and local companies. Kent's ageing population is increasingly reliant on bus services in particular, as are younger people and those without access to a car. Growth across the county will place additional pressure on these alternative modes of transport and improvements are required to accommodate this changing demand.
- 2.3.5. Growth pressures across the South East, and particularly in London, mean that over the coming years the importance of London as a destination for Kent's residents is likely to grow. Analysis undertaken for the GIF (2015) forecasts that 17% of all new commuting trips across Kent will be destined for London, a large proportion of which will be by rail. Therefore, the importance of connectivity to support sustainable growth across Kent cannot be overstated.
- 2.3.6. By working with the Department for Transport (DfT) to influence the specification for the next South Eastern franchise, KCC will strive to get the best services for Kent's rail commuters. KCC also support the plans to extend Crossrail from Abbey Wood to Dartford and Ebbsfleet and are working in partnership with other authorities along the proposed route so that this would deliver the increase in rail capacity needed to support the planned growth at Ebbsfleet Garden City and the surrounding area.
- 2.3.7. It is vital that national government looks at strategic transport issues in Kent and the wider UK holistically and seeks alternative solutions, such as increasing the proportion of freight carried by rail. Freight trains can reduce pressure on the road network, and produce far fewer carbon emissions and air pollutants per tonne of haulage. KCC supports the growth of rail freight on HS1 and mainline wherever possible, but acknowledge that there is limited scope for freight transport by rail, partly due to capacity limitations on the rail network for additional paths for freight trains.

2.3.8. Kent is the Gateway to continental Europe and a reliable and connected transport network is needed to maintain this status so Kent, as a vital part of the greater South East, can compete on an international stage and complement London as a growth corridor.

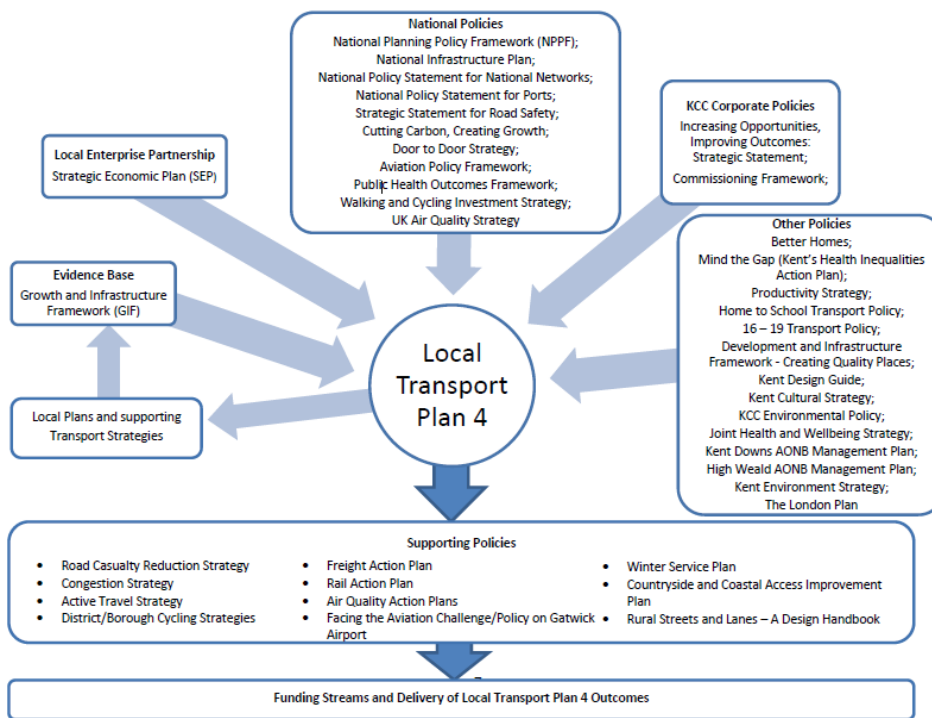
KCC Local Transport Plan 4

2.3.9. The Local Transport Plan 4 (LTP) sets out the council priorities and outcomes that the policy will deliver for the county of Kent. The outcomes that are directly relevant to this project are:

- Outcome 1: Economic Growth and minimised congestion
- Outcome 3: Safer Travel
- Outcome 5:- Better Health and Wellbeing

2.3.10. The figure below sets out how each of the policies link with each other.

Figure 3 – KCC Local Transport Plan 4 - Policy Context



2.3.11. The County Council’s Active Travel Strategy encourages more physical activity to promote health and wellbeing by supporting cycling and walking. The LTP sets out the county’s priorities including Sustainable Transport.

2.3.12. The Transport Plan for the Open recognises these priorities and seeks to encourage sustainable modes of transport by improving rail infrastructure and promoting a walking route to the course. The County Council will be working actively with The Royal and Ancient to encourage camping and promotion of integrating ticketing for the event.

Economic Development in Kent

- 2.3.13. The strategic context of Economic Development within which this project additionally sits, is to create the conditions that enable economic growth to deliver better outcomes and a good quality of life for Kent's communities, workforce and visitors.
- 2.3.14. A successful delivery of the transport infrastructure required for The Open will support the county to develop and maintain relationships with strategic partners to work collaboratively in raising the profile of Kent for purposes of primarily domestic and international visitor economy. Continuing the development of Kent as a visitor destination is a cornerstone and a strength of the county's economic development planning.
- 2.3.15. Kent business growth is supported by improved transport and necessary infrastructure.

Cultural perspective

- 2.3.16. The cultural and creative offer is increasingly an important associated product of major sports events. The London 2012 Olympic and Paralympic Games very much established this expectation within the UK, and as part of the wider governance around The Open, the Tourism and the Local Communities & Businesses working groups detailed in the governance chart later, will work together with the Kent Cultural Board to ensure we maximise opportunities for the buoyant East Kent creative economy.
- 2.3.17. Incorporated within the National Planning Policy Framework (NPPF) is the objective of promoting cultural wellbeing: local planning authorities should plan for cultural well-being which is now a material consideration.
- 2.3.18. The Kent Cultural Strategy 2017-2027 'Inspirational Creativity, Transforming Lives Every Day' commits to investing in culture and creative industries.
- 2.3.19. The Kent Workspace Report 2014 identifies creative industry clusters and conditions required for growth, particularly a supply of affordable and sustainable workspace. This strategy is owned by the multi-stakeholder Kent Cultural Board.
- 2.3.20. The South East Creative Economy Network (SECEN), a sub group of the South East Local Enterprise Partnership (SELEP) works to accelerate growth in the digital, creative and cultural sector. SECEN's 'Towards a National Prospectus for the Creative Economy in the South East'¹ and 'Creative Sector Impact Evaluation' identifies actions to overcome the barriers to creative economy growth in the South East. Up to 92% of the creative & digital sector workforce in Kent is freelance.
- 2.3.21. London is moving east and the creative and digital sectors are leading the way: this is evidenced by sector growth in Margate and Folkestone. Kent can plan now how it will best capture this opportunity.
- 2.3.22. In Kent's highest sector growth areas, Tunbridge Wells & Sevenoaks, high land values are preventing development of affordable workspace for digital/tech start-up entrepreneurs. Kent

has potential: comparatively low land values in some areas, redundant industrial buildings, the architecture of seaside towns and run-down high streets could provide space in 'authentic places' that do not require large-scale infrastructural investment to attract the UK's fastest growing economic sector.

2.4 Need for Intervention

- 2.4.1. The project is needed to ensure that the economic benefits are secured. The research provided from the previous 2011 Open (and every year's Open) demonstrates the benefit gained across Kent or the relevant host county. If the Sandwich Rail Infrastructure project does not go ahead The Royal and Ancient has explicitly advised that the event will be moved to a different venue and will not return until such time as the required transport improvements are delivered to improve access for spectators.
- 2.4.2. The station improvements will provide increased capacity for access to the event and improve access for Park and Ride bus services delivering spectators to the course. If the platforms are not extended, 12 car coaches will block the level crossing that provides access to the course for the buses.
- 2.4.3. Extending the platforms will enable the delivery of a new walking route to the course for spectators that will reduce the travel time to the course. The route will be providing and encouraging a safe walking environment, separating all of the modes of transport.
- 2.4.4. Spectators will exit the carriages and proceed down the platform away from the station onto to the new extension. The extension will link directly to a field owned by The Royal and Ancient. A temporary trackway will be laid for the walking route across a number of fields, including a local school playing field, to link with a footbridge that will direct the spectators over Sandown Road and into a field opposite that will have more trackway leading to the entrance of the course. The fields used will be cleared to allow safe access. This separation will ensure safety for pedestrians and keep the large numbers of spectators separate from the Park and Ride buses. This route is the most direct route to the course and reduces the journey time for those walking from the station when compared to the previous event.
- 2.4.5. This is a significant improvement on the previous time the event was held at Sandwich as without the investment, pedestrians had to cross in conflict with Park and Ride buses in large numbers. In addition, Park and Ride customers would then have to alight from their Park and Ride buses, which would create further modal conflict for the periods of time the level crossing could be raised.
- 2.4.6. The walking route for 2020 will be 'activated' which will provide an opportunity for Kent to further strengthen the long term economic impact to the county from the event. As part of the experience of the event, spectators will walk through land owned by The Royal and Ancient and walk through land owned by a local secondary school. Particularly on the school land, there is a working intention to use this as a 'holding area' to ensure the station platforms do not exceed safety considerations as spectators leave at the end of any day of competition.
- 2.4.7. In order to ensure this 'holding space' remains part of a high quality experience, discussions with local Sandwich businesses, 'Produced in Kent' food, drink and artisan craft businesses, as well as

creative businesses, will take place over the coming months. Alongside negotiations around the prominent placement of Kent produce within the course’s catering offer for the duration of The Open Championship, it is a clear ambition to utilise the event as a national and international opportunity to showcase the variety, quality and sustainability of food, drink and artisan craft produced within the county.

