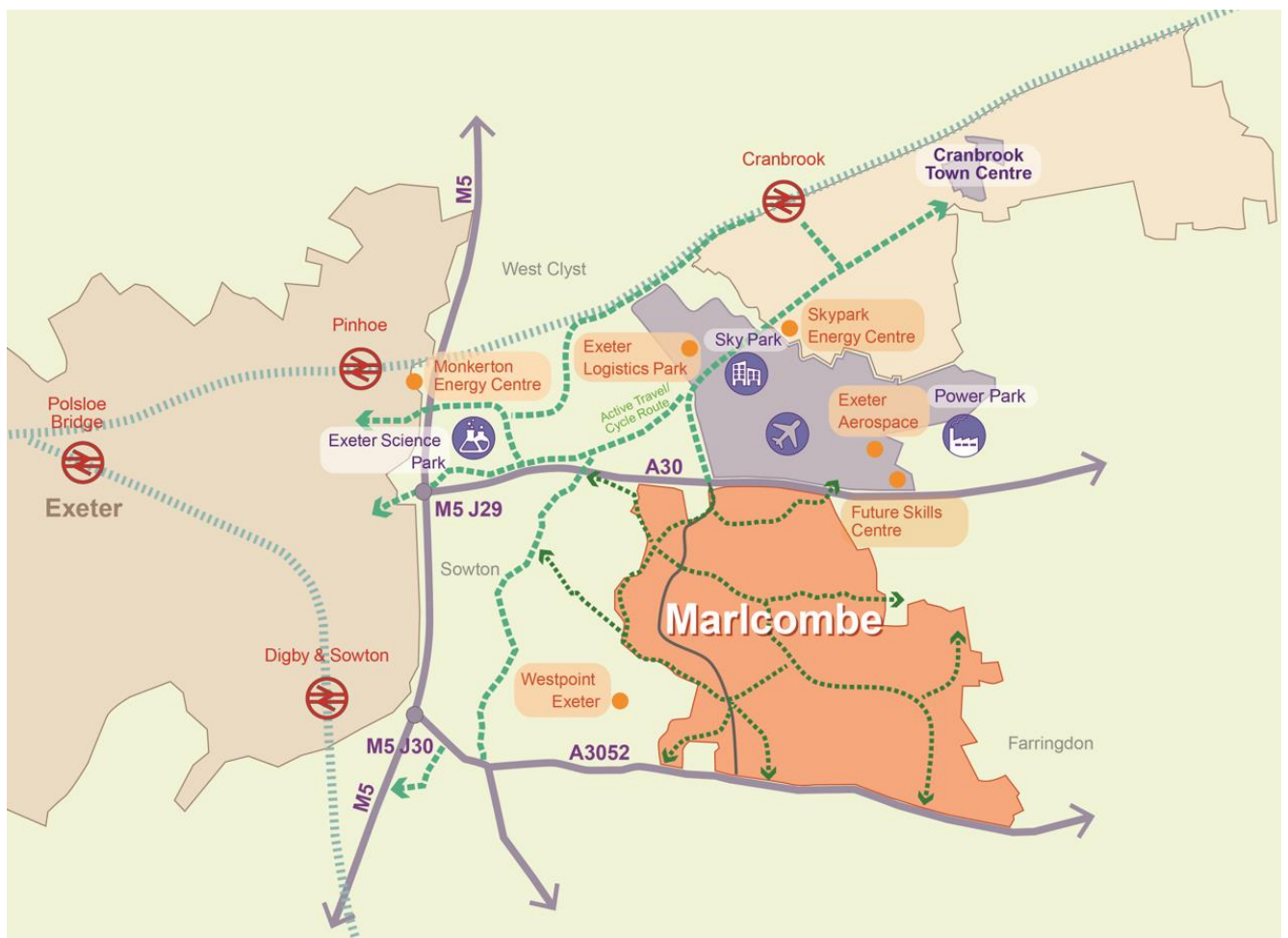


East Devon: Strategic Outline Business Case for Marlcombe- Phase 1 (Executive Summary)



To justify the establishment of a Development Corporation to co-ordinate the delivery and enhancement of the New Settlement of Marlcombe, Cranbrook, the Enterprise Zone and Exeter Airport

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East Devon District Council, September 2025

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1. Introduction

1.1 This Strategic Outline Business Case (SOBC) has been prepared by CBRE with support from Chris Knott Consulting, Amion and Pinsent Mason on behalf of East Devon District Council (EDDC) to underpin the proposals for the new community recently named as Marcombe which is being promoted through the emerging Local Plan 2020-2042. It should be considered alongside other technical documents prepared by the technical team led by CBRE including Tibbalds on design and Stantec on highways.

