

LOCAL GROWTH DEAL - HIGH WYCOMBE TOWN CENTRE/SOUTHERN QUADRANT

Cabinet Member: Councillor David Johncock

Ward Affected: Abbey

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PROPOSED DECISION

That:

- (i) the decision of the Bucks Thames Valley Local Enterprise Partnership (BTVLEP) to approve the Business Case which sets out the costs, impacts and priorities for delivery of priority HWTC/SQ schemes and to make £8.48m available for implementation be noted;
- (ii) the need for further future funding to deliver future phases of the town centre Masterplan be noted; and
- (iii) delegated authority be granted to the Corporate Director (Growth & Regeneration) to agree a Memorandum of Understanding (MOU) between Buckinghamshire County Council (BCC) and Wycombe District Council (WDC) to help ensure effective joint working and delivery.

Reason for Decision

To support the delivery of the Local Growth Deal Major Scheme and regeneration of High Wycombe and the delivery of infrastructure in the Southern Quadrant area in response to additional travel demand associated with development in the area.

Corporate Implications

1. Section 274 of the Highways Act 1980 allows the Council to contribute to the expenses of the Highway Authority when it is satisfied that it is to the benefit of the Council's area.
2. Section 1(1) of the Localism Act 2011 (the general power of competence) allows local authorities to do anything that individuals generally may do, subject to the limits on the general power in section 2, 3 and 4.
3. As part of the Delivery and Site Allocations Development Plan Document the Masterplan has been subject to an Equalities Impact Assessment.
4. WDC has previously allocated £1.2m Major Project Funding to town centre improvement schemes, of which £1,050,000 has been spent or committed on the Westbourne Street link – the first stage of the Alternative Route around the town centre as part of the High Wycombe Town Centre Masterplan.

5. This was complemented by BCC which funded of £550,000 for the detailed design and preliminary works, and by £263,000 contribution from its capital maintenance programme (as carriageways renewal works would have been programmed anyway) and by Section 106 funds allocated in 2014/15, and by the release of £339,000 CIL funding from the 2015/16 allocation.
6. Further stages of the Masterplan (together with some Southern Quadrant improvements form part of a Local Growth Deal which in 2014 secured a commitment in principle of £8.47m central government funding via the Local Enterprise Partnership, subject to local funding also being provided .
7. Two tranches of CIL have been committed to the delivery of the Alternative Route by the District Council: £1.41m in 2015/16 and £1.49m in 2016/17, amounting to £2.9m in total. (The release of these funds has been delegated to the Head of Planning and Sustainability in consultation with the Cabinet Member for Planning and Sustainability.)
8. As noted above £339,000 of this £2.9m has been used to fund the completion of the Westbourne St link which forms part of the Alternative Route but which was not part of the Local Growth Deal. £101,000 has been spent or committed to the detailed design of the Alternative Route. This leaves £2.46m CIL funding available and committed to the Local Growth Deal, with a further £2.74m CIL remaining to be made available over 2017/18 and 2018/19 as part of the annual decision making process by the District Council, in accordance with the Broad Allocation that covers a three year period (and which is itself due to be reviewed later this year). Together these sums (£2.9m and £2.74m) amount to the £5.64m CIL (private investment) funding specified in the Local Growth Deal.
9. As with all Growing Places funded programmes the budget only covers the capital costs needed to deliver the various works. Future maintenance of the new infrastructure – if this is to be carried out in materials to match the original construction - will need to be addressed separately to supplement the normal standard of maintenance would be provided in respect of an adopted highway, predominantly this is essential maintenance only making use of tarmac that would undermine the appearance and functionality of the schemes. A review will be carried out once the tendered costs are confirmed and proposals made to this issue, which could include any unused maintenance budgets included within the budget and a further allocation of CIL in the form a commuted sum. This funding could be in the order of £700,000 to cover the cost of future maintenance of the hard surface elements of the Local Growth Deal priority schemes (together with any provision for the Westbourne Street link road. Separate allowance would be required to cover any new landscaping unless these were covered by other budgets or funded by sponsorship. The most effective arrangement will be considered further as part of the MoU to be agreed between WDC and BCC.
10. £50,000 of CIL funding comprising allocations of £25,000 in 2014/15 has been allocated to river feasibility and design work. It is proposed to merge this with the budget for the detailed design of the Oxford Road area and to progress the detailed design of the river as part of the overall highways design. This may offer opportunities to restore a significant section of the river Wye in the near

term whilst achieving savings by combining the work with the highways improvement work.