- 2.4.8. To calculate the economic impact of hosting the Open in Kent, The Royal and Ancient commissioned an Economic Impact Assessment in 2011, as they do every year for every Open. The Sport Industry Research Centre of Sheffield Hallam University undertook the appraisal. This Assessment is attached as Appendix E.
- 2.4.9. This document identifies that the multiplier values for East Kent and Kent from a recent study by Tourism South East have been utilised. At county level, the tourism multiplier is 1.22, which means that each £1 of additional expenditure in Kent results in subsequent expenditure of £0.22. At local level, the multiplier values range from 1.17 for Dover to 1.21 for Canterbury. For the entire East Kent area, the multiplier effect is 1.20. Based on the multiplier values quoted above, the total economic impact of The Open 2011 on East Kent is calculated at **£21.18m** (i.e. £17.65m x 1.20). The corresponding figure for Kent is **£24.14m** (i.e. £19.78m x 1.22).
- 2.4.10. The Royal and Ancient have indicated that with a permanent extension they will commit to exploring with Kent hosting further events in a cycle shorter than the current one of nine years between events. This would result in more frequent economic benefits each time. Kent is the only venue in the south of England and the venue most easily accessible by the day visitor from London, and so it is extremely likely that a successful event will result in the course becoming a more frequent host venue.

2.5 Anticipated Sources of Funding

- 2.5.1. The funding for the event is being sought from a number of stakeholders including The Royal and Ancient (event organiser), Kent County Council, local district councils, and the Department for Transport which has indicated it will agree to meet any called-upon contingency element of the project. The details of each stakeholder are listed below.

Table 7 - Option 1: Temporary platform extension and footbridge

Funding source	Amount (£)	Constraints, dependencies or risks
Kent County Council	250,000	
5 East Kent Councils	100,000	Collection of 5 local authorities
Royal and Ancient	421,542	
Department for Transport	819,665	Up to this value to cover the contingency of 35%
SELEP	750,693	
Total project value	2,341,900	

Table 8 - Option 2: Permanent platform extension and footbridge

Funding source	Amount (£)	Constraints, dependencies or risks
Kent County Council	250,000	
5 East Kent Councils	100,000	Collection of 5 local authorities
Royal and Ancient	TBA	
Department for Transport	TBA	
SELEP	1,025,745	
Total project value	4,299,200	

2.6 Impact of Non-Intervention (Do nothing)

- 2.6.1. If the project is not supported, The Open will not be held in Kent and the economic benefits will not be delivered for East Kent or wider Kent. The future of Royal St George’s as an international golfing venue would also be in doubt. The benefits of having an Open venue in the county are first and foremost the economic impact each time The Open is staged. This economic impact is primarily experienced within the county’s visitor economy. In addition, hosting The Open establishes Kent with domestic and international golfing tourists as a quality visitor destination outside of Open periods, and it is to this very end that the ‘Golf in Kent’ partnership group has existed. It is clear that the course itself does attract golfing tourists who seek to play on Open courses and stay in Kent to achieve this aim. There will be a negative impact on local jobs and in particular the east Kent area if The Open does not return.
- 2.6.2. Research by Golf Tourism England published in April 2017 has determined that from Sweden, Germany and France (which are the principal sources of golf tourists from abroad), between 31% and 38% of them will spend a whole week in the UK; two thirds will be travelling in groups of between two and four which will be more likely to be golfing friends (between 50 and 55%) than family (between 40% and 46%); and between 68% and 91% of them will choose to stay in 4 Star or above accommodation. Compared to the rest of the UK, golf tourists from abroad consistently rank England as having the best courses on offer, as well as variably best value for money (Germans), best new experiences (French) or best accommodation (Swedes). It is worth noting that in 2015 (the most recent year for which data analysis is available), Visit England in their Value of Activities for Tourism identified that expenditure on trips in England including golf returned:
- Total domestic: £875m
 - Breakdown - Domestic holidays: £291m + Domestic day visits: £583m
 - Overseas Visitors: £444m

2.7 Objectives of Intervention

- 2.7.1. As previously described the intervention will secure significant economic benefits for east Kent and secure the event for the foreseeable future. Permanent improvements will provide a future legacy and unlock growth in the area. The new rail franchisee will be able to promote passenger growth using the High Speed trains.

Table 9 - Project Objectives

Objective	Measurable Outcomes
1. Secure The Open, and two subsequent Opens in a shorter cycle than usual	Provide significant investment in Kent by monitoring hotel occupancies. Media coverage.
2. Positively contribute to economic growth by encouraging growth in spectators numbers	Measured by monitoring daily spectator admissions, spectators' impact on the accommodation sector, wider spending by eligible spectators, additional expenditure by golfers, event staff and media personnel
3. Use the international and national corporate interest in the event to support Kent's inward investment ambitions	Measured by data provided by Locate in Kent
4. Encourage modal shift from the car to train for the event	Measured by comparing data on spectator mode choice by measuring train numbers and Park and ride use
5. Improve spectator experience of Sandwich Open	Measured by social media and formal customer feedback mechanisms
6. Grow long term golf tourism in Kent	Visitor offer take up of promotions by Golf In Kent, bed nights, visitor spend

Table 10 - Problems or opportunities the project is seeking to address

Problems / opportunities identified in Need for Intervention section		
	Problem / Permanent	Problem / Temporary
Secure the Open	✓✓✓	✓✓✓
Support Economic Growth	✓✓✓	✓✓
Support Jobs	✓✓✓	✓✓
Shorter journey times	✓✓	✓✓
Modal shift	✓✓	✓
Walking route	✓✓✓	✓✓✓

	Permanent	Temporary
Secure the Open	ONLY an infrastructure solution of the nature proposed will secure the	ONLY an infrastructure solution of the nature proposed will secure the

	Open. KCC has negotiated with the R&A and local partners for three years to agree the best fit proposal to enable The Open to return	Open. KCC has negotiated with the R&A and local partners for three years to agree the best fit proposal to enable The Open to return
Support Economic Growth	The direct economic impact of the event was £24m last time Kent hosted it. Having certainty of its return will enable partners, especially Visit Kent and Locate in Kent, to create sustainable and ongoing programmes around The Open	The direct economic impact of the event was £24m last time Kent hosted it. The temporary option will enable a similar sum plus a forecast 15% growth to be achieved for Kent, in 2020.
Support jobs	The event itself creates an unquantified number of temporary local jobs relating to the event. With the certainty of a regular return of the event, Kent's visitor economy and Kent's golf economy in particular would be able to sustainably grow their offer as Kent would be more visibly and more sustainably positioned with the domestic, national and international leisure and corporate golfing markets	The event itself creates an unquantified number of temporary local jobs relating to the event. The Tourism working group and the Sports Legacy working group both have it within their Terms of Reference to utilise a standalone 2020 event to grow their respective markets for longer term impact
Shorter journey times	The extended platforms enable a new walking route from the Station to the Course to be utilised. Additionally, by preventing the delays caused by the level crossing problems of 2011 already articulated, then Park and Ride customers will also have shorter journey times	The extended platforms enable a new walking route from the Station to the Course to be utilised. Additionally, by preventing the delays caused by the level crossing problems of 2011 already articulated, then Park and Ride customers will also have shorter journey times
Modal shift	Improved infrastructure at Sandwich Station along with the associated improved walking route will provide promoters with the confidence to promote rail access to the event, rather than car borne. A successful visitor experience by rail will naturally grow this modal	The temporary option can only be put in place three months before the event, owing to Network Rail health and safety. This will provide less confidence to promoters to promote rail access to the event so heavily, as this timeframe would be a major risk to the event. However, if

	shift at each return event.	successfully delivered, the railway infrastructure will still deliver modal shift
Walking route	The walking route will consist of temporary Trakway and temporary over road footbridges, achieving the above modal shift, as well as expedient access to the golf course, and feeling part of 'the event' from alighting at Sandwich Station. The intention is to additionally 'activate' the route.	The walking route will consist of temporary Trakway and temporary over road footbridges, achieving the above modal shift, as well as expedient access to the golf course, and feeling part of 'the event' from alighting at Sandwich Station. The intention is to additionally 'activate' the route.