1.2 EDDC intend a structured funding package, drawing together financial resources from:

- EDDC reserves/borrowing.
- The Enterprise Zone.
- Land sales.
- Joint Venture (JV) relationships with landowners.
- Selected keynote partners.
- Government, via HM Treasury, Ministry of Housing Communities and Local Government (MHCLG) and Homes England.

1.3 EDDC's clear wish is to set out an innovative approach to major project funding, relying upon sound business principles and with responsibility very much at the core. The funding strategy will be coherent, concentrating upon investment and social/economic return, with public sector funding acting as a catalyst, not relied upon to support scheme viability.

1.4 In response to these objectives a phased approach is proposed:

1. The Strategic Outline Case

Set out within this document and repeatedly carried forward into all of the project control documents.

2. The Strategic Outline Business Case

To be presented in two phases, notably

a. SOBC Phase 1 - the 5 part green book business case for the New Settlement, covering

1. 8,000 new residential units, with associated non-residential content, including employment space, town and neighbourhood facilities, educational provision and leisure facilities.
2. An additional 2,000 residential units.
3. An initial shape of a new delivery vehicle, likely to be a Development Corporation; and
4. The scoping of a Phase 2 SOBC to cover:
 - i. Cranbrook Town Centre and Cranbrook Expansion Zone Residential Areas.
 - ii. The Enterprise Zone and its proposed expansion.
 - iii. The Airport and a potential partnership with its owner.
 - iv. Major infrastructure projects beyond the red line of Marcombe, including a variety of energy and transport projects, which will form the subject of separate business cases.

5. The extent of central government intervention needed to support the SOBC Phase 2 process will be clearly articulated and evidenced accordingly.

This SOBC Phase 1 will conclude end August 2025.

b. SOBC Phase 2

1. A further 5 part business case, covering:

- i. Cranbrook Town Centre and Cranbrook Expansion Zone Residential Areas.
- ii. The Enterprise Zone and its likely expansion.
- iii. The Airport and a potential partnership with its owner.
- iv. Recognition of major transport and energy projects and inclusion of their impacts, to the extent that these can be assessed adequately.

2. The final shape of the Development Corporation, pulling together the SOBC Phases 1 and 2.

3. The extent of central government intervention needed will be reaffirmed.

4. SOBC Phase 2 will conclude (latest) in February 2026 with detailed content to emerge in due course.

3. The Full Business Case(s)

To evolve, but as a minimum will involve:

- a. Cranbrook Town Centre (part) expected to be the first and will be undertaken in 2026.
- b. The infrastructure for the New Settlement (part).
- c. New Settlement Town Centre (part).

- 1.5 The Business Case process will justify the establishment of a Development Corporation to co-ordinate the delivery and enhancement of the New Settlement recently named as Marcombe, Cranbrook, the Enterprise Zone and the Airport.

2. Executive Summary

Methodology, Workstreams and Funding

- 2.1 The initial focus for this SOBC was to support the establishment of a vehicle to underpin the delivery of the masterplan for a second new town in East Devon District. A key point of learning from the delivery of the first new town in the District (Cranbrook) was that an assertive approach to delivery was required from the outset. The second new town, recently named Marcombe was originally conceived as accommodating 8,000 homes. The government New Town Taskforce criteria, which stipulated a minimum of 10,000 homes, led to the quantum of development being increased. Importantly there was a sharper focus on the two new towns being able to deliver in tandem alongside the Exeter and East Devon Enterprise Zone programme that anticipates the development of over 2m square feet (sq ft) of new commercial space. As the project evolved and grew in complexity the SOBC was split into two parts:
- **Part 1** – to consider the new settlement of 8,000 units, with a largely empirical assessment of the implications of adding in a further 2,000 units, this considers the green book 5 case methodology of:
 1. The Strategic Case.
 2. The Economic Case.
 3. The Commercial Case.
 4. The Financial Case.
 5. The Management Case.
 - **Part 2** – to consider the impact of bringing in Cranbrook, the Enterprise Zone and Exeter Airport and to ratify the empirical assessment of the 2,000 unit uplift.
- 2.2 This report considers Part 1 only. Part 2 will be progressed during 2025/early 2026.

