



Report subject	<b>Levelling Up Fund: Coastal Communities Seafront Infrastructure Project</b>
Meeting date	6 September 2023
Status	Public Report
Executive summary	<p>Following a competitive bidding process, BCP Council has been awarded £19,993,858 Levelling Up Fund by Government to invest in specific seafront infrastructure projects to safeguard and create jobs; enable delivery of community projects; stimulate commercial investment, increase physical activity and improve place identity. All delivery costs including staffing resource, have been capitalised within the budget. The programme is aligned to the draft Corporate Strategy:</p> <ul style="list-style-type: none"> <li>• Create sustainable and contemporary infrastructure that connects our communities, offers choice, and encourages people to be active</li> <li>• Strive to be as self-sustaining as we can be in water, energy and economy</li> <li>• Restore, recover and regenerate our natural environment and enhance community access</li> <li>• Work with partners to ensure everyone feels safe</li> <li>• Promote quality of life for all, where people live active, independent lives</li> <li>• Celebrate our cultural identity and diverse heritage to inspire a sense of pride</li> </ul>
Recommendations	<p><b>It is RECOMMENDED that Cabinet:</b></p> <ol style="list-style-type: none"> <li>1. Approve delivery of the Coastal Communities Seafront Infrastructure Project as set out in the DHULC Levelling Up Funding award to BCP Council</li> <li>2. Delegate authority to the Service Director for Commercial Operations in consultation with the Cabinet Member for Finance and Operations to spend and deliver the £19.9m project.</li> <li>3. Agree an update on delivery progress to Cabinet in September 2024</li> </ol>
Reason for recommendations	<p>BCP Council has formally accepted the grant offer from DHULC. 100% externally funded, the programme delivers monetised benefits of £105,866,082 and a projected benefit to cost ratio of 4.65. Investments will reduce seafront maintenance (revenue pressure) and unlock commercial growth (revenue growth). In order to maintain progress on the project interventions, which have a funding requirement to complete by March 2025, approval is required by 6<sup>th</sup> September. Risk to approval delay will result in the programme timeline being unachievable and risk funding having to be returned to Government.</p>

Portfolio Holder(s):	Councillor Millie Earl, Deputy Leader and Portfolio Holder for Connected Communities
Corporate Director	Jess Gibbons, Chief Operating Officer
Report Author	Andrew Emery, Strategic Development Manager, Planning & Destination
Wards	Council-wide
Classification	For Decision

