

DEVELOPMENT PARTNER FOR

SUTTON CIVIC AND TOWN CENTRE REGENERATION



MAJOR LONDON MIXED-USE DEVELOPMENT OPPORTUNITY

Memorandum of Information
October 2023



FOREWORD

Sutton is a truly special place that more and more people and businesses are proud to call their home.

We are ambitious for our borough and our residents. Sutton will be on the map in London, nationally and internationally for its world-leading cancer research campus at the London Cancer Hub in Belmont as we continue to grow and ensure strong and fair economic growth locally.

Sutton Town Centre and The London Cancer Hub are well connected with frequent train services to central London and Surrey. We have good bus services to the town centre and there are also good connections to neighbouring Croydon and Kingston. We also have first class schools and high educational attainment. All this makes Sutton a great and exciting place to invest in and create the sustainable jobs, workspaces and homes our residents and businesses deserve and want.

With the purchase of the St Nicholas Shopping Centre two years ago, the Council owns a significant site in the heart of the Sutton Town Centre. The redevelopment of the shopping centre site along with the Civic Offices, Gibson Road car park and Secombe Theatre sites are a major opportunity to implement the Council's plans for creating a vibrant, sustainable town centre.

There is a real buzz among businesses and our residents about the exciting changes we are starting to see in our town centre and we want to build on that positivity and momentum.

The Council wants to create a new home for its own offices and the town centre library and has a vision to create a new Civic Hub on the High Street which will host a range of public services provided by the Council and its partners, and create a place which is open to everyone offering a variety of spaces for community activities and events.

To take this vision forward, we are now looking for an experienced development partner who shares our goal to deliver an ambitious mixed-use scheme at the heart of Sutton Town Centre that truly reflects the aspirations of our residents and businesses. This brochure provides more information about this key project.

We look forward to hearing from you.

Councillor Ruth Dombey
Leader of Sutton Council



THE OPPORTUNITY

FLAGSHIP PROJECT



TEN ACRES



1,000+ NEW HOMES



180,000^{sq} FT COMMERCIAL ACCOMMODATION



NEW CIVIC HUB to deliver Council and public and community services



IMPROVE TOWN CENTRE Attract people to the High Street for a variety of activities - retail, leisure, education, relaxation and public services



**SITE 1
ST NICHOLAS SHOPPING CENTRE**



**SITE 2
CIVIC CENTRE**



Manor Park

**SITE 3
GIBSON RD CAR PARK**



**SITE 4
SECOMBE THEATRE**



Sutton Common Station
Approx. 16–20 mins walk from St. Nicholas Shopping Centre

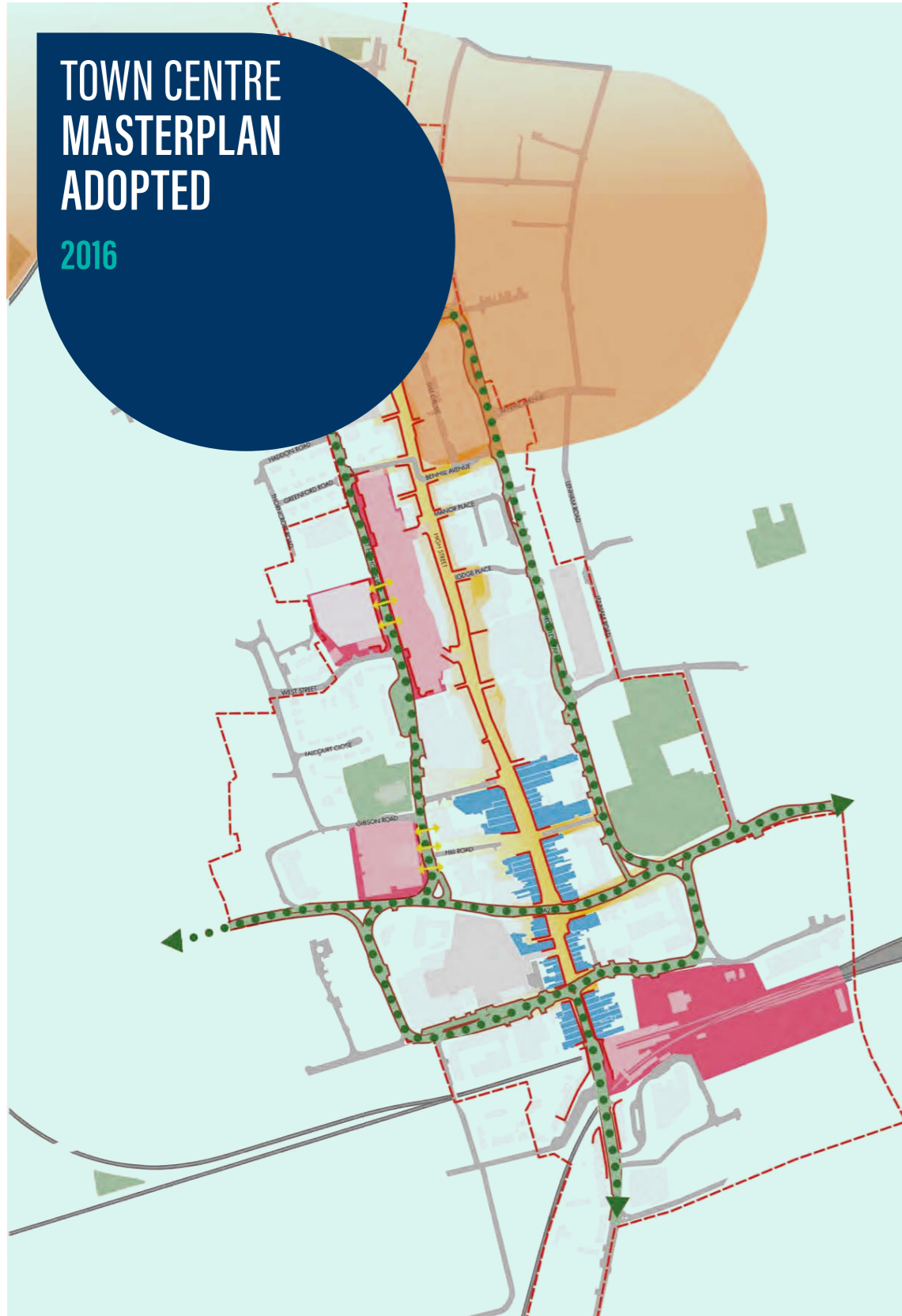
West Sutton Station
Approx. 19–23 mins walk from St. Nicholas Shopping Centre

