

Report to:	Cabinet Council	Date of Meeting:	Thursday 23 May 2024 Thursday 11 July 2024
Subject:	Southport Eastern Access Scheme - Receipt of Capital Funding		
Report of:	Assistant Director of Place (Highways and Public Protection)	Wards Affected:	Dukes; Kew; Norwood;
Portfolio:	Cabinet Member - Housing and Highways		
Is this a Key Decision:	Yes	Included in Forward Plan:	Yes
Exempt / Confidential Report:	No		

Summary:

Schemes over £1m in value need Council approval and the necessary funding needs to be included within the Council's Capital Programme. Southport Eastern Access scheme is expected to cost approximately £16.3m. Subject to approval from the Liverpool City Region Combined Authority, a Grant Funding Agreement will be received for this amount.

Recommendation(s):

Cabinet is recommended to:

- (1) Recommend to Council the approval of a supplementary capital estimate for £16.3m externally funded using the City Region Sustainable Transport Settlement from the Liverpool City Region Combined Authority (LCRCA) for the delivery of Southport Eastern Access scheme pending receipt and signing of a Grant Funding Agreement from the LCRCA.

Council is recommended to:

- (1) Approve a supplementary capital estimate for £16.3m externally funded using the City Region Sustainable Transport Settlement from the LCRCA for the delivery of Southport Eastern Access scheme pending receipt and signing of a Grant Funding Agreement from the LCRCA.

Reasons for the Recommendation(s):

The Liverpool City Region Combined Authority (LCRCA) has received a City Region Sustainable Transport Settlement allocation from the Department for Transport to deliver highway improvement and maintenance projects throughout the City Region by March 2027. Within the recently completed re-baselining exercise an allocation of funding for £16.8m has been identified to fund Southport Eastern Access projects. It is recognised that careful planning and co-ordination of all the elements of work will be critical to ensure the works are delivered within the window and that disruption is minimised as far as possible

In order to meeting the LUF Funding deadline, the target programme identified that the works contract needs to be signed in Autumn 2024. This report seeks to ensure that the necessary funding allocation is within the Capital Programme before the Contract is signed for the first Phase of works.

Whilst Cabinet Member Locality Services has previously approved the Transport Capital Programme which includes the Southport Eastern Access scheme, the financial regulations require Cabinet approval for schemes over £1m.

Alternative Options Considered and Rejected: (including any Risk Implications)

No alternative options have been considered

What will it cost and how will it be financed?**(A) Revenue Costs**

None

(B) Capital Costs

A decision is currently being made to determine the likely scope of Phase 1 and Phase 2. Phase 1 will be target on land within the Council's control and can be delivered whilst land is being secured for the delivery of Phase 2

The Contract value of the works likely to form Phase 2 is still being established through the Early Contractor Involvement stage of the procurement process previously agreed by Cabinet.

It is anticipated that the total scheme costs for both phases, which will include the Contract Target Cost, supervision and contract administration costs, statutory undertakers diversion costs and any legal or approval costs, will be approximately £16.3m. Whilst £16.8m has been allocated, some of this funding has already been secured; Cabinet, at its meeting on 4th January approved a supplementary capital estimate of £0.450m of Development Funding for inclusion within the Transport Capital Programme.

The Grant Funding Agreement from the Liverpool City Region Combined Authority will set out the exact figure. This will be received and reviewed prior to the works Contract being signed and a further supplementary estimate will be submitted for approval as per the Financial Procedure Rules for any variation to the £16.3m identified in this report. It should be noted that Cabinet has previously given delegated authority to the Chief Legal and Democratic Officer, following consultation with Cabinet Member, to sign the grant funding agreement for the necessary funding to enable the construction stage of the Southport Eastern Access Scheme project (Phase 1) to be undertaken.

