

## WHAT ROLE CAN TOWNS PLAY IN DRIVING ECONOMIC RECOVERY?



CHRISTINE DOEL, ROSS GILL, RICHARD HINDLE

## INTRODUCTION

Over the last couple of years, the future of towns has been comprehensively debated.

Whereas most major cities in the UK are – in some respects and at least in their centres – more vibrant and confident places now than they were 30 years ago, this just isn't true for many towns and some smaller cities. These have lost previous industrial drivers. But they have also lost professional and administrative functions, and what had been their anchor institutions.

Given all this, towns' shared problem is perhaps not primarily the decline of their local economies *per se* (which have had good and bad spells over the last century). Instead, it is the critical loss of the local capacity and capability required to rethink their roles and re-create a virtuous spiral based around formulating compelling plans, sustaining commitment, building confidence in their future internally, and persuading decision-makers and investors to play their part. Confidence and capacity have disappeared through economies of scale, changing business models, and the emergence of new technologies – and sometimes through the unintended effects of policy.

In response, the future of towns has been a prominent focus for political debate. The Conservative Party's 2019 Manifesto talked about a "*New Deal for Towns*". Key themes included: regenerating towns in economic terms (starting with 100 towns supported through the Towns Fund); cutting taxes to unlock thriving High Streets; giving young people a future; achieving safer streets and safer towns; building new civic infrastructure; creating more community ownership; and building community spirit. For the Labour Party too, towns were to be a focus for cultural investment, a green industrial revolution

and community revival. There was, it seemed, a breakout of consensus.

Given the results of the election and the geography of the new government's electoral mandate – and the commitment to levelling up – the focus on towns was set to strengthen further. In part this reflected the immediacy of towns. They are far more communicable than 'Powerhouses', 'Engines' or 'Gateways'. They are also, simply, much closer to home.

But all of this was 'before'. The challenges facing the UK's towns have not disappeared since the crisis surrounding COVID-19 started to unfold; indeed, with lock-down and social distancing and the consequent decimation of both retail and hospitality sectors, the reverse may well be true. For towns that were already struggling, the economic shock linked to COVID-19 is very serious indeed.

In this context, we need to think hard and quickly about whether, and to what extent, the UK's towns should continue to be a primary policy focus as we start to plan for recovery. At the turn of the year, there was unanimity of view, but we are now facing a deep recession – which could be in the shape of a V, U or W. Policy-makers at local and national levels will have to flex every sinew to respond. In this profoundly challenging context it is important to consider:

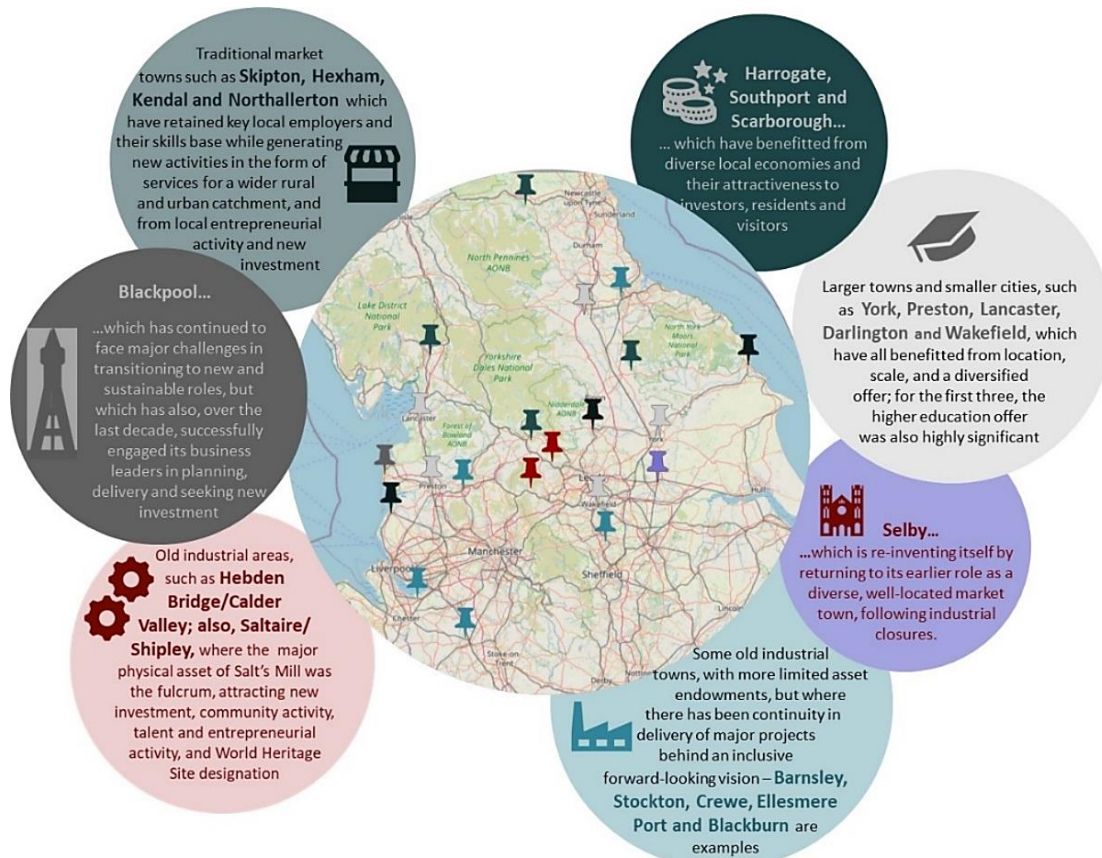
- whether towns have what it takes to reinvent themselves, *and* to drive forward economic recovery more generally
- how they should use the tools that have been made available in a context which is now very different.