Sutton Train Station
Approx. 8–11 mins walk from St. Nicholas Shopping Centre

THE STORY SO FAR - TOWN CENTRE EVOLUTION

TOWN CENTRE
MASTERPLAN
ADOPTED

2016



WORKWELL
PROGRAMME

2020

Council put in place a programme working with staff to fully develop the requirements for Hybrid working and for the new Civic Hub.

COUNCIL
ACQUIRES
ST. NICHOLAS CENTRE
2021



COUNCIL SECURES
£11.35 MILLION OF FUTURE
HIGH STREET FUNDING (FHSF)
FOR KEY TOWN CENTRE
PROJECTS

2021



OUTLINE BUSINESS
CASE APPROVED BY COUNCIL
FOR REDEVELOPMENT OF THE
ST NICHOLAS CENTRE AND CIVIC
CENTRE SITES

NOV 2022

THE BIGGER PICTURE

There has been significant amount of wider investment into Sutton and a number of other projects are set to be delivered in the town centre.



COMPLETED

- 1 SIENNA HOUSE**
Watkin Jones/M&G - 136 rental apartments located adjacent to Sutton Station.
- 2 SUTTON POINT**
Greystar - a residential-led development and diverse new neighbourhood, including retail space, commercial space and a 150-bed hotel with serviced apartments.
- 3 ORU SUTTON**
A major co-working, wellbeing and retail space for businesses in Sutton High Street - work space opened in 2023.

PROPOSED

- 4 NORTHERN GATEWAY 246-254 HIGH ST**
Creating a new home for Sutton College at 246-254 High Street and new affordable housing.
- 5 137-145 HIGH ST**
Refurbishment of the two historic buildings at 137-145 High Street into retail and business space with potential to incorporate into the redevelopment opportunity.
- 6 THE LONDON CANCER HUB**
A world-leading life-science district specialising in cancer research, treatment, education and enterprise.

PLANNING PERMISSION GRANTED

- 7 THROWLEY YARD**
Delivering a cinema and community arts venue.
- 8 ELM GROVE**
Elm Grove is an exciting town centre regeneration opportunity, LBS will be seeking a developer partner to deliver the scheme in Autumn 2023. The scheme will transform the existing estate and will provide circa 300 homes of which 50% will be affordable.

PLANNING PERMISSION SUBMITTED

- 9 CHALK GARDENS**
Berkeley St George has acquired the B&Q site in the town centre for redevelopment of the site to provide 1,015 homes (35% affordable) alongside a range of food and beverage and other commercial uses.

UNDER CONSTRUCTION

- 10 BEECH TREE PLACE**
The Council to provide 92 affordable units across one 8 storey and two 6 storey blocks. Construction started on site - March 2023.

THE PARTNERSHIP OPPORTUNITY

This is an exciting opportunity to invest in one of London's greenest boroughs in a scheme that will continue the transformation of the town centre.

Consisting of 4 Sites comprising 10 acres:

