

Cabinet Member Decision

Report:	Funding of Les Transformation de Southport Phase 1
Date of Issue:	29 November 2024
Date of Decision:	9 December 2024
Report to:	Cabinet Member Housing & Highways
Report of:	Assistant Director– Highways & Public Protection
Portfolio:	Housing & Highways
Wards affected:	Dukes
Is this a key decision:	No
Included in Forward Plan:	No
Exempt/confidential report:	No

Summary:

To provide an update of the delivery of the first Phase of the Les Transformation de Southport Public Realm scheme and to seek an amendment to the Transportation Capital Programme to increase the budget allocated to this scheme with a corresponding reduction elsewhere in the Programme.

Recommendation(s):

- (1) Cabinet Member approves a budget virement within the Transportation Capital Programme to increase the scheme budget for Les Transformation de Southport Phase 1 from £5.273m to £6.265m and a reduction in the budget allocated to the A59 Corridor and Kenyon's Lane junction improvement scheme in Maghull from £5.799m to £4.813m.
- (2) Cabinet Member notes the progress of the development of the project to delivery stage.

1. The Rationale and Evidence for the Recommendations

- 1.1 The aspiration to deliver high quality public realm and accessibility improvements in Southport Town Centre, under the title 'Les Transformation de Southport', was deemed a key element of the range of measures that secured Town Fund money.
- 1.2 The Business Plan, which helped secure the funding, identified the key routes, junctions and areas of the town centre would most benefit from accessibility improved public realm. After some consideration, the area around the newly refurbished Market and incorporating the proposed Enterprise Arcade was identified for Phase 1. This included Market Street, King Street and Eastbank Street.
- 1.3 Consultation was completed and support was received for the scheme. An initial design was developed which considered changes to Market Street to restrict traffic, with the exception of loading at certain times, and making King Street one way. The associated Traffic Regulation Order was then advertised, and the Councils' Licensing and Regulation Committee considered the outcome of the consultation and approved the changes to the Highways.
- 1.4 A landscaping report was produced to show the types of material, planting and street furniture to be adopted through as part of Les Transformation. This was reviewed by the Maintenance, Cleansing, Conservation, Tourism and other teams to ensure that the materials identified could be readily sourced, maintained and cleaned and created the transformation change.
- 1.5 An agreed list of improvement projects to be delivered in Sefton, using the City Region Sustainable Transport Settlement (2022-27) (CRSTS), identified a sum of £2.773 m allocated to the public realm improvement works in Southport. This supplemented the £2.5m identified as a contribution in the Southport Town Fund allocation, thus along with funding carried forward from 2023/24, set an indicative budget for the Les Transformation phase 1 Project of £5.273m.
- 1.6 In November 2023, Cabinet Member approved the appointment of Balfour Beatty through the Scape Framework to complete a Feasibility Exercise to determine the likely cost, phasing and programme implications for the project. This was developed when the design was nearing completion but not finally completed. This revealed an indicative cost in excess of the budget.
- 1.7 The design was critically reviewed to determine how savings may be introduced into the scheme without amending the area identified for improvement or reducing the quality of the surfacing materials and other significant features deemed critical to the scheme.
- 1.8 Following a value engineering exercise, which largely centred on the depth of new construction, the detailed design was completed. Balfour Beatty were then engaged to complete the Early Contractor Involvement stage. This involved completing a scheme programme and detailed target cost developed from the supply chain. The target cost then becomes the Contract Sum once it has been fully reviewed.
- 1.9 With some costs greater than those predicted during the Feasibility, the Design Team and Balfour Beatty have identified some further changes centred around tree pits and materials. These have been explored further with the supply chain and a revised Target Cost established. It does demonstrate that, even with the changes, some further funding will be required to deliver the scheme as designed, or changes to scope will be required.