11. In 2017/18 and 2018/19 there will be an opportunity to consider whether there is a case to make additional CIL funds available over and above that set out in the Local Growth Deal. This could ensure that if appropriate there is scope to specify an increased standard of finish in environmentally sensitive areas, and/or to realise additional benefits where there is the opportunity to do so alongside the delivery of the Local Growth Deal programme.

Executive Summary

12. This report:

- Updates on progress in gaining approval for the Business Case in relation to the Local Growth Deal 2014 and proposed priority schemes
- Highlights opportunities that are being explored in parallel with the above work to restore a section of the River Wye in the town centre, and the need for a further decision by the end of 2017 on which of the identified options (Oxford Road or Queen Victoria Rd/Easton St) are progressed
- Highlights the forthcoming public consultation and information exercise in relation to the detailed design and delivery of the next stages of the Alternative Route (Westbourne Street to Lily's Walk)
- Updates on the projected out-turn cost of the construction costs of the Westbourne Street link road, noting that some costs remain to be finalised
- Seeks delegated approval to agree a Memorandum of Understanding (MOU) between BCC and WDC to help ensure effective joint working and delivery of the Masterplan and Local Growth Deal schemes

Sustainable Community Strategy/Council Priorities - Implications

13. The recommendations support the Council's priorities particularly in relation to Place and Pounds, as well as Sustainable Community Strategy themes of Thriving Economy and Sustainable Environment.

Background and Issues

14. As part of the Strategic Economic Plan, a programme of transport improvements in the High Wycombe Town Centre/Southern Quadrant area was identified as a joint priority between the Bucks Thames Valley Local Enterprise Partnership (BTVLEP) and central government who have agreed to co-invest in this programme, or "Scheme" (as it is henceforth described in this report, and distinct from individual schemes). These schemes are rooted in the Town Centre Masterplan and in the Southern Quadrant Transport Strategy (SQTS), (improvements to the Cressex Rd/Cressex Link Road junction and cycle network being part of the Scheme, with other SQTS improvements being developer funded. Further details are set out in the Business case and Addendum which form background papers to this report.

15. As part of BTVLEP's successful Local Growth Deal, a central Government commitment of £8.5m was secured for the Scheme, subject to local funding also being provided, predominantly private investment in the form of £5.64m of Community Infrastructure Levy (CIL).
16. In the original bid the project cost of the Scheme was stated as £19.8m. This sum included a contingency provision of 30% and an Optimism Bias of 44%. At the request of DfT the Optimism bias was removed reducing the cost projection for the Scheme. This reduced the budget down to £13.784m based on June 2012 prices. An allowance was made for inflation and the overall funding position for the Scheme was confirmed at £15.39m. The breakdown of funding agreed as part of the Local Growth Deal is set out below.

Sources of Funding	Funding Type	2015/16 £m's	2016/17 £m's	2017/18 £m's	2018/19 £m's	2019/20 £m's	Total £m's
CIL (Private Investment)	Capital	1.41	1.41	1.41	1.41	0.00	5.64
Public Sector Revenue	Revenue	0.51	0.25	0.19	0.32	0.00	1.27
<i>Competitive LGF</i>	<i>Capital</i>	<i>1.50</i>	<i>2.18</i>	<i>1.33</i>	<i>3.47</i>	<i>0.00</i>	<i>8.47</i>
Total		3.42	3.84	2.93	5.20	0.00	15.39

17. Since the Local Growth Deal was agreed in 2014 work has been undertaken to develop a Business Case that has reviewed and refreshed the concept designs, updated cost estimates, and has assessed traffic and other impacts associated with the schemes.
18. This work is set out in the Business Case Town Centre Masterplan / Southern Quadrant Space Jacobs March 2016. The Business Case indicated that the cost of implementing the scheme is in excess of the funding agreed as part of the Local Growth Deal.
19. At the same time BCC are no longer able to provide the anticipated level of local funding so that the overall Scheme budget is reduced.
20. As a result further work has been carried out to identify the scope for cost savings and also to break down the cost of different elements of the HWTC/SQ Scheme, prioritising these for delivery based on the benefits to be delivered and the funds available. This work, including the updated funding position is set out in an Addendum to the Business Case which was approved by the BTVLEP Board on May 20 to enable the release of funding to support the identified priority schemes. These comprise the Alternative Route, the Cressex schemes and either the improvements in the Oxford Road area or Queen Victoria Road/Easton St. Given the commercial sensitivity of the cost estimates involved the cost issues are dealt within Appendix A which is confidential.
21. In addition design of the river along the A40 Oxford Road is being progressed to ensure that design work on the two elements is complementary. As part of

this the potential savings if it were practicable to deliver the river works alongside the highway works are being investigated. There may be options to achieve cost savings from a combined approach if it were possible to accelerate the delivery of the aspiration to remake the river Wye.