SITE 1
ST NICHOLAS SHOPPING CENTRE
4.0 ACRES

SITE 2
GIBSON RD CAR PARK
2.2 ACRES

SITE 3
CIVIC CENTRE
1.7 ACRES

SITE 4
SECOMBE THEATRE
0.9 ACRES



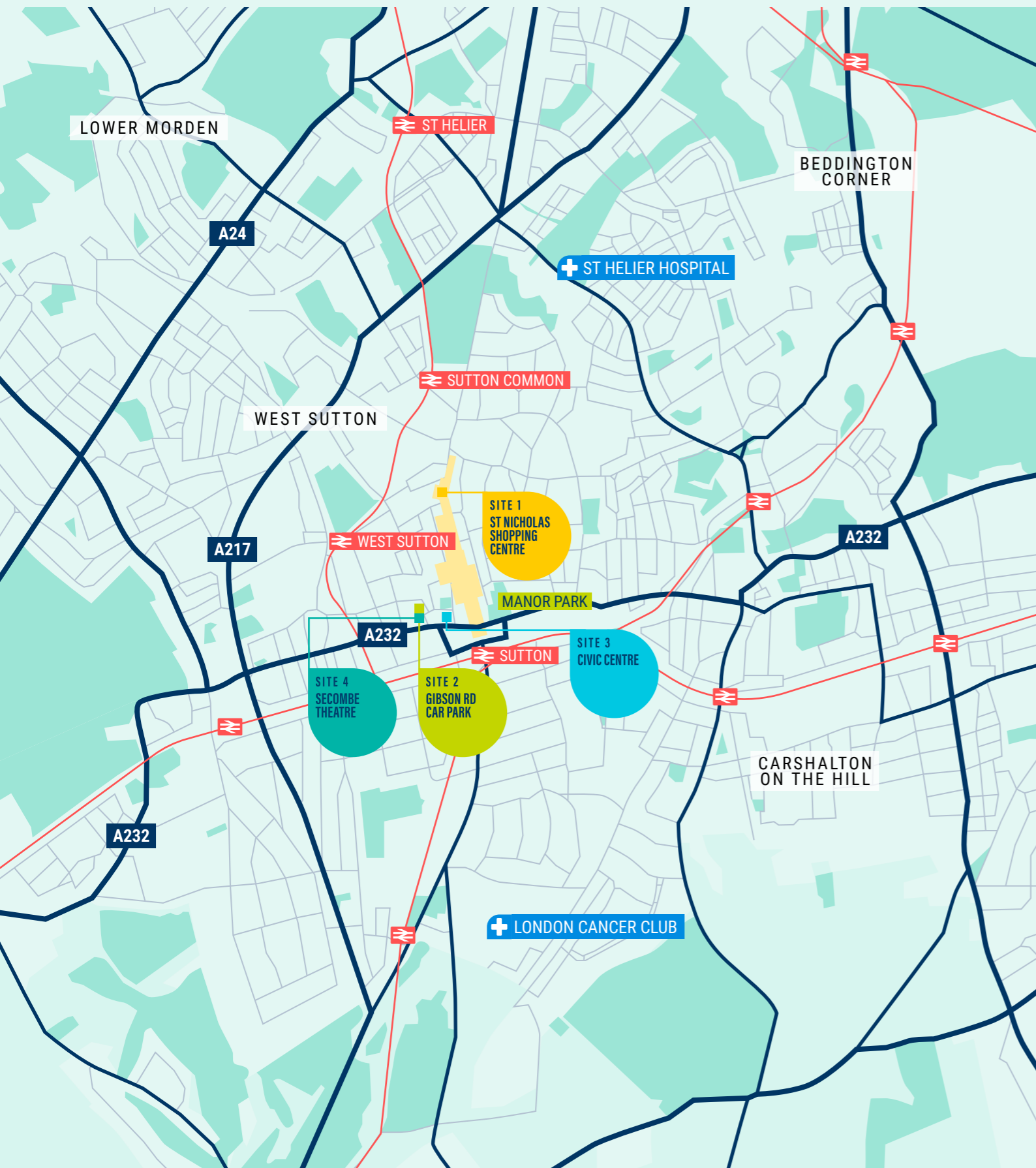
An illustrative masterplanning exercise across the 4 Sites carried out by the Council through architects Pozzoni demonstrates capacity for c. **1,000 new homes** and **180,000 sq ft of commercial space** alongside the development of a **new Civic Hub** for

the Council including its own offices, library and space to deliver a range of public and community services and activities. The Sites will be transferred to the Development Partner through a Development Agreement on an agreed basis.

The Development Partner will procure, design and build a new Civic Hub funded by the Council as a replacement for its current facility.

The Council invites bids from prospective partners with the proven skills, resources and commitment alongside a proven track record of delivering high-quality projects that transform town centres and bring benefits for local communities.

LOCATION & CONNECTIONS



CONNECTIVITY

Sutton is a Metropolitan Town Centre located approximately 10 miles south west of Central London.

Sutton town centre has excellent public transport accessibility with a Public Transport Accessibility Level (PTAL) rating of 6a. The town is served by three stations; Sutton, West Sutton and Sutton Common. Sutton Railway Station is located approximately 0.4 miles to the South of the development opportunity and high street.

The station provides regular mainline rail services to London Victoria and London Bridge, with a journey time of 26 minutes and 29 minutes respectively.

Sutton has good connectivity by road, access to the M25, 7 miles South-West on the A217.

Sutton is also well served by an express bus service connecting to neighbouring town centres such as Croydon, Heathrow, Kingston upon Thames and Wimbledon.



DEMOGRAPHICS

The population of Sutton has increased by 10% over the last decade to 209,639 in 2021 and is projected to grow to 220,148 by 2043 ([Source: ONS](#)).

The age profile of the Sutton includes a particularly high proportion of adults aged 25-44, with individuals in the 40-45 age group making up the largest proportion of the population ([Source: Promis](#)).

83% of Sutton's residents are economically active, higher than the PROMIS average across Britain of 78% ([Source: Promis](#)).

The unemployment rate is low, with 2.9% of the population claiming unemployment benefits compared to the PROMIS average across Britain of 3.6% ([Source: Promis](#)).

The fourth safest borough in London, Sutton's annual crime rate is significantly below the London average. Over the last year, 65 crimes were recorded per 1,000 population in Sutton compared to the London average of 100 ([Source: data.police](#)).

