



<i>REPORT OF</i>	HEAD OF POLICY, REGENERATION AND PROPERTY
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<i>TO</i>	EXECUTIVE
<i>DATE</i>	8 December 2011
<i>EXECUTIVE MEMBER</i>	COUNCILLOR MRS. N. J. BRAMHALL

<i>KEY DECISION REQUIRED</i>	<b>YES</b>
<i>WARDS AFFECTED</i>	Redhill East and Redhill West.

<b>SUBJECT</b>	<b>REGENERATION OF MARKETFIELD WAY SITE IN REDHILL TOWN CENTRE</b>
<b>RECOMMENDATIONS</b>	
<p>(i) <b>Confirm that Option 1 (the retail-led mixed use scheme incorporating a cinema) is the preferred choice for the regeneration of the Marketfield Way site in Redhill town centre;</b></p> <p>(ii) <b>Authority be given to the Head of Policy, Regeneration &amp; Property to market the site with a view to securing a joint investment / development partner during the spring of 2012;</b></p> <p>(iii) <b>Agree to make available a capital budget of up to £120,000 to meet the costs of marketing the site, securing external legal advice and undertaking due diligence on prospective joint venture partners.</b></p>	
<b>REASONS FOR RECOMMENDATIONS</b>	
<p>The report assesses three different options for the site and establishes that the option proposing the retail and cinema mixed use regeneration of Marketfield Way will transform Redhill town centre and generate significant benefits for residents across the borough. The scheme will enable Redhill to enjoy a circle of inter-related economic and regeneration benefits which will help to underpin the long term regeneration of the town centre.</p> <p>This option (option 1) will bring the following specific economic and regeneration benefits to Redhill town centre and the borough more widely:</p> <ol style="list-style-type: none"> <li>1. Gross Value Added for the borough's economy of some £7.68 million per annum;</li> <li>2. The creation of a diverse evening economy which is currently absent from Redhill;</li> </ol>	

3. Improving the range and quality of the town centre's restaurant offer will enhance Redhill's appeal to office occupiers and the wider business community;
4. The type and size of retail space which is needed to attract the major national comparison retailers currently in short supply in Redhill;
5. By including a 7 screen multiplex cinema, the scheme will address the identified deficiency in cinema provision across the borough as a whole; and
6. The mix of uses provided by the scheme will help to restrict the current leakage of consumer expenditure from the borough to nearby centres such as Crawley and will make the town centre a more attractive place to live.

### EXECUTIVE SUMMARY

Redhill currently underperforms as the borough's main town centre. It suffers from a lacklustre image, with poor public perception of Redhill as a place and weak market perception of the town as a location in which to invest. However, the town centre has considerable potential with its excellent transport links and its relatively affluent and large, densely populated catchment area, and there is currently significant interest in inward investment.

With a limited retail and leisure offer and a limited evening economy, Redhill and its catchment area leaks considerable local consumer expenditure to nearby centres such as Crawley. Many Redhill residents are not attracted to use the town centre, choosing to spend their time and money elsewhere.

In order to meet these significant economic and commercial challenges, the Council has agreed a long term regeneration vision. The corporate policy objective is that "Redhill will be a thriving town centre which is a prominent commercial location, a competitive retail destination and a great place to live."

The Marketfield Way site has a crucial role to play in delivering the regeneration vision for Redhill. It provides a golden opportunity for the Council to provide the leadership and investment which will help to drive forward the regeneration of Redhill, as well as setting the quality standard for future redevelopment in the town centre.

In October 2010 the Council commissioned a professional design team to undertake a viability and feasibility study for the Marketfield Way site. The design team identified three main options for the Marketfield Way site:

- **Option 1 (Retail-led mixed use incorporating a cinema)** – including a 7 screen multiplex cinema, 5 retail units, 4 restaurants and 21 residential units;
- **Option 2 (Retail-led mixed use development incorporating residential)** – including 6 retail units, 98 apartments and 121 parking spaces; and
- **Option 3 (Retail-led mixed use development incorporating offices)** – including 6 retail units, 7,654 square metres of office space and 104 parking spaces.

