

Report Title: Maritime Corridor Scheme Phase 1 - Receipt of Capital Funding

Date of meeting:	Thursday 3 October 2024 Thursday 14 November 2024		
Report to:	Cabinet Council		
Report of:	Assistant Director Highways and Public Protection		
Portfolio:	Cabinet Member - Housing and Highways		
Wards affected:	Litherland; Molyneux; Netherton and Orrell; St. Oswald;		
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. The first Phase of the Maritime Corridor Scheme is expected to cost approximately £12.3m. 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 £12.303m externally funded using the Levelling Up Fund and City Region Sustainable Transport Settlement from the Liverpool City Region Combined Authority (LCRCA) for the delivery of Maritime Corridor Phase 1 pending the receipt and sealing of a grant funding agreement from the LCRCA.
- (2) Approve the delivery of the first Phase of the Maritime Corridor Phase 1 scheme.

Council is recommended to:

- (1) Approve a supplementary capital estimate for £12.303m externally funded using the Levelling Up Fund and City Region Sustainable Transport Settlement from the LCRCA for the delivery of Maritime Corridor Phase 1 pending the receipt and

sealing of a grant funding agreement from the LCRCA.

1. The Rationale and Evidence for the Recommendations

Background

- 1.1 In January 2024 Cabinet considered a report seeking approval to the Procurement process of Phase 1 of The Maritime Corridor Scheme. This scheme includes a series of improvements centred around the A5036 and the A59 and the employment land in between. The proposals are intended to reduce congestion, improve safety and provide easier access to employment sites in the south of the borough. In the development of the proposals further consideration was given to how people walking or cycling could better access these sites and hence the scope of the scheme was increased to include active travel improvements.
- 1.2 This earlier report provided an update of the funding and delivery of the scheme. It explained that the Liverpool City Region Combined Authority (LCRCA) had submitted a Funding application to the Department for Levelling Up, Housing & Communities (DLUHC) to secure Levelling Up funding (LUF) for a series of transport related improvements in Liverpool, Wirral and Sefton. As such elements of the Maritime Corridor work were included in the LUF Business Case. This Business Case has now been approved and funding made available to the LCRCA.
- 1.3 In addition, funding has been identified in the City Region Sustainable Transport Settlement (CRSTS) allocation to the LCRCA, from the Department for Transport, for the Maritime Corridor Scheme.
- 1.4 The LUF allocation to the Maritime Corridor Scheme, of £9.5m, needs to be expended before March 2025 to meet the criteria set by government. Similarly, any CRSTS funding needs to be expended by March 2027.
- 1.5 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 and the cost identified.

Funding and Approvals.

- 1.6 The LCRCA recently undertook a re-baselining process to identify a total allocation to fund the Maritime Corridor scheme within the current CRSTS window, i.e. before March 2027. This amounted to £21.2m made up of Levelling Up Funding and City Region Sustainable Transport Settlement Funding.
- 1.7 To give the best chance of ensuring funding timeframes are met, the scheme has been split into 2 phases. The first phase is focussed on work that doesn't require third party land.
- 1.8 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.

- 1.9 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) was received for the full amount requested. This was subsequently reviewed and approved in accordance with the delegated authority previously granted by Cabinet.
- 1.10 A Gateway 4 application, aimed at securing the cost of works delivery and associated costs, has been reviewed and accepted by the relevant Panel. A Grant Funding Agreement is now being drawn up for approximately £12.303m.
- 1.11 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 Maritime Corridor Phase 1 project to be undertaken. The same meeting also approved the delegation of the award of the construction contract to the Assistant Director - Highways & Public Protection, again following consultation with Cabinet Member.
- 1.12 Assuming the GFA is approved, the Council will receive an additional £12.303m. To comply with the Financial Regulations, Council approval is sought to include this additional funding within the Capital Programme.
- 1.13 The scheme was included in the Transport Capital Programme in 2024-25 and the scheme details, phasing and funding have been discussed with Cabinet Member.
- 1.14 The scope of the Phase 1 of the project was determined to ensure that and land required for construction was within Council ownership or Highway land. The three main elements are as follows;
 - Introduction of new cycle route on Netherton on Way linking the A5036 and Bridle Road
 - Modification of the junction of A5058, Netherton Way and Bridle Road incorporating pedestrian and cycle crossings.
 - With agreement with National Highways, introduction of a left turn lane from A5036, Dunnings Bridge Road, into Atlantic Park
- 1.15 The scheme details and associated consultation process were set out in the report to the Council's Licensing and Regulatory Committee in November 2023 (see Background Papers). This recommendations in this report were approved.
- 1.16 It should be noted that negotiations have been in progress with National Highways for some years. They have approved the scheme in principle but are currently going through a formal technical review which will culminate in the issue of a formal agreement to enable the Council to complete works on the trunk road.