**BOX 1: Evolving narratives around towns in the north of England**

Until the last two decades of the twentieth century, most northern towns were characterised by their main industries – not only coal, steel, glass, manufacturing and engineering, chemicals and textiles, but also lighter industries (e.g. clothing, food and drink, and publishing, etc.). Many of these operations – some single firms, some groupings – were at the centre of mini-clusters, with their own national and international supplier and customer networks. They drew on specialist services provided locally as well as through the major cities. These mini-clusters provided local employment and skills training, and also the export base which brought in money to the town and articulated its ‘reason for being there’. Where these industries declined and were not replaced, the result was a far-reaching unravelling of economic and social life, and local cultural identity.

Forty years on, the picture is mixed. Some towns in the north have become important spatial drivers in the new economy. These include many that are well-located for national transport links, innovation networks and the core cities; and those which already had other roles, including providing services for a wider geographic catchment, and were already attractive places to live in and visit. Others, with a less favourable endowment, have struggled – in some cases hindered rather than helped by inappropriate public investment which has not been part of a wider strategy for renewal.

But, as with cities, legacy is not everything. Other factors have been major contributors in adapting, notably the capacity to identify, then build on, local assets to create new activities, economic relationships and roles. The quality of local leadership, and business and community engagement, has been fundamental to this: some towns have demonstrated that a virtuous spiral can be created through formulating and implementing shared visions.



## TOWNS AND THE EMERGING IMPACTS OF COVID-19

Although they vary enormously by scale, geography, history and function – and many different typologies have been developed to describe them – all towns function as economic and social hubs.

They are, by definition, the places where many people live. They are where most people access local services, and where they both consume and produce – to a greater or lesser extent – ‘local community’. They are where people congregate and socialise. They frequently define identity and an intangible, but essential, sense of place, civic pride and belonging. They are also the place where many people work.

All these attributes have been shaken by COVID-19. Whilst some have been decimated, others have probably been strengthened, at least *pro tem*.

### SOME EMERGING OPPORTUNITIES...

There has, for example, been a palpable revival of community among people who are now mainly at home and far more aware of their neighbours and neighbourhoods than previously. Assuming this is sustained, several of the seven Manifesto commitments linked to a “*New Deal for Towns*” may find fertile territory for delivery: the prospects for community ownership and community spirit have perhaps never been greater.

For some towns, particularly those of a dormitory character and close to the major cities, it is possible that there are actually now more people working in them (albeit from home) than was the case previously. Enabled by digital connectivity and unlocked by the revolutionary power of video/web conferencing software, could the “re-localising of work” be a legacy of COVID-19? It is just about possible that these towns might thrive as city centres readjust. Might COVID-19 eventually define the limits to agglomeration and the role of the mega-city? Might it start to temper

30 years of apparently inexorable growth? And in this context, might some towns actually be very well placed in the medium term to chart a more equitable and sustainable future? Although a very optimistic reading, it is one possible scenario.