Implications of the Proposals:

Resource Implications (Financial, IT, Staffing and Assets):	
<p>The management of the contract will be overseen by staff in Transportation Planning and Highway Development team. The contract administration and supervision will be undertaken by a team from the existing Transport Technical Services Supply Framework. The intention being that this team will administer and supervise several large capital schemes which are expected for delivery at the same time. The staff costs incurred prior to the award of the Contract will be funded from the Development Funding secured by the Council from the LCRCA which is contained within the Transport Capital Programme. Staff Costs, once the contract for the works is awarded, will be funded from the capital funding secured for the construction.</p>	
Legal Implications:	
<p>As determined by the Council's Contract Procedure Rules, the contract for the works will need to be sealed.</p>	
Equality Implications:	
<p>An Equality Impact Assessment has been completed. The assessment has been reviewed and considered in the detailed design process prior to construction.</p>	
Impact on Cared for Children and Care Experienced Young People:	
<p>The Impact of the scheme cared for children and care experienced young people was considered as part of the Equality Impact Assessment. Options for positive impacts will be considered in the development of the Social Value commitments that the Contractor will be expected to provide.</p>	
Climate Emergency Implications:	
<p>The recommendations within this report will</p>	
Have a positive impact	No
Have a neutral impact	Yes
Have a negative impact	No
The Author has undertaken the Climate Emergency training for report authors	Yes

The construction process will have negative impact in that new materials will be used and there will be a net carbon increase. There will also be a negative impact on traffic movements on the impacted streets whilst works are ongoing. However, the scheme when implemented, will improve accessibility and should encourage people to walk, cycle or use public transport . This should reduce the carbon impact. The scheme is one of a number of schemes currently subject to a Whole Life Carbon Assessment which will be able to provide a definitive picture.

Contribution to the Council’s Core Purpose:

Protect the most vulnerable: Not applicable.
Facilitate confident and resilient communities: The scheme should improve walking and cycling in the local area by making employment areas easier to access.
Commission, broker and provide core services: Not applicable
Place – leadership and influencer: The scheme should help improve access for all users to the seafront and town centre..
Drivers of change and reform: The delivery of facilities that encourage and enable more active travel is consistent with a range of national, regional and local policy objectives, including those related to addressing climate change and improving air quality, health and wellbeing
Facilitate sustainable economic prosperity: The scheme should help improve access to tourism facilities in Southport.
Greater income for social investment: Not applicable.
Cleaner Greener The scheme should improve walking and cycling in the local area by joining cycle infrastructure and making areas of employment easier to access on foot.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Resources and Customer Services (FD.7648/24) and the Chief Legal and Democratic Officer (LD.5748/24) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Consultation on the highway proposals formed part of the wider consultation on The Southport Eastern Access Scheme. This consultation was completed in early 2022 in accordance with the proposals approved by the Public Consultation and Engagement Panel. Further detailed engagement with Ward Members, key stakeholders, residents and business was completed in October 2023. Public Engagement, showing further details of the scheme has been undertaken in November and December 2023 and results have been appraised, taken into consideration in the design process and will be reported to Licensing and Regulatory Committee in June 2024.

Implementation Date for the Decision

Immediately following the Council meeting.

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Appendices:

None

Background Papers:

Report to Cabinet – Procurement Strategy for Southport Eastern Access – 4 January 2024