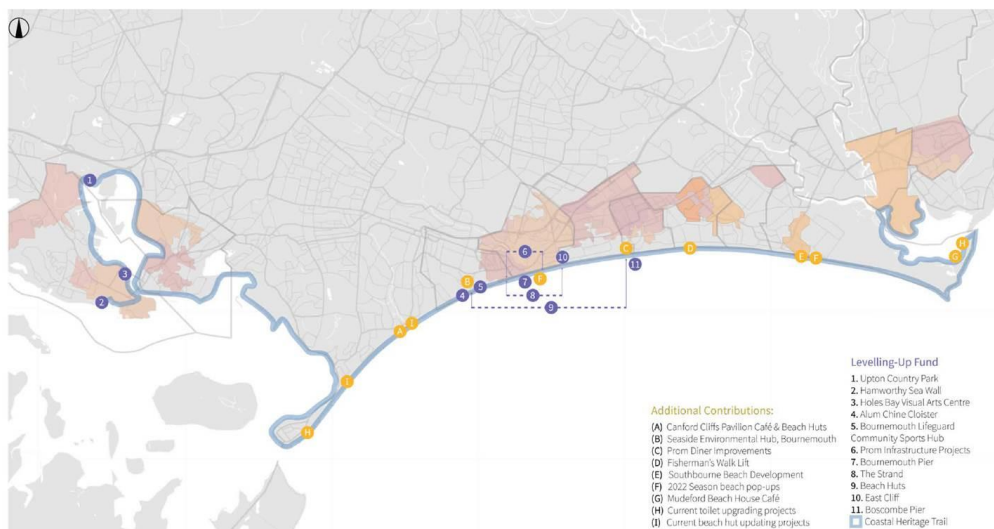
## Background

1. BCP Council has secured £19,993,858 from the Levelling Up Fund (LUF) to invest in a programme of seafront infrastructure renewal, delivering key infrastructure projects identified in the [Seafront Strategy](#), developed following engagement with over 4,000 comments, surveys, roadshows and workshops with members of the community in 2021.
2. Funding was formally accepted by the Council in March 2023 and a first tranche draw down of £422k has been receipted and approved for spend on project enablement and feasibility work.
3. A further £50,000 has been awarded by DHULC to support resourcing the project such as project management and delivery support service costs. All delivery costs including staffing have been capitalised and included within the budget.
4. DLUHC have confirmed that there is no scope to change the projects as the award was based on the basis of a competitive bid. Under their Freedoms and Flexibilities rules they have confirmed the Council has up to 30% flexibility to adjust in-programme spend profile, project output such as quantum of development delivered and outcomes to adjust for significant inflationary impacts and delays to funding award.
5. This Cabinet Report seeks approval to deliver the capital works associated with the project.
6. The investment case set out a range of key outcomes including:
  - a. Safeguarding 149 existing FTE jobs
  - b. Create 72 new FTE jobs.
  - c. Support an increase in physical activity, health and wellbeing for residents.
  - d. Support a reduction in local crime.
  - e. Deliver an improved sense of place,
  - f. Increase visitation by residents in deprived communities.
  - g. Support the visitor economy in line with Tourism Strategy objectives to attract high spend stay visitors and improve productivity.
  - h. Land value uplift of £10,149,783 stimulating commercial investment within the wider town centre area in Bournemouth.
7. The infrastructure investment programme targets new and revived facilities and public amenities linking across Bournemouth and Poole's seafront. Investments are targeted toward decaying and derelict facilities across the West Cliff, Boscombe and Hamworthy areas which all feature in the top 20% LSOA areas for deprivation nationally.
8. LUF investment enables Seafront revenue maintenance budget to target priorities elsewhere across the 15 miles of coastline, including Christchurch. Priorities outside of

LUF will be reviewed as part of the Seafront Strategy refresh planned for Autumn 2023, leading to Cabinet Report in January 2024.

9. Funding will extend the life of Bournemouth's iconic pier by a further 15 years and rehabilitate the East Cliff lift site by stabilising the cliff and allowing the promenade to be re-opened up as a first stage toward longer term aspirations to reinstate a new cliff lift. Investment will also bring back into use derelict and temporary facilities into a new community lifeguard training and education centre at Joseph Steps, two new seafront public toilet blocks at Durley Chine and the East Cliff, replacement of 80 council owned short let hire beach huts and sea wall repairs to Hamworthy park securing the future of the promenade which is well used by residents for exercise, access to water sports and beach huts. Improvements to two miles of promenade public realm between Boscombe Pier and Bournemouth West Cliff will see upgrades to public seating, bins, cycle infrastructure and access. Power, water services and 5G digital infrastructure will be installed at 9 key sites between Boscombe and the West Cliff, enabling the tendering and development of sustainable seasonal beach-based restaurants and leisure facilities. A heritage trail featuring 10 pieces of public art and interpretation will link our key coastal heritage sites at Upton Country Park (Holes Bay), Poole Museum (Poole Quay), the Russell Cotes Art Gallery & Museum (East Cliff), Mudeford Quay and Highcliffe Castle (Christchurch). Improvements will also be made to restore a bridge and pathway providing the only cycle and walking access route from Poole town centre to Upton Country Park on the edge of the bay. Finally, investment will take concept studies to commercially deliverable stage for rehabilitating Alum Chine shelter into new community facilities, café and beach huts, café and creative maker/ outlet units on Boscombe Pier and studies to develop the cultural offer.
10. A user centred approach is taken with the project to ensure design principles that support inclusion and accessibility for all are placed at the heart of each scheme. Key principles also prioritise good design features to minimise encouragement of antisocial behaviour and crime.

## Levelling Up Fund Interventions



### Public Consultation

11. Extensive consultation with the general public and key stakeholders around seafront investment priorities which underpin the projects within this scheme took place in

2021 in the run up to adoption of the Seafront Strategy by Cabinet in April 2022. Over 4,000 consultation responses were received across face to face surveys, online ideas board, workshops and roadshow events. A link to the consultation results can be found [here](#).

