

COAST TO CAPITAL LOCAL GROWTH FUND FULL BUSINESS CASE

Project Title:	Littlehampton Town Centre Public Realm Improvement Scheme
Lead delivery organisation:	Arun District Council
Organisation Address:	Civic Centre, Maltravers Road, Littlehampton BN17 5LF

1. Executive Summary

1.1) Overview of the project including what opportunity or barrier the investment will unlock:

Project overview

The project is to improve the public realm in Littlehampton town centre from the mainly car-dominated environment to a modern high-quality intuitively-navigable, pedestrian-friendly series of linked and co-ordinated public spaces that lead people seamlessly between the key attractions of town, seafront and riverside. The aims are economic regeneration and future resilience which aligns with the Gatwick 360 SEP aims, and a similar project delivered by Arun DC in neighbouring Bognor Regis can evidence these outcomes in that town.

There are 5 phases within the well-developed RIBA Stage 4 (Pre-Tender) public realm design; Phase 1 and 2 run from the sustainable transport hub at the railway station, along High Street and pedestrian precinct and have funding from the Coastal Communities Fund for delivery by December 2020. Phase 3 is the eastern junction of the precinct and Beach Road and the subject of this Full Business Case. Phases 4 and 5 will be delivered when further funding is secured.

What the LGF funding would be used to fund

The LGF funding will pay towards the capital costs to deliver Phase 3 of the public realm improvement scheme that will be co-funded by Arun District Council and Littlehampton Town Council. It will be delivered in parallel with Phases 1 and 2 funded by £2.45m Coastal Communities Fund (CCF) grant i.e. new paving, highway resurfacing and junction treatments, lighting, planting, street furniture plus all necessary professional support. As part of this work, ducting will be installed to enable easy delivery of future superfast full-fibre broadband across the town centre thus delivering infrastructure that will support future digital technologies.

The timescales for both CCF and LGF-funded work coincide with Practical Completion by December 2020.

A Youth Build initiative will run alongside the project working with the contractor and relevant agencies. A targeted approach will engage with, and train local young people at risk of involvement in antisocial behaviour and crime in construction skills during the project through practical work experience.

Once all phases of the public realm scheme are delivered there will be seamless pedestrian linkages between the currently poorly linked key attractions of town, riverside and seafront. The road environment will change from traffic-dominated roadways with narrow pavements into more pedestrian-led spaces with slower vehicle movements and pedestrians able to cross roads more easily and safely. The notable attractive heritage architecture of the town will once again become a feature of the townscape. The project aims to improve the trading conditions in the town, attracting more and higher spending visitors to come more often, stay longer and spend more, ultimately creating new jobs, attracting new higher quality businesses and private investment in business premises. These outcomes have all been evidenced from a similar project in Bognor Regis.

Phase 1: The railway station forecourt will create an attractive arrival gateway into the town. Wider pavements and improved junctions create a safer, more attractive pedestrian route towards the town centre.

Phase 2: The layout of the High Street pedestrianised precinct is transformed for clearer sightlines and to enable large scale events. New lighting, street furniture, trees and paving will create a series of dwell spaces to encourage visitors to stay longer.

Phase 3: The large car-dominated junction south of the precinct will be transformed into a pedestrian-led plaza area, slowing and reducing traffic, enabling easier crossing for pedestrians and opening sightlines to frame the attractive architecture in this gateway location. This large area is also a future events location using event road closures as it is the largest open area within the town centre. Stronger links are made with the bus interchange in Anchor Springs, and the museum off Church Street. Beach Road is opened up with wider pavements and planted build-outs to enable safe crossing and to break up the vehicle dominated nature of the environment. Sightlines are opened up to indicate a more intuitive and visually enticing route towards the seafront and allow the good historic architecture to shine through. Parking is retained but within bays on the narrowed carriageway.

What opportunity this investment will unlock

This LGF investment would unlock the opportunities to deliver the SEP Priorities identified below:

Priority 1 – Deliver prosperous urban centres

Transformational public realm enhancements will deliver a more prosperous and sustainable town centre. It will rejuvenate the local economy and bring new footfall, vitality and commerce. It will generate investment from both public and private sector to improve the town centre experience for all.

