

Forward Plan reference number: FP/AB/180

Report title: Eastbourne Town Centre Movement and Access Package LGF funding decision	
Report to Accountability Board on 15th February 2019	
Report author: Helen Dyer, SELEP Capital Programme Officer	
Date: 23.01.2019	For: Decision
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SELEP Partner Authority affected: East Sussex	

1. Purpose of Report

- 1.1 The purpose of this report is to make the Accountability Board (the Board) aware of the value for money assessment for the Eastbourne Town Centre Movement and Access Package – phase 2 (the Project) which has been through the Independent Technical Evaluator (ITE) review process, to enable £3m Local Growth Fund (LGF) to be devolved to East Sussex County Council for Project delivery.

2. Recommendations

- 2.1. The Board is asked to:
- 2.1.1. **Approve** the award of £3m LGF to support the delivery of the Project identified in the Business Case and which has been assessed as presenting high value for money with high to medium certainty of achieving this.
- 2.1.2. **Note** that all LGF payments to local partners are subject to SELEP's receipt of sufficient funding from Central Government, as detailed in the LGF Capital Programme Report, considered under Agenda Item 15.

3. Background

- 3.1. This report brings forward the Project for release of the remaining LGF allocation, following the completion and ITE review of an Outline Business Case for the Project.
- 3.2. The Eastbourne Town Centre Movement and Access Package was initially allocated a total of £6m LGF through LGF Round 1. This funding was allocated to ensure that Eastbourne Town Centre could retain and strengthen its retail offer, improve pedestrian safety and accessibility and provide a quality public realm environment.

- 3.3. In February 2018 the Board approved the reallocation of £2m from the Eastbourne and South Wealden Walking and Cycling project to the Project, increasing the total project budget to £8m.
- 3.4. To date the Board has approved £5m LGF to the Project. £3m of the allocation was approved in April 2016 and was awarded to deliver Phase 1 of the Project. The use of the additional £2m allocation towards delivery of Phase 1 of the Project was approved in February 2018. This report is seeking the release of the remaining £3m LGF allocation for the Project to facilitate delivery of Phase 2.

4. Phase 1

- 4.1. Phase 1 of the Project was considered by the Board in April 2016. Construction work has commenced onsite with completion of Phase 1 expected in June 2019.
- 4.2. The £5m LGF funding was awarded to allow delivery of a complementary package of integrated sustainable transport measures, which will improve public realm and will provide a gateway to the town centre corridor of Terminus Road/Cornfield Road. The package of measures included:
 - 4.2.1. Bus stop relocation, a bus shuttle lane and new bus stops integrating with Eastbourne train station;
 - 4.2.2. Footway widening, improved pedestrian crossing facilities; and
 - 4.2.3. Street furniture/signage, soft landscaping and new street lighting.
- 4.3. Phase 1 of the Project was designed to support the improvement and extension of the town centre's Arndale shopping centre (now renamed as The Beacon), works which have been funded through private sector investment.
- 4.4. To date £3.8m of the £5m allocation for Phase 1 of the Project has been spent, with the remaining spend forecast to be spent by Q2 2019/20.
- 4.5. The benefits offered through delivery of Phase 1 of the Project include:
 - 4.5.1. The current issues of pedestrian congestion experienced along Terminus Road were addressed;
 - 4.5.2. Implementation of the first phases of developing civic space along Terminus Road for cultural and social activities;
 - 4.5.3. Support for local economic growth by providing a step change in the quality of the environment for local residents and visitors to Eastbourne; and
 - 4.5.4. Improving traffic and access to the town centre around the Arndale Centre extension (private sector investment).

- 4.6 In addition the Beacon shopping centre is now open and has already attracted many new retailers to the town, supporting the towns move to providing a stronger image and identity as a major retail centre.