### ...AND MAJOR CHALLENGES

But for many (and probably most) towns, the balance of the equation may continue to be different. The temporary closure of most activities that define the core of “urban” means that much less work is going on. This is creating severe and unevenly distributed economic hardship – with those in the gig economy, increasingly a mainstay of town centre sectors, especially at risk.

The decimation of town centres is being compounded by the pressures across the wider town economy: all those “non-essential” businesses on industrial estates and business parks, and their wider supply chains, which are struggling simply to function.

Across the board, these towns are facing significant economic and social pressures:

- despite the various government schemes, many *businesses* will not survive; and even more will start to reconfigure their business models, with less emphasis on a local physical presence
- in relation to *people*, many previously in the workforce will need to pursue different jobs and for those not-yet-in-it (particularly younger people) and/or already excluded from it, the future is, perhaps, even more uncertain.

In addition, there are perhaps two more specific sets of circumstances where the town-level impacts may be especially severe:

- those coastal towns with economies that rely on leisure and the visitor economy, recognising that COVID-19 has coincided with the start of the main tourist season (e.g. Torbay, Margate)

- those towns – some of them New Towns – with a local economy that is strongly related to international gateways, and particularly airports (e.g. Crawley, Luton).

## IMPLICATIONS

These different readings of the town-level consequences of COVID-19 all have some currency. Together, they need to galvanise appropriate responses across the board. In so doing, it will be important to recognise that the future will not look the same as the past – but also that the inherent strengths of towns, particularly through their communities and wider assets, need to provide a basis for a new growth and development trajectory. Technology will play an increasingly key role and it will be embraced in new ways. But a lesson from history is that local governance and leadership will be critical too.

The COVID-19 season will pass. Our towns will have an important role to play in determining our future. This was rightly recognised before the current crisis and enshrined in Manifesto commitments. COVID-19 does not change that; if anything, it accentuates it. It means that the resurgence of towns, particularly in relation to their economic fundamentals, needs to be an urgent priority both nationally and locally.

## LOOKING TO THE FUTURE: DEVELOPING STRATEGIC RESPONSES

How then should towns respond to the crisis precipitated by COVID-19? In the short to medium term, much activity will be focused on rebuilding confidence and restoring activity. This will not be simple, given the scale of dislocation – and the ‘recovery’ phase could be protracted.

But this focus on ‘recovery’ must not distract from the fundamental importance of planning for the longer-term future of our towns – indeed, thinking creatively about the future is even more important in the light of the economic shock.

## THREE PRINCIPLES...

Looking to the future, **three principles** may help underpin thinking about the future of towns.

### Principle 1: Focused on the ‘whole place’

The current crisis has highlighted the interlinked nature of economic and social activity. Specific initiatives (and associated Government funding streams) are often more narrowly focused, for example on High Streets and town centres, or on a specific suite of projects. But these need to emerge from a detailed and evidence-based understanding of the way in which the town as a whole functions.

### Principle 2: Future-facing

As illustrated in Box 1 (above), most towns have a long history of reinvention: earlier functions (as industrial centres, market towns or commercial hubs, or some combination of these) defined their character and urban form, and shaped their current economy. But while heritage matters, the focus needs to be on ‘where next?’ – a judgement that must be grounded in a place-specific understanding of future growth opportunities and economic potential.

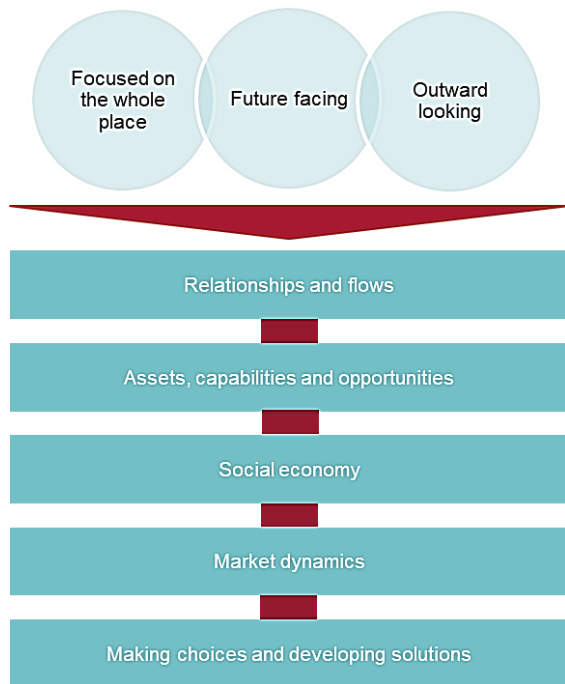
In this context, the continuing relevance of the Grand Challenges (as set out in the Industrial Strategy White Paper) should be recognised. In particular, digital solutions and the use of data will be critical, not least in relation to mobility. The imperative for clean growth has also never been greater: the climate crisis may have disappeared from the headlines *pro tem*, but the issues surrounding it are critical.

