

Lee Harris, Executive Director of Place	Ref No: OKD10_20/21
May 2020	Key Decision: Yes
Procurement: Adur and Worthing Growth Programme, Worthing Public Realm Work (Portland Road Project)	Part I
Report by Strategic Manager (OPE and Growth) Place Services	Electoral Division: Worthing Pier
<p>Summary</p> <p>Decision LDR01 18/19 in May 2018, by the West Sussex County Council Leader, approved a £5m capital allocation to develop a programme of Worthing Public Realm Improvements (WPRI), as part of the Adur and Worthing Growth Deal. The decision allocated £400k towards capital design fees for the first phase, including the Portland Road project, and delegated programme delivery to the Executive Director of Economy, Infrastructure and Environment (now Place).</p> <p>This report relates to the Portland Road project which remains a top priority and the partnership proposes that Worthing Borough Council (WBC) leads the delivery of an agreed public realm improvement scheme, using £3m allocated from the WSCC capital programme. Any payments will be linked to progress overseen by the Growth Partnership governance, made up of representatives from WSCC and WBC, with approval of expenditure delegated to Executive Director of Place.</p>	
<p>Financial Impact</p> <p>Allocation of a further £2.91m for completing detailed design, implementation and delivery of Portland Road, from the remaining £4.60m, means there will be £1.69m left within WSCC Capital Programme to support the delivery of the next phase and project of the Worthing Public Realm Improvement Programme.</p>	
<p>Recommendations</p> <p>The Executive Director for Place Services is asked to approve:</p> <ol style="list-style-type: none"> 1. The appointment of Worthing Borough Council (WBC) as the delivery body for the Portland Road capital project; and the 2. Allocation of £2.91m from the remaining £4.60m within WSCC Capital Programme for Worthing Public Realm Improvement schemes, to deliver the first phase of the programme (Portland Road). 	

Proposal

1. Background and Context

- 1.1 The Adur and Worthing Growth (A&WG) Deal signed in March 2017 identified up to 8 public realm schemes aimed at supporting the regeneration of the Worthing town centre economy. The estimated £12m for programme budget, was funded jointly by the WSCC Capital Programme (£5m) and Worthing Borough Council (£7m), through developer contributions: Community Infrastructure Levy (CIL); planning obligations (Section 106) and grants, to support delivery of later phases of the programme.
- 1.2 The Worthing Investment Prospectus (2016), commissioned jointly by the County Council and Worthing Borough Council (WBC) identified important areas between the station and the seafront. Portland Road and Teville Gate sites were highlighted as key development opportunities where public realm improvements could support the delivery of growth.
- 1.3 This Worthing Public Realm Improvement (WPRI) programme provides a significant opportunity to design people centred urban spaces with multiple social and economic benefits including:
 - Creation of quality landscapes at destination and arrival points
 - Making great gateways with clear routes and desirable places
 - Improving the safety of the public realm, inclusive and safe spaces
 - Supporting sustainable travel and building healthy environments
 - Building strong local support by listening stakeholders and partners
- 1.4 As optional appraisals and early concept design progressed it became clear that there were challenges of delivering such an extensive programme within existing resource. The Adur and Worthing Growth Board (A&WGB) agreed at a special meeting (23 March 2020) to prioritise projects and maintain the quality of schemes, to achieve maximum benefits from investment within reasonable timescales.
- 1.5 The delivery of the Portland Road scheme is considered strategically significant and along with the exploration of gateway design options for Railway Approach, integral to securing future economic investment in Worthing's Town Centre.
- 1.6 Investment in Portland Road improvements and other town centre gateway, infrastructure and economic growth projects are even more pertinent in view of the impact of Covid-19 as it supports revival of place and critical recovery plans.

2. Proposal Details

- 2.1 The Portland Public Realm improvement proposals will increase quality and accessibility with new paved areas and reduce clutter on the highway. Highway access and street parking will be altered to extend the pedestrianised area. Loading and unloading restrictions modified and introduce new street lighting, urban realm furniture, trees and quality, sustainable low maintenance landscaping.