12. Key priorities included:

- a. Conserve and protect biodiversity across the natural coastal environment.
- b. Achieve carbon neutrality for all Council seafront operations by 2030 and work with partners to ensure all seafront activities become carbon neutral before 2050, in line with the Council's Climate Emergency commitments.
- c. Maintain and enhance the distinctive look, feel and identity of each of the character areas along the seafront.
- d. Deliver sustainable investment in community-based facilities and infrastructure to support access for all and well-being.
- e. Unlock potential for new leisure attractions to manage growth and year-round footfall in sustainable areas of the seafront.
- f. Maximise income to support Council services benefiting the local community.
- g. Celebrate and encourage increasing diversity of our seafront audience through investment in culture, events, heritage and education.

**Summary of financial implications**

13. Capital Costs are 100% funded via Levelling Up Fund award.

14. Delay to approval (6<sup>th</sup> Sept 2023) to spend will result delay to critical path for programme delivery and result in high risk that the projects cannot be completed by the funding deadline of 31<sup>st</sup> March 2025 as per the funding agreement with DLUHC.

<b>LUF Funded Projects</b>		
	<b>Project Title</b>	<b>Total LUF Budget £</b>
1	Upton Country Park (Bridge & Cycle Path)	171,975
2	Hamworthy Sea Wall (Repairs)	318,056
3	Coastal Heritage Trail	569,833
4	Alum Chine Cloisters (Leisure Offer)	52,848
5	Boscombe Pier (Leisure Offer)	52,848
6	Holes Bay Visual Arts Centre	52,848
7	The Strand (Access, Amenity & Wellbeing)	406,929
8	Promenade Infrastructure (Utility & Digital)	986,967
9	Bournemouth Lifeguard Corps (New Building)	1,420,535

10	Bournemouth Pier (Structural Engineering)	4,812,964
11	Bournemouth Pier (Leisure Offer)	4,812,964
12	East Cliff Lift (Stabilisation Works)	2,205,712
13	East Cliff Lift (Leisure Offer)	2,205,712
14	Seafront Toilets (Repairs & Upgrades)	443,923
15	Seafront Beach Huts (Repairs & Upgrades)	1,479,744
	Grand Total	<b>19,993,858</b>

### **Revenue implications:**

15. Renewal of existing infrastructure will result in reduced maintenance costs, enabling existing maintenance budgets to spread further, supporting areas of the seafront not covered by the Levelling Up grant programme.

### **Safeguarding existing revenue:**

16. Investment in Bournemouth Pier structure will extend the life of the pier by up to 30 years. This will safeguard approximately £1.3m annual income to the Council from commercial activities on the pier and within the pier leisure centre building.

### **Project Assurance:**

17. The project is delivered by an experienced team of programme and project managers reporting regularly to the Seafront Development Delivery Board and is Chaired by the Head of Seafront with input from the Service Directors for Commercial Operations and Infrastructure. Further progress oversight will see regular updates to the Capital Briefing Board attended by Senior Officers, the Leader and Portfolio Holder for Connected Communities.

### **Summary of legal implications**

18. Individual leases / licences will need to be formally agreed between BCP Council and external operators and any other relevant interested parties for the sites to be leased or licensed.
19. It will be necessary for separate Heads of Terms and site plans in respect of the individual leases / licences to be produced, agreed and approved pursuant to BCP Council's Financial Regulations that the relevant leases / licences can be granted.
20. BCP Council will need to obtain best consideration pursuant to section 123(2) Local Government Act 1972 for the grant of relevant leases or licences and achieve best value in accordance with section 3 of the Local Government Act 1999 regarding in-house operation of the relevant restaurant and facilities. Estates / valuation advice would need to be sought to confirm compliance with these requirements.

21. BCP Council will need to comply with any open space disposal requirements set out in section 123(2A) Local Government Act 1972 for the grant of any lease of land designated as open space. Legal advice would need to be sought to comply with these statutory requirements.
22. Legal advice will need to be sought to confirm there are no property title issues in respect of the relevant sites being leased / licenced.
23. Consent of any interested third parties may need to be obtained for the grant of the relevant leases / licences and relevant Heads of Terms. Legal and Estates advice would need to be sought.
24. The relevant legal power will need to be determined for the grant of the relevant leases / licences and in-house operation of the relevant facilities and legal advice would need to be sought.
25. It will be necessary to comply with all relevant procurement, subsidy control, planning and legal requirements for the grant of the relevant leases / licences and legal advice would need to be sought.
26. Any grant funding terms will need to be reviewed. Legal advice has been sought to confirm the proposed use of the funding is compliant with subsidy control rules.
27. It would be necessary to comply with all relevant procurement requirements, including BCP Council's Financial Regulations and the Public Contracts Regulations 2015, Concession Contracts Regulations 2016 (if applicable) for any works or development of the sites that are to be carried out by third parties under contract and legal advice would need to be sought.