5. Phase 2

- 5.1. Phase 2 of the Project will build on the improvements to the Terminus Road corridor delivered through Phase 1. Phase 2 of the Project will deliver a complementary package of improvements which create a pedestrianised area at the eastern end of the primary retail corridor in Eastbourne Town Centre and high-quality urban environment on the middle section of Terminus Road.
- 5.2. There are four scheme elements within the Project, as follows:
- 5.2.1. Pedestrianise the top end of Bolton Road, converting it into a two-way road and installation of a turning head;
 - 5.2.2. Pedestrianise the top end of Langney Road, converting it into a two-way road and installation of a turning head;
 - 5.2.3. Upgrade existing pedestrianised area from 'Bankers Corner' to junction with Bolton Road; and
 - 5.2.4. Furniture/signage, soft landscaping and new street lighting.
- 5.3. Delivery of these elements will further improve pedestrian accessibility and urban realm in Eastbourne town centre, with the purpose of ensuring that Eastbourne can retain and strengthen its retail offer, improve pedestrian safety and accessibility and provide a quality public realm environment.

6. Options Considered

- 6.1. Through the development of the Project, consideration has been given to the different options available. These options are considered in detail within the Business Case.
- 6.2. The long list of options under consideration were derived from the Eastbourne Town Centre Local Plan, which sets out the council's vision for Eastbourne Town Centre, and through considerable citizen-led engagement with key stakeholders within Eastbourne. This vision includes an ambition to attract more shoppers, residents, workers and visitors into the town centre, through investing in the local urban realm.
- 6.3. The Local Plan identifies that some parts of the town centre's urban realm are currently in use beyond their expected lifetime, and as a result are in a poor condition. The poor condition of these items is thought to be acting as a barrier for further investment by private sector partners.

- 6.4. The Local Plan identified several key approaches, gateways and streets which need investment to leverage further private sector investment, however, the cost of upgrading these areas is unaffordable within the current funding settlement. As a result, and in conjunction with key stakeholders, a long list of options was identified for consideration for inclusion within the Project, as follows:

- 6.4.1. Option 1 – Relocate Ring Road to The Avenue and Cavendish Place;
- 6.4.2. Option 2 – Pedestrianise Terminus Road between Seaside Road and Grand Parade;
- 6.4.3. Option 3a – Pedestrianise Terminus Road between Langney Road and Bolton Road;
- 6.4.4. Option 3b – Option 3a with additional pedestrianisation over the whole length of Langney Road and the top portion of Bolton Road;
- 6.4.5. Option 4 – Zebra crossings all-round Memorial Roundabout plus small kerb line changes;
- 6.4.6. Option 5 – Simplify junction of Grove Road, South Street and Meads Road;
- 6.4.7. Option 6 – Grove Road 20mph and reduced carriageway width;
- 6.4.8. Option 7 - Pedestrianise area in front of Town Hall;
- 6.4.9. Option 8 - Two-way operations on Ashford Road between Gildredge Road and Susan's Road;
- 6.4.10. Option 9 – Bus Hub and Interchange Under Existing Station Canopy;
- 6.4.11. Option 10 – Two-way operations on Susan's Road between Ashford Road and Seaside Road;
- 6.4.12. Option 11 – Two-way operations on Seaside Road between Terminus Road and Cavendish Place;
- 6.4.13. Option 12 – Town Centre Cycle Network;
- 6.4.14. Option 13 – Pedestrianise South Street between Grove Road and Gildredge Road (6 – 33).

- 6.5. Through the Town Centre Modelling Study it was established that none of the above options had a significantly negative impact on traffic operations, and therefore all options were considered in terms of the logical sequencing of improvement works, dependency between options and funding available to deliver other improvements within the area.

- 6.6. As a result of this analysis two options were shortlisted, as follows:

- 6.6.1. **Option 1** – The pedestrianisation of Terminus Road between Bolton Road and Langney Road, and the upgrade of an already-pedestrianised section of Terminus Road between Cornfield Road and Bolton Road.
- 6.6.2. **Option 2** – The pedestrianisation of Terminus Road between Bolton Road and Langney Road, and the upgrade of the already pedestrianised sections of Terminus Road between Cornfield Road and Bolton Road, and between Langney Road and Seaside Road.