The key conclusions from the financial appraisal of the redevelopment options (set out in the confidential report in Part II of this agenda) are as follows:

- **Option 1 (Retail and cinema mixed use)** – would require the Council to invest the

site's value if it is to be sufficiently profitable to appeal to an investment / development partner.

- **Option 2 (Retail and residential)** – is of marginal viability and is of little appeal to developers in the current market;
- **Option 3 (Retail and office)** – is not commercially viable, would be unlikely to generate demand from potential office occupiers, and is not worth pursuing; and
- None of the options would be likely to generate a revenue stream for the Council.

*Preferred option for delivering Redhill regeneration*

When the results of the soft market testing and the findings from the economic appraisal are considered alongside the financial assessment, it becomes clear that Option 1 (retail and cinema mixed use) will deliver much more of the Redhill regeneration vision than either of the other two options. The key reasons for this are as follows:

- Option 1 is a good mixed use regeneration scheme benefiting a wide catchment area;
- The retail and cinema scheme generates gross value added to the borough's economy of £7.68 million per annum;
- The retail and cinema scheme creates a viable evening economy for the town centre;
- The cinema anchor will help to convince developers about viability and occupier demand;
- Option 1 provides the most favourable overall balance of development risk; and
- The retail and cinema mixed use scheme provides a "wow" factor which will promote a step change in both the town centre offer and the wider perceptions of Redhill as a place in which to live, work and invest.

**The Executive has authority to approve recommendations (i) and (ii) above. Recommendation (iii) requires Council approval.**

## STATUTORY POWERS

1. The Council has the general power to dispose of land held by it under Section 123 of the Local Government Act 1972. Under Section 2(1) of the Local Government Act 2000 the Council has the power to do anything (subject to certain exceptions) considered likely to promote or improve the economic, social and environmental well-being of its area. This is an appropriate power authorising the Council's involvement in regeneration projects.
2. The Council also has planning and compulsory purchase powers to support the achievement of regeneration projects under the Town & Country Planning Act 1990 (as amended).

## ISSUES

### Main economic challenges facing Redhill

3. Redhill currently faces a range of economic and commercial challenges which need to be overcome if regeneration is to be successful in the longer term. However, the town centre has considerable potential with its excellent transport links and its relatively affluent and large, densely populated catchment area. There is currently significant interest in investing in the town centre, with a number of schemes for which planning permission has been obtained or is being sought.
4. The key challenges can be summarised as follows:
  - **Economic challenges** – Redhill’s retail offer is limited, especially for comparison goods shopping (non-food items). There is also insufficient supermarket provision, resulting in poor retention of convenience goods expenditure in the town centre. With the exception of the Harlequin Theatre, Redhill’s evening economy is almost non-existent. The town centre has few restaurants, no late night shopping and little to attract office workers at the end of the business day. Given the limited retail and leisure offer, many Redhill residents choose to spend their time and money elsewhere;
  - **Commercial challenges from competitor centres** – Redhill leaks considerable local consumer expenditure to nearby centres and has a much weaker town centre offer than, say Crawley. Redhill faces growing competition from larger centres and centres of a similar size and function in Surrey, Sussex and south-west Greater London;
  - **Social challenges** – Redhill experiences very significant pockets of deprivation and disadvantage. Unemployment is high and reliance on a range of other benefits is also high by borough standards. There is currently a limited choice of housing in the town centre and some of this is in a rundown condition; and
  - **Image and perception challenges** – the town suffers from a lacklustre image, with poor public perception of Redhill as a place and weak market perception of the town as a location in which to invest. Redhill rarely features as a potential location on the requirements list for major retail or restaurant occupiers, although soft market testing strongly suggests that occupiers are receptive to Redhill as a location once the potential offer has been explained. The town centre is also perceived to be unsafe at night, although the data suggests that crime in Redhill has declined dramatically over the last two years.

### Regeneration vision for Redhill

5. In order to tackle these key challenges the Council has identified the following regeneration vision for Redhill.

**“Redhill will be a thriving town centre which is a prominent commercial location, a competitive retail destination and a great place to live”**

6. This overall regeneration vision was strongly endorsed by the Redhill Regeneration Forum at its inaugural meeting in January 2011. It is the starting point for the development of the new Redhill Town Centre Area Action Plan which is Item 6 on this agenda.
7. The vision is also embedded in the Redhill regeneration theme of the Council's Corporate Plan for 2011 to 2015.