#### **Summary of human resources implications**

28. The project is being delivered by the Seafront team with project ownership by the Director for Commercial Operations.
29. Day to day commissioning activity is managed by the Seafront Development Manager with strategic support from the Strategic Development Manager within Planning & Destination.
30. All project delivery costs including project management and support service costs have been included within the programme budget.
31. An ODR for initial feasibility a development spend (up to £422k) was signed off in May 2023 to enable recruitment of resourcing and initial development work. Support for delivery of the programme includes the emerging Corporate Landlord Centre of Excellence team with funded support for provision and recruitment of additional programme and project managers to supplement the existing team of project managers drawn from across Facilities Management, Seascape, Project Management Office, and FCERM teams. Further resource has been costed and provision is being identified with allied teams across Arts Development, Corporate Communications and consultation and procurement.

#### **Summary of sustainability impact**

32. An Environmental Impact Assessment (DIA) has been completed and submitted for review. The carbon impact is estimated to be **low** for the feasibility stage of the project

**Decision Impact Assessment** DIA Proposal ID: 550 Welcome Andrew Emery

Proposal title: **Leveling up runo seafront Infrastructure investment - feasibility development and ODP** 

[Review registration](#) Home Page

Category	Status	Impact
Climate Change & Energy	Complete	Minor negative impacts identified / unknown impacts
Communities & Culture	Complete	Only positive impacts identified
Waste & Resource Use	Complete	Minor negative impacts identified / unknown impacts
Economy	Complete	Only positive impacts identified
Health & Wellbeing	Complete	Only positive impacts identified
Learning & Skills	Complete	Only positive impacts identified
Natural Environment	Complete	Only positive impacts identified
Sustainable Procurement	Complete	Only positive impacts identified
Transport & Accessibility	Complete	No positive or negative impacts identified

**Key**

- Not yet assessed
- Major negative impacts identified
- Minor negative impacts identified / unknown impacts
- Only positive impacts identified
- No positive or negative impacts identified

[Submit Proposal](#)

At any point the assessment you can request a report of what has been completed so far, for example to share with colleagues.

Note that it may take up to two working days for the report to be emailed to you.

[Request Report](#) [Ask for help](#)

### Summary of public health implications

33. A key outcome seeks to deliver sustainable investment in community-based facilities and infrastructure to support access for all and well-being.
34. Support for development of community facilities and the encouragement of walking, cycling, community spaces and interpretation trails will have a positive impact on wellness and mental health for residents and visitors.
35. Community group access will also include ongoing support for and development of charity/ community run beach hut facilities which offer opportunities for further engagement and work with armed forces groups as well as adult and children's services to improve access to leisure at the seafront.

### Summary of equality implications

36. The majority of impacts arising from the programme for protected characteristic groups centre around improvements to access, movement and safety whilst at the seafront. As such, the strategy will have a number of positive outcomes for those with physical disabilities.
37. A programme of investment in promenade walkways, public toilets and public seating is proposed, improving opportunities for accessibility. Where development takes place, investment in individual cubicle unisex facilities opening directly out on to the promenades will be encouraged to benefit the widest range of protected characteristic groups as well as ensuring safe spaces for all.
38. Further work will be undertaken to understand barriers to access to the seafront as part of the programme, particularly by residents who rarely visit or enjoy the facilities on their doorstep. Previous consultations have identified barriers to access to the seafront for some socio-economic groups due to affordability and frequency of public transport, limited leisure time or awareness of benefits rather than a lack of facilities or 'things to do'. As such, collaborative work remains ongoing particularly across transport strategy and education.