Renowned for its high achieving schools, Sutton's recent GCSE achievements have been recorded in the league tables as some of the best in the country ([Source: Sutton Council](#)).

In the recent GSCE results, approximately 90% of pupils achieved 4+ in English, and 87% achieved 4+ in Maths compared with a national average of 65% and 61% respectively ([Source: Sutton Council](#)).

PROJECT AMBITIONS

The portal sets out in further detail the Council's objectives for the development.

Below is a summary of key project ambitions.

AMBITIONS

- Curate and promote an attractive and distinctive identity for Sutton Town Centre
- Ongoing commitment to preventing and tackling climate change
- Promoting equality, diversity and inclusion, supporting the most vulnerable in the community
- Supporting strong and fair economic growth
- Providing residents with access to high-quality services
- Maximisation of retained revenues and development receipts for Council
- Delivery of a viable scheme



CIVIC HUB ON THE HIGH STREET

- Provide a new Civic Centre and library
- Continuous provision of Council offices and civic functions



HOMES

- Increase housing supply
- Increasing affordable housing



COMMERCIAL

- Increase the economic resilience of the town centre
- Diverse and distinctive retail, dining, cultural and leisure offer
- BREEAM excellent
- Maximise financial return
- Enhance the social infrastructure in the town centre



PUBLIC REALM

- High quality public realm
- Improved connectivity around the town centre.



ST NICHOLAS SHOPPING CENTRE

SITE DESCRIPTION

The St Nicholas Shopping Centre Site measures 4.0 acres (1.6 hectares) and comprises a three-storey shopping centre which features a department store, cafes and as well as a two-storey basement.

The St Nicholas Centre is the largest single retail component within Sutton town centre. It was constructed in the early 1990's and measures 434,505 sq ft. It has two anchor store locations at each end of the mall and accommodation for approximately 60 tenants in total. The Centre also has a substantive servicing basement containing the service yard and other back areas, from which the shops are serviced.

The Site is located along the pedestrianised High Street at a central location within the heart of the town centre. The site is bounded by Greenford Road to the north, the High Street to the east, St Nicholas Road to the south and St Nicholas Way to the west.

The Centre is highly visible from the St Nicholas Way gyratory, albeit presenting a largely blank, inactive façade. A walkway, at high level over St Nicholas Way, links the upper ground floor of the centre with the cinema/ multi-storey car park opposite (the "Cinema Site"). The Cinema Site is excluded from this procurement and will remain in the Council's ownership and management.

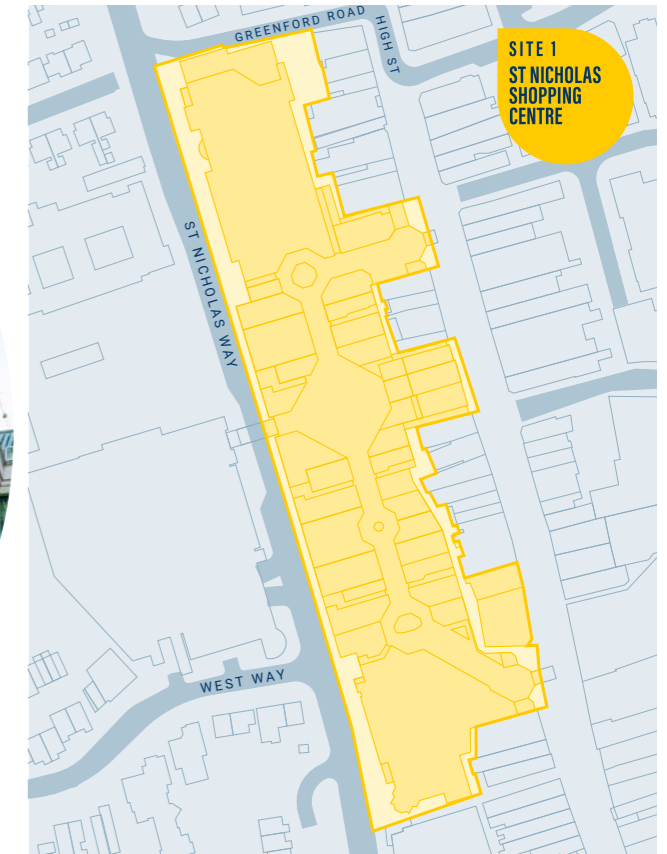


The Public Transport Accessibility Level (PTAL) from the Site is 6a (Excellent).

Title information and survey data will be available on the Development Portal.

VACANT POSSESSION

The department store was vacated in 2021 and part of the unit is currently leased on a short-term lease to a gym operator. Where possible, the Council would like to see existing tenants and businesses retained in the town and for there to be continuity of trading during the development phases. The Development Partner will therefore be expected to work with the Council in developing its site assembly strategy.



SITE 2

CIVIC CENTRE

SITE DESCRIPTION

The Civic Centre Site measures 2.2 acres (0.9 hectares) and comprises a four storey, U-shaped building which includes a range of uses, including council offices, a public library, an adult education college, and a surface car park.

The Site is bordered by Gibson Road and St Nicholas Church to the north, St Nicholas Way to the east, Cheam Road (A232) to the south and Holiday Inn hotel to the west.