Methodology

- 2.3 At this very early stage in the project the team have drawn very much upon relevant delivery experience gained over the past 15 years in the following projects:
- Cranbrook.
 - Upper Heyford.
 - Whitehill and Bordon.
 - Worcestershire Parkway.
- 2.4 That experience has allowed the project team to confidently set out an established methodology, involving critical benchmarks and control documents, the following:
1. A Delivery Strategy, including shaping:
 - a. The Project Initiation Vehicle, likely to be a Development Corporation.
 - b. The Project Implementation Vehicle, likely to be a Master Developer..
 2. A Land Control Strategy, designed to ensure alignment of interest and efficient use of expensive resources and to deliver placemaking objectives and social infrastructure.
 3. The formation of a working partnership with Homes England, which is work in progress.
 4. A strategic programme, with associated cost of resources.

5. A fully detailed infrastructure cost plan, with associated cash flow.
6. An IDP assessment, splitting out direct infrastructure from S106 cost, fully cash flowed.
7. A known/unknowns assessment.
8. A risk and opportunities register.
9. A soft market testing appraisal, to inform the masterplan which is yet to be commissioned.
10. A baseline viability.
11. A stewardship strategy.

Critical Outputs to Date

2.5 In no particular order:

1. A robust viability analysis that defines key commercial success factors and the extent of central government funding required.
2. A clear pathway to a deliverable scheme, with options identified for:
 - a) Land control.
 - b) Policy requirements that are affordable and viability metrics that are investable.
 - c) A credible funding strategy, both for capacity funding and project infrastructure funding.
3. Whilst the project is committed to the New Towns Place Making Principles, a number of scenarios have been modelled that flex the affordable content.
4. A clear pathway to establishing a Development Corporation and in the reasonably short term, an interim growth vehicle.
5. A strategy that considers the project in its context, unifying Marlcombe with existing activity in Cranbrook the Enterprise Zone and Exeter Airport. This provides the basis to structure a wider civic proposition.

Priority Tasks

2.6 In sequence:

1. Conclusion of Reg 19 documentation.
2. Progression of discussions with Homes England and MHCLG and settlement of a working partnership in the first instance to February 2026.
3. Settlement of the Land Control Strategy and the Delivery Strategy (the latter including the Interim Growth Co and the Master Developer).
4. Progression of dialogue with the identified majority Land Holder Group¹ including early settlement of the HoT's.
5. Progression of the expansion of the new settlement from 8,000 to 10,000 units.

¹ Bloor Homes, Cherwell Group, LVA and Troy Stewart

6. Delivery of the remainder of Cranbrook Town Centre at pace, to be initiated by a review of master planning work and development of a delivery strategy commencing in Autumn 2025.
7. Dialogue with the Cranbrook Expansion Area Developers, to reset the relationship involving (inter alia) the role of a master developer.
8. Progression of the SOBC Phase 2 Business Case, including an update of the costs and viability criteria fed into SOBC Phase 1.
9. Drafting of a business case and business plan for an Interim Growth Vehicle and establishment of that vehicle in 2025.
10. Evolution of a stewardship strategy in both Marlcombe and Cranbrook.

Confirmation of the Ask

2.7 Intervention funding is requested from Central Government includes all of the following:

- Capacity funding to cover the period June 2025 to February 2026.
- Capacity funding to cover the period March 2026 to March 2027.
- Project infrastructure funding in the range £50 – 100m from April 2027.
- £35m from 2026 to unlock Cranbrook infrastructure, facilitating early delivery.

Estimation of Spend over Current and Future Parliaments

2.8 This is a critical key performance indicator as it is a proxy for delivery as show by Table 2.1 below

Table 2.1 – Estimation of Spend

Phased spend of infrastructure grant	This parliament	Next parliament	Future parliament	Totals
Cranbrook (est. £40m)	£16m	£24m	-	£40m
Marlcombe (est. £100m)	£28m	£48m	£24m	£100m
Totals	£44m	£72m	£24m	£140m

Note: Current Parliament to 2029, Next Parliament to 2034, Future 2034 onwards

Source: CBRE/Chris Knott Consulting/East Devon District Council

2.9 In summary the key findings from this Part 1 SOBC which has been prepared in accordance with the green book 5 case methodology, these are summarised below.