- 1.10 Budget allocations for Southport Public Realm Phase 1 (£5.273m) and the A59 corridor Improvements (£5.799m) were approved by Council on 29 February 2024. The allocations were based on anticipated costs as developed at the time of the report. Tender returns received for the A59 Corridor project were significantly below the allocation identified for the scheme. Even with a further allocation for Risk, the anticipated outturn costs for the A59 project are predicted to be contained with a reduced budget of approximately £4.8m. This results in a sum of approximately £1m unallocated. It is proposed that this funding is reallocated to the Les Transformation Phase 1 scheme. This would ensure that no further reductions in scope would be required, the scheme can be delivered as designed and an allocation can be made to support potential risks on the project going forward.
- 1.11 The A59 scheme is funded from a variety of sources, which include CRSTS, Active Travel Fund, DfT Signals Fund and a developer's contribution. The Liverpool City Region Combined Authority have indicated that they are comfortable with the CRSTS allocation being redistributed to different budget headings providing then overall outputs are achieved. In this case. They support the principle of some CRSTS allocated for the A59 scheme being reallocated.
- 1.12 In December 2023, Cabinet Member approved the recommendation that delegated authority be given to the Assistant Director of Place - Highways & Public Protection, following consultation with Cabinet Member, to award the Contract for Early Contract Involvement (ECI) in the construction of Southport Public Realm (Les Transformations) Phase 1 to Balfour Beatty. Furthermore, subject to a successful appraisal of the outcome of the ECI process delegated authority be given to the Assistant Director of Place - Highways & Public Protection, following consultation with Cabinet Member, to award the Contract for the construction of Southport Public Realm (Les Transformations) Phase 1 to Balfour Beatty.
- 1.13 The current programme identifies the Contract being entered into in December to enable works to commence on site in January. 2025. This will allow some Town Fund allocation to be expended before the end of March 2025.
- 1.14 Whilst a further report identifying some changes to budget headings in the 24-25 Transportation Capital Programme is expected to be submitted for approval in early 2025, a further, earlier approval of this change is required in order to enable the award of the main contract in December as programmed.

2. Financial Implications

The report seeks a change to budget headings within the approved Transportation Capital Programme. As the recommendation sets out, the Cabinet Member is asked to approve the changes to the Transportation Capital Programme to increase the scheme budget for Les Transformation de Southport Phase 1 from £5.273m to £6.265m and a reduction in the budget allocated to the A59 Corridor and Kenyon's Lane junction improvement scheme in Maghull from £5.799m to £4.813m. This is in advance of the Contract for the works being let.

3. Legal Implications

There are no specific legal implications for the recommendations within this report. The Contract for the main works will need to be signed and sealed in accordance with the Contract Procurement Rules.

4. Corporate Risk Implications

There is a reputational risk to the Council should the scope of work being delivered be less than that identified during the consultation stage, or should there be any delay to delivery, which would impact on the Town Fund allocation targeted for expenditure in 2024-25.

5 Staffing HR Implications

The scheme will be managed by staff in the and Public Protection team supported by the Framework Consultant, WSP. These costs are within the revised budget.

6 Conclusion

The reallocation of funding between the A59 scheme and the Les Transformation Phase 1 scheme allows both schemes to be delivered as envisaged and outputs achieved. Agreeing the recommendation allows the main contract to be let in December and works to start on site in January 2025 as programmed.

Equality Implications:
There are no equality implications.
Impact on Children and Young People:
The public realm works will not have a direct impact on children and young people although the improved environment should benefit all road users.
Climate Emergency Implications:
The recommendations within this report will have a Neutral impact.

What consultations have taken place on the proposals and when?

(A) Internal Consultations

The Executive Director of Corporate Services & Commercial (FD.7859/24.....) and the Chief Legal and Democratic Officer (LD.5959/24.....) have been consulted and any comments have been incorporated into the report.

(B) External Consultations

Extensive consultation was completed on the scheme in 2021 and 2022 during the initial stages of the project development. This helped shape the scheme.,

Further specific consultation was held on the Traffic Regulation Orders.

Consultation has been undertaken with Council Officers responsible for maintenance and with specific groups.

An advanced start letter has been sent to residents / businesses in November on Eastbank Street, Market Street and King Street.

A Ward Member Briefing Note has also been issued providing scheme details and dates for the scheme, including proposed road closures.

Implementation Date for the Decision :

Following the expiry of the “call-in” period for the Cabinet Member decision.

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Appendices:

There are no appendices to this report

Background Papers:

Licensing and Regulatory Committee 05/09/22 - Southport Town Deal, Market Street, King Street, Eastbank Street and Chapel Street Improvements, Southport.