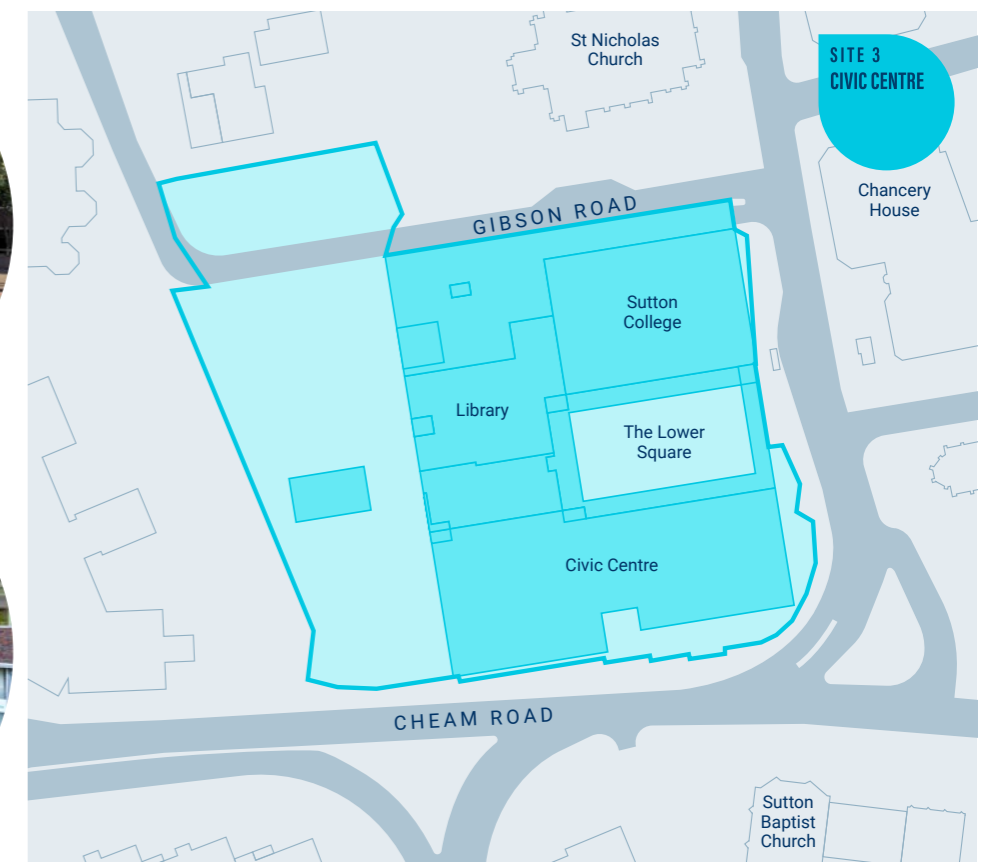
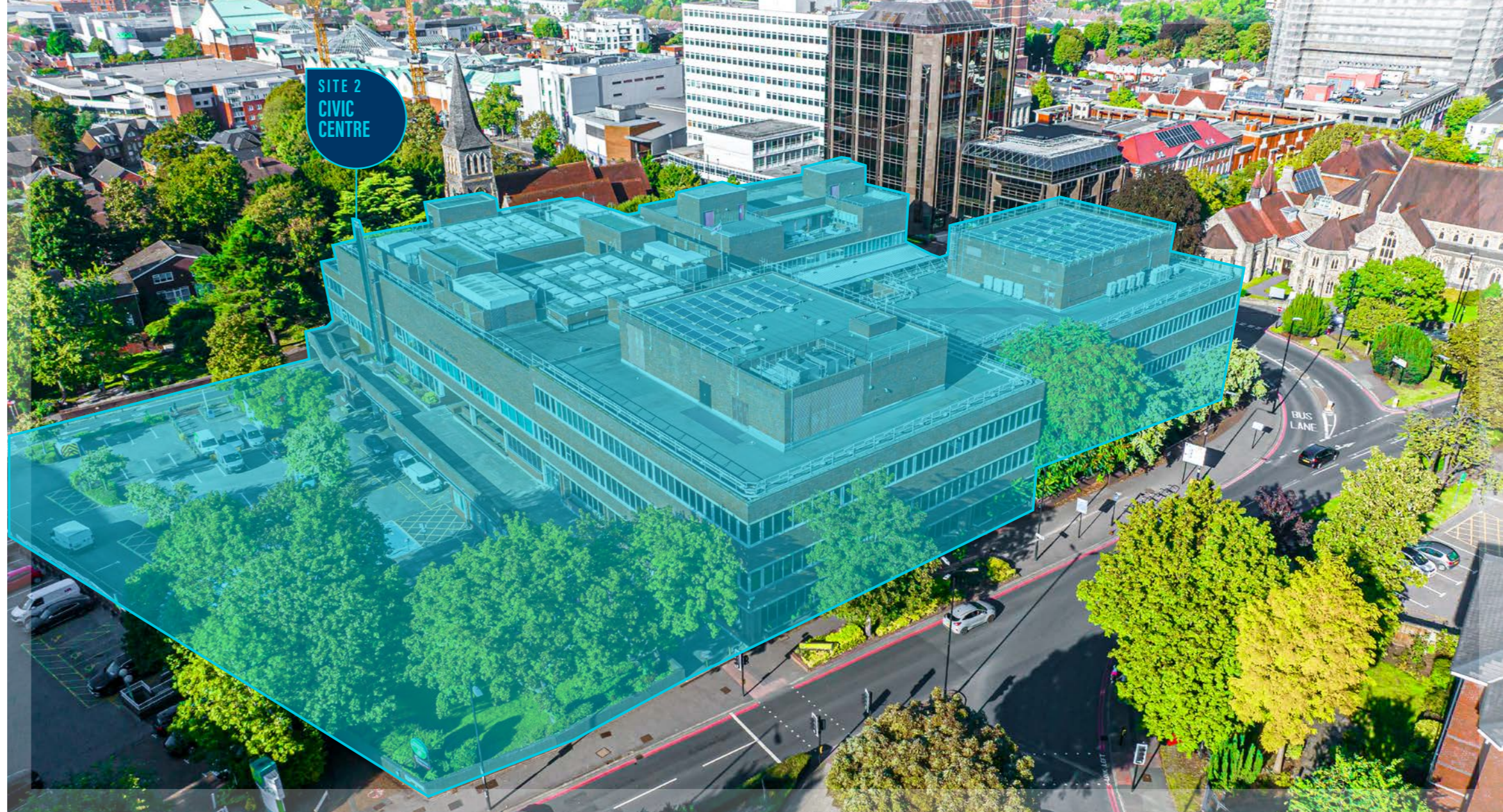
The Public Transport Accessibility Level (PTAL) for the Site is 6a (excellent).