1. The Strategic Case.
2. The Economic Case.
3. The Commercial Case.
4. The Financial Case.
5. The Management Case.

1. The Strategic Case

Context

- 2.10 The case for change is compelling and has significant stakeholder, community and landowner support. The ambition to deliver an exemplar scheme, providing up to 10,000 residential units with associated transport mitigation is only possible with significant government intervention at an early stage.
- 2.11 The strategic approach outlined here is proven. The team has an ability to progress complex projects in the face of uncertainty and risk, established over many years, with the approach seeking to balance ambition with practicality, affordability and risk.

Scope

- 2.12 The scope of the project has evolved from an initial new settlement, now named Marcombe of 8,000 units, to a unified project that includes 10,000 units, combined with Cranbrook, The Enterprise Zone and Exeter Airport.

Figure 2.1 – Project Scope



Source: CBRE/Chris Knott Consulting

- 2.13 This scaling up will permit effective co-ordination of output and facilities between Cranbrook and Marcombe and will pump prime projects that depend upon scale for effective change, including transport, energy and sustainability.

Further Opportunities for Scalability

- 2.14 There is a possibility at local and central government levels to bring adjacent authorities into the scope of a potential new settlement, to develop a wider civic proposition. This will be monitored as the development of Marcombe progresses.

2. The Economic Case

Scope

- 2.15 The Economic Case assesses the options for the delivery of Marcombe, as well as the project's value for money. It also tests the sensitivity of the value for money results to changes in key variables.
- 2.16 Three scenarios have been modelled:
1. The “do nothing” scenario – 1,000 residential units².
 2. The “do minimum” scenario – 8,000 residential units.
 3. The Preferred Way Forward – 10,000 residential unit.
- 2.17 New Towns Place Making Principles for schemes of this nature have identified a preference for the delivery of 40% affordable housing. Therefore, the central scenario modelled across this economic appraisal thus far has focused on this aspiration. In order to further augment this appraisal, additional scenario testing has also been undertaken to test the sensitivity of the Benefit Cost Ratio (BCR) results to changes in the proportion of affordable housing set to be delivered. In order to support the modelling of these alternative scenarios, CBRE have also prepared shadow development and viability appraisals and supporting cashflows for the following levels of affordable housing provision:
- 35% affordable housing provision, in line with the policy requirements of EDDC.
 - 20% affordable housing provision, in line with the wider consultancy team's observation of the prevailing proportion of affordable housing delivered in current market conditions.

Viability

- 2.18 Viability modelling has been undertaken in detail for the “do minimum” scenario.
- 2.19 An empirical assessment has been undertaken for the Preferred Way Forward (PWF).

Economic Benefits

- 2.20 The MHCLG Appraisal Guide identifies two components factoring into the assessment of economic benefit, notably:
1. Land value uplift.
 2. Affordable housing, reflecting positive health outcomes and resulting fiscal savings.

² That which would come forward organically without EDDC intervention

Non Monetised Benefits

- 2.21 The delivery of the New Town is also expected to result in substantial wider or non-monetisable benefits, arising in addition to the Cost Benefit Analysis, including:
- Community benefits.
 - Social value.
 - Image and public perception.
- 2.22 The assessment of these benefits is made on a qualitative basis and is represented thus, again reflecting the 40% affordable scenario:

Table 2.2: Non-monetised Impact Assessment		
Benefit	Do Min	PWF
Community Benefits	Moderate Beneficial	Moderate Beneficial
Social Value	Slight Beneficial	Moderate Beneficial
Image	Slight Beneficial	Moderate Beneficial

Source: AMION

Value for Money (VfM) and Benefit Cost Ratio

- 2.23 In addition to illustrating the VfM and BCR to satisfy the New Towns Place Making Principles of 40% affordable, the two other scenarios of 35% affordable (EDDC policy) and 20% affordable (historical norm for projects of this type) have been modelled:

Observations

- 2.24 At face value, every scenario delivers good value for money³, with the BCR and VfM increasing as the affordable component reduces.
- 2.25 Additionally, as the affordable component increases, the ask of government also increases.
- 2.26 Whilst the economic appraisal is a key factor in narrowing development options, of equal importance is the investment appeal to the private sector, measured by the viability analysis.