- 2.2 The outcome will be a revitalised gateway and entry linked to the town centre, an economic area and hub for restaurants and the night-time economy.
- 2.3 A large portion of WPRI design budget has now been expended (£310k) mainly on development of the Portland Road scheme. The remaining budget £90k will be used as part of the £2.91m being requested to fund the next stage of the Portland Road detailed and engineering design to mitigate risk within the project budget.
- 2.4 Railway Approach is an important gateway and major transport interchange in Worthing, adjacent to the station and Teville Gate with its ongoing construction of new offices (HMRC). The Growth Partnership recognise it is essential to coordinate design of public realm schemes with rapidly progressing commercial development and as part of the wider new residential proposals and mixed-use scheme recently granted planning permission by WBC (4 March 20). WSCC revenue funds are being used to conduct investigations to assess design options to improve quality of Railway Approach and accessibility of the station, linking routes through Teville Gate's new development sites, into the town centre and Portland Road – enhancing the resident and visitor experience. Future proposals for Railway Approach remain subject to the outcome of preliminary investigations and approval of a separate business case (Autumn 2020).
- 2.6 The Growth partnership agreed to commit resource to focus on progressing strategic priorities including the successful implementation of public realm improvement at Portland Road and an assessment of potential design options for Railway Approach associated with major developments at Teville Gate. Individual business cases will be developed to support proposals for further investment in future projects planned within the Worthing programme, such as Railway Approach, South Street and Montague Street.
- 2.7 WSCC propose a maximum sum of £3.0m is committed to fund Portland Road, that will now be delivered through WBC as local partner, who will lead project management and complete design work. WSCC will approve funding to be drawn down over a number of key stages, with gateway reviews carried out by both parties, in line with governance and audit. WBC will procure advice to develop an agreed viable final design. A final specification will be agreed by Highways and Growth Board before WBC procure a construction contractor and implement the improvement scheme within the agreed specification.

3. Factors taken into account

Consultation

- 3.1 Positive feedback was received in response to initial public consultation on preliminary designs on Portland Road and the WPRI programme (2018). The partnership listened and incorporated feedback from local residents and businesses, regarding the integration of cycling routes, disabled parking and car parking, whenever practical, possible and financially viable. Options will

consider impacts of development on existing local businesses, sustaining regeneration and supporting the provision of new affordable homes.

- 3.2 The majority of the funding originally allocated to progress WPRI designs has been spent on developing a high-quality scheme for Portland Road. Further due diligence (summer 2019) uncovered risks to the implementation of proposed scheme and adjusted early cost estimates.
- 3.3 An options review and discussions for South Street are yet to be concluded, to identify a viable proposal. As a result, the Growth Partnership revised the phasing plan and sequence of projects in the programme.
- 3.3 The Growth Board Partnership, local members and the Worthing Public Realm Board and County Local Committee have been consulted and considered it crucial to focus resource on delivery of Portland Road to revive and sustain the local economy and investigate future options to progress the wider public realm improvement.

4. Financial (revenue and capital) and Resource Implications

- 4.1 The total estimated cost of Portland Road is £3.0m, £0.09m remains from the original £0.4m allocation for design fees therefore a further £2.91m is required to be approved to complete the project. This will be funded from the £4.6m allocation for Worthing Growth Programme within the approved capital programme leaving £1.69m available for future projects within the Worthing Growth Programme.
- 4.2 Table below indicates projected Capital Expenditure over future years.

	Current Year 2020/21	Year 2 2021/22	Year 3 2022/23	Total
	£m	£m	£m	£m
Capital Programme Allocation approved at February County Council	1.00	1.00	2.60	4.60
Change from Proposal	- 0.68	-2.05	-0.18	-2.91
Remaining budget	0.32	-1.05	2.42	1.69

- 4.3 The programme was initially £5m all funded by a WSCC allocation to support delivery of priority projects identified by partnership growth board. £0.4m has currently been approved from this allocation to fund design fees. The future programme is dependent on the timings of Worthing bids for future grant and funding from developer contributions. WBC have committed via the Growth Deal to secure £7.08m of the remaining cost of the public realm scheme through CIL, S106 contributions and potential grant funding. WBC

as planning authority will seek to secure the preferred option improvements for Teville Gate and related Railway Approach scheme through the planning process, funded and delivered by developers and or supplemented by grant funding bids e.g. to LEP

- 4.4 Worthing Borough Council will be the delivery body for the Portland Road capital project, WSCC will fund up to the value of £3m of the project however any additional funding required for the project will be met by WBC through grant funding and or CIL allocations.
- 4.5 WSCC will reimburse WBC on a quarterly basis for costs incurred within the capped £3.0m.
- 4.6 The priority of each project in pipeline will be continually reviewed by growth board based on levels of economic and community benefits generated and these will come forward as individual business cases.
- 4.7 The allocation of the capital funding will be phased to ensure control and management within budget – key decisions remain subject to partnership Growth Board consultation to ensure the approach remains within parameters set out.