VACANT POSSESSION

All the areas within the Civic Centre are run or controlled by the Council and full vacant possession will be provided upon satisfaction of conditions and subject to the Development Agreement arrangements.

To ensure the continuity of existing services, the Development Partner will need to demonstrate that the relocation of the existing civic uses to the St Nicholas Centre are in place prior to the redevelopment of this Site.

The Council is relocating Sutton College to the Northern Gateway Building at 246-254 High St.



SITE 3

GIBSON ROAD CAR PARK

SITE DESCRIPTION

The Gibson Road Car Park Site measures 1.7 acres (0.7 hectares) and contains a multi-storey car park of seven floors with vehicular access from Gibson Road and Camden Road.

The Site located to the north-west of the Civic Offices and is bordered by Camden Road to the north, Robin Hood Lane to the east, residential dwellings to the west and Gibson Road and a Holiday Inn hotel to the south.

The Public Transport Accessibility Level (PTAL) from the Site is 6a (Excellent).

VACANT POSSESSION

The car park is not needed to meet the requirements of the town centre and can be redeveloped for alternative uses. Full vacant possession will therefore be provided.



SECOMBE THEATRE

SITE DESCRIPTION

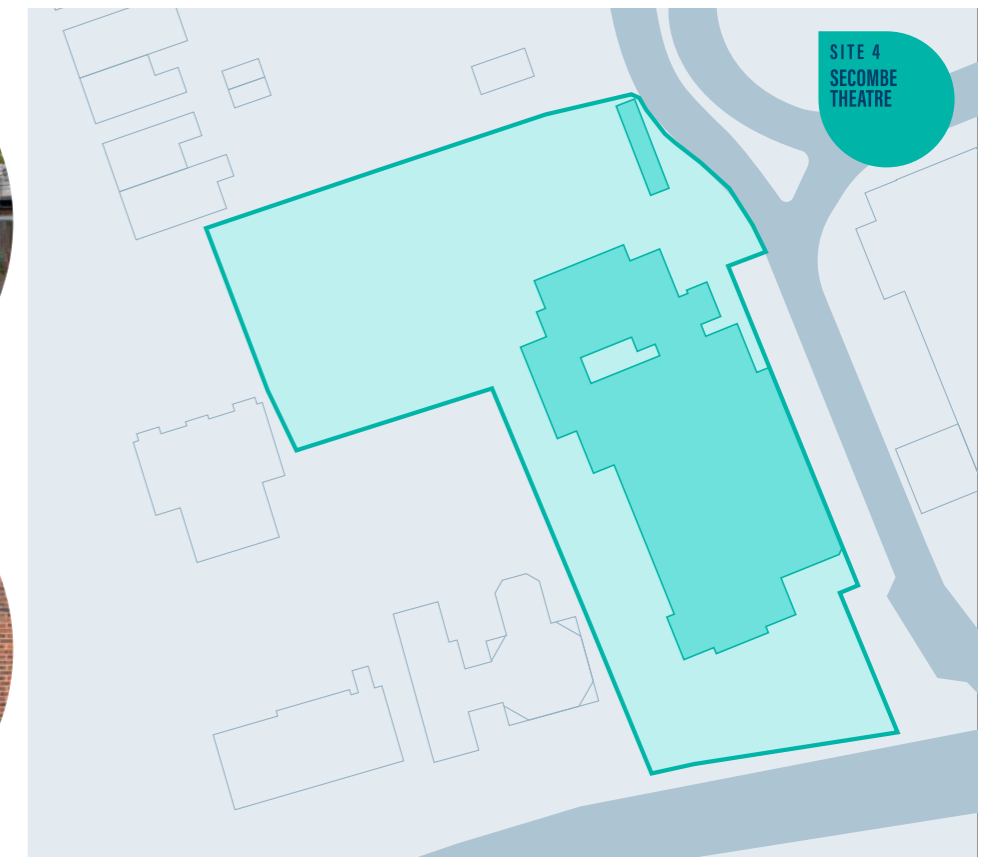
The Secombe Theatre Site measures 0.9 acres (0.4 hectares) and comprises a converted two-storey church building which is no longer used (closed 2016), but was latterly operating as a multi-purpose entertainment venue, also hosting community and conference events.