### **Significance of the Marketfield Way site**

#### *Strategic significance*

8. The Marketfield Way site has a crucial role to play in the overall regeneration of Redhill. It provides a golden opportunity for the Council to provide the leadership and investment which will help to drive forward the regeneration of Redhill, as well as setting the standard for future redevelopment in the town centre.
9. The comprehensive redevelopment of the site will replace a surface car park and unattractive High Street frontage with a high quality, mixed use regeneration scheme which will deliver a step change in the town centre's retail offer and potentially transform the town's evening economy.
10. The intention is to build out the Marketfield Way scheme by the end of 2015 which means that in only four years there will be demonstrable evidence on the ground of significant inward investment to Redhill. When combined with the redevelopment of Warwick Quadrant proposed by Sainsbury's and other potential supermarket operator investment, the Marketfield Way scheme will send a strong message to the market about the long term transformation of Redhill.

#### *Site-specific significance*

11. The Marketfield Way site is also important for the following site-specific reasons:
  - **Redhill Town Centre Area Action Plan (AAP)** – the AAP identifies Marketfield Way as the key site in the town centre with the potential to drive the overall regeneration of Redhill. The AAP has identified Marketfield Way as the best site to accommodate the additional retail comparison floorspace needed to enhance Redhill's retail offer. Marketfield Way is the only town centre site capable of delivering the leisure anchor which would attract food and drink operators to Redhill;
  - **Opportunity to provide suitable evening economy activities** – the Marketfield Way site has the potential to deliver a leisure anchor and associated quality food and drink outlets that will provide a sufficient cluster to create an appropriate leisure and evening economy for Redhill. This will improve and diversify Redhill as both a shopping and business destination, as well as making it a more desirable place to live;
  - **Prime retail pitch** – the Marketfield Way site lies opposite the main entrance to the Belfry Shopping Centre and is the prime retail pitch in Redhill town centre. The redevelopment of Marketfield Way will enhance the retail loop in the town

centre and help to develop Redhill's position as a destination for comparison shopping;

- **Contribution to town centre housing growth** – as well as providing comparison retail, the mixed use redevelopment of the Marketfield Way site will also include some residential accommodation. The inclusion of new homes in the scheme will help to promote the leisure and evening economy in Redhill; and
- **Urban realm** – Redevelopment of the Marketfield Way site in a comprehensive manner will bring significant improvements to the quality of the urban fabric and the public realm in this key town centre location. The High Street frontage in particular will be improved. It also presents opportunities to strengthen the sense of place in Redhill by providing restaurant uses with outside seating areas.

### Site ownership

12. The plan at Annex 1 to this report shows the red line boundary for the Marketfield Way site. The Council owns the freehold interests in both the Marketfield Way car park and the commercial properties at 18 to 44 High Street and has acquired the head leasehold interest.

### Indicative programme for redeveloping Marketfield Way

13. Further work is required to devise a detailed programme for the redevelopment of Marketfield Way. However, the indicative milestones below outline a challenging but achievable programme for delivering the scheme to practical completion:
  - Executive Committee approval of preferred option – **8 December 2011**;
  - Market the site – **January 2012**;
  - Appoint a joint investment / development partner – **May 2012**;
  - Submit planning application – **Early 2013**;
  - Start on site – **Summer 2014**; and
  - Scheme completion – **End 2015**.

### OPTIONS

#### Do nothing option

14. As noted earlier, the Marketfield Way site is of strategic and site-specific significance to the long term regeneration of Redhill. With this in mind, the do nothing option is not recommended.
15. With no intervention by the Council at Marketfield Way, Redhill town centre is likely to decline in the face of growing competition from nearby centres. The already limited retail offer will deteriorate further with the prospect of more long term vacancies in the town centre.