Priority 4 – Create skills for the future

Skills shortages are a priority in the SEP and locally. An associated youth project will deliver a future skills contribution.

Priority 6 – Promote better transport and mobility

The public realm scheme centres on sustainable transport usage, and will reduce congestion and improve air quality levels

Priority 7 – Improve digital network capability

Digital infrastructure for the future in the shape of full-fibre broadband ducting will futureproof delivery of this key service to Littlehampton town centre.

1.2) Please choose a priority area that is most appropriate to your project.

For further information around each priority area please review our Gatwick 360 Strategic Economic Plan.

- Priority 1: Deliver Prosperous Urban Centres
- Priority 2: Develop Business Infrastructure and Support
- Priority 3: Invest in Sustainable Growth
- Priority 4: Create Skills for the Future
- Priority 5: Pioneer Innovation in Core Strengths
- Priority 6: Promote better transport and Mobility
- Priority 7: Improve digital network capability
- Priority 8: Build a strong National and International profile

1.3) The fit with Coast to Capital Strategic Economic Plan: Gatwick 360, and the chosen priority above. Please identify if this project fits in with other priorities as above.

The fit with the chosen priority above: Priority 1 – Deliver prosperous urban centres

The project fits this priority in all aspects and delivers against several other Priorities. The public realm enhancements in Littlehampton town centre will deliver a more prosperous and sustainable town centre by attracting more visitors, higher spends driving greater turnover and creating new jobs. It will attract new businesses to fill vacant units creating new jobs to rejuvenate the local economy.

The scheme uses sustainable, modern and robust materials and designs with references to the town's rich maritime heritage and includes underground infrastructure to futureproof the delivery of full-fibre broadband through the town centre. The public spaces are uplifted to create a place that encourages social interactions with more seating and dwell spaces and new events space to enable social mixing at recreation, heritage and cultural events. The new scheme will encourage pedestrian connections, reduce car use and pollution, and improve movement of people and their connectivity with the natural capital of seafront and riverside. By delivering a high-quality public realm, it will encourage development of unused upper storeys for new housing, bringing more footfall into the town centre.

Project fit with other Priorities above

Priority 4 – Create skills for the future

Reacting to skills shortages are a priority in the SEP and Arun has a low skilled population. Associated with the scheme is a youth project for young people at risk of anti-social/criminal behaviour (a major issue in the town centre currently) using construction skills work experience and pathways into skills training.

Priority 6 – Promote better transport and mobility

The scheme encourages sustainable transport i.e. stronger linkages to railway station and bus interchange, more pedestrian and cycling via traffic calming. A key objective of the scheme is improving pedestrian ease of use and intuitive navigation by changes to levels, crossings and layouts. Slower traffic will encourage transiting cars to avoid the town centre, thus reducing congestion and improving air quality levels. It will create links to a proposed future scheme for a cycleway from Littlehampton town centre to Arundel along the route of the River Arun.

Priority 7 – Improve digital network capability

As part of the public realm construction work, ducting will be installed as networking infrastructure for the future full-fibre broadband rollout in the town which, once installed, will bring new development opportunities to all communities in the town centre. We are working with the West Sussex County Council team heading up the digital connectivity work to ensure the greatest possible future digital benefit from this work is included within the project.

Strategic fit with the emerging Local Industrial Strategy

The emerging Local Industrial Strategy will follow the same structure as the national Industrial Strategy, and the focus is more on the quality of jobs and productivity rather than simply the creation of new jobs. This project contributes to most of the 5 Foundations of Productivity set out in the national Strategy. As part of the development of the LIS, Arun District Council is actively involved with the LEP's Priority 1 engagement events and Big Debates.

Other relevant strategy, policy and plans

The public realm improvements also align with all national ([Portas](#), [Grimsey](#) Reports), sub-regional ([Coastal West Sussex](#), Arun Growth Deal with WSCC) and local policy and strategy ([Arun Local Plan](#), [Littlehampton Vision](#) (key principle - "To build upon on the Town's distinctive character, Littlehampton will be a successful, competitive and connected town. The town will provide an attractive, vibrant and safe place to live, work and visit with an excellent range of facilities for all ages and groups."), LCCT Economic Plan (Three key objectives: - 1. To improve the public realm in the town centre and connectivity between the town centre, riverside and seafront, 2. To enhance public realm on the riverside, seafront and adjoining greens. 3. Increase private sector investment in the town, increasing retail prosperity).