2.8 Constraints

- 2.8.1. The scheme is contained within the domain of Network Rail and their land. There are no constraints associated with the project.

2.9 Scheme Dependencies

- 2.9.1. There are no dependencies

2.10 Scheme Benefits (including wider economic benefits)

- 2.10.1. The following is an extract of the research undertaken by The Royal and Ancient to measure the benefit of the Open. It was undertaken by the Sport Industry Research Centre (SIRC) at Sheffield Hallam University. The research builds on similar work undertaken by SIRC, on behalf of The R&A and Event Scotland, at The Open in 2010, and has on earlier and all subsequent Opens too.
- 2.10.2. The R&A recorded over 180,000 spectator admissions to Royal St. George's during the week of The Open Championship in 2011, as broken down in the table below. Gates were open to the public for the practice days, from Sunday 10th July.

Table 11 - Spectator admissions for The Open Championship in 2011

Date	Admissions
Practice Days (10-13 July)	31,222
14 July	31,545
15 July	42,846
16 July	36,471
17 July	38,007
Total	180,091

2.10.3. The spectator surveys revealed that 13.3% of respondents were either normally resident in East Kent (local residents) or were not present in the area specifically to attend The Open ('casual' visitors). Thus, the local impact calculation is based on c. 156,000 'eligible' admissions. Similarly, the impact calculation at regional level is based on c. 134,000 eligible admissions since 25.6% of respondents either resided in Kent or were casual visitors.

2.10.4. Based on the spectator survey, it is estimated that 44.4% (c. 69,200) of eligible admissions by visitors from outside East Kent were made by people staying overnight in the area in paid accommodation (i.e. commercial stayers). At county level, commercial stayers in Kent accounted for 55.4% (c. 74,300) of eligible admissions. Taking into account the average number of days that commercial stayers attended The Open, their dwell time (nights) and the cost per bed night, the local and regional accommodation sectors are estimated to have benefitted from £4.15m and £4.96m in revenue respectively, as shown in the table below.

Table 12 - Derivation of spectators' impact on the accommodation sector

	Local Impact	Regional Impact
Admissions by commercial stayers	69,224	74,301
Avg. days attended	3.11	2.95
Commercial stayers (different people)	22,238	25,229
Dwell time (nights)	3.74	3.71
Commercial bed nights	83,256	93,671
Cost per bed night	£ 49.85	£ 52.96
Accommodation spend	£ 4,150,491	£ 4,960,822

2.10.5. The expenditure by all eligible spectators (including both overnight stayers and day visitors) on items other than accommodation (e.g. food and drink etc.) are highlighted in the table below. On average, and excluding accommodation, each eligible admission to The Open was worth £52.49 to the local economy and £63.13 regionally. In aggregate terms, this equates to £8.19m in East Kent and £8.46m in Kent overall.

Table 13 - Other spending by eligible spectators

	Local Impact			Regional Impact		
	<i>Spend Per Eligible Admission</i>	<i>Eligible Admissions</i>	<i>Total Spend</i>	<i>Spend Per Eligible Admission</i>	<i>Eligible Admissions</i>	<i>Total Spend</i>
East Kent	£ 52.49	156,056	£ 8,190,904	£ 55.69	134,055	£ 7,466,218
Elsewhere in Kent				£ 7.43	134,055	£ 996,662
Kent Overall				£ 63.13	134,055	£ 8,462,880

2.10.6. Bringing together the data from the tables above, the total additional expenditure attributable to spectators amounted to £12.34m in East Kent and £13.42m in Kent overall. The report now considers the impact of the other groups connected with The Open.

Other Groups

2.10.7. As referred to previously, the calculation of the additional expenditure estimates for non-spectator groups utilised the data collected from these groups at The Open in 2010, albeit the estimates have been adjusted to account for the different geographic boundaries involved in 2010 and 2011. The number of eligible individuals included in the economic impact calculation for each group and their estimated expenditure on accommodation and other items is shown in the table below. The collective additional expenditure by golfers (and their entourages), event staff (i.e. officials, volunteers and contractors) and the media is estimated at £4.42m in East Kent and £4.59m in Kent.

2.10.8. The Open 2011 was supported by patrons including Doosan, HSBC, Mercedes Benz, Nikon and Rolex. The activation spend by official patrons in Kent, over and above the rights fees paid in order to be associated with The Open, is estimated at £1.06m, of which 67% or £0.71m is estimated to have been spent in East Kent².

² The figure for Kent is assumed to be commensurate with the corresponding figure for Fife in 2010. The estimated spend in East Kent is calculated as the proportion of patrons' spend in Fife relative to Scotland in 2010.

Table 14 - Additional expenditure by golfers, event staff and media personnel

Group		Local Impact	Regional Impact
Golfers & entourages *	Eligible number	1,246	1,243
	Accommodation spend	£ 772,128	£ 771,376
	Other spend	£ 416,606	£ 414,205
	Total spend	£ 1,186,734	£ 1,185,582
Event staff	Eligible number	5,456	4,938
	Accommodation spend	£ 1,443,204	£ 1,552,066
	Other spend	£ 901,235	£ 889,578
	Total spend	£ 2,344,439	£ 2,441,644
Media	Eligible number	1,898	1,814
	Accommodation spend	£ 604,596	£ 646,513
	Other spend	£ 286,545	£ 311,463
	Total spend	£ 891,141	£ 957,976
Overall	Eligible number	8,600	7,995
	Accommodation spend	£ 2,819,928	£ 2,969,955
	Other spend	£ 1,602,386	£ 1,615,247
	Total spend	£ 4,422,314	£ 4,585,201

* Figures are inclusive of estimates for the Local Final Qualifying events.

Organisational Spend

2.10.9. Based on information provided by The R&A, we estimate that the total expenditure in Kent linked to the organisation of The Open 2011 (not accounted for elsewhere in this report) was £2.52m. Of this amount, £1.17m (47%) is estimated to have been spent in East Kent. Analysis of The Open's income streams indicates that £1.80m of the event's total revenue was generated from within Kent, of which, we estimate c. £1m (55%) originated in East Kent. Allowing for

monies originating locally and spent locally, the net organisational spend in East Kent is calculated at £0.18m. The corresponding figure for Kent overall is £0.72m.

Direct Economic Impact

2.10.10. The direct economic impact of The Open 2011 at the two levels of geography is summarised in the table below. The additional expenditure by the different visitor groups and by the organisers in East Kent was **£17.65m**; the corresponding figure for Kent was **£19.78m**. These figures include substantial revenue for accommodation providers, valued at £6.97m and £7.93m in East Kent and Kent respectively. The bulk of the additional expenditure, more than two-thirds in each catchment area, was attributable to spectators. The direct economic impact estimates provide an appropriate baseline to compute the total economic impact (including indirect and induced effects) on the economies concerned using multiplier analysis.

Table 15 - Direct economic impact

Group	East Kent	Kent
Spectators	£ 12,341,395	£ 13,423,702
Golfers & entourages	£ 1,186,734	£ 1,185,582
Event staff	£ 2,344,439	£ 2,441,644
Media	£ 891,141	£ 957,976
Patrons	£ 709,451	£ 1,055,844
Organisers	£ 180,425	£ 719,785
Direct Economic Impact	£ 17,653,584	£ 19,784,532

Total Economic Impact

2.10.11. In order to estimate the total economic impact of The Open we have borrowed appropriate multiplier values for East Kent and Kent from a recent study by Tourism South East³. At county level, the tourism multiplier is 1.22, which means that each £1 of additional expenditure in Kent results in subsequent expenditure of £0.22. At local level, the multiplier values range from 1.17 for Dover to 1.21 for Canterbury. For the entire East Kent area, the multiplier effect is 1.20. Based on the multiplier values quoted above, the total economic impact of The Open 2011 on East Kent is calculated at £21.18m (i.e. £17.65m x 1.20). The corresponding figure for Kent is £24.14m (i.e. £19.78m x 1.22).