Consultation

- 1.17 The wider scheme has been subject to two public consultation sessions, both completed following consideration from the Councils Public Consultation and Engagement Panel.

- 1.18 Initial consultation was completed in 2021. This was aimed at informing residents and business of the potential for the delivery of the project as well as providing the opportunity for concerns and comments to be raised to help influence the scheme development.
- 1.19 Following the development of the proposals it was considered sensible to complete some more detailed consultation. This second consultation process was more to inform key stakeholders, those with a land interest and the general public about the design of the scheme and its objectives. Engagement was undertaken to secure comments and feedback to help inform the final detailed design process and the full business case.
- 1.20 This further engagement in 2023 was separated into two stages;
- Stage 1, which began in August 2023, focused on key stakeholders identified by the Council; and those who have an interest in the land on which the scheme will be delivered, either through a freehold, leasehold or statutory undertaking. This list was identified by the Land Referencing Company and confirmed by the Land Agent, commissioned to support the Council on this scheme. In total 65 letters were sent out to a private survey link on Your Sefton Your Say.
 - Stage 2 was the wider public engagement and - ran from September to October. This stage consulted the wider public area including residents, schools, college and businesses. All addresses which were adjacent to the improvements were identified via the Council's internal Mapping system and 608 letters were distributed to these addresses inviting them to complete the consultation. In addition, a Social Media campaign was launched on the Council's platforms as well as Press Release being released onto the Council' website. All Protected Characteristics Groups / organisation and regional / national cycling and walking organisations and charities were also invited directly by email to take part in the survey.
- 1.21 Some feedback on the main issues raised during consultation have been set out in the report to L&R Committee (November 2023) mentioned above. Details of feedback from the consultation process were also considered by Public Consultation and Engagement Panel (June 2024)
- 1.22 Ward Member briefings providing details of the consultation were provided and a number of meetings were held subsequently with Ward members.
- 1.23 Recognising the importance of ensuring that all members are fully briefed on the development of the scheme, its phasing, duration, likely implications during construction and ultimate benefits, including social value, that the scheme will deliver, a further meeting has been held with Ward Members to discuss some specific elements of the scheme. Ward Members will be provided with regular updates during the construction process.

2. Financial Implications

The Contract value 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, 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 £12.303m.

The Grant Funding Agreement from the Liverpool City Region Combined Authority will set out the exact figure and a further supplementary estimate will be submitted for approval as per the Financial Procedure Rules for any variation to the £12.303m identified in this report. This will be received and reviewed prior to the works Contract being signed. 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 Maritime Corridor Phase 1 project to be undertaken.

It should be noted that Cabinet, at its meeting on 4th January approved a supplementary capital estimate of £500k of Development Funding for inclusion within the Transport Capital Programme. This funding is in addition to £12.303m identified in this report.

3. Legal Implications

As determined by the Council's Contract Procedure Rules, the contract for the works will need to be sealed.

4. Risk Implications

Should Cabinet not recommend the funding for inclusion in the Capital Programme, the contract won't be signed and works not delivered. This will have a negative impact on the Council's reputation and ability to secure further funds from the LCRCA for transport projects.

There is a risk that the Works cost exceed the budget. However, further funding will be secured for Phase 2, so any additional costs over and above the cost plan will be funded from this budget, anticipated to be approved later in 2024. Furthermore a robust costed Risk Register exists to mitigate this risk. This is reviewed on a regular basis.

5 Staffing HR Implications

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

6 Conclusion

By approving the recommendations the Council is able to include the funding in the Capital Programme and let the Contract for the delivery of the Maritime Corridor Phase 1 Works.

Alternative Options Considered and Rejected

No alternative options have been considered

Equality Implications:

The equality Implications have been identified and mitigated.

Impact on Children and Young People:

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.

Climate Emergency Implications:

The recommendations within this report will have a Neutral impact.

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.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Services & Commercial (FD.7779/24) and the Chief Legal and Democratic Officer (LD.5879/24) 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 Maritime Corridor. This consultation was completed in accordance with the proposals approved by the

Public Consultation and Engagement Panel in April 2021. Further detailed engagement with Ward Members, key stakeholders, residents and business has recently been completed in September and October 2023 and results appraised. Comments relating to the Phase 1 proposals were summarised in the recent report to Licensing and Regulatory Committee (Nov 23).

Recognising the importance of ensuring that all members are fully briefed on the development of the scheme, its phasing, duration, likely implications during construction and ultimate benefits, including social value, that the scheme will deliver, a further meeting has been held with Ward Members and some minor changes to the scope of the works completed.

Implementation Date for the Decision

Immediately following the Council meeting.

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Appendices:

None

Background Papers:

Report to Licensing and Regulatory Committee – 6 November 2023

Report to Cabinet – Procurement Strategy for Maritime Corridor Scheme – Phase 1 – 4 January 2024