### Principle 3: Outward looking

A focus on an individual town implies a deep knowledge and understanding of what makes the place ‘work’, and, by extension, an understanding of local priorities and aspirations. But all towns exist within a wider national and regional economy: some key prospects for local residents and businesses will be located beyond the

immediate vicinity, and the town will provide some services to a wider hinterland. Successful town strategies should not be parochial and narrowly competitive, but based on wider complementarities and reciprocal partnerships.

**Developing future towns strategy: Principles and themes**



**... SUPPORTING FIVE THEMES**

With these principles in mind, we have identified five themes, which town-focused strategy should encompass.

**Theme A: Relationships and flows**

The ‘outward looking’ town needs a strong understanding of its position within the wider region, focusing on the role that it currently performs and the role that it *could* perform in the future. Looking beyond basic travel-to-work analysis, this should consider changes over time in flows to work and study, overlapping market areas and the growth trajectories of neighbouring centres and the opportunities associated with them.

The likelihood is that for many places, regional and sub-regional relationships will be complex, even in places that are highly connected with dominant cities (for example, the nature of the ‘inter-suburban’ flows within towns adjacent to the M25 or close to the M60). For many towns, relationships in the ‘real economy’ are likely to transcend administrative boundaries, and it is important to understand the relevance of the opportunities and challenges beyond the district, county or LEP area.

**Theme B: Assets, capabilities and opportunities**

Linked with this understanding of the wider hinterland, there should be a robust and current understanding of the ‘asset base’ within the town. Some of this may be obvious and easily visualised: key institutions such as universities; the town centre offer; established firms or major business parks. But some may be less known to local policymakers: these might include some significant employers (especially where they do not generally engage with the public sector); or concentrations of small business activity which may be hard to discern in data, although highly connected ‘on the ground’.

Understanding where the opportunities are – and the risks that might be associated with existing assets (for example, potential disinvestment or supply-side constraints on expansion) will be important in determining where resources might be prioritised, or where there is a useful role for the public sector. It will also be helpful in informing the ‘trade off’ between the demands of the market and the wider interests of urban policy in ensuring sustainable travel patterns, protection of other assets, and so on.

**Theme C: The social economy**

Although towns are centres of economic activity, they are obviously not *just* that: they are focal points for wider social life. Increasingly, people are attracted to locations because of quality of life as

well as economic opportunity: while the two are linked, the rise of technology-enabled homeworking (perhaps accelerated by the current crisis) might lead to greater choice in residential location.

Alongside economic assets and opportunities, a wider understanding of the ‘social economy’ will be important: both in relation to those attributes that are often linked with economic success (such as creative activity and cultural infrastructure, and the quality of local schools), and the wider institutional fabric that supports community life.

#### Theme D: Market dynamics

The next few years are likely to see considerable market uncertainty, which may accelerate trends that have been underway for some time in relation to working practices and consequential office or retail demand.

As well as understanding the ‘place’, we need to understand the market, and the implications of this for new investments. This will clearly influence (for example) town centre strategies: through the extent to which new residential and perhaps leisure development is able to diversify the offer away from retail and office-based uses.

#### Theme E: Making choices and developing solutions

Finally, successful town strategies need to be deliverable. Choices need to be made; not everything can, simultaneously, be a priority. This in turn requires good and clear local leadership – and this tends to be a feature of the towns (and indeed the local economies) that have made most progress.

There is also a need for delivery capacity. In practice, most interventions require inputs from several partners and public (and private) sector funding and know-how is likely to be constrained. This means that there will be a need to assess the viability of specific investment opportunities and

structure appropriate delivery mechanisms to help bring them forward effectively.

## MOVING FORWARD

From this brief overview of the factors that should underpin a successful ‘town-focused’ strategy, three concluding comments are important.

- First, places are complex and heterogeneous. Understanding how they work and function demands meaningful **engagement with the businesses and institutions that drive them and real understanding of local opportunities and dynamics**. This needs to go beyond an analysis of data to understand *why* firms and institutions have made specific location decisions, and where they see future opportunities and risks.
- Second **an understanding of the wider town economy (and its broader social and environmental context)** will underpin more specific funding opportunities. Currently, 100 places are preparing plans for investment through the Government’s Towns Fund: while the Towns Fund will only partly address local priorities, success (both in securing funding and eventual outcomes) will depend on the extent to which proposals are cast in a broader understanding of place as well as key market and technology drivers of change.
- Third, a **‘town strategy’ is an ongoing endeavour**. The elements identified above *might* come together in a defined ‘blueprint’ or central strategy document – but it is vital that partners are flexible and alert to changing opportunities and the changing market context. The challenge for many towns will be in securing strategic and delivery capacity. This is critical given the policy consensus on towns’ important role, and the urgent challenges our towns will face as we emerge from the COVID-19 crisis.

**BOX 2: New opportunities in the Greater South East's New Towns: Crawley**

Part of a bold effort to deliver new homes, communities and employment away from Britain's metropolitan centres, the postwar years saw the development of some 21 New Towns across the UK, ten of them in the Greater South East.

Designated a New Town in 1947, Crawley has benefited from its proximity to London Gatwick Airport and the development of one of the South East's largest mixed-activity business districts at Manor Royal. Today, it is an important economic hub: at the centre of the 'Gatwick Diamond' economic area, it generates one of the highest levels of GVA per capita of any district in the UK. However, as in many New Towns, the benefit of this high level of economic activity is not always felt by residents of the town itself. Equipping local people to participate more fully in the higher value jobs that are found on Manor Royal continues to be a priority.

In recent years, there has been a focus on attracting new investment into the town centre to complement activity around Gatwick, regenerate the original 'New Town' built environment and support increased local opportunity. There has been success in attracting new professional services firms into the town. At the same time, there are strong prospects for new housing development, linked with employment opportunities in London and Croydon, as well as in Crawley itself.

COVID-19 will present a major challenge over the coming months: Gatwick Airport is a key economic anchor, the town has a substantial aviation-related sector and supporting local resilience in the context of an unprecedented shock will be a priority. Retaining the higher-value, skilled jobs that Gatwick and its associated service and engineering base provides will be vital for Crawley's growth as a key regional centre. At the same time, there will be a need for innovative approaches to advice, guidance and (re-)training to support residents in the changing employment landscape. Strong local leadership has been important in broadening Crawley's offer, and will be vital in responding to the current crisis.





## SQW'S CREDENTIALS IN RELATION TO TOWNS...

SQW brings over 35 years' experience in local economic development. We have insight into the links between business growth and regeneration, and we have particular strengths in enterprise and innovation (including through our sister company, Oxford Innovation). We also understand the role that culture plays within vibrant towns. We know how to build strategies, engage stakeholders, develop investment plans and put in place delivery arrangements to unlock transformative outcomes.

Last year, BBP Regeneration formally became part of SQW, bringing specialist expertise in land and property, including business case development and appraisal, and viability assessment.

For towns across the UK, we therefore offer processes that support:

- visioning and town strategies
- masterplans and development frameworks
- investment plans and business cases
- programme management
- delivery structures and partnership arrangements
- funding strategies and bids.

## ...AND OUR PROJECT EXPERIENCE

### VISION AND STRATEGY

#### **Mansfield Town Centre Development Framework**

*Mansfield District Council*

SQW led a multi-disciplinary team in preparing the Mansfield Town Centre Development Framework. The project was driven by economic development aspirations and property demand. It included workshops to examine the opportunities and threats facing the town centre, and to discuss the draft vision and proposed strategic objectives.

The Mansfield Town Centre Development Framework and Action Plan, included key projects and economic and social development initiatives, with priorities, interdependencies, time scales, funding sources and lead roles.

#### **Crawley Town Centre: Outline Business Space Growth Plan**

*Crawley Borough Council*

Crawley Town Centre is currently experiencing significant residential growth, and this is having a positive impact on the vitality of the retail and leisure core. However, the Council wished to ensure that Crawley remains an important location for employment, especially in higher value activities, drawing on its proximity to Gatwick airport and good rail and road connections.

SQW, together with Oxford Innovation, studied the demand and supply for commercial space in Crawley. The Council identified strategic sites which could be suitable for new office use. We advised how these sites could be brought forward to achieve the ambitious town centre regeneration plans.

### **East Suffolk Growth Plan Refresh**

*Waveney District Council and Suffolk Coastal District Council*

East Suffolk encompasses a series of coastal towns, including Lowestoft and Felixstowe. SQW worked with stakeholders, local authority officers and councillors to develop a new growth plan for the area, building on and updating existing plans.

The plan focussed on how the East Suffolk towns could attract and retain businesses and add high value jobs to the local economy. We undertook a detailed assessment of the East Suffolk economy, its people and businesses, and the local environment. This work informed the development of the long-term strategic framework, and detailed action plan to push the local economy forward.

The vision was developed with stakeholder engagement to challenge and to 'sign-up' to emerging findings as the visioning study progressed, thus securing their buy-in, commitment and enthusiasm.

### **Shepshed Town Centre Masterplan and Delivery Framework**

*Charnwood Borough Council*

SQW Land and Property led a team of consultants preparing a masterplan and delivery framework for the regeneration of Shepshed town centre. The first part of our work drew upon socio-economic and property market research, retail capacity studies, and urban design studies to confirm that the town centre was primarily declining due to the stronger economic and amenity offer from neighbouring Loughborough.

Working closely with urban designers, we carried out broad options appraisal and community engagement to prepare a masterplan that took account of the practical needs and lifestyles of Shepshed's residents. We then analysed funding availability, key landholdings and undertook stakeholder consultations to ensure that the delivery framework

was underpinned by strong understanding of the opportunities, constraints and local needs.

The final framework identified a preferred option for the town, as well as core themes to focus intervention activity. We identified pragmatic and deliverable interventions targeted to reverse the recent decline, despite tough economic conditions.

### **Salisbury Central Area Framework**

*Wiltshire Council*

SQW Land and Property was appointed by Wiltshire Council, as part of a multi-disciplinary team, to produce a Central Area Framework for Salisbury. The purpose of the Framework is to raise the profile of the city as an investment opportunity and provide a guide to future development. The Framework supports the Council's work in responding to the nerve-agent attack in 2018 and the need to adapt to the economic threats and opportunities facing Salisbury. Part of our role was to identify opportunities to deliver development and identify priority areas for intervention.

SQW worked collaboratively with urban designers and transport planners to identify opportunities that were feasible, market-facing and potentially transformational whilst being aligned with existing and potential demand. To do this we carried out an initial baselining study using local socio-economic and property market data to understand shortfalls or oversupplies. We then worked with study partners to identify potential opportunities in the form of options, and present preferred interventions to the client. These involved both area-wide initiatives and site-specific recommendations.

SQW undertook high-level financial appraisals of specific development schemes for key sites to understand the viability challenges and delivery issues of different options. We assessed the housing and job-creation benefits of the proposed schemes against the strategic objectives designed to enhance the local and wider economy.

## REGENERATION

### Folkestone Regeneration

*Shepway District Council*

Folkestone, a once-grand seaside town facing sharp decline, is undergoing economic restructuring.

SQW worked as strategic advisers for Shepway District Council over a two-year period supporting a range of regeneration initiatives across the District, but with a particular focus on plans to regenerate the town centre and harbour. We prepared an economic strategy for Shepway and we supported the acquisition of properties through feasibility work. We also worked on the governance and management plans for the harbour.

### St James, Dover, Kent

*Dover District Council*

The St James's area of Dover has been promoted as an extension to Dover's town centre with opportunities for substantial retail, leisure and housing uses. It is a high-profile site with an area of 4 ha fronting the A20 Dover port access road, which has been in a rundown state for many years. SQW provided development consultancy advice to Dover District Council. Initially, we were engaged to assess viability; we subsequently advised on planning briefs, the preparation of a prospectus and marketing of the opportunity, selecting a development partner, negotiating terms and providing on-going support through planning, land assembly and legal processes, including Members' briefings and reports to the Cabinet and the full Council. Our experience in delivering complex development schemes in areas where viability is marginal enabled us to provide a seamless service and expert advice, from initial feasibility to the signing of development agreements, acquisition of key sites, securing planning permissions and compulsory purchase procedures to complete land assembly.

### Heart of Poole Development Support

*Borough of Poole*

The Borough of Poole has a large and ambitious regeneration agenda. The town centre regeneration strategy will see investment in a fully updated and comprehensive town centre offer (a high priority within the Council's Corporate Strategy), improved transport and associated infrastructure (with Dorset LEP support), and the development of over 5,000 new homes (through the Housing Zone and potential extension).

We worked as part of a large regeneration team to drive the delivery of the projects. Our team included experienced professionals with complementary skills with respect to development partner procurement, scheme development, viability assessments, etc., together with support to the provision of effective partnership development and governance, programme management and project monitoring arrangements. This helped the Council accelerate its regeneration activities.

### Development Strategy for Newhaven

*Newhaven Strategic Network*

SQW prepared the Development Strategy and Vision for Newhaven in East Sussex, in response to the effects of decades of under-investment. Newhaven was suffering from social and economic deprivation arising from a decline in the manufacturing industries and the significant contraction of Newhaven Port.

The development strategy addressed the range of physical and economic challenges across Newhaven and identified a range of projects to support the regeneration and growth of the town and wider area. This included infrastructure, remediation, reclamation, site assembly, specific commercial, residential and community initiatives, business support, marketing and promotion. A development programme was formulated, alongside a funding and delivery strategy, for the partners and local authority.

## ENTERPRISE AND INNOVATION

### Crewe Innovation Centres

*Cheshire East Council*

Following the submission of two expressions of interest by Cheshire East Council (CEC) to the Government's Future High Streets Fund (FHSF), the Ministry of Housing, Communities and Local Government (MHCLG) shortlisted Crewe as one of 51 town centres for the next stage in its selection process for a share of over £600m capital funding.

SQW and Oxford Innovation supported Cheshire East Council with the development of a Full Business Case for the development of two new innovation centres in the town centre: Municipal Buildings – with a focus on Engineering and Digital Technology Services; and Christ Church – with a focus on the Arts, Cultural and Creative industries.

### Digital sector in Norwich

*Norwich City Council*

Norwich has a growing digital sector, and the City Council aimed to support its expansion through the development of new city centre workspace.

Working with Belmana and Roche Chartered Surveyors, SQW provided the Council with a better understanding of Norwich's digital SMEs, through a supply and demand study to inform proposals for new digital start-up and grow-on space.

### Kent Medical Campus, Maidstone

*Maidstone City Council*

Significant healthcare investment is taking place at Junction 7 of the M20 at Maidstone with the development of Kent Medical Campus.

Maidstone Borough Council commissioned SQW, working with Oxford Innovation and BBP, to explore the potential for an innovation centre at the site focused on the healthcare and MedTech sectors. SQW reviewed demand in the sector and current supply across Kent and a wider market area. This led to an analysis of the feasibility of the proposed

Innovation Centre, informing subsequent business planning work led by Oxford Innovation.

### Oldham Innovation Centre

*Oldham Council*

Oldham Council has developed an ambitious plan scheme to regenerate and reimagine the town centre. Part of the long-term vision is to repurpose the Prudential Buildings, a former banking chamber, that has fallen into disrepair.

SQW and Oxford Innovation worked closely with the Council to undertake detailed business planning work that informed proposals to convert the Prudential Buildings into a new innovation centre for the town.

## BUSINESS CASE DEVELOPMENT

### Heritage High Streets Revival Programme: Business Case

*Historic England*

A total of £92m has been allocated from the Future High Streets Fund to Historic England, to enable the restoration of 69 heritage high streets. This new initiative will extend and refocus Historic England's current work through Heritage Action Zone (HAZ) partnerships. The bulk of the spending will be in the form of a four-year capital programmes for improvement works, with the first year mainly dedicated to planning with partners in line with the principles of the November 2017 Barber report on Public Sector Value. The funding will also involve support for cultural activities, to help build the local confidence and resilience which will make for sustainable solutions.

SQW worked with Historic England to develop an Outline and then Full Business Cases, first for a lower level of spend, then an updated assessment for the full allocation. The project provided us with an in-depth understanding in positioning the strategic and economic cases to fit with the client's direction and operational management, while also satisfying government criteria and scrutiny process.

**Solent Gateways**

*Southampton City Council and Isle of Wight Council and private sector partners*

SQW was appointed to prepare the Business Case for Solent Gateways, a major regeneration programme for Southampton's waterfront, including the new Royal Pier Waterfront scheme, and the regeneration of East Cowes town centre and waterfront. The business case for the £15 million Local Growth Deal investment was prepared in accordance with the LEP Assurance Framework and HM Treasury Green Book principles, on behalf of Southampton City Council, Isle of Wight Council, Red Funnel Ferries and Royal Pier Waterfront (Southampton) Ltd, a subsidiary of the Lucent Group.

**Business Case for Homes England Investment at Millbay, Plymouth**

*Homes England*

SQW was commissioned to prepare a full business case to support the "paying down" of the debt that had accrued to date in the Infrastructure Account at the major development site at Millbay in Plymouth.

Millbay is a complex, mixed use development set on Plymouth's waterfront. We assessed the implications of proposed developments over the life of the scheme in terms of future infrastructure requirements as well as the "payback" prospects, as plots are developed and land / development value released.

This involved financial modelling of the future costs and receipts emerging from the development of the remaining sites at Millbay as well as the modelling of different development scenarios, under varying market conditions, and reflecting different sensitivities. The establishment of a robust Reference Case was an important aspect.

**FUNDING BIDS****Enterprise and Community Hub development**

*South Kilburn Trust and Brent Council*

This feasibility / viability study assessed the deliverability of a scheme to provide a mix of workspace for local enterprises, business support

and community facilities. Several options were considered, before recommending the refurbishment / conversion of an existing building. The design / costings of the scheme were subsequently worked up, alongside the development of a governance and management strategy for the long term sustainable operation of the facility. The project included the preparation of a business case / application for GLA LRF funding for Phase 1, which was subsequently developed and has been trading for two years. A further application was made to the GLA (Good Growth Fund) for Phase 2 of the development at the end of 2019, and this was approved, and a detailed business case is being formulated.

**Future High Streets Fund Application – Business Case**

*Dartford Borough Council*

We supported the Council's successful application to the Future High Streets Fund through research and drafting of the application and we were retained to provide critical friend support for the full business case. The proposal involves a medical hub as part of the proposed Westgate development. As well as providing additional public services in the town centre to support Dartford's growing population, this investment will help to bring forward the rest of the Westgate scheme, including a new cinema, hotel, food and drink offer and up to 140 new homes.

**Innovation Warehouse – SELEP LGF funding bid**

*Basildon Council and Essex County Council*

There is a deficit of flexible, small business accommodation in Basildon. This study examined the options for bringing forward a new scheme, testing their feasibility / viability. An existing building was identified, and work was undertaken on the design / costing solution, alongside a funding and governance strategy for the completed scheme. A cocktail of funding was identified to deliver the project, including an application to SELEP, for Local Growth Funds, which required the preparation of a full business case. Approval was ultimately given to LGF funding and proposals are currently being taken forward.

## THE VIEWPOINT SERIES

The Viewpoint series presents 'thought piece' publications produced by SQW and Oxford Innovation, the operating divisions of SQW Group.

The aim of the Viewpoint series is to share our thoughts on key topical issues in the arena of sustainable economic and social development, public policy, innovation and enterprise with our clients, partners and others with an interest in the particular subject area of each paper. In each Viewpoint, we draw on our policy research and implementation experience to consider key topical issues, and provide suggestions for strategic and practical solutions.

### About us

SQW and Oxford Innovation are part of SQW Group.

**For more information: [www.sqwgroup.com](http://www.sqwgroup.com)**



SQW is a leading provider of research, analysis and advice on sustainable economic and social development for public, private and voluntary sector organisations across the UK and internationally. Core services include appraisal, economic impact assessment, and evaluation; demand assessment, feasibility and business planning; economic, social and environmental research and analysis; organisation and partnership development; policy development, strategy, and action planning. In 2019, BBP Regeneration became part of SQW, bringing to the business a RICS-accredited land and property team.

**For more information: [www.sqw.co.uk](http://www.sqw.co.uk)**



Oxford Innovation is a leading operator of business and innovation centres that provide office and laboratory space to companies throughout the UK. The company also provides innovation services to entrepreneurs, including business planning advice, coaching and mentoring. Oxford Innovation also manages investment networks that link investors with entrepreneurs seeking funding from £20,000 to £2m.

**For more information: [www.oxin.co.uk](http://www.oxin.co.uk)**



**For more information about this Viewpoint, please contact**

**Christine Doel, Director, SQW**

T: 01223 209400 E: [cdoel@sqw.co.uk](mailto:cdoel@sqw.co.uk)