## Summary of risk assessment

Risk Category	Description	Consequence	Pre-mitigated impact	Pre-mitigated likelihood	Mitigations	Post-mitigated impact	Post-mitigated likelihood	Proximity
Cost Overrun	Construction costs & fee increases through inflation, supply chain issues, unforeseen additional works.	Increase in costs to project lead to requirement for value engineering and changes in specification	4 - significant impact	3 - High	A 10% inflation rate and 20-40% contingency included	3 - Medium impact	2 - Medium	4 - close: next 3 months
Programme	Programme delays through administration issues including legal agreement process, and/or approval processes at project gateways	Delays in programme, exacerbated on construction projects due to works required to take place outside peak season	4 - significant impact	3 - High	Liaison with 3rd party landlords and consenting agencies early in programme	3 - Medium impact	2 - Medium	4 - close: next 3 months
Cliff stability issues	Construction work affecting cliffs include risks from cliff stability and failure of retaining wall	H&S risks and potential additional costs from new engineering, design and remediation works to make cliff stable.	5 - Major impact	3 - High	Procure structural engineers to undertake assessment of cliff stability where works could affect the retaining wall and identify engineering works required. Contingency has been increased where stability is known to be an issue	4 - Significant impact	1 - Low	3 - Approaching: next 6 months

Construction and Design Management	Health and Safety incidents during site investigations and any work on construction on or around the site, including the movement of vehicles and materials - particularly on an active seafront promenade.	Injury or death	6 - Critical impact	2 - Medium	CDM Regulations processes will be followed. Appropriate roles and responsibilities will be assigned such as Principal Designer and Principal Contractor and the client will take a role in ensuring CDM processes are followed and sites have safe working practice procedures in place, ensuring enough time and budget is assigned to the intervention to allow work to be carried out safely.	5 - Major impact	1 - Low	3 - Approaching: next 6 months
Withdrawal of funding	If unable to deliver to predetermined programme or cost, funding could be withdrawn	Projects left without budgets	5 - Major impact	2 - Medium	Report back on progress when required and ensure project continues to meet funding criteria to avoid loss of any grant. If funding is withdrawn for any reason out of the Council's control, keep stakeholders well informed, liaise closely with design team explore new opportunities to fund aspects of the project through other means.	3 - Medium impact	1 - Low	1 - Remote
Scope amendments	Client changes scope of works after contract sum agreed due to operational requirements.	Additional design development required leads to programme delays and additional costs.	3 - Medium impact	2 - Medium	Keep informed - Maintain good communications with Seafront Operations, Events Team, Coastal Engineering and Parks Teams in terms of requirements, programming	2 - Low impact	1 - Low	3 - Approaching: next 6 months

Programme	Programme cannot deliver and works overrun	Impact on revenue and reputation	4 - significant impact	2 - Medium	Build in sufficient time for process, including setting scope, contingencies, setting realistic expectations with decision makers. Use gateways to identify additional works at start of stages which may require additional time. Coordinate with other teams to streamline workstreams where possible, particularly coordinated design programme.	3 - Medium impact	1 - Low	1 - Remote
Change in direction	Change in / loss of political interest, key personnel	leads to a change in requirements / steer / project parameters / loss of direction	4 - significant impact	2 - Medium	Governance structures are clearly set out at the start of the project and a clear scope is set. Change control processes will be used to assess and make decisions on any requested changes. Stakeholder management using communications plan to keep key parties involved as per RACI matrix.	3 - Medium impact	1 - Low	4 - close: next 3 months
Negative perception	Works disruptive to local businesses, visitors, residents, hut leaseholders, lifeguards and seafront operations.	Complaints. Poor public perception. Objections to planning applications leading to reputational risks and programme delays	3 - Medium impact	2 - Medium	Due to seasonal nature of area, disruptive works will be planned to avoid peak seasons. A communications plan will be drawn up to ensure stakeholders are kept informed	2 - Low impact	1 - Low	2 - Distant: next 12 months
Supplier failure	Procured contractors and suppliers do not deliver on agreed works/services	leads to requirement to re-tender causing programme delays and possible financial losses.	4 - significant impact	2 - Medium	Follow Council's procurement processes and CDM requirements	3 - Medium impact	1 - Low	4 - close: next 3 months

**Background papers**

[Submitted Levelling Up Fund bid \(application form\)](#)

[Economic Impact Assessment](#)

[Programme Risk Management Strategy](#)

[Project costing and economic outputs](#)

[Project masterplan](#)

[Seafront Strategy](#)