³[http://www.visitkentbusiness.co.uk/library/researchdevelopment/Kent Tourism Economic Impact in 2009 Report.pdf](http://www.visitkentbusiness.co.uk/library/researchdevelopment/Kent_Tourism_Economic_Impact_in_2009_Report.pdf)

2.11 Key Risks

2.11.1. The Key Risks associated with the project are:

Risk	Mitigating Actions/Comment
<p>Royal and Ancient withdraw The 2020 Open because the required transport infrastructure is not in place</p>	<p>The SELEP contribution is one element of ensuring the required transport infrastructure is put in place. Outside of the local government contributions, intensive and constructive negotiations are ongoing with both The R&A and the DfT regarding the apportionment of the remaining costs.</p>
<p>Network Rail is not contracted in time to deliver a permanent option</p>	<p>Sandwich Station enabling works will begin in November 2017 to avoid a delay caused by bird nesting season</p> <p>GRIP 3 – 5 of the Sandwich Station project (option selection, outline design, detailed design) will be funded by the confirmed KCC and the East Kent District Councils' contributions</p> <p>KCC will underwrite the SELEP contribution until 22/11/17 to enable Network Rail to be contracted for the full amount of the contract</p> <p>KCC will be contractually liable for the full cost of the railway element of the project through the Development Services Agreement and Implementation Agreement which will have been entered into with Network Rail.</p> <p>KCC will underwrite the Department for Transport funding contribution with which KCC and DCMS are working closely at all levels to secure their contribution</p> <p>KCC will provide a formal directive to Network Rail to pursue a permanent solution to point C, prior to 13/10/17, enabling the Network Rail Investment Panel to consider, agree and begin to implement the instruction in November 2017</p>

Sandwich Station Programme exceeds funding identified	The project already includes a 35% contingency, which is unlikely to be exceeded. Should it be, KCC is contractually liable to resource any overspend
Sandwich Station Infrastructure is not delivered in time	The project is currently forecast to complete build in July 2019, some 12 months ahead of its usage.
Sandwich Station Funding is not secured	<p>District Funding is in place, as per appendices to this business case</p> <p>KCC funding is politically confirmed, and will be identified 02/11/17</p> <p>Two sources of KMEP LGF Programme underspend have been identified to meet the SELEP contribution, and these have been agreed by KMEP 07/09/17 as suitable and agreed sources. Together these considerably exceed the amount being sought from SELEP</p> <p>The agreed funding breakdown between The Royal and Ancient and the Department for Transport is under proactive and constructive dialogue</p>
Spectators choose road over rail access	Marketing and communications from R&A for out of county spectators, reinforced by KCC and Visit Kent for in-county spectators. Planned combined rail/event ticketing
Coordination of the number of Sandwich 2020 working groups	A part time PM is already in position to enable this to work seamlessly. She will go full time for the final 12 months leading up to the event
Inclement weather during Open	Ensure wider promotion by Golf in Kent is already an integral part of spectator communications and marketing, to capture longer term benefit of Open, even if actual spectator numbers is lower than forecast
Working group funding sources are not identified/secured in time for implementation	Working Group Chairs to build their individual project plans, risks, dependencies, and funding deadlines. Report ongoing risks via working group and Executive Silver
Sandwich 2020 Transport Plan	This will be produced by the Sandwich 2020

	Transport Group, and its early content is already being tested
Reputational damage to Kent from withdrawal of The Open	Proactively working across all partners to demonstrate and agree the permanent infrastructure as the best value option, and negotiating at all levels to agree an apportionment of costs between The R&A and the DfT
Reputational damage to Kent's golfing tourism industry from withdrawal of The Open	Utilise the effective Golf in Kent Partnership to re-focus golf operators and golfing industry around Kent's wider competitive offer.
The train operating franchise may change after June 2018	KCC has ensured that The Open is identified as a Special Event in the service specification for the new franchise, which will require the new franchisee to operate a revised timetable during The Open

2.11.2. Letters demonstrating financial commitments towards this project are attached within Appendix F. Kent County Council's contribution of £250, 000 will be confirmed at its Project Advisory Group 02/11/17, and this letter of support is therefore to follow. Similarly, at this same meeting, KCC will confirm it is underwriting the SELEP contribution until the SELEP Accountability Board decision 17/11/17, and that KCC will be funding the Department for Transport contingency costs' contribution, and then claiming these monies back from the DfT as the contingency is drawn upon. There are ongoing negotiations with the Royal and Ancient and the Department for Transport regarding the exact allocation of core costs between these two organisations, and the letters of support detailing the final allocation of costs will also therefore follow.

2.11.3. Engagement with the local population has so far taken place through the vehicle of Sandwich Town Council. As the wider governance chart for The Open identifies, Local Businesses and Communities Working Group will be established as part of that wider programme governance, and the intention is that this will have its first meeting before Christmas 2017, and that it will be chaired by Sandwich Town Council. This group will work closely with the wider Marketing and Communications Sub Group.

3 Economic Case

3.1 Introduction

3.1.1 This section of the report sets out the Economic Case for the railway improvement scheme at Sandwich, including the methodologies and evidence base used to quantify the impacts of the package.

3.2 Existing Situation

3.2.1 The Open was held at Royal St George's in 2011 and 180,000 spectators attended the event over the week. This led to an economic benefit of £77m to the Kent economy of which, £24m was additional spend. Whilst the tournament was a success financially, there were issues identified that would need to be addressed at future events in order to improve conditions for the local population in addition to those visiting the area for the golf.

3.2.2 One of the major concerns centred on access around the golf course and arrangements for visitors to and from the site. As a consequence, the course layout is being improved in preparation for 2020. The number of visitors is forecast to increase by 11% for the 2020 event and recent evidence at Royal Birkdale suggests that this is entirely plausible (visitor numbers increased by 17% between 2008 and 2017).

3.2.3 In 2011, delays of 40minutes in every hour were experienced at the level crossing which brought the town to a standstill as access between the north and south of the town was severed.

3.3 Proposed Situation

3.3.1 In order to ensure that visitors to Sandwich have seamless access to and from the site, it is proposed that an extension of the rail platforms at Sandwich Railway Station be considered. Providing additional capacity for the platforms will allow for 12 car trains to empty and fill the carriages without the need to close the level crossings. This would subsequently mean that the level crossing would only be required to be closed when the trains pass through, limiting waiting times for traffic, pedestrian and cyclists on New Street/ Dover Road.

3.3.2 The proposed rail platform extension would be further enhanced by provision of a new footpath linking the railway station with Royal St George's Golf Course.

3.4 Options Assessment

3.4.1 For assessment purposes, three options have been considered; a do nothing, where no improvements take place at the station as well as two do something options. The do something options assessed are a temporary (Option 1) and permanent (Option 2) alternative.

3.4.2 The rationale behind choosing these options is that the adjacent highway network is constrained and it would not be possible to increase highway capacity or divert traffic elsewhere as a consequence. Not only will the additional capacity assist during Open week, it will improve the service for rail users in the future.

- 3.4.3 The economic case determines whether the scheme demonstrates value for money. It presents evidence on the impact of the scheme on the economy as well as its environmental, social and spatial impacts in terms of how well they meet the spending objectives and critical success factors for the scheme. A reduced number of options are subject to a cost benefit analysis (CBA) in accordance with Green Book guidance, and qualitative costs, benefits and risks are also assessed.
- 3.4.4 The output of the Economic Case consists of an Appraisal Summary Table, risk analysis and sensitivity figures, a distributional analysis (where relevant), information on qualitative costs and benefits and information of other viable alternative options.

3.5 Options Assessment

Long list of options considered

- 3.5.1 A number of options were considered for the scheme and have been through an iterative process to arrive at a preferred option that achieves value for money and delivers the objectives set out in the previous section of this report.

Options assessment

- 3.5.2 An initial high level assessment of the long list of options was undertaken in order to arrive at a manageable number of options to take forward for more detailed analysis.
- 3.5.3 Due to the limited number of options to travel north/ south in the town, it became apparent that any options relating to the closure of New Street and Dover Road during the event would not be feasible and therefore have not been considered. On the grounds of proportionality, expensive highway schemes were discarded from further assessment as they would be unlikely to generate the level of benefit required.
- 3.5.4 The problems identified are exacerbated during The Open when unprecedented numbers of visitors descend on the town via the rail network. As such, it was decided early in the options assessment process that the short list of options should only include rail based solutions.

Short list of options

- 3.5.5 As described above, the short list only includes rail solutions and is formulated of the following options:
- 3.5.6 The Do-Nothing option is not considered to be a viable option due to concerns over Royal St George's hosting The Open without improvements made to the transport network. An increase in spectator numbers in 2020 and beyond will only lead to greater delays on the network affecting access to and from the site should no improvements be made. The Open prides itself on providing a world class customer experience and it's clear that this will not be compromised. There are nine golf courses on The Open schedule with 14 having hosted the event since its inception in 1860. Royal Portrush in Northern Ireland has recently made its way on to The Open roster and other courses are attempting to be included therefore meaning that whilst Royal St George's is the only golf course in the south of England, the competition for hosting the event means that it is not a guarantee that the course will be used based on geography and reputation alone.