5. Legal Implications

- 5.1 The delivery of Portland Road project is subject to a full review of the legal title to check that the various areas of Public Realm proposed to be improved are not subject to building restrictions, easements and restrictive covenants or other third-party interests in the land which could delay or prevent the works. Any of these could delay or prevent WSCC and WBC carrying out the intended works in whole or in part.
- 5.2 There is already a robust governance and decision-making structure in place between WSCC and WBC as evidenced by the Programme Boards and agreed partnership protocols. The ultimate decision maker for payment of funds is Executive Director for Place. Although WSCC is not the delivery partner for the project, WSCC will need to ensure that the procurement process for the contractor and the form of contract used is compliant with public procurement rules and the councils’ Standing Orders.

6. Risk Implications and Mitigations

Risk	Mitigating Action (in place or planned)
That WBC are unable to deliver the Portland Road project within estimated budget timeline 2020/23 as set out in section 4.2, for example due to high	WBC has provided reassurance that it will fund any variance or adjustment if required. This risk is mitigated by the development of a robust project plan and management at the Growth Board and monitoring by Worthing Public Realm Improvements Board.

Risk	Mitigating Action (in place or planned)
level of construction risk due to underground utilities in town centre.	Clear brief to design team and contractor minimise disturbance of existing utilities, especially in pavement and footway construction areas, a Quantified Risk Assessment will form part of Pre-tender cost estimation.
The level of resource provided by County Council to Portland Road means the partnership are unable to deliver additional priority projects within the programme and remaining allocated budget.	Programme is phased and each individual project requires a viable Business case demonstrating economic benefits from investment and value for money attained from delivery of scheme. Funding Agreement per project provides assurances between partners. Worthing Borough Council has secured funding for the project and identified adequate resource for next stages of programme, from contributions and grant etc.
That the outcomes identified at paragraphs 2.1 and 2.2 are not achieved.	Mitigated by the development of an extensive project management plan that includes commitments from all the key partners.
Third party landowners & or interested parties object to changes of TROs for highway regulations, especially loading and unloading timings which could lead to Public Enquiry	Consultation ongoing on Access agreements and parking areas with interested parties. Strong wide local support from businesses and residents for improvements to go ahead. WBC working together in Partnership with WSCC Highways and Growth teams working in partnership to review the project and mitigate risks and overcome wider programme issues.
Impact of CV19 Virus: - Health & Safety Working practices on site - Affects ability to conduct business as "normal" and to secure value for Money from procurement - Changes to local and wider economy could affect inflation and costs of construction & or contributions from linked sites.	Partnership and members communications ensure awareness of potential extended programme timescales. Recent tenders have demonstrated positive local market response and quotes. Monitoring to ensure reliability and stability of supply chain and sub-contracts. Phased programme will ensure best use of partnership resource, only expending resource when it becomes available. Public investment in quality public realm opportunity to improve business and investor confidence in area.

7. Other Options Considered (and reasons for not proposing)

- 7.1 The WPRI Programme has been assessed by members of Worthing Public Realm Improvement Board and Growth Board. Portland Road is at an advanced project design stage. Therefore members and officers agree

investment in this project should be prioritised ahead of other projects options within the programme.

- 7.2 Other options within the WPRI programme require further investigation to form business cases for assessment, before they can draw down funding. Future projects can benefit from lessons learnt from design and implementation to date.

8. Equality and Human Rights Assessment

- 8.1 Equality will be considered further as the project develops through the detailed design, procurement and delivery.

9. Social Value and Sustainability Assessment

- 9.1 The proposal will continue to improve the experience of people, living, working and visiting the town centre and improve the attractiveness of Worthing in terms of wider business investment.

10. Crime and Disorder Reduction Assessment

- 10.1 The improved public realm works will fully consider crime and disorder act implications through the detailed design phase of the project.

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Appendices

None

Background papers

None