

Arun District Council

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| REPORT TO: | Policy and Finance Committee – 11 July 2023 |
| SUBJECT: | Littlehampton Seafront Project |
| LEAD OFFICER: | Philippa Dart – Director of Environment and Communities Joe Russell-Wells – Group Head of Environment and Climate Change |
| LEAD MEMBER: | Cllr Matt Stanley |
| WARDS: | Beach Ward |

CORPORATE PRIORITY / POLICY CONTEXT / CORPORATE VISION:

The Littlehampton Seafront project will implement parts of the Council's Vision by improving infrastructure that supports wellbeing and enabling improvements and activities to increase visitor spend. The project will also meet the town centre aspirations of the Council's Economic Development Strategy 2020-2025.

DIRECTORATE POLICY CONTEXT:

The Littlehampton Levelling Up Fund project sits within the Directorate plan. Its design will take account of existing maintenance contracts and management strategies.

FINANCIAL SUMMARY:

The approved budget for the project is £7,305,501. This is being provided through an external grant of £7,234,201 from the Levelling Up Fund and separate funding of £71,300 for the inclusion of a Changing Places Toilet facility.

The total project budget breakdown is as follows:

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| Professional fees (LUF grant): | 549,357 |
| Public realm capital works, including contingencies (LUF grant): | 6,684,844 |
| Changing Places Toilet capital works (CPT grant): | 40,000 |
| Changing Places Toilet capital works (ADC partnership): | 22,000 |
| Changing Places Toilet project management (ADC partnership): | <u>9,300</u> |
| | 7,305,501 |

The project costs were compiled for the Levelling Up Fund bid in June 2021. Since that time, a range of economic uncertainties have impacted construction industry costs which have risen considerably. The budget for the scheme needs to reflect the likely costs during the construction period and take expected inflation rates into account.

A review of the RIBA Stage 2 design against the cost plan is being undertaken to ensure the budget is not exceeded.

1. PURPOSE OF REPORT

- 1.1. This report provides an update on the project and asks the committee to endorse the designs presented at the meeting, which will form part of a planning application.

2. RECOMMENDATIONS

- 2.1 To endorse the Littlehampton seafront scheme masterplan, to be submitted as part of a planning application. The extent of the masterplan delivered will be determined by the final contract sum following tender.

3. EXECUTIVE SUMMARY

- 3.1 This report provides an update on the Littlehampton seafront scheme, including the procurement of the design and build contractor and the design and cost review. The report also seeks approval to endorse the design which will be submitted as part of a planning application.

4. DETAIL

4.1. Background

Arun District Council has been awarded a £7,234,201 grant from the Levelling Up Fund (LUF) to enhance the seafront public realm in Littlehampton. The scheme, which received positive public support during consultation in 2016, will transform the seafront open space, attract more visitors, and boost economic regeneration in the town. The improvements will provide better opportunities to access culture, encourage outdoor activities that strengthen social connections and improve mental and physical health and well-being.

A refreshed version of the scheme was published for public consultation in October 2022 and the results showed a good level of public support for the designs. Comments received as part of the consultation were collated for further review by the design and build contractor once appointed.

4.2. Procurement of design and build contractor

It has been reported previously that the economic uncertainty has presented challenges in procuring suppliers. The project attracted little interest from the original SCF framework option and other avenues explored were discounted due to cost and impact on programme. Policy and Finance at their meeting on 7 March 2023 agreed that the procurement route would be revised to use Pagabo and not SCF.

An expression of interest undertaken by Pagabo received 2 positive responses from a core list of 8 and reserve list of 4 suppliers. A third supplier who had initially shown interest cited resource and timing issues as reasons for now not being able to bid. The tender was published on 9 March 2023 and made available to the 2 suppliers who confirmed their interest under Pagabo's Medium Works Framework.

During the tender period one of the suppliers advised that they were declining the opportunity to submit a bid, due to the amount of work they currently have. The tender closed on 18 April and one bid was received. This has been evaluated and moderated following usual procedure to confirm that the panel was satisfied the bid submission met with the tender criteria.

Following the conclusion of the procurement process the council will enter into a Pre-Construction Services Agreement with Neilcott Construction Ltd, for a value of £689.3k, which is in accordance with the heads of terms approved by Policy and Finance Committee on 6 September 2023 and the subsequent updated approval to use the Pagabo framework.