³ As outlined within the MHCLG Appraisal Guide, a BCR between 2 and 4 represents “High” value for money

3. The Commercial Case

Scope

- 2.27 The commercial case has been designed to:
1. Establish the costs involved in the assembly of a delivery vehicle, including defining a programme to cover all associated workstreams necessary. For this purpose, the working assumption is that the delivery vehicle will be a Development Corporation or similar.
 2. Put forward a reasoned and deliverable basis for land control.
 3. Illustrate a basis for physical delivery, with indicative value chain.

Land Control

- 2.28 Land control here means securing either the ownership or use of land for the purposes of development. Control of land is one of the ten key learning points from Cranbrook.
- 2.29 EDDC is not a landowner, but requires some control of land to satisfactorily deliver the new settlement and the wider unified project, thereby releasing significant social value.
- 2.30 There are two pathways to controlling land; via acquisition or via permission.

Securing Ownership via Acquisition

- 2.31 EDDC has 3 options to secure ownership via acquisition:
1. Via Compulsory Purchase, involving the acquisition of land without the owners' consent, but with compensation. Taking this route must satisfy the test of such action being in the public interest, with all reasonable measures having demonstrably been taken to avoid it.
 2. Via private treaty, involving the purchase of land by agreement on an arm's length basis.
 3. A hybrid of 1 and 2, meaning some CPO, some private treaty.

Securing Use via Permission

- 2.32 EDDC has 2 options to pursue a permissory route:
1. Via a de facto joint venture between the land owner and the developer, usually with the land owner putting in the land (or permitted use of land) and the developer (in this case likely to be a master developer, see next section) putting in the development resources, including expertise and finance. The sale proceeds are then distributed 50/50 between the development partners or such other split as is justified by the development appraisal.
 2. Via a license agreement issued by the land holder for the benefit of the developer. This is a particularly useful method where major physical and social infrastructure is required, the provision of which:
 - a. Is generally beyond the skills and appetite of housebuilders.
 - b. Does not generate development profit, but contributes to the achievement of a wider placemaking premium.

- 2.33 The attraction to the land owner/house builder is that infrastructure of this type will be funded with public money⁴, not directly available to them and that the approach will satisfy obligations that will generally be part of the S106 Agreement. There is no distribution of spoils as such; the landowner benefits from facilities that add to public realm, support house sales and contribute to wider value; the developer makes a return from a Fee and potentially in addition a development profit.

Delivery Strategy

- 2.34 The Delivery Strategy draws together the key elements of:

- Land control (covered previously).
- Project Initiation (The Development Corporation, in the first instance the Interim Growth Co).
- Project Implementation (The Master Developer).

Project Initiation and the Interim Growth Co

Context

- 2.35 The Interim Growth Co will be established, as the name implies, in advance of the permanent delivery vehicle, and will assume the key role of Project Initiation. This will include all aspects of project policy, stakeholder management and delivery, the latter via the appointment of a Master Developer. The Master Developer will perform the function of Project Implementation.

Available Structural Options

- 2.36 On the assumption that the preference for the delivery vehicle is confirmed to be a Development Corporation, then an Interim Growth Co will precede and mimic it. Whilst this will serve the Unified Project, it will also serve Marlcombe and must be considered as part of the SOBC Phase 1 process.
- 2.37 The final form of the Development Corporation remains to be settled, with the following seen as the primary options:
- **Locally Led Urban Development Corporation** – a locally led Dev Corp, to be established under the Levelling Up Regeneration Act 2023 and having a wider economic focus. It involves an “oversight authority” as a proxy for government participation. Will require the joint participation of Devon County Council (DCC).
 - **Locally Led New Town Development Corporation** – a locally led New Town Dev Corp established under the New Towns Act 1981, also requiring the joint participation of DCC.
- 2.38 The notion of a Publicly Owned Development Company has not yet been fully discarded and the possibility remains of a Mayoral Development Corporation across the wider Devon area. Neither of these however are under active consideration in the SOBC process.

⁴ Likely to comprise low interest debt provided early and repayable on a roof tax basis

- 2.39 Further work will be needed to establish the optimum solution and this will be influenced by (inter alia) political preference, funding conditions and central government ambition. The optimum solution will be settled by the end of February 2026 and will be incorporated into the SOBC Phase 2.