- 6.7. The costs of delivering both options have been re-assessed in light of the costs of delivering Phase 1 of the Project and based on the level of funding available through SELEP and East Sussex County Council, resulting in option 1 being selected as the preferred option.
- 6.8. Option 1 aligns with the objectives set out in the Eastbourne Town Centre Local Plan and based on the impact of delivery of Phase 1 on the level of business investment in the area, it is reasonable to expect investment to continue as a result of the works proposed under option 1. In addition, it is expected that delivery of option 1 will lead to an increase in the number of people opting to move around the town centre on foot, offering positive environmental impacts through a reduction in carbon emissions and air pollution.
- 6.9. At the point of Project completion, anticipated by March 2021, the Project is expected to indirectly support the delivery of the following outcomes:
- 6.9.1. 1,120 jobs created in Eastbourne;
 - 6.9.2. 13,182sqm of employment space delivered in Eastbourne;
 - 6.9.3. 642 homes completed in Eastbourne.
- 6.10. Delivery of these outcomes will also be indirectly supported through the delivery of the Eastbourne and South Wealden Walking and Cycling Package.

7. Public Consultation and Engagement

- 7.1. East Sussex County Council and Eastbourne Borough Council have been involved in extensive resident led engagement to co-develop and co-design the scheme options to be included within the Project. This engagement has also informed the preparation of a pipeline of future masterplan schemes for the entire town centre, which will support the accessible and sustainable transport measures that will enable the town centre to thrive.
- 7.2. In addition, further engagement has been carried out in Eastbourne which offered the opportunity to work closely with stakeholders from a variety of town centre community and business groups to identify a list of preferred movement and access scheme options. Engagement took the form of a series of interactive workshops, which resulted in a list of preferred movement and access schemes which were then tested within the new town centre transport model. These workshops informed the elements detailed within the Project.
- 7.3. Stakeholder aspiration for a renewed Eastbourne Town Centre remains high, as does the level of support and interest in the Project. To retain this level of support and engagement further public consultation will be undertaken by East Sussex County Council once the preliminary design for the scheme elements has been completed. It is expected that this consultation will take place during 2019/20.

- 7.4. The engagement during the development of Phase 2 of the Eastbourne Town Centre Movement & Access Package, which was undertaken between January and May 2018, was received positively by key stakeholders within Eastbourne and resulted in Option 3a being put forward within the Business Case.

8. Project Cost and Funding

- 8.1. The total cost of the Project (Phase 2 only) is estimated at £3.486m, as set out in Table 1 below. This includes funding contributions from the following sources:
- 8.1.1. £3m LGF allocation – considered in this report;
 - 8.1.2. £386,000 East Sussex County Council – Local Transport Capital Programme
 - 8.1.3. £100,000 Developer Contributions.
- 8.2. The £100,000 contribution from the 2018/19 East Sussex County Council Local Transport Capital Programme has been approved by the County Council's Lead Cabinet Member for Transport and Environment and is therefore secure.
- 8.3. Whilst there is a clear intention to allocate additional funding to the project from future years of the Local Transport Capital Programme, these contributions cannot be formally approved until shortly before the start of the relevant financial year.
- 8.4. The Developer Contributions are currently held by East Sussex County Council and are therefore considered to be secure.

Table 1 – Eastbourne Town Centre Movement and Access Package – Phase 2 Spend Profile (£)

	2018/19	2019/20	2020/21	Total
SELEP LGF		1,000,000	2,000,000	3,000,000
East Sussex County Council – Local Transport Capital Programme	100,000	100,000	186,000	386,000
Developer Contributions		100,000		100,000
Total	100,000	1,200,000	2,186,000	3,486,000

9. Outcome of ITE Review

- 9.1. The ITE review confirms that the Project Business Case provides a proportionate assessment of the schemes costs and benefits which results in a strong benefit cost ratio, representing high Value for Money.
- 9.2. The analysis was robustly carried out and delivers high levels of certainty around the Value for Money categorisation.
- 9.3. The ITE review confirms that a reasonable assessment approach has been employed, with TfL's Valuing the Urban Realm Toolkit having been used to consider the Urban Realm benefits, whilst Department for Transport's WebTAG appraisal guidance was used to appraise active mode impacts.