22. Further funding will be required to deliver the Masterplan in full, beyond the scope of the current Local Growth Deal. It is also possible that the Council may wish to consider further allocations of CIL to support the continued or enhanced implementation of the Masterplan, for example taking advantage of opportunities created by implementation of the Local Growth Deal schemes. If opportunities do arise that would require additional funding a further report will be made to Cabinet setting out the options and potential financial implications – where possible this will be incorporated into regular reports regarding allocation of CIL.

Costs of implementing the High Wycombe Town Centre Masterplan to date and the construction costs of the Westbourne Street link road

23. BCC are in the process of discussing the final account with the contractor. Based on the costs provided by BCC the final outturn cost for the construction works have been reported at £2.067M (plus commuted sum if it is agreed to fund this).
24. This followed the completion of an open tender process which secured construction at a cost that was significantly cheaper than could have been achieved by using the Transport for Buckinghamshire framework. Nonetheless it was in excess of expectations based on a 2012 cost estimate undertaken by Jacobs. To ensure that the cost estimates for the Local Growth Deal schemes are robust these have been reviewed, and have been further checked by an independent consultant (which has resulted in the estimates being increased significantly). Every effort has been made to ensure that cost allowances are comprehensive and allowances have been made for inflation, for risk and for optimism bias, and an estimate of any future commuted maintenance sum has been made.

Memorandum of Understanding

25. In order to help ensure effective joint working and delivery going forward a Memorandum of Understanding (MOU) between BCC and WDC is being drafted that covers principal roles and responsibilities, governance, behaviours and the approach to funding including as regards maintenance.
26. It also sets out the relationship of BCC as the organisation responsible for delivering the highway schemes, for example entering into contracts with construction contractors and the primary role of the BTVLEP and WDC as project funders. All these bodies are represented in the Wycombe Implementation Board which oversees the implementation of the Scheme.
27. Whilst there is broad agreement on the area and the principles to be covered the final wording remains to be agreed. This will be agreed before the start of the construction works.

Release of CIL funds allocated in 2015/16 and 2016/17 towards the implementation of the priority schemes agreed as part of the Local Growth Deal.

28. A decision on the best procurement route is being considered by BCC as the delivery agency responsible for entering into the construction contract.
29. It should be noted that consideration is being given to novation of any contract to enable Inland Homes to construct the section of the Alternative Route over their land so as to expedite the construction alongside their development. This approach may also lend itself to reaching agreement with Inland Homes that they fund the construction of this section partially in lieu of a CIL contribution, and a separate report is being considered by Cabinet that if approved would allow the Council to accept contributions of infrastructure in kind in lieu of a CIL contribution. This will be the subject of further discussions and agreement from Inland Homes, and would be secured through a legally binding (Section 73) agreement undertaken concurrently with the resolution to grant planning permission on the Gas Works Site.
30. Whichever procurement options are preferred going forward will be the subject of approval by the Wycombe Implementation Board that includes the Head of Planning and Sustainability WDC, Director - Regeneration & Infrastructure BCC, and a representative of the BTVLEP.
31. The funding profile that forms part of the Business Case approved by the LEP and which outlines cost estimates and the funding required to deliver the priority schemes is attached as confidential Appendix A. This shows that only a limited amount (£250,000) of CIL funding is likely to be required in 2016/17, with the remainder over 2017/18 -2018/19.