Broad Function of the Interim Growth Co

- 2.40 The Interim Vehicle will likely be newly established, subject to Government funding, and utilised to progress activities focused on strategic coordination and planning, subject to balance sheet and resources.
- 2.41 The Interim Vehicle will:
- Carry out a range of direct, enabling and liaison activities relating to land assembly by agreement and, utilising DCC's and/or EDDC's Compulsory Purchase powers, by compulsory purchase as required; and
 - Carry out planning and design, infrastructure planning and delivery, land and development, engagement, and stewardship.
- 2.42 The Interim Vehicle's activities will transition to the Development Corporation once this is established. This will place the delivery vehicle on a statutory footing, with development and compulsory land acquisition powers.

The Governance Structure

- 2.43 The Dev Corp will be governed by a board, likely to have representation in some form from:
- District and County Councils.
 - Homes England.
 - Ministry of Housing, Communities and Local Government.
 - Local enterprise, both commercial and charitable.
 - Local education establishments.
 - Key local landowners.
 - Exeter Airport and Exeter Science Park.
 - Senior people within the Commercial Property Sector.

- 2.44 These roles will be in executive, non-executive and advisory capacities.

- 2.45 It will also as noted utilise a suite of task focused sub-groups, reporting in to it.

Project Implementation

The Delivery Challenges

- 2.46 The District Council is having to recognise a number of challenges in framing a delivery strategy and with that the development function, ordinarily performed by a master developer. Those challenges include:
1. Learning from the legacy experience of a housebuilder led consortium in Cranbrook
 2. Overcoming the reputational damage from multiple sources in developing out Cranbrook Town centre.
 3. Having limited policy levers in the Cranbrook expansion areas and no land ownership at Marlcombe.
 4. The key landowners at Marlcombe being sceptical towards the introduction of a master developer.
 5. An appetite to share risk, without being exposed to full delivery risk. Scope to be determined.

6. A need for delivery at pace to satisfy EDDC's ambitions and the wider government agenda to demonstrate performance within the life of this parliament.
7. Establishing a seamless governance structure that is capable of managing delivery across multiple market sectors in multiple areas, reporting into a development corporation having many stakeholders.

What might the Development Function look like?

Shape

- 2.47 Recognising the challenges, a centralised development function must make strategic sense. It will help to avoid fragmentation and will ensure that design principles, infrastructure delivery and placemaking are aligned across the entire development. Accountability is strengthened and decision making is streamlined
- 2.48 Most if not all development projects of this scale rely upon a centralised function and whilst its form differs, that central tenet of single point accountability is a common thread
- 2.49 Analysis of peer developments in the South West bears this out.

Form

- 2.50 Nationally, this role is being/has been performed by:
1. Master Developers, formed to provide the service on a national basis, for example Urban and Civic and Hill Group.
 2. Master Developers, formed to provide the service on a site specific basis. Examples include Whitehill and Bordon Regeneration Company (WBRC) at Whitehill and Bordon, Hampshire and Buckland Developments Ltd in Welborne, Hampshire.
 3. House builders, acting together or in isolation, for example Barratt and Hill Group.
 4. Major landowners, for example the Duchy of Cornwall.
 5. Contractors, who have broadened their modus into development and then into the master developer role, for example Skanska.
 6. A variety of joint ventures, for example that being deployed in West Carclaze, Cornwall. This is a union of a minerals extraction specialist with an Egyptian Contractor
 7. Council led and created development vehicles, for example Treveth in Langarth.

Realistic Options

- 2.51 There are 3 broad options for EDDC, each one involving a master developer concept:
1. Engaging an established national master developer via a competitive process.
 2. Engaging a "local" master developer.
 3. Engineering the formation of a master developer, in partnership with an innovative house builder. This structure could involve EDDC having a position within the entity, or no position at all.
- 2.52 It makes commercial sense to treat the evolution of the options as a 3 pronged strategy, involving a clear scope.