### Marketfield Way Design Team

16. In October 2010 the Council commissioned a professional design team to undertake a viability and feasibility study for the Marketfield Way site. The multi-disciplinary design team provided expertise from commercial agents, engineers, cost consultants and a flood risk specialist. Officers were involved in steering the design team.
17. The main purpose of the commission was to assess how the southern end of Redhill High Street (incorporating the Marketfield Way car park) could be regenerated to provide a modern, retail-led, mixed use redevelopment suitable for a range of mainstream retailers and/or leisure operators who do not currently have a presence in Redhill town centre.
18. The design team was instructed to produce a range of mixed use development options but with a specific requirement to maximise the ground floor retail footprint. The design team met on a number of occasions between November 2010 and March 2011 and through this process generated three main options to RIBA Stage C which is outline design.

### Site constraints

19. All development proposals for Marketfield Way need to work with a number of site-specific constraints. We have made the following working assumptions:
  - **A23/Princess Way** – neither the road alignment nor the nearby junctions can be moved. This has a significant impact on the location of access and egress to the site;
  - **Retail frontage** – this needs to be maximised along the High Street elevation and have sufficient depth to meet multiple, modern retailer requirements;
  - **Servicing** – adequate service areas needs to be created for both the new development and the buildings currently accessed via the existing car park;
  - **Parking** – there is a need to provide on-site parking for non-retail uses; and
  - **Flood risk** – the south east corner of the Marketfield Way site is located in a high risk flood area. As a result, all designs will need to work with both off-site flood mitigation measures and be capable of mitigating on-site the development's own impact.

### Redevelopment options

20. The design team identified three main options for the Marketfield Way site, as follows:
  - **Option 1 (Retail and cinema mixed use)** – including a 7 screen multiplex cinema, 5 retail units, 4 restaurants and 21 residential units;
  - **Option 2 (Retail and residential)** – including 6 retail units, 98 apartments and 121 parking spaces; and
  - **Option 3 (Retail and office)** – including 6 retail units, 7,654 square metres of office space and 104 parking spaces.

### Appraisal of redevelopment options

21. Three different types of appraisal have been undertaken in order to provide a well rounded assessment of the redevelopment options for the Marketfield Way site. The appraisal of options has included the following work:
- **Financial appraisal** –residual value development appraisals have been completed for all three options. Both the capital and revenue implications for the Council of all three options have been assessed;
  - **Soft market testing** –informal discussions have been held with both potential occupiers and with prospective development partners to gauge their interest in the Marketfield Way site; and
  - **Economic appraisal** –an assessment of the job creation, gross value added and wider regeneration benefits associated with the options have been undertaken.

### Financial appraisal

22. The key findings from the financial appraisal of the options (set out in the confidential report in Part II of this agenda) can be summarised as follows:
- **Option 1 (Retail and cinema mixed use)** – would require the Council to invest the site's value if it is to be sufficiently profitable to appeal to investment /development partners;
  - **Option 2 (Retail and residential)** – is of marginal viability but is of little appeal to developers in the current market;
  - **Option 3 (Retail and office)** – is not commercially viable, would be unlikely to generate demand from potential office occupiers and is not worth pursuing; and
  - None of the options would be likely to generate a revenue stream for the Council.
23. Based on the results of the financial appraisal, option 3 (retail and office) was rejected. No further work has been undertaken on option 3 since this is clearly the least attractive of the three redevelopment options for Marketfield Way. The financial appraisal reveals that the retail and office option is not commercially viable and there is unlikely to be demand from office occupiers given the considerable surplus of office space in Redhill town centre.

### Soft market testing

24. The soft market testing has focused on options 1 and 2. The work undertaken has included two main strands of activity, as follows:
- **Informal discussions with potential occupiers** – commercial agents have spoken with potential end users of space at Marketfield Way to assess their interest in the scheme; and
  - **Informal discussions with developers** – informal discussions have been held with six developers and contractors to gauge their interest in undertaking a joint venture redevelopment of Marketfield Way.