1. Introduction/Background

- 1.1 In January 2024 Cabinet considered a report seeking approval to the Procurement process of Phase 1 of the Southport Eastern Access (SEA) scheme. This was a series of junction and link improvements on key routes on the eastern approach to Southport including the re-opening of Foul Lane. The proposals were intended to reduce congestion, particularly on days when large numbers of visitors are attracted to the town. The measures were also designed to improve safety and accessibility. In the development of the proposals further consideration was given to how people walking or cycling could better access the town centre and hence the scope of the scheme was developed further to include a significant active travel element.
- 1.2 This report provided an update of the funding and delivery of the scheme. It explained that the Liverpool City Region Combined Authority (LCRCA) has, following a baselining process, confirmed an allocation of £16.8m in the current City Region Sustainable Transport Settlement (CRSTS) for the delivery of the Southport Eastern Access scheme. This needs to be expended by March 2027.
- 1.3 As the scheme is of a certain value, it is subject to the development of a Full Business Case (FBC). The approval of the FBC has been delegated by the Department for Transport to the LCRCA.
- 1.4 A procurement route has been chosen, and subsequently approved by Cabinet, to give the best chance of meeting the spending target. Balfour Beatty, appointed through the Scape Framework, have entered into a Contract with the Council, to develop the scheme Target Cost and delivery programme based on the design information. In addition a Social Value Plan is being developed with input from the Neighbourhoods Team. This Contract is for Early Contractor Involvement and is therefore limited in its scope. It does, however, enable the main works contract to be developed the scheme programmed and the cost identified.
- 1.5 Details of the likely phasing, land requirements, traffic management proposals and construction timescales are being developed to ensure, as far as possible, that schemes, up to the current funding allocation, can be delivered before March 2027.

2 Funding and Approvals.

- 2.1 To secure funding from the LCRCA the Council needs to go through a 'Gateway assessment'. This is a process set up by the LCRCA to ensure that the schemes are delivering the appropriate outputs and that Local Authorities have the processes in place to deliver the projects.
- 2.2 A Gateway 3 application, aimed at securing funds to progress design work, early contractor involvement and other costs, has been successful. A Grant Funding Agreement (GFA) will shortly be received, it is expected that this will be for the full amount requested. This will be reviewed and approved in accordance with the delegated authority previously granted by Cabinet.

- 2.3 A Gateway 4 application, aimed at securing the cost of works delivery and associated costs, will then be submitted to the relevant Panel for scrutiny. In parallel to this process a Full Business Case will be submitted and reviewed. The target date for the submission of both is July 2024.
- 2.4 If both the FBC and Gateway 4 application is approved, this should generate a GFA for approximately £16.3m. This should be approved by late summer/early Autumn.
- 2.5 Cabinet, at its January meeting, gave delegated authority to the Chief Legal and Democratic Officer, following consultation with Cabinet Member, to sign the grant funding agreement for the necessary funding to enable the construction stage of the first phase of Southport Eastern Access to be undertaken. The same meeting also approved the delegation of the award of the construction contract to the Assistant Director of Place - Highways & Public Protection, again following consultation with Cabinet Member.
- 2.6 Assuming the GFA is approved, the Council will receive an additional £16.3m. Council approval is sought to include this additional funding within the Capital Programme.

3.0 Scheme Details

- 3.1 The scheme was included in the Transport Capital Programme in 2023-24 and the scheme details, phasing and funding have been discussed with Cabinet Member.
- 3.2 Most of the design is complete, but there are some specific elements currently under development. This includes a series of safety and traffic mitigation measures planned for within the Norwood Ward where traffic patterns are likely to be influenced by the re-opening of Foul Lane to general traffic, which is one of the elements of the proposed scheme. Some further ground investigation works is also being undertaken on an area of the scheme where ground conditions are challenging.
- 3.3 The scope of the works likely to be delivered with the funding available is set down below.
- localised widening at the junction of Bispham Road and Norwood Road
 - junction improvement including widening at the junction of Sussex Road and Norwood Road
 - the reopening of Foul Lane to traffic including cycleway proposals
 - a series of improvement and traffic mitigation measures in the Norwood area.
- 3.4 A decision will be made shortly on the elements to form Phase 1 to enable works to commence as soon as possible following receipt of funding and the necessary approvals. Work will then progress on the securing of the land necessary to accommodate Phase 2.

3.5 The scheme details and associated consultation process will be set out in a report to the Council's Licensing and Regulatory Committee in June 2024 for the junction and active travel improvements and in September 2024 for the mitigation and safety measures in the Norwood Ward.