Littlehampton as a town is growing rapidly creating a larger catchment for the town centre to service. To the north of the town there are two large approved housing developments at Courtwick (600 homes nearly complete) and Hampton Park (357 homes), plus another 1000 homes on the West Bank of the River Arun as an allocated strategic housing site in the Local Plan. Littlehampton's planned housing

growth supports SEP priorities, and the town centre needs to grow as an economic and social hub to meet this new demand.

The town centre lies in River Ward which is in the bottom 6% nationally in the IMD, and Arun District is the 4th lowest ranked area in the south-east in terms of social mobility, both identified as Economic Challenges within the SEP, making this the area in greatest need of support locally.

1.4) Expected Total Project Cost and source of funding. Please also complete the funding breakdown tab on the supporting spreadsheet. A Matched funding contribution of at least 50% is required (percentage of the total project costs). (Please name the source of match funding). **(Please name the source of match funding).**

	Amount	% of Total Cost
Total Project Cost	£5,788,382	100%
Applicant own funds	£456,767	8%
Public: Littlehampton Town Council	£56,500	1%
Public: West Sussex CC	£88,339	2%
Public: Coastal Communities Fund	£2,452,295	42%
Private sector funds: Traders	£1,358,200	23%
Funding requested from Coast to Capital LEP*	£1,376,280	24%

*Funding requested from Coast to Capital must be more than £500,000 but cannot exceed £2,000,000.

How project costs have been calculated

The capital costs have been calculated by lead design professional and are based on guidance from their cost consultant/quantity surveyor and their previous project experience and include quotes for specialist items. A 10% contingency is also included within construction costs to accommodate unforeseen ground conditions and other costs.

The professional team fees are based on a quote from Faithful+Gould who are already commissioned to deliver Phase 1 and 2 of the public realm project.

Sources of funding

Match funding for the wider public realm project is based on the actual contributions to the project and associated activity delivering the same outcomes. Forecast future investment is based on evidence from the similar public realm project project in Bognor Regis.

Arun District Council have previously funded the development of the public realm design scheme for the town centre and seafront and greens and the delivery of associated projects.

The Coastal Communities Fund is paying for the delivery of Phase 1 and 2 of the public realm scheme and related revenue costs for delivery officers and monitoring/evaluation.

Littlehampton Town Council contributes to the 2 hour free parking initiative annually.

West Sussex County Council have discounted the Section 278 cost for working on highways from 9% of construction costs to 6%.

1.5) Expected tangible core outputs/outcomes:

Please also complete the outputs tab of the supporting spreadsheet – add or delete where appropriate.

*Applicants should add in outputs that link directly with the SEP priority they are applying for.

Output/outcome	Metric	Number to be delivered
Employment – direct – construction jobs	Person years	25
Employment- created and/or safeguarded	No.	752 safeguarded
Employment – indirect unlocked	No.	389 new jobs
Indirect public sector leverage – railway station	£	£120,000
In-kind resources public and private	£	£55,266
Total length resurfaced roads	km	0.75
Type of infrastructure – public realm upgraded	m2	10,650
Utilities installed	Km	0.75
No. enterprises receiving non-financial support	No.	210
No. enterprises receiving grant support	No.	20

Number of additional learners	No.	10
New businesses created	No.	11
New town centre events	No.	34

How outputs have been calculated

Number of construction jobs created (Person years): 25. Calculated at the end of the scheme 2 years after completion using overall capital costs for both this project plus forecast investment.

Indirect Jobs created: 389. It is not possible to record exact numbers of jobs before and after the public realm work, but this increase has been predicted based on evidence from Bognor Regis. To provide a “before” and “after” picture, town centre visitors have been surveyed before work started regarding visiting the town, their dwell time and spend and this will be repeated 2 years after the completion of the work in 2023. The forecast indirect jobs are created from additional visits, dwell time and spend in the town

Indirect Jobs safeguarded: 752. Baseline estimated at 4 jobs per operating town business at start of project. Reporting at end of project will reflect reduced vacancy rate.