There will be a separate contract for the construction works following an open book tender exercise by the contractor during RIBA Stage 4.

4.3. Scheme design

Following the appointment of Neilcott Construction the RIBA Stage 2 design and cost plan are currently being reviewed, as well as the results of the public consultation and planning pre-application comments.

In reviewing the results of the consultation against the designs the project team is proposing the following:

- Car park: reduce the visual impact of the parking overflow area through the use of a reinforced grass surface.
- Toilet block: no changes proposed to building design.
- Foreshore building: to rotate the building to enable better access for the land train and include a fenced area to separate foreshore maintenance operations from the activity hub.
- Activities: allow for the inclusion of water play, basketball, beach volleyball and pétanque. Include quiet zone for relaxation and sensory play.
- Banjo Rd/marketplace: provide toilet facility for concession staff to meet environmental health requirements.
- Planting: include tree planting along the main pedestrian footpath from South Terrace to enhance the arrival experience.
- General: include cycle stands and refine lighting design. To note requests for additional shelter and street furniture and include where funding allows.

Appendix 1 summarises the review of the different elements of the project and provides comment on public consultation feedback.

The updated design will be presented to the Policy and Finance Committee for endorsement ahead of a planning submission.

4.4. Project cost

A draft cost plan for the stage 2 design was received in December 2022 which showed the projected cost of the scheme exceeding the allocated budget by approximately £750k. This was reported in the Policy and Finance report dated 7 March 2023.

Following the commencement of RIBA Stage 3, an initial review by Neilcott has shown that the projected cost is now expected to exceed the budget by approx. £300k, which is a reduction from previous estimates. As the design evolves during RIBA stage 3 this will be kept under review and potential adjustments will be considered to bring the scheme within the budget allocation.

As the scheme designs are further developed the cost plan will be refined to establish a more accurate project cost. Neilcott is proposing a thorough cost review at the end of RIBA Stage 3 when more detail is available to provide a good level of confidence before proceeding to the next stage.

The project has allowed for contingency sums to offset for inflation and other increases to construction costs. It will not be until the end of RIBA Stage 4 when a firm price for delivering the scheme will be known, following a process to obtain competitive quotes for each element of the design.

4.5. Planning pre-application advice

A request for pre-application advice was submitted to the Planning Service. The design information submitted was based on the scheme presented at public consultation and sought guidance on what a full application would need to include, to ensure time and resource is not wasted.

Feedback received was positive due to the opportunities to enhance the seafront amenities and social and economic benefits. The comments sought additional clarification and detail on:

- Setting of South Terrace and visual appearance of the car park
- Focus of pedestrian arrival experience
- Design style and character of the new buildings
- Lighting proposals
- Electrical vehicle charging bays
- Cycle parking

Further details in relation to landscape, biodiversity, flooding and heritage also need to be provided as part of the main application. The report has been shared with Neilcott Construction for consideration as part of RIBA Stage 3 design development.

Ground water monitoring and infiltration testing results have also been passed to the contractor for review and will be taken into account as part of the RIBA Stage 3 designs.

4.6. Next steps

The updated scheme design will be presented to Policy and Finance Committee prior to the submission of a planning application. Tender package information will be prepared in order that a cost for constructing the scheme can be obtained.

The following table summarises the expected project programme:

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| RIBA 1/2: Survey work, concept design, public consultation | Complete |
| RIBA 3: Framework tender to procure design and build contractor, detailed design, planning application | Autumn 2022 – Summer 2023 |
| RIBA 4: Technical design, construction tender process | Autumn 2023 - Winter 2023 |
| RIBA 5: Construction phase | Early 2024 - Autumn 2024 |

5. CONSULTATION

- 5.1. The original plans for the Littlehampton seafront were consulted on in 2017. The refreshed proposals for the scheme were shared with stakeholders and published for public consultation in October 2022. The consultation results were presented to Policy and Finance Committee on 13 December 2022.
- 5.2. Following the conclusion of the consultation the designs will be developed in more detail during RIBA Stage 3 and a planning application prepared for submission in late summer 2023, enabling further opportunity for public comment.

6. OPTIONS / ALTERNATIVES CONSIDERED

- 6.1. The council has committed to delivering the scheme in accordance with the terms of the Levelling Up Fund grant award, therefore no alternative options are being considered.