The Site is bordered by residential development and the Gibson Road car park to the north, Gibson Road and a Holiday Inn hotel to the east, the Magdalen Nursery and residential development to the west, and Cheam Road to the south.

The Public Transport Accessibility Level (PTAL) from the Site is 6a (Excellent).

VACANT POSSESSION

The Site is currently vacant and is not reliant on any other Sites to come forward to enable the redevelopment. It is therefore considered that the Site could come forward quickly.



COMMERCIAL STRUCTURE

DEVELOPMENT AGREEMENT

The Council proposes to enter into a Development Agreement with the successful bidder which will secure the benefits sought by the Council. The Development Agreement will be on the basis of new long leases or freeholds that will be granted following satisfaction of conditions precedents.

The Development Agreement will contain a number of conditions, milestones and step-in rights to ensure that the scheme is successfully delivered in line with the agreed approach and the Council's objectives and minimum requirements. The Council expects to work closely with the partner, taking an open book approach via a joint project board.

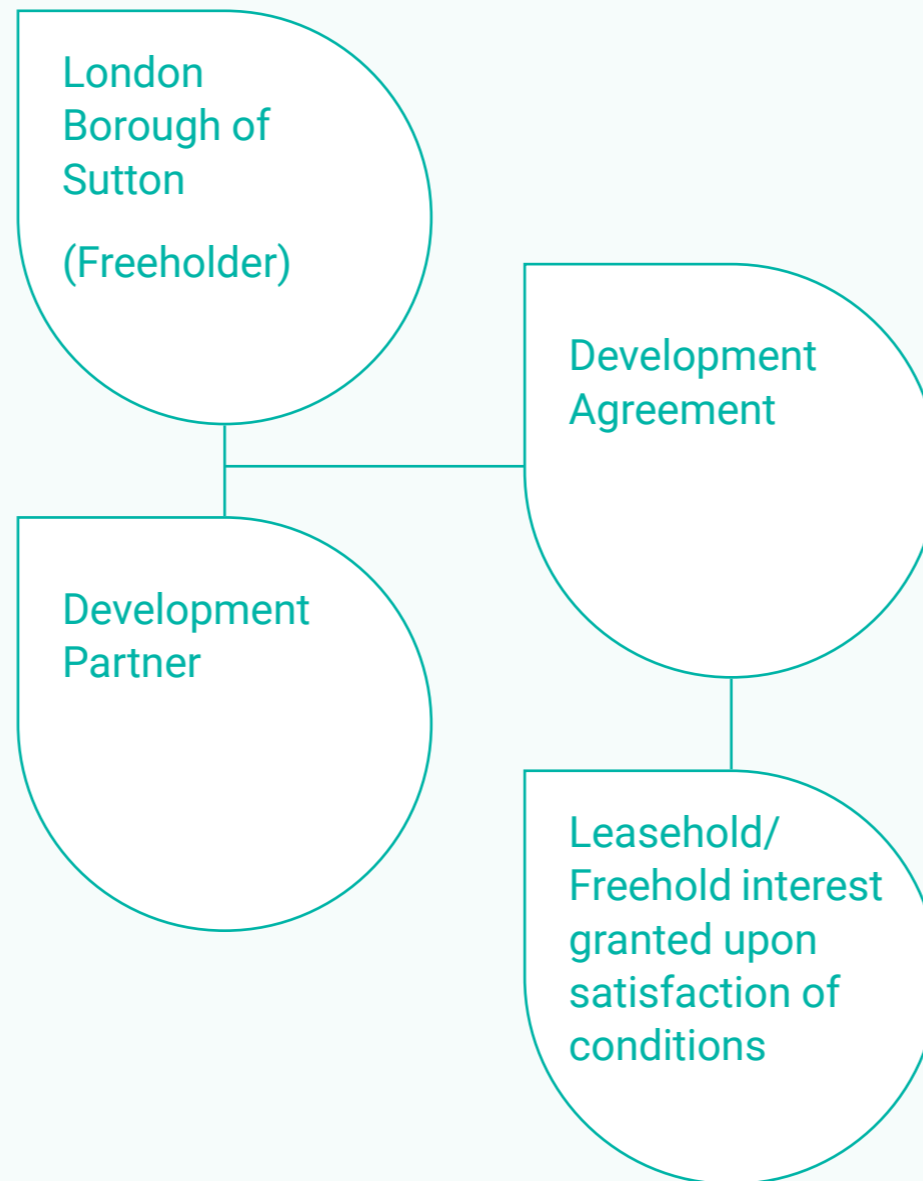
FINANCIAL ARRANGEMENTS

The Council will fund the construction of the new Civic Hub. The Developer would manage the work up, planning and construction of the building in return for a fee.

The Council requires a residual land value for the Sites, with the value generated looking to offset the costs for the development of the new Civic Hub.

The Development Agreement will also contain overage provisions to allow the Council to share the benefit of any value uplift created.

The Council are to retain a Freehold or Long Leasehold (at a peppercorn rent) interest in the Civic Hub post completion as well as retaining a Freehold in the St Nicholas Centre Site.