- 3.5.7 Two additional options have been considered, a temporary and permanent scenario. The Do Something 1 Option (temporary solution) requires the re-establishment of infrastructure each and every time The Open is held at Royal St George's. The option is both costly to erect on a time by time basis from an engineering perspective but will also lead to inevitable delays before and after the event each time it needs constructing.
- 3.5.8 The Do Something 2 option (permanent solution) would see construction take place just once at a greater cost in the short term than the temporary option. However, with a permanent scheme, the short-term benefits experienced during The Open, could be expanded to include daily benefits to the local community in Sandwich, from retained platform capacity and enhanced pedestrian facilities. This is particularly pertinent with the delivery of High Speed rail services to Sandwich and Deal and plans in LTP4 to improve the station further. The economic appraisal of the user benefits from Option 2 is conservative, because it does not quantify the likely, every day, travel delay savings for the local community

Preferred Option

- 3.5.9 The Do Something 2 (permanent) option with its long-term value for money and additional benefits for the local community is the stated preferred option. However, scheme scenarios Option 2 and Option 1 are both referred to in the overall economic appraisal for the business case. The preference for Option 2 is supported by the following key stakeholders;

- Department for Transport;
- Department for Culture, Media and Sport;
- Kent County Council;
- The Royal and Ancient;
- Dover District Council; and
- Royal St George's Golf Club.

Assessment Approach

- 3.5.10 The Strategic Case sets out the main areas of benefit which this scheme will bring. The approach used to analyse, quantify and monetise these benefits is presented below.
- 3.5.11 Unlike many transport schemes, where benefits tend to be focused on road or rail users, this scheme is also designed to ensure that the wider economic benefits to Kent of holding the Open at Royal St George's Golf Club are secured in the future
- 3.5.12 This requires a very different approach towards the appraisal of benefits, beyond the usual WebTAG focused user benefits.
- 3.5.13 The economic appraisal approach follows DfT guidance in WebTAG, which specifies the following procedure:
- The core analysis of the monetised costs and benefits, which determines the scheme's initial benefit / cost ratio (BCR) and value for money (VfM), entails 'user welfare' impacts, only, for rail passengers and level crossing users and compares these with costs to public accounts.
 - A secondary, but more important, analysis of the wider economic impacts of the scheme, in terms of enabling Open Golf events at RSG and thereby boosting Kent's GDP,

has been converted to an equivalent, 'non-user welfare' impact, so that it can be included in an adjusted BCR and VfM sensitivity assessment.

3.5.14 To suit the detailed context of the Sandwich rail station scheme and Open Golf (OG) schedule, user welfare benefits and wider GDP benefits have been handled as follows:

- Economic appraisal / economic case can only refer to 'net welfare' impacts of the scheme, compared with a no-scheme scenario, (in terms of either user welfare or non-user welfare).
- Wider-economy 'GDP' impacts must be converted to 'non-user welfare' equivalent values (as specified in TAG Unit 2.1, Table 4), in order to be included in economic appraisal.
- There will be 'user welfare' travel time benefits (rail passenger and level crossing user delay savings during OG) at 2020 only, when OG will go ahead regardless of the rail station scheme.
- There will be no 'user welfare' travel time benefits at 2030 or 2040, because if the rail station scheme does not proceed, then the OG will not be held at Sandwich.
- There will be no wider-economy, 'non-user welfare' benefits at 2020, because OG will go ahead regardless of rail station scheme.
- There will be wider-economy, 'non-user welfare' benefits (GDP uplift) at 2030 and 2040, because OG will only be held at Sandwich if the rail station scheme proceeds.
- Only 'user welfare' travel time benefits (2020) and public accounts impact are represented in the initial AMCB and BCR / VfM.
- Wider-economy, 'non-user welfare' benefit of OG 'employment' impact (i.e. welfare effect of higher employment, amounting to 40% of overall GDP uplift) is represented in adjusted AMCB and BCR / VfM.
- Wider-economy, 'non-user welfare' benefit of OG 'productivity' impact (i.e. welfare effect of more productive employment, amounting to 30% of overall GDP uplift) is represented as a sensitivity analysis in Final VfM only.

3.5.15 The structured approach used for the economic appraisal of the proposed platform extension at Sandwich station has been to tackle the scheme's economic impacts in descending order of priority, as determined by:

- The appraisal structure specified by WebTAG;
- The importance of impacts weighed against KCC objectives;
- The need to apply either a quantitative or qualitative approach to assess the scheme's effects; and
- The type and precision of appraisal tools available.

3.5.16 Accordingly, distinct items of scheme Option 2 and Option 1 impact have been assessed in turn and then grouped together, following the priority order above:

- Quantified assessment of user net economic impacts:
 - Measured as delays to rail users during the committed event at 2020, only;
 - Measured as delays to highway users attempting to negotiate the Dover Road/New Street level crossing during the committed event at 2020 only;
 - Measured as delays to walk and cycle users attempting to negotiate the Dover Road/New Street level crossing during the committed event at 2020 only;
- Quantified capital cost impact and economic cost to public accounts:
 - Year of estimate adjusted to real price base cost (2017);

- Base cost discounted to 2010 present values and real price;
 - Summary of core quantified impacts:
 - Calculated as PVB, PVC and NPV;
 - Represented as initial BCR and VfM;
- Quantified assessment of wider-economy 'welfare' impacts:
 - Measured as a change to level of employment in Kent, in 2030 and 2040, resulting from purchases of goods and services with the OG event, calculated as 40% of change in GDP.
 - Represented as secondary, adjusted BCR and VfM.
- Quantified 'sensitivity' assessment of further, wider-economy 'welfare' impacts:
 - Measured as a change to productivity of employment in Kent, in 2030 and 2040, resulting from purchases of goods and services with the OG event, calculated as 30% of change in GDP.
 - Represented as Final adjusted VfM.
- Qualitative assessment of other unquantifiable impacts:
 - Environmental impacts represented as change to noise, air quality, greenhouse gases, landscape, townscape, heritage, biodiversity and water environment.
 - Social impacts represented as change to accidents, physical activity, security, severance, journey quality, option values and non-use values, accessibility and personal affordability.
- TAG Appraisal Summary Table (AST):
 - Overall summary of the appraisal of scheme impacts and outcomes.
 - Cumulative effect of all items.

3.6 Economic Appraisal Inputs

Table 16 - Economic Appraisal Inputs

Appraisal Inputs	Details
Demand	<ul style="list-style-type: none"> • Traffic volumes using the Dover Road/New Street level crossing during the Open Tournament (2003); • Pedestrian/cycle volumes using the Dover Road/New Street level crossing (2014); • Rail patronage estimates during the Open Tournament (2011); and • Predicted Open Tournament visitor numbers.
Delays	<ul style="list-style-type: none"> • Indicative level crossing delays during the Open Tournament calculated from local evidence (2011); and • Indicative rail user delays during the Open Tournament calculated from local evidence (2011).
Non-user GDP benefits	<ul style="list-style-type: none"> • Economic impact report supplied the Royal and Ancient summarising the key findings from research designed to estimate the economic impact of The Open Championship held at Royal St. George's in July 2011.
Revenue	<ul style="list-style-type: none"> • Not applicable.
Capital Costs	<ul style="list-style-type: none"> • Indicative cost estimates supplied by KCC
Renewal Costs	<ul style="list-style-type: none"> • Not applicable.
Operating Costs	<ul style="list-style-type: none"> • Not applicable.