Public sector leverage: £120,000. Railway station refurbishment estimate funded by Network Rail/Govia Southern

In kind resources: £55,266 comprising public and private sector attendance at meetings etc calculated from actual rates

Total length resurfaced roads: 0.75km comprising the length between the railway station and the south end of Beach Road plus side roads

Infrastructure - public realm improved: 10,650 sqm. Areas measured as part of cost estimation. Claim annually at completion of each phase

Utilities installed: 0.75km comprising ducting installation for future full-fibre broadband for above distance

Enterprises receiving non-financial support: 210. This is the total number of business premises in the town centre including vacancies and allowing for churn.

Enterprises receiving grant support: 20. These are the forecast recipients of small shop front improvement grants and/or LEAP Small Business Grants which are match-funded by traders

Additional learners: 10. These are the young people on the Youth scheme receiving construction work experience. It is unknown at this stage if the young people concerned will be inspired to undertake formal college-based study.

1.6) Main risks and issues the project will need to manage? Explain contingency plans to ensure full draw down of funding if ultimately awarded. **Please also submit a full risk register as an annex to this document – see Appendix G**

Approach to managing risk

The initial project risks are contained within the risk register and mitigation put in hand wherever possible. Where mitigation actions are required in respect of compliance with LGF funding conditions, those actions have already been taken.

Key risks

Non-delivery of project - Lack of experience of similar project management leading to issues and non-delivery - Arun DC has the relevant experience and knowledge to deliver the public realm project having successfully delivered a similar public realm project in nearby Bognor Regis (total £2.8m) and a smaller project on the riverside in Littlehampton (£1.96m).

Non-delivery of forecast outcomes – there is recent documented evidence of the economic benefits of improving public realm delivered by Arun DC.

Missing LGF timescales - Project not sufficiently developed, delay leads to missing required delivery timescales - There would be no delay to the start-up of the project as all professionals, processes, agreements and governance are already in place. . .

2. Strategic Case

2.1) Describe the compelling case for change.

Compelling case for change

This public realm enhancement project aims to improve the attractiveness and appeal of Littlehampton town centre for businesses, visitors and local people. In doing so, it aims to encourage people to come more often, stay longer and spend more. This investment will create a high-quality public realm environment in the core of the town centre including the key pedestrian access route from the railway station and improve links to seafront and riverside.

Littlehampton has 3 main attractions – the natural capital assets of the seafront and the River Arun riverside plus the town centre – and the seafront and riverside have both been radically uplifted leaving the town centre behind in terms of development. The “jewel in the crown” seafront hosts a collection of high-quality award-winning architecture with the iconic Thomas Heatherwick designed East Beach Café, the quirky Longest Bench and the Stage by the Sea acoustic shells performance venue. The riverside has the RTPI award-winning East Bank Riverside mixed development and more recently at the seaward end the new £27m river flood defences including £2m high-quality riverside walkway safeguard 1,915 homes and over 530 businesses.

This investment is by-passing the town centre leaving a lack of clear connections between the attractions of town centre, riverside and seafront making wayfinding difficult and confusing so that visitors are often not aware of everything the town has to offer. The recent riverside walkway linking the riverside to seafront leaves the town centre even more isolated and poorly linked to these key attractions. Once these phases of the public realm are delivered, it will make clear pedestrian links around Littlehampton town centre and the Railway Station and close the gap to the existing high-quality East Bank riverside walkway and seafront. This will enable visitors to benefit from seeing all that Littlehampton has to offer, and increase dwell time and visitor spend, thus encouraging businesses to flourish and grow.

Littlehampton town centre is struggling. Vacancy rates are rising, footfall is falling in the harshest retail conditions in living memory, and tourism visits and spend are down 10% since 2016 according to Tourism South East data. Wages and skills are the lowest in West Sussex and strongly affected by seasonality. Anti-social and criminal behaviour is on the increase, especially from young people. Social mobility in Arun is amongst the lowest in the south-east. Although town centres nationally are struggling in the worst retail trading conditions in a lifetime, it is the knock-on economic and social issues that are at the heart of the case for change here.

A recent shop audit carried out across the project areas showed 24 shops (11.2% against a national rate of 10.3% via Springboard for July 2019) are currently unoccupied in Littlehampton town centre (July 2019) and this has been steadily rising since Waitrose relocated away from the town centre to nearby Rustington. The audit also reveals a large number