Consultation

32. The proposals for High Wycombe Town Centre are set out in the adopted Delivery and Site Allocation (DSA) Plan (July 2013) which was subject to extensive public consultation, including a public inquiry, prior to its adoption.
33. Further consultation was undertaken in 2013 on the design of the gas works link road and Westbourne Street as part of the process of submitting a planning application for these.
34. During 2014 BCC carried out a further consultation exercise prior to taking the decision in March 2015 to implement the Westbourne Street link and to approve the recent changes to Frogmoor.
35. A number of themes tend to arise throughout the consultation. There is general support for the Masterplan as a way of regenerating High Wycombe town centre, and for the aim of making more of the river. There is support for minimising traffic signals along the Alternative Route however there has also been concern about the design consequences of this approach (achieved in part by using narrow single traffic lanes with a central median) and by the consequences of increased traffic on the Alternative Route. Despite a pro-

active approach to communications the necessarily incremental approach to implementation and the inability to provide a firm programme until funding is confirmed have also made it difficult for the public to understand how the different aspects of the Masterplan will fit together.

36. In addition to these thematic consultations public information and consultation is undertaken annually as part of the process that culminates in the agreement of a programme for the use of developer contributions (CIL and s106).
37. Further consultation will be undertaken on the detailed design of the Alternative Route, alongside information on the concept schemes being progressed such as Oxford Road. This is in hand with the input of the Council's Communications team.
38. Ongoing consultation has been undertaken with key town stakeholders representing Eden and Inland Homes (who are developing the gas works - across which the Alternative Route is to be built). An update was given to High Wycombe Town Committee on 1 March 2016 and continued support for the implementation of the Masterplan was expressed by a number of Members, particularly insofar as it may enable restoration of sections of the river Wye through the town centre. A follow on briefing was provided to local Members on 18 April.
39. The proposals for a cycle network and for changes to the Cressex Link road were included in the Southern Quadrant Transport Strategy (SQTS) 2013 which was prompted by the various proposals for significant development in the southern quadrant of town and which was subject to wide consultation, approval by BCC and which informed the planning decisions in relation to Daws Hill and other developments in the area.
40. Public consultation will be undertaken starting in June on the detailed design of the next stage of the Alternative Route prior to implementation expected to start by the end of summer 2016.

Options

41. The addendum to the Business case sets out eight options that indicate the cost of different elements of the HWTC/SQ Scheme. This has informed the decision of the LEP about the individual schemes to be prioritised. Further design work is to be done prior to a decision about whether the Oxford Road scheme or the Queen Victoria Road/Easton Street scheme is to be prioritised, and a further report will be brought to Cabinet on this issue, likely in 2017.

Conclusions

42. Progress has been made in developing the Business Case which sets out the costs and impacts of the HWTC/SQ scheme, and which has been approved by the LEP so as to enable the release of funds secured as part of the Local Growth Deal. Taking account of available funding the Alternative Route, Cressex schemes and either the Oxford Road, or the Easton Street/Queen

Victoria Road schemes are considered priority schemes and are deliverable as part of the current Local Growth Deal.

43. Further funding will need to be identified or secured if future phases of the Town Centre Masterplan are to be delivered beyond 2019.
44. Agreement of the Memorandum of Understanding (MOU) between BCC and WDC will help ensure effective joint working and delivery of the next stages of the Masterplan starting with the Alternative Route.

Next Steps

45. Delivery of the programme will be in accordance with the Project Initiation Documentation (PID) which will be approved by the Wycombe Implementation Board.
46. The next steps include public consultation and information on the detailed stage of the next stage of the Alternative Route and detailed design of the other scheme elements at Oxford Road, including consideration of opportunities to remake the river Wye, as well as Easton Street/Queen Victoria Road, and the Southern Quadrant schemes. A Communications brochure similar to that produced for Westbourne St will be produced and shared with the Cabinet Member for Planning and Sustainability before it is published.
47. It is anticipated that £2.74m CIL comprising the remainder of the £5.64m allocation of local funding that forms part of the Local Growth Deal will be recommended as part of the process agreeing the annual programme of developer contributions in March 2017 and 2018. A purchase order to BCC for £250,000 will be issued to BCC in accordance with the funding profile agreed by the LEP as part of the Business case Addendum.
48. BCC will be letting the contract for the works to deliver the next stage of works starting in Summer 2016 and comprising the Alternative Route between the southern end of recently completed Westbourne Street junction to the northern end of the Gas Works Link Road. In parallel work will progress on detailed design of the other HWTC/SQ priority schemes with consultation on detailed design prior to implementation.
49. A further report will be taken to Cabinet, likely in 2017, once further work has progressed on the detailed design of the Oxford Road and Easton Street/Queen Victoria Road schemes to enable decisions (by the District Council, County Council and the BVTLEP) on which of these options should be implemented as part of the Local Growth Deal.

Background Papers

Business Case

Business Case Addendum