Table 17 - Economic Appraisal Assumptions and Results

Appraisal Assumptions	Details
WebTAG version	<ul style="list-style-type: none"> August 2017 release v1.8.1
Opening Year, Final Modelled Year and Appraisal Duration	<ul style="list-style-type: none"> 1st Scheme assessment year of 2020; Final appraisal year of 2040, assumes that beyond 2020 two further events are held at Royal St. George's at a maximum of 10 years apart.
Price Base/GDP Deflator	<ul style="list-style-type: none"> 2010.
Real Growth (i.e. above CPI or below)	<ul style="list-style-type: none"> The base costs have been adjusted to incorporate real cost increases in construction costs.
Discounting	<ul style="list-style-type: none"> 3.5% per year for 30 years and 3.0% thereafter

Table 18 – Assessment of Option 1 – Temporary Solution

Temporary Recurrent Option 1	£m PV (2010)
Costs	
Capital Costs	£2.662m
Developer Contribution	-£0.597m
Initial User Welfare Benefits	
Level Crossing User Benefit	£0.062m
Rail User Benefit	£0.062m
Developer Contribution	-£0.597m
Initial Core Appraisal	
Present Value of Costs (PVC)	£2.064m
Present Value of Benefits (PVB)	-£0.473m
Net Present Value (NPV)	-£2.538m
Benefit Cost Ratio (BCR)	-0.23
Value for Money (VfM)	V Poor
Secondary Non-User Welfare Benefits	
Wider-economy Employment Benefit	£10.709m
Secondary Adjusted Appraisal	
Present Value of Costs (PVC)	£2.064m
Present Value of Benefits (PVB)	£10.236m
Net Present Value (NPV)	£8.171m
Adjusted Benefit Cost Ratio (BCR)	4.96
Adjusted Value for Money (VfM)	V High
Sensitivity Non-User Welfare Benefits	
Wider-economy Productivity Benefit	£8.032m
Final Appraisal	
[Present Value of Costs (PVC)]	[£2.064m]
[Present Value of Benefits (PVB)]	[£18.267m]
[Net Present Value (NPV)]	[£16.203m]
[Benefit Cost Ratio (BCR)]	[8.85]
Final Value for Money (VfM)	V High

Table 19 - Assessment of Option 2 – Permanent Solution

Preferred Permanent Option 2	£m PV (2010)
Costs	
Capital Costs	£3.323m
Developer Contribution	-£0.753m
Initial User Welfare Benefits	
Level Crossing User Benefit	£0.062m
Rail User Benefit	£0.062m
Developer Contribution	-£0.753m
Initial Core Appraisal	
Present Value of Costs (PVC)	£2.571m
Present Value of Benefits (PVB)	-£0.628m
Net Present Value (NPV)	-£3.199m
Benefit Cost Ratio (BCR)	-0.24
Value for Money (VfM)	V Poor
Secondary Non-User Welfare Benefits	
Wider-economy Employment Benefit	£10.709m
Secondary Adjusted Appraisal	
Present Value of Costs (PVC)	£2.571m
Present Value of Benefits (PVB)	£10.081m
Net Present Value (NPV)	£7.510m
Adjusted Benefit Cost Ratio (BCR)	3.92
Adjusted Value for Money (VfM)	High
Sensitivity Non-User Welfare Benefits	
Wider-economy Productivity Benefit	£8.032m
Final Appraisal	
[Present Value of Costs (PVC)]	[£2.571m]
[Present Value of Benefits (PVB)]	[£18.112m]
[Net Present Value (NPV)]	[£15.542m]
[Benefit Cost Ratio (BCR)]	[7.05]
Final Value for Money (VfM)	V High

3.7 Environmental Impacts

Table 20 – Environmental Impacts of Improvement Scheme

Environmental Impact	Assessment
Noise	NEUTRAL – Assessed Qualitatively
Air Quality	SLIGHT BENEFICIAL – Assessed Qualitatively – Potential to attract greater numbers of visitors by rail with reductions in delay
Greenhouse Gases	SLIGHT BENEFICIAL – Assessed Qualitatively – Potential to attract greater numbers of visitors by rail, reducing slow moving traffic and emissions
Landscape	NEUTRAL – Assessed Qualitatively
Townscape	NEUTRAL – Assessed Qualitatively
Heritage	NEUTRAL – Assessed Qualitatively
Biodiversity	NEUTRAL – Assessed Qualitatively
Water Environment	NEUTRAL – Assessed Qualitatively

3.7.1 It can be seen that, on the whole, the scheme is not expected to impact on the environment in an adverse manner. Slight benefits are expected to be accrued in terms of air quality and greenhouse gases with the scheme in place. It should be noted that these benefits would only be realised when the 12-carriage trains stop at the station.

3.7.2 Air Quality would improve and Greenhouse Gas emissions would be reduced with more people expected to use the rail network and less congestion and slow moving traffic anticipated in and around the town with the scheme in place.

3.8 Social Impacts

Table 21 – Social Impacts of Improvement Scheme

Social Impact	Assessment
Accidents	NEUTRAL – Assessed Qualitatively
Physical Activity	NEUTRAL– Assessed Qualitatively
Security	NEUTRAL– Assessed Qualitatively
Severance	SLIGHT BENEFICIAL – Assessed Qualitatively (reduction in delays at the level crossing which normally severs Dover Road. New Street)
Journey Quality	SLIGHT BENEFICIAL – Assessed Qualitatively (reduction in delays at the level crossing and improved facilities for pedestrians)
Option values and non-use values	NEUTRAL– Assessed Qualitatively
Accessibility	NEUTRAL– Assessed Qualitatively
Personal Affordability	NEUTRAL– Assessed Qualitatively

3.8.1 It can be seen from the table above that the scheme will not have a major impact (either positive or negative) from a social perspective.

3.8.2 The proposed scheme does not radically alter the existing infrastructure; it is an enabler to ease congestion when the town experiences a considerable number of visitors during the week of The Open.

3.8.3 It is anticipated that slight benefits will be witnessed from reductions in severance and improvements in journey quality. These are largely a consequence of reducing the time spent waiting for the level crossing to become operational (under the Do-Nothing option). It should be noted that these benefits will only be accrued when the longer, 12-carriage trains stop at the station (during The Open and other events).

3.9 Distributional Impacts

3.9.1 It is not anticipated that the scheme will have any impact on the different social groups that reside in Sandwich and the surrounding area.

3.10 Wider-Economy Impacts

3.10.1 Considerable benefits to the wider-economy in Kent are expected to be achieved with the scheme in place, in terms of increased employment and more productive activities, as indicated in the sequential appraisal. These benefits are anticipated to be ‘additional’ for the local economy, although they are likely to be ‘displaced’ at a national, UK, level.

3.10.2 GDP uplift associated with the scheme, when converted to non-user welfare equivalent value, equates to:

- £10.709m wider employment benefit;
- £8.032m wider productivity benefit; amounting to
- £18.741m overall wider-economy benefit.

3.10.3 Further details on how GVA is calculated can be found in the Economic Impact Report (Sport Industry Research Centre, October 2011).

3.11 Value for Money

3.11.1 The Final VfM Category for preferred scheme Option 2 has been calculated through a sequential procedure entailing:

- Initial, quantified economic 'user welfare' benefit and capital cost appraisal;
- Secondary, adjusted, quantified appraisal of wider-economy employment, (with GDP uplift converted to 'non-user welfare' equivalent value, as per WebTAG U2.1); and
- Final, sensitivity quantified appraisal of wider-economy productivity, (with GDP uplift converted to 'non-user welfare' equivalent value, as per WebTAG U2.1).

3.11.2 From this appraisal, it is established that there are a number of net economic benefits which the preferred Sandwich scheme will achieve, comprising the following:

- A positive travel cost saving during the committed OG event at 2020 for motorised and non-motorised users;
- A wider-economy uplift associated with the GDP (and equivalent non-user welfare) impact of the OG event in 2030 and 2040, which will be conditional upon the railway station improvement; and
- A day-to-day travel delay saving for rail passengers and level-crossing users in the local community (not quantified in this economic appraisal).

3.11.3 Considering all of the likely VfM impacts of the Sandwich scheme, which will contribute towards the scheme being successful and beneficial, it is considered that the VfM outcome of the preferred option (Option 2) will be:

- Adjusted BCR of 3.92, with secondary, adjusted VfM of 'high';
- Final adjusted VfM of 'very high'.

3.11.4 An Appraisal Summary Table can be found in appendix H.

4 Commercial Case

4.1 Procurement Options

- 4.1.1. KCC is the client for the project. The first phase was for GRIP 1-2 (feasibility) and is now complete. The second phase will be for GRIP 3-5 (single option selection and detailed design), and will be the subject of a Development Services Agreement (DSA) between KCC and Network Rail. The third phase of the project will be for GRIP 6-8 (delivery and close out), and will be the subject of an Implementation Agreement (IA) between KCC and Network Rail.

4.2 Preferred Procurement and Contracting Strategy

- 4.2.1. The DSA for GRIP 3-5 will protect KCC, limiting the Council's legal and financial obligation to an agreed amount for this phase of the project. In practice, KCC will carry the risk for all the public sector partnership funding, i.e. for the contributions from Dover District Council and its four district council partners, SELEP and the DfT.
- 4.2.2. The procurement by KCC of this phase is planned to commence in November 2017 and to be completed by May 2018, with Network Rail's engagement due to be approved by Network Rail's South-East Route Investment Panel in October 2017. To deliver this phase of the project Network Rail will use their own in-house teams.
- 4.2.3. A separate Implementation Agreement (IA) will be agreed between the same parties to cover the final phase: GRIP 6-8 (delivery, commissioning and close-out). The IA governs enhancement work on and about the controlled railway infrastructure to provide detailed design and implementation of the project, with the contracting strategy agreed between NR acting as construction manager and KCC as project promotor. Network Rail will use one of their framework contractors for the majority of the delivery work, and will follow their internal corporate governance structure to manage the spending of public money and associated accountability, and reporting of the same, as set out in their 'Investment Framework Consolidated Policy & Guidelines'.