25. The key findings of the soft market testing can be summarised as follows:
- Option 1 (Retail and cinema mixed use) – there is serious interest from cinema operators and this in turn has generated serious interest from restaurant operators. In addition, without any marketing, a number of developers have expressed an interest in the proposal. Interest could be expected to increase if and when the site is marketed. The site’s marginal viability is an issue but not an insurmountable one. However, delivery may be at risk if current market conditions do not improve.
  - Option 2 (Retail and residential) - only one of the three approached developers specialising in residential-led, mixed use development has expressed an interest in the Marketfield Way scheme.

### Economic appraisal

26. The economic appraisal has also focused on options 1 and 2.
27. The headline messages from the economic appraisal are summarised in Table 1 below:

**Table 1 - Economic appraisal of Marketfield Way redevelopment options**

Option	Mix of uses	Temporary construction jobs	On-site permanent jobs	Net additional jobs	Gross value added
<b>Option 1 - Retail and cinema mixed use</b>	Multiplex cinema; 5 retail units; 4 restaurants; 21 residential units	135 person years	295	201	£7.68 million per annum
<b>Option 2 - Retail and residential</b>	6 retail units; 98 residential units; 121 parking spaces	200 person years	128	87	£3.32 million per annum

28. Table 1 demonstrates that the retail and cinema mixed use scheme creates more economic and regeneration benefits than the retail and residential scheme. Option 2 will generate more temporary construction employment, reflecting the higher build cost associated this scheme.
29. However, on all the other measures considered in the economic appraisal, option 1 provides the strongest set of benefits for Redhill and the borough as whole. These economic and regeneration benefits include:
- **On-site jobs** - the retail and cinema mixed use scheme will create almost 300 on-site, permanent and full-time equivalent jobs in a location which is currently a hot spot for unemployment for the borough;

- **Net additional jobs** – measures the real impact of a development after allowing for leakage, displacement, substitution and economic multiplier effects. The retail and cinema mixed use scheme will create over 200 net additional permanent, full-time equivalent jobs for the borough; and
- **Gross value added (GVA)** – is a key indicator of economic well-being. GVA measures the value of output (goods and services) produced in the economy minus the cost of raw materials and other inputs used to produce the output. The retail and cinema mixed use scheme will generate gross value added for the borough's economy of £7.68 million per annum. This is more than double the GVA that would be generated annually by the retail and residential scheme.

### *Meeting the need for cinema provision*

30. Roger Tym and Partners have recently updated the retail and leisure needs assessment for the borough as a whole.
31. The report notes that the borough is poorly served by cinemas and identifies a clear need for a cinema in Redhill. The average travel time to a cinema is 18 minutes and there are currently only three cinema screens within an 18 minute drive time of Redhill town centre.
32. There are two screens at the Everyman in Reigate and one screen at the Harlequin Theatre in Redhill. This equates to 2.5 cinema screens per 100,000 people compared with an average for the South East of 6.4 cinema screens per 100,000 people.
33. This deficiency in cinema provision is a significant contributor to the leakage of consumer expenditure from Redhill and the rest of the borough to other nearby centres, particularly Crawley. Option 1 will tackle this deficiency by providing a 7 screen multiplex cinema at the heart of the borough. A new cinema in Redhill would serve a wide catchment area extending well beyond the town centre and bringing benefits to residents across a wide swathe of the borough.

### **Overall conclusions**

#### *Preferred option for delivering Redhill regeneration*

34. When the results of the soft market testing and the findings from the economic appraisal are considered alongside the financial assessment, it becomes clear that Option 1 (retail and cinema mixed use) will deliver much more of the Redhill regeneration vision than either of the other two options.
35. The key reasons for this are as follows:
  - As well as delivering much needed comparison retail space, Option 1 will also make a major contribution to improving and diversifying the leisure and evening economy in Redhill, thereby improving the town's desirability as a place to live, shop and work;
  - The retail and cinema scheme is a good mixed use development which will provide economic and regeneration benefits for a wide catchment area across the borough;