10. Project Compliance with SELEP Assurance Framework

- 10.1. Table 2 below considers the assessment of the Business Case against the requirements of the SELEP Assurance Framework. The assessment confirms the compliance of the Project with SELEP's Assurance Framework.

Table 2 - Assessment of the Project against the requirements of the SELEP Assurance Framework

Requirement of the Assurance Framework to approve the project	Compliance (RAG Rating)	Evidence in the Business Case
A clear rationale for the interventions linked with the strategic objectives identified in the Strategic Economic Plan	Green	The Business Case identifies the current problems and why the scheme is needed now. The objectives presented align with the objectives identified in the Strategic Economic Plan.
Clearly defined outputs and anticipated outcomes, with clear additionality, ensuring that factors such as displacement and deadweight have been taken into account	Green	The expected project outputs and outcomes are set out in the Business Case and are detailed in the economic case. TfL's Valuing the Urban Realm toolkit, the World Health Organisation's Health Economic Assessment Tool and the Department for Transport's WebTAG guidance have been used to assess the expected outputs and outcomes of the Project.
Considers deliverability and risks	Green	The Business Case demonstrates clear experience

Requirement of the Assurance Framework to approve the project	Compliance (RAG Rating)	Evidence in the Business Case
appropriately, along with appropriate mitigating action (the costs of which must be clearly understood)		of the project team delivering similar schemes. A comprehensive risk register has been developed which provides an itemised mitigation
A Benefit Cost Ratio of at least 2:1 or comply with one of the two Value for Money exemptions	Green	A BCR has been calculated as 3.39:1, which indicates high value for money.

11. Financial Implications (Accountable Body comments)

- 11.1. All funding allocations that have been agreed by the Board are dependent on the Accountable Body receiving sufficient funding from HM Government. Funding allocations for 2018/19 have been confirmed however funding for future years is indicative. It should be noted that Government has made future funding allocations contingent on full compliance with the updated National Assurance Framework. Allocations for 2019/20 are also contingent on the Annual Performance Review of SELEPs LGF programme by Government, the outcome of which is expected in March 2019.
- 11.2. There is a high level of forecast slippage within the overall programme which totals £43.3m in 2018/19; this presents a programme delivery risk due to the increased proportion of projects now due to be delivered in the final years of the programme; and it presents a reputational risk for SELEP regarding securing future funding from Government where demonstrable delivery of the LGF Programme is not aligned to the funding profile. This risk, however, is offset in part by the recognition that the profile of the LGF allocations did not consider the required spend profile when determined by HM Government.
- 11.3. There are SLAs in place with the sponsoring authority which makes clear that future years funding can only be made available when HM Government has transferred LGF to the Accountable Body.

12. Legal Implications (Accountable Body comments)

- 12.1. There are no legal implications arising out of the decisions contained within this report.

13. Equality and Diversity implication

- 13.1. Section 149 of the Equality Act 2010 creates the public sector equality duty which requires that when a public sector body makes decisions it must have regard to the need to:
- (a) Eliminate unlawful discrimination, harassment and victimisation and other behaviour prohibited by the Act;
 - (b) Advance equality of opportunity between people who share a protected characteristic and those who do not;
 - (c) Foster good relations between people who share a protected characteristic and those who do not including tackling prejudice and promoting understanding.
- 13.2. The protected characteristics are age, disability, gender reassignment, pregnancy and maternity, race, religion or belief, gender and sexual orientation.
- 13.3. In the course of the development of the project business case, the delivery of the Project and the ongoing commitment to equality and diversity, the promoting local authority will ensure that any equality implications are considered as part of their decision making process and where it is possible to identify mitigating factors where an impact against any of the protected characteristics has been identified.

14. List of Appendices

- 14.1. Appendix 1 - Report of the Independent Technical Evaluator (As attached to Agenda Item 6).

15. List of Background Papers

- 15.1. Business Case for the Eastbourne Town Centre Movement and Access Package – phase 2.

(Any request for any background papers listed here should be made to the person named at the front of the report who will be able to help with any enquiries)

Role	Date
Accountable Body sign off	
Stephanie Mitchener	07/02/19
(On behalf of Margaret Lee, S151 Officer, Essex County Council)	