4.3 Procurement Experience

- 4.3.1. This has been dealt with in the section 'Previous Project Experience' in the Management Case section below.

4.4 Competition Issues

- 4.4.1. Network Rail was established in 2002 and is the monopoly provider of the railway infrastructure in Great Britain. As such, and following the precedent of legal advice supplied to KCC in respect of the Ashford Spurs project, there are no competition issues as it is only Network Rail, or its approve contractors, which are authorised to work on the railway. Therefore there is no preferential treatment given to Network Rail by KCC contracting with them to deliver the infrastructure works at Sandwich station.

4.5 Human Resource Issues

- 4.5.1. To ensure delivery of the project internal staff members have been identified in the project governance. The delivery will be managed within the Network Rail programme of works. Using internal resources will ensure that there is consistency and continuity in project delivery. Project monitoring will be carried out by 2 monthly meeting in cycle to monitor progress and manage issues as they arise.

4.6 Risk and Mitigation

- 4.6.1. KCC will carry the commercial risk as the Council will be contractually liable for the full cost of the railway element of the project through the DSA and IA which will have been entered into with Network Rail. In mitigation, KCC is working closely with the R&A, and also with other public authorities, including the DfT and, through this business case, SELEP, to secure significant contributions towards the total cost of the railway project.

4.7 Maximising Social Value

- 4.7.1. Network Rail will be utilising existing contracts that are used to improve the rail network in the South East. Network Rail will have to conform to the Social Value Act and KCC will ensure that this is the case. Design of the walking route to the event will offer opportunities to the local businesses. The Transport Group includes a representative from Sandwich Town Council to ensure that the local community is represented.

5. Financial Case

5.1. Total project value and funding sources

Table 22 - total project value and how this is split by funding sources by year.

Funding source	Amount (£000)					Total
	17/18	18/19	19/20	20/21	21/22	
KCC	250,000					250,000
East Kent Councils	100,000					100,000
TBA		TBA				TBA
TBA		TBA	TBA			TBA
SELEP	101,460	914,285		10,000		1,025,745
Total project value	451,460	2,333,020	1,504,720	10,000		4,299,200

5.2 SELEP Funding Request

5.2.1. The Project is not part of the Local Growth Fund programme and therefore there is no funding currently allocated to deliver this scheme. The SELEP funding contribution will be sought from predicted underspend on KCC's LGF allocation, following the Federated Board (Kent & Medway Economic Partnership) agreement to use the anticipated underspend from the Ashford Spurs Project. The SELEP Accountability Board will be asked in November 2017 to include this project within the overall programme of works.

5.3 Costs by type

Table 23 – Forecast of Project Expenditure

Cost type	Expenditure Forecast				
	17/18 £000	18/19 £000	19/20 £000	20/21 £000	Total £000
Capital [For example by stage, key cost elements for construction, and other cost elements such as contingency, overheads and uplifts]	451,460	2,333,020			2,784,480

	Expenditure Forecast				
Non-capital [For example revenue liabilities for scheme development and operation]				10,000	10,000
Contingency allowance			1,504,720		1,504,720
Optimism Bias					
Monitoring and Evaluation				20^	
Total funding requirement	451,460	2,333,020	1,504,720	10,000	4,299,200
Inflation (%)					

^ To be funded outside of this bid

5.4 QRA

- 5.4.1. Network Rail will produce a QRA at the end of Grip stage 4, currently estimated to be April 2018 as highlighted in the Programme set out in Appendix C.

5.5 Contingency

- 5.5.1. Contingency at 35% is calculated at the end of Grip 2, based on 35% of estimated project cost at that time. When the project reaches the end of Grip 5, and there is a greater level of certainty about project cost, the contingency figure is revised to reflect the estimate at that stage, i.e. it may stay at 35% or, if the overall estimated cost is lower than was forecast at Grip 2, it may be a lower percentage figure.
- 5.5.2. It should be noted that at this stage there is considerable uncertainty about the estimated cost of the required power supply upgrade, which is included in the overall base cost. When Network Rail's report on the power upgrade is available in Jan 2018 it will include a more accurate estimate of this element of the project. If this new figure is higher than the £200,000 currently allowed, the difference will need to come from the contingency funding.

5.6 Funding Commitment

- 5.6.1 A signed letter from KCC's Section 151 Officer is attached (Appendix A) to confirm KCC's financial commitment and ability to fund the scheme.

5.7 Risk and Constraints

- 5.7.1 Full risk assessment will be determined at GRIP 3 and included in detailed risk register outlined at 2.11 above

6 Management Case

6.1. Governance

- 6.1.1 Project Sponsor is Katie Stewart, Director Environment, Planning and Enforcement, Kent County Council.
- 6.1.2 Senior Responsible Officer is Stephanie Holt, Head of Countryside, Leisure and Sport, Kent County Council.
- 6.1.3 The overall governance for Open Golf 2020 event has been tested at the first Silver Executive 23/08/17, and KCC's Growth, Environment and Transport Portfolio (Major Programmes) Board 30/08/17. It is still early days for the wider governance, but the Transport Sub Group and the Railway Governance Group highlighted in the Governance Diagram in Appendix G meet every two months on alternate months. The Transport Sub Group has met four times to date, and the Railway Project Governance Group has met three times. This governance group will meet regularly every two months throughout the course of the project.
- 6.1.4 KCC has also set up a clear and robust structure to provide accountability and an effectual decision making process for the management of LEP funded schemes. The Sandwich Railway Infrastructure Project will fall under the existing governance of the KCC Local Growth Fund Programme.
- 6.1.5 Figure 4 provides an outline of the overall governance structure implemented to manage the delivery of each scheme. It gives a detailed breakdown of the meetings (along with the attendees, scope and output of each) which make up the established governance process which is currently employed.

Figure 4: Governance Diagram

KCC LGF Meeting Governance Diagram										
Phase	Design	Construction	High level Agenda	Frequency	Attendees	Format	Scope	Agenda Items	Key Deliverables/Feedback	Templates
Sponsoring Group			Bid Design Construction	Monthly - Can be called in emergency if required	Chain TR MB/BC/RW/KS/CH/MG Supported by PB attendees as required	Face to face meeting, rotating venue	To discuss programme (i.e. high level progress/preview next steps and discuss and resolve issues.	LEP programme (high level) progress to date Programme Financial reporting Next steps Issues/Risk/Change Actions	Minutes of Meeting Action/Decision Log Output distributed by LB	Agenda Minutes Decision list
Sponsoring Group Progress Report			Decisions Needed	Monthly	LB	Report	To record outstanding actions/issues that require a decision made by the board		Action list ready for the Steering Group	Action List
Programme Board Meeting			Bid Design Construction	Bi- Monthly	Chain: LB MG/KCC Promoters/KCC PMs/ AQ or RC/Amey TE's SW&MA	Face to face meeting, rotating venue	To discuss progress/preview next steps and discuss and resolve issues	LEP programme progress to date Project financial reporting Next steps Issues/Risk/Change Actions	Minutes of Meeting Action List Output distributed to all attendees	Agenda Minutes
Highlight Report			Identify key points for Programme Meeting	Monthly	LB	Face to face meeting/report	LB to collate and streamline all reports highlighting areas of interest for the programme meeting. To be fed back to LB by report/meeting		Highlight report for LB to use for Programme Meeting. Highlight report shared with PB attendees.	Highlight Report
Steering Group Meeting			Progress Update	Monthly/Fortnightly as required	Chain: KCC PMs All input staff - KCC Bidding/KCC Promoters/KCC PMs/Amey Design/TMC	Face to face meeting	Individual meetings per project (including each stage of the LEP process to discuss progress in detail).	LEP project progress to date/MS Programme Project financial reporting Issues/Risk/Change Actions	MS Programme Update Progress update in template for each project	Progress Report

- List of Initials:
- MB Matthew Balfour
 - BC Barbara Cooper
 - RW Roger Wilkin
 - KS Katie Stewart
 - CH Cath Head
 - TR Tim Read
 - MG Mary Gillett
 - LB Lee Burchill
 - AQ Andrew Quilter
 - RC Richard Cowling
 - SW Steve Whittaker
 - MA Martin Addison

Project Steering Group (PSG) Meetings

- 6.1.6 PSG meetings are held fortnightly to discuss individual progress on each scheme and are chaired by KCC Project Managers (PMs). Attendees include representatives from each stage of the LEP scheme (i.e. KCC Bid Team, KCC sponsor, KCC PMs, Amey design team and construction manager). Progress is discussed in technical detail raising any issues or concerns for all to action. A progress report, minutes of meeting and an update on programme dates are provided ahead of the Programme Board (PB) meeting for collation and production of the Highlight Report.