- Option 1 will generate gross value added to the borough's local economy of £7.68 million per annum;
- The retail and cinema mixed use scheme will generate around 300 permanent on site jobs across a diverse range of occupational types which are likely to be well suited to the local labour force in Redhill. By helping to tackle the existing relatively high levels of unemployment in Redhill East and West wards, Option 1 will deliver one of the key outcomes identified for Redhill regeneration in the Corporate Plan for 2011 to 2015;
- The retail and cinema mixed use scheme offers a relatively favourable balance of development risk for both the Council and a prospective joint investment / development partner. The scheme would be anchored by a pre-let to a multiplex cinema operator. The cinema pre-let will reassure prospective joint investment / development partners about occupier demand and overall scheme viability;
- Option 1 would also deliver a new pedestrian street and public space, providing a focal point for a cluster of restaurants and cafes. As well as delivering new uses to the town centre, option 1 would help to create a much stronger sense of place than is apparent in Redhill at present; and
- The retail and cinema mixed use scheme provides a "wow" factor which will promote a step change in both the town centre offer and the wider perceptions of Redhill as a place in which to live, work and invest.

## FINANCIAL IMPLICATIONS

36. The financial implications are summarised above and are set out more fully in the confidential report at Part II of this agenda.
37. The Council will need to identify a budget to cover the costs of marketing the site and procuring a suitable investment / development partner. These costs are expected to be up to £120,000 and are likely to be incurred during 2011/12 quarter 4 and 2012/13 quarter 1.
38. The marketing and procurement costs will include the following headline items:
  - Surveyors' fees for advice on procurement of a joint investment / development partner, preparation of all necessary marketing material and negotiations with potential purchasers - **£70,000**;
  - Legal fees for advising on procurement and the negotiation of a joint investment / development partnership - **£20,000**; and
  - Contingency for further design team input - **£30,000**.

## LEGAL IMPLICATIONS

39. As noted in the section on financial implications, the Council will need to commission external legal advice to support the procurement process for the redevelopment of the Marketfield Way site. This work will include contract negotiation to and undertaking due diligence on a prospective development partner,

and advice on the most appropriate way to structure the arrangements. Depending on the way in which the arrangement with the development partner is structured, there may be implications relating to the EU procurement rules.

40. Once a joint investment / development partner has been selected the intention is for the Council to enter into a conditional contract. This will provide for the disposal of the Marketfield Way site subject to the developer securing planning permission, pre-letting key units and committing to the construction of an approved scheme.
41. As the proposal involves the disposal of the Council's land at nil value, the disposal will need the Secretary of State's consent.

## EQUALITIES IMPLICATIONS

42. There are no equalities issues associated with any of the options for the regeneration of the Marketfield Way site.

## RISK MANAGEMENT CONSIDERATIONS

### Development risks

43. There are inherent risks with any form of commercial development. However, it is important to note that the balance of development risk differs between each of the three main options for Marketfield Way.
44. The key points to consider are as follows:
  - **Option 1 (retail and cinema mixed use)** – offers a relatively favourable balance of development risk for both the Council and a prospective joint investment / development partner. The scheme would be pre-let in its entirety, anchored by a multiplex cinema operator which would be highly attractive to both retailers and restaurant operators;
  - **Option 2 (retail and residential)** – would be residential-led with a broad 70:30 split by value. The scheme would therefore rely for its success on the sale of 98 residential apartments at what is likely to be an uncertain point in the economic cycle. The successful sale in a single phase of 98 town centre apartments would require the residential market to be much more buoyant than at present; and
  - **Option 3 (retail and office)** – would require the letting of over 7,500 square metres of commercial office space against a backdrop of significant office vacancies in Redhill town centre. There is currently around 20,000 square metres of vacant office space in Redhill town centre, including Kingsgate House which offers around 4,000 square metres of grade A office accommodation but has remained vacant since completion over two years ago.

## OTHER IMPLICATIONS

### Complementing the Harlequin cinema offer

45. The retail and cinema mixed use regeneration of Marketfield Way will clearly have implications for the operation of the 100 seat Waller Cinema at the Harlequin Theatre.