THE ROLE OF THE DEVELOPMENT PARTNER

The Council are seeking a Development Partner with the relevant experience, capability and resources to redevelop a substantial mixed-use redevelopment opportunity in Sutton town centre.

The partnership will comprise a Development Agreement - where the developer takes the planning, construction and sales risk - and the Council takes on a facilitating role and fund the new Civic Hub. Following the procurement exercise, it is expected that the selected delivery partner will undertake the following activities:

Develop the Project Requirements with the Council to a specification that will be attached to the Agreement for Lease



Ensure quality design and delivery by assembling a leading team

Undertake engagement and consultation in collaboration with the Council

Secure funding to deliver the scheme

Commission construction phases and enter into appropriate construction contracts

Undertake all preliminary, enabling, and demolition works

Develop out the scheme alongside associated infrastructure, health, public realm, transport and community

Deliver high quality public realm that improves biodiversity

Deliver on social value commitments and embed in the supply chain



Undertake marketing and sales/letting services to generate interest in the completed development and secure disposal/exit

Where the selected development partner is not a Registered Provider (RP) of Social Housing, secure an RP to purchase, let and manage the completed affordable homes

Define and deliver a long-term management and maintenance strategy



Please note, this is not an exhaustive list and is likely to evolve over the dialogue stage.



PROCUREMENT PROCESS AND TIMESCALES

The Development Partner will be selected via a Competitive Dialogue Procedure Process in accordance with the Public Contracts Regulations (2015).

Interested Parties are invited to complete and submit a selection questionnaire (SQ). Following this stage, the Council will invite up to five bidders to participate in the dialogue.

The dialogue process allows shortlisted bidders to discuss specific aspects of their proposals with the Council before the selection of a preferred bidder.

This process will be over four stages as summarised below. It is anticipated that following the Council's approval, a contract will be awarded to the preferred bidder.

PROCUREMENT TIMESCALES

Key Event	Indicative Timing
Stage 1 Contract Notice published and release of SQ	October 2023
Stage 2 Invitation to Participate in Dialogue	January 2024
Stage 3 Dialogue	January 2024 - July 2024
Stage 4 Submission of Final Tenders	July 2024
Stage 5 Preferred Bidder Selection and Final Award	September 2024

The Council reserves the right (at any time during this Tender Process) to make whatever changes it sees fit to the timetable, structure, or content of this Tender Process.



FURTHER INFORMATION

For further information, and to access the procurement documents, please follow the link below:
<https://www.londontenders.org/>

The opportunity can be located on the procurement portal using the below details:

PROJECT TITLE:

Sutton Civic and Town Centre Regeneration.

PROJECT REFERENCE:

DN690512.

COMMERCIAL ADVISORS

Potential suppliers may also contact Sutton Council's appointed property advisors, Montagu Evans, for general enquiries about the opportunity and process:

John Percy

E john.percy@montagu-evans.co.uk
T +44 (0)7730 817060

Lucy Muir

E lucy.muir@montagu-evans.co.uk
T +44 (0)7392 139447

Matthew Hayes

E matthew.hayes@montagu-evans.co.uk
T +44 (0)7825 898723



This MOI is not a recommendation by the Council, or any other person, to enter into an agreement or to make any investment decision. In considering any investment in the project, each bidder should make their own independent assessment and seek their own professional financial and legal advice.

This MOI and the SQ are made available in good faith. No warranty is given as to the accuracy or completeness of the information contained in these documents and any liability for any inaccuracies or incompleteness is therefore expressly disclaimed by the Council and its advisers, except that this will not operate to exclude liability for fraudulent misrepresentation.

Whilst reasonable care has been taken in preparing this MOI, the information within it does not purport to be exhaustive or to have been independently verified. The Council and its advisers do not accept liability or responsibility for the adequacy, accuracy or completeness of any information or opinions stated in this MOI. In so far as it is compatible with any relevant laws, the Council reserves the right not to award a contract, to make whatever changes it sees fit to the structure and timing of the procurement process (including issuing updates and amendments to the procurement documents and inviting bids on the same or an alternative basis), to cancel the procurement at any time and where appropriate re-advertise the requirement.

Nothing in this MOI shall be taken as constituting an offer, contract or agreement between the Council and any other party. The Council is not bound to accept any offer resulting from this competition. Nothing in this MOI is to be construed as implying commitment by the Council that it will award the contract.

The Council is not liable for any costs resulting from any cancellation of this tendering process nor for any other costs incurred by those expressing an interest in or negotiating for this contract opportunity. Any expenditure, work or effort undertaken is accordingly a matter solely for the commercial judgment of the bidder. The Council and its advisers are not and shall not be liable for any costs incurred by those expressing an interest or negotiating or tendering for this contract, their associated entities, or any other person.

Bidders are responsible for ensuring that there are no conflicts of interest either between their own advisers or those of the Council. A bidder must notify the Council of any conflict of interest or potential conflict of interest as soon as reasonably practicable after it becomes aware of such a conflict.

You are deemed to understand fully the process that the Council is required to follow under relevant legislation, particularly in relation to Public Contracts Regulations 2015 as amended by the Public Procurement (Amendment etc.) EU Exit Regulations 2020.

This MOI should be read in conjunction with the other procurement documents.