7. COMMENTS BY THE GROUP HEAD OF FINANCE/SECTION 151 OFFICER

- 7.1. The total cost of this project has been included in the Council's approved capital programme.

8. RISK ASSESSMENT CONSIDERATIONS

- 8.1. A project risk register will be maintained for the duration of the project. The highest risks to the project are currently identified as cost, delivery within programme and buried services.

The risks will be regularly reviewed, and mitigation measures considered to reduce the risks.

9. COMMENTS OF THE GROUP HEAD OF LAW AND GOVERNANCE & MONITORING OFFICER

- 9.1. This is an update report, but it also makes reference to a pre-construction services agreement (PCSA) with Neilcott Construction Limited. A PCSA is used to appoint a design and build contractor to carry out services before entering into a formal building contract. A PCSA is used in two-stage tendering to obtain

further design input, buildability advice, technical advice and detailed costs information from a prospective contractor. For the avoidance of doubt a PCSA is a formal agreement to provide specified services (and sometimes to carry out specific works) and is not a letter of intent.

- 9.2 The Pre-Construction Services Agreement enables the contractor to work with the Council to develop detailed designs. The agreement covers the period from the submission of first stage tenders up to the submission of a definitive second stage tender and entry into a main contract for the construction phase.

10. HUMAN RESOURCES IMPACT

- 10.1. None.

11. HEALTH & SAFETY IMPACT

- 11.1. Further consultation will be carried out with the corporate health and safety team to ensure any health and safety concerns identified through the consultation are addressed before the design is finalised. The design team will produce a designer's risk assessment, and the project will be delivered in accordance with The Construction, (Design and Management) Regulation 2015. Appropriate health and safety risk assessments and management regimes will also need to be established for any new activities, including play areas and water features.

12. PROPERTY & ESTATES IMPACT

- 12.1. The project will result in improvements to council assets as well as the potential for additional assets. These will impact on future planned maintenance budgets.

Covenants and lease arrangements are being taken into account and discussions underway with relevant parties to mitigate for potential constraints.

13. EQUALITIES IMPACT ASSESSMENT (EIA) / SOCIAL VALUE

- 13.1. The EIA for the project identifies positive impacts to the following protected characteristics/groups:

- Age – new facilities and creation of social spaces will form part of the project.
- Disability - Changing Places facility is included as a result of successful grant funding.
- While not a protected characteristic the project will also benefit socio economic disadvantaged groups through the provision of new, free facilities.

The appointed design and build contractor set out their social value proposals as part of their tender submission which include engagement with local schools, developing employment skills, creating opportunities for local businesses, and supporting community projects.

14. CLIMATE CHANGE & ENVIRONMENTAL IMPACT/SOCIAL VALUE

- 14.1. The carbon footprint impact of the project will be considered as part of the design phase. Betterment will be looked for in terms of drainage and flooding mitigation. The project aims to achieve 10% Biodiversity Net Gain through new planting on the site.

15. CRIME AND DISORDER REDUCTION IMPACT

- 15.1. Stakeholder engagement during RIBA Stage 3 with the community safety and crime prevention teams will assess potential issues and opportunities for mitigation.

16. HUMAN RIGHTS IMPACT

- 16.1. It is not anticipated there will be any impact.

17. FREEDOM OF INFORMATION / DATA PROTECTION CONSIDERATIONS

- 17.1. Sensitive data will be handled in accordance with the GDPR.

CONTACT OFFICER:

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BACKGROUND DOCUMENTS:

[Levelling Up Fund Bid Submission - Economic Committee 8 June 2021, Item 63](#)

[Levelling Up Fund Projects – Policy & Finance Committee 9 December 2021, Item 504](#)

[Levelling Up Fund Projects – Full Council 26 January 2022, Item 623](#)

[Levelling Up Fund Projects – Bid Submission](#)

[Littlehampton Seafront Project – Policy & Finance Committee 30 June 2022, Item 111](#)

[Littlehampton Seafront Project – Policy & Finance Committee 6 September 2022, Item 238](#)

[Littlehampton Seafront Project – Policy & Finance Committee 20 October 2022, Item 373](#)

[Littlehampton Seafront Project – Policy & Finance Committee 13 December 2023, Item 529](#)

[Littlehampton Seafront Project – results of public consultation](#)

[Littlehampton Seafront Project – Policy & Finance Committee 7 March 2023, Item 755](#)