Role

- 2.53 There are five primary functions:
1. Acting as a strategic developer, following and contributing to the Development Corporation's Delivery Strategy.
 2. Procuring and implementing:

- a. The primary physical infrastructure.
 - b. The primary social infrastructure.
 - c. The employment space.
3. With the Development Corporation and the landowners, bidding housing parcels for development by house builders.
4. Overseeing the quality of design and specification coming forward from third parties.
5. Generally being seen as a benefit to the housebuilders involved with the project

Capacity Funding to March 2027

- 2.54 As stated in Section 1 it is EDDC's clear wish is to set out an innovative approach to major project funding, relying upon sound business principles and with self-help very much at the core. The funding strategy will be coherent, concentrating upon investment and social/economic return, with public sector funding acting as a catalyst, not a dependency.
- 2.55 Intervention from Government will be needed to:
1. Support the evolution of the business case until the end of the current financial year (March 2026), by way of capacity funding.
 2. Support the establishment of a Development Corporation, from April 2026 to March 2027, by way of further capacity funding.
 3. To support the provision of early infrastructure, forecast to be needed no earlier than April 2027, by way of infrastructure funding (this will not be considered until the technical work is more advanced).
- 2.56 This Commercial Case provides the justification for:
- The Baseline Scenario, being an additional New Settlement named Marcombe.
 - Government Intervention into the Unified Project⁵, which will deliver additionality.
- 2.57 The evolved Commercial Case to be undertaken in the SOBC Phase 2 will justify further intervention (beyond that identified in this Commercial Case) to deliver additionality.

Infrastructure Funding

- 2.58 Our current infrastructure cost assessment, including direct infrastructure and S106 costs, when compared to the cash flow emanating from the viability assessment, illustrates that a funding intervention of between £50–100m will be required.

⁵ The addition of Cranbrook, the Enterprise Zone and the Airport

Stewardship

Context

- 2.59 The wider context for stewardship is established by EDDC's cabinet paper dated 30th July 2025.
- 2.60 This sets out a number of key principles, including:
- The imperative of having a Stewardship Strategy.
 - The strategy is to have a series of strategic objectives, including early agreement of proposals, a clear governance structure and community involvement.
 - An intent to use planning powers to impose the strategy, including a Supplementary Planning Document (SPD).
- 2.61 The priority in the short term is to engineer a stewardship model for deployment into Cranbrook. Beyond that, however, the intent is to shape the stewardship model for deployment into Marcombe and potentially the wider district.

Defining the Workstreams

- 2.62 There are three primary workstreams to tackle:
- Funding strategy.
 - Delivery strategy.
 - Application of both strategies via S106 and other policy measures.

Funding Strategy

- 2.63 Funding models generally follow the following:
1. A direct charge upon occupiers; and/or
 2. An asset backed income model; and/or
 3. By onward selling a "free" asset.

Delivery Strategy

- 2.64 There are a number of options for delivery, including:
- Charitable green infrastructure management companies, for example Land Trust, Trust Green and Green Belt.
 - Private estate management companies, for example Rendall and Rittner.
 - Private community management companies (so called), for example Preim, involved with Tadpole Garden Village.
 - Town council/parish council.
 - District council, separate to or acting under the Dev Corp, potentially with district wide reach.
 - Community Infrastructure Companies.

Application of the Funding and Delivery Strategies

- 2.65 A Stewardship Implementation Strategy will be shaped to define an approach for landowners and developers.

The Financial Case

Scope

- 2.66 This section details the ask of government in the vehicle assembly and project delivery stages, thus:
1. The public sector intervention funding required to support the evolution of the business case and to support the establishment of a Development Corporation between the present day and March 2027.
 2. The public sector capital gap funding requirement, calculated by reference to the peak debt positions in the viability appraisals and cashflows.

The Management Case

Scope

- 2.67 The purpose of the Management Case is to determine whether a proposal is deliverable; namely, are the right resources, programme structures, and plans in place to effectively deliver the proposals in order to successfully realise the benefits of the project. This tests the project planning, governance structure, risk management, communications and stakeholder management, benefits realisation and assurance arrangements.
- 2.68 The working strategic programme leading to the formation of the intended delivery vehicle, likely to be either a Locally Led Urban Development Corporation (LLUDC), set up under the Local Government and Regeneration Act, or a Locally Led New Town Development Corporation (LLNTDC).

Working Assumption

- 2.69 This Management Case considers arrangements for a proposed Interim Vehicle to advance the project pending the final delivery structure being determined and, on the assumption that a development corporation is in due course selected as the preferred long-term delivery option, pending the formal establishment of that Development Corporation.