Highlight Report

- 6.1.7 The Progress Reports sent by the KCC PMs comprise of the following updates; general progress, project finances, issues, risks and governance meeting dates. The Highlight Report identifies any areas of concern or where decisions are required by the PB meeting or higher to the KCC LEP Programme Manager. An agreed version of the Highlight Report is issued to the PB meeting attendees during the meeting.

Programme Board (PB) Meeting

- 6.1.8 The PB meeting is held monthly and is chaired by the KCC LEP Programme Manager. Attendees include representatives from all three stages of the schemes (i.e. KCC LEP Management, KCC LEP Bidding, KCC Sponsors, KCC PMs, Amey Account Manager, Amey Technical Advisors, Amey Construction representatives).
- 6.1.9 This meeting discusses project progress to date, drilling into detail if there is an issue or action (as identified in the PSG meeting), financial progress, next steps and actions. Outputs of this meeting are the Highlight Report and the minutes of meeting.

Escalation Report

- 6.1.10 A list of actions and decisions that the PB meeting was unable to resolve is prepared ready for the Sponsoring Group (SG) meeting to discuss and ultimately resolve.

Sponsoring Group (SG) Meeting

- 6.1.11 The SG is held monthly and will be chaired by Tim Read (KCC Head of Transportation). Attendees are Barbara Cooper (Corporate Director), Roger Wilkin (Director of Highways, Transportation and Waste), Tim Read and Mary Gillett (KCC Major Projects Planning Manager).

6.1.12 This meeting discusses high-level programme progress to date, financial progress, next steps and closes out any actions from the escalation report. Output is sent to Mary Gillett for distribution. Technical advisors are invited if necessary to expand upon an issue. All actions from the start of this meeting cycle are to be closed out by the SG when they meet (i.e. no actions roll over to subsequent meetings).

6.2 Approvals and Escalation Procedures

6.2.1 This is provided, ultimately, through the Silver Executive Project Board, and through the LGF Sponsoring Group once the project is formally adopted as a LEP scheme.

6.2.2 As KCC is the project lead for the Transport Plan for The Open, including the railway infrastructure detailed here, the more immediate approval process is via the Transport Working Group in first instance. The Open Golf 2020 is formally recognised as a Major Project within Kent County Council's Growth, Environment and Transport Directorate, and so progress, risks, approvals and escalations are explored at this directorate's Portfolio Board each month. The Portfolio Board consists of the Corporate Director, four Directors (including this project's Sponsor) as well as the Directorate's Quality Assurance Manager.

6.3 Contract Management

6.3.1 This has been dealt with in the 'Preferred Procurement and Contracting Strategy' in the Commercial Case above.

6.4 Key Stakeholders

6.4.1 The stakeholders, at this stage, for the project comprise of the membership of the Silver Executive Project Board, Transport Working Group and Railway Governance Group (detailed above), as well as the KCC GET Portfolio Board, and funders. This will widen in due course.

6.4.2 The stakeholder management and engagement plan will be contained within the live Project Definition Document, the associated RAID document (Risks, Assumptions, Issues and Dependencies), and will be owned by the overarching project manager, who is employed by KCC. At the moment the project manager works part time on this project, but this will become full time twelve months before The 2020 Open.

6.5 Equality Impact

6.5.1. An EqIA will be undertaken of the entire Open Golf 2020 programme at the point funding for the infrastructure is confirmed. This EqIA will inform where certain programme elements will require their own individual EqIAs, and it is expected that this will certainly include the event's transport plan. The SRO for this project sits on the KCC Equalities Board, and is responsible on

behalf of the Growth, Environment and Transport Directorate for leadership around, and compliance with, with The Equality Duty 2010.

6.6 Risk Management Strategy

6.6.1. A full risk assessment will be completed at GRIP 3 in conjunction with Network Rail

6.7 Work Programme

6.7.1. A full programme will be constructed at GRIP 3 in the development of the project with Network Rail. A draft programme with current timescales has been provided in Appendix C.

6.8 Previous Project Experience

- 6.8.1. KCC has extensive experience of engaging with Network Rail on a third party basis. The two projects in which KCC has contracted with Network Rail in East Kent are the Ashford Spurs and Journey Time Improvement (JTI) projects.
- 6.8.2. The Ashford Spurs project aims to deliver an upgrade in the signalling system used on the spurs which link Ashford International station with High Speed 1. This is essential to ensure the continuation of international rail services at Ashford, as the current operator Eurostar is delivering new rolling stock which is not compatible with the existing signalling system.
- 6.8.3. KCC and is the lead procurement authority for the Ashford Spurs project, and has entered a DSA for GRIP 3-5 and an IA for Grip 6-8 to ensure project delivery. As such KCC has developed a Project Governance Board, working in partnership with Ashford Borough Council, Network Rail, High Speed 1, Eurostar and the Office of Road & Rail. KCC has developed a working knowledge of the 'third party project' approach offered by Network Rail, and an understanding of the complex internal structures and procedures required by the rail infrastructure operator.
- 6.8.4. KCC has learnt lessons from engagement with Network Rail, particularly from the early stages of the Ashford Spurs project and also from the JTI project which has a similar project governance structure that is led by Network Rail. KCC's procurement experience of engagement with Network Rail has enabled the Council to establish and lead an all-partner Project Governance Group, which already meets on a regular basis to oversee the planning, design, procurement and delivery of the railway element of the Sandwich Open Golf project.
- 6.8.5. Kent County Council additionally has experience of managing recent Opens (2003, and 2011), Tour of Britain (2006), Tour de France (2007), and the Paralympic Road Cycling Competition (2012), as well as a number of high profile and nationally significant cultural events with significant spectator numbers. The KCC Sport and Physical Activity Service has a full time Leisure and Sports Events Manager who is working on this project as part of her role, with the project becoming her full time role in July 2019 for 12 months.

6.9. Monitoring and Evaluation

Inputs

- Physical changes are being made to the station infrastructure
- Creation of a new walkway

Outputs (delivering the scheme/project)

- New station platform to facilitate the event

Outcomes (monitoring)

- The numbers of spectators attending the event will be monitored
- Customer satisfaction surveys will be taken
- Park and Ride journey times will be monitored
- Monitoring of travel modes

Impacts (evaluation)

- The impact on local businesses will be assessed for both during and after the event to understand legacy

6.10 Benefits Realisation Plan

6.10.1. The purpose of benefits realisation is to plan for and track the benefits that are expected to be accrued from the scheme.

6.10.2. Monitoring will take place across all three forecast Opens based on:

- "A" the economic impact of an Open at Sandwich compared to the previous times Sandwich hosted it.
- "B" the spectator numbers attending an Open at Sandwich compared to the previous times Sandwich hosted it.
- "C" the growth in economic impact of an Open at Sandwich compared to the growth in economic impact at the other eight host locations.
- "D" the growth in spectator numbers attending an Open at Sandwich compared to the growth in spectator numbers at the other eight host locations.
- "E" data sets and a baseline yet to be determined by Locate in Kent, but again undoubtedly linked to measuring performance change in attributable inward investment proxies in comparison to the other eight host locations.
- "F" captured Park and Ride data and train occupancy data, compared to the previous times Sandwich hosted the Open.
- "G" customer feedback formally captured by The Royal and Ancient, including less formal social media feedback.
- "H" annual visitor offer take up of Golf in Kent promotions, related bed nights, and related visitor spend.

6.10.3. As with all other recent Opens, it is anticipated that the Sport Industry Research Centre within Sheffield Hallam University (of which their analysis of the 2011 Open at Sandwich is included as an appendix) will capture A and B. C and D will be captured by The Royal and Ancient; E by Visit Kent; F by a combination of the train operating company, and The Royal and Ancient; G by The Royal and Ancient; And H by Visit Kent.

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6.10.4. KCC will conduct a full review of each Open in the autumn immediately after each Open, as well as annually with regards to E and H.

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 and shared in confidence with other public sector bodies, who may be involved in considering the business case.

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. I also declare that, except as otherwise stated on this form, I have not started the project which forms the basis of this application and no expenditure has been committed or defrayed on it. 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

A handwritten signature in black ink, appearing to read "S. Holt".

Print Full Name

Stephanie Holt

Designation

Head of Countryside, Leisure and Sport,

Growth, Environment and Transport – Kent County Council

Date

18/10/2017