46. As it would not be able to compete with a multiplex cinema on choice of new releases, the Waller cinema would need to identify a market niche which complements a multiplex offer. There would certainly be opportunities for the Harlequin cinema to compete effectively on price, since its £6 ticket price is considerably below the market rate for multiplex cinemas.
47. With a multiplex cinema in Redhill town centre, it would make most commercial sense to use the Waller cinema for occasional film screenings and a range of other income generating activities. The alternative uses are likely to include operating as a conference facility and for studio theatre performances.
48. Not all of the likely impacts from the cinema and retail mixed use regeneration of Marketfield Way will present challenges for the Harlequin cinema. The new restaurants and public space proposed by the scheme will dramatically improve the evening economy in Redhill, increasing footfall in the town centre and providing opportunities for users of the Harlequin to eat or drink in Redhill. This will add to the attractiveness of the Harlequin as a venue for leisure and cultural activities.
49. The Council is confident about the prospects for identifying alternative income generating uses for the Waller cinema. The overall revenue implications for the Council are expected to be minimal.

## CONSULTATION

### Internal consultation

50. Given the commercially confidential nature of the material in this report, the internal consultation to date has been restricted to Executive Members and appropriate senior officers.

### External consultation

51. External consultation has been restricted to a small number of prospective partners who participated on a confidential basis in the soft market testing exercise.

## POLICY FRAMEWORK

### Corporate Plan for 2011 to 2015

52. Redhill is one of the Council's four priority regeneration areas. The regeneration of Redhill town centre is central to the Corporate Plan for 2011 to 2015 which identifies the following key outcomes:
  - **Lower unemployment** - reduce unemployment (as measured by claimants for Job Seekers' Allowance) in Redhill East and Redhill West wards to the borough average;
  - **Reduced benefit dependency** - reduce the proportion of working age people receiving other benefits in Redhill East and Redhill West wards to the borough average;
  - **Lower vacancy rates** - reduce vacancy rates for commercial office space in Redhill town centre to the Surrey average;

- **Reduced anti-social behaviour** – reduce the recorded instances of anti-social behaviour per 1,000 population in Redhill town centre to the average for Surrey town centres; and
- **Improved public satisfaction** – increase the satisfaction levels that Redhill residents have of the public and commercial facilities in Redhill town centre, as well as increase satisfaction with Redhill as a place to live.

### Strategic regeneration objectives

53. There is widespread support for the Redhill regeneration vision outlined in the issues section of this report.
54. More specific strategic objectives explain what the Council and key partners will need to do in order to realise the vision:
- (i) To ensure that Redhill fulfils its potential as the **main retail centre for Reigate and Banstead** by providing additional comparison and convenience floor space which is of an appropriate scale and quality to diversify the town centre's retail offer;
  - (ii) To secure Redhill's role as a **commercial location of choice** for a diverse range of occupiers;
  - (iii) To provide the mix of uses that will **enable Redhill to become a vibrant place** in which to live, shop and work;
  - (iv) To provide the **physical and social infrastructure facilities** which will be required to accommodate the significant population and commercial growth planned for Redhill over the next decade. This infrastructure will include traffic management improvements, the refurbishment of Donyngs Leisure Centre, delivery of the Memorial Park improvement plan etc;
  - (v) To **develop, diversify and manage the evening economy** in Redhill town centre, focusing on a family-friendly offer;
  - (vi) To ensure that the redevelopment and regeneration of Redhill town centre creates **demonstrable benefits for local residents** (including more difficult to reach groups and those facing social disadvantage) and for local businesses;
  - (vii) To **improve the physical appearance of the town centre** by tackling unattractive areas which currently act as a magnet for crime or anti-social behaviour and create a poor impression of Redhill for residents, commuters and potential inward investors; and
  - (viii) To take proactive and coordinated steps to **change the negative perceptions that people have of Redhill** as a place in which to live, work and invest.

### Redhill Town Centre Area Action Plan

55. The Redhill regeneration vision is the starting point for the development of the new Redhill Town Centre Area Action Plan (AAP) which will be published as a consultation draft in early 2012. The AAP will provide the planning policy

framework to manage the growth planned for Redhill, as well as promoting the regeneration of key sites in the town centre.

56. The consultation draft of the revised AAP is also being considered at Item 6 on this agenda.

## **BACKGROUND PAPERS**

Roger Tym and Partners Retail and Leisure Needs Assessment Update September 2011

Economic appraisal of Marketfield Way redevelopment options







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