Anticipated Working Modus

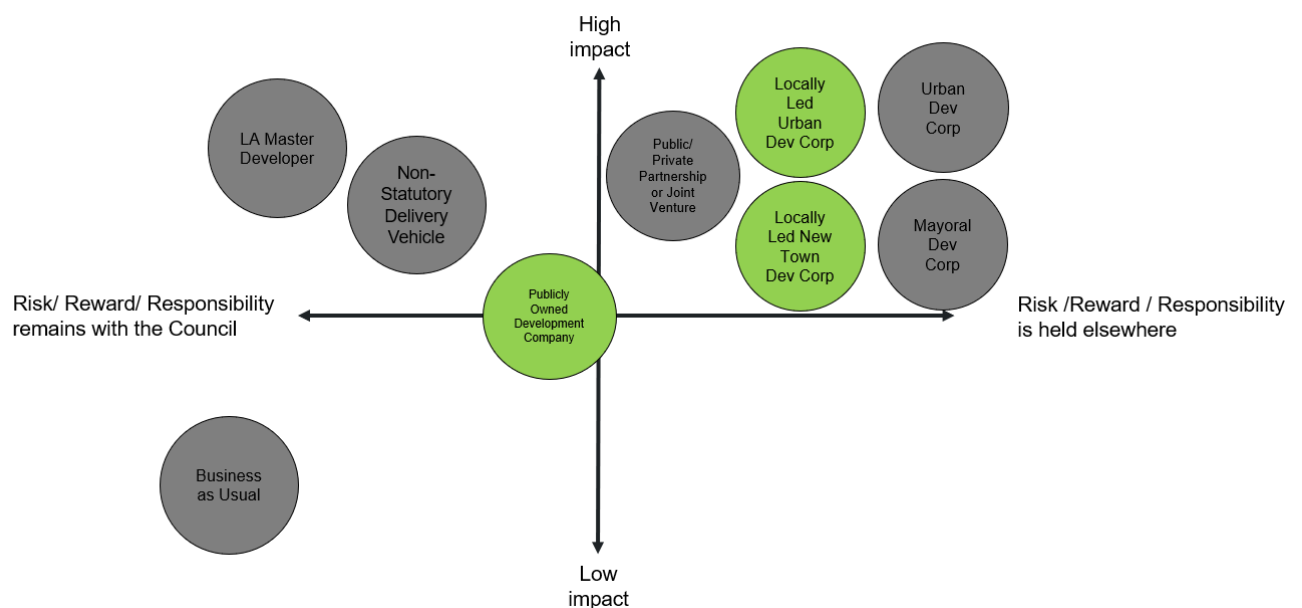
- 2.70 The Interim Vehicle and, subsequently, the LLUDC are expected to progress the new settlement through direct, enabling, and liaison activities including:
1. Masterplanning and design code development.
 2. Planning application and policy allocation inputs.
 3. Infrastructure planning, including business cases and investment plans.
 4. Raising finance and discussions with funders.
 5. Delivery of social and physical infrastructure.
 6. Land assembly and master developer liaison.

7. Oversee and co-ordinate house build activity, via the master developer.
8. Engagement and communications.
9. Stewardship of open space and other shared infrastructure assets.

Evolution of the Interim Vehicle

- 2.71 This will involve the establishment of a clear Business Case and Business Plan, as a prelude to formalisation of arrangements, both legal and practical. This process will acknowledge the Project Risk Register and Project Known Unknowns Analysis.

Delivery Vehicle Options



Timing

- 2.72 The working programme anticipates the following key milestones:

1. Formation of the Interim Vehicle end 2025/early 26.
2. Formation of the Development Corporation March 2027.

Conclusion

- 2.73 The SOBC takes the established justification for the scheme and has tested it against the key commercial, economic and financial parameters. This process has identified benchmark compliance, risks, appropriate mitigation and a series of workstreams needed to progress, with clear pathways now established for progression of:

- Detailed scenario testing.
- Expansion of the scheme from 8,000 residential units to 10,000 residential units.
- Land control.

- Project Initiation – formation of a Development Corporation.
- Project Implementation – the Master Developer.
- Progressing Cranbrook Town Centre.
- Resetting the relationship with the Cranbrook Expansion Area developers.
- Stewardship.

2.74 Whilst much work remains to be done, the SOBC has established that Marlcombe is a viable and deliverable scheme, subject to assessing and balancing the competing priorities that are evident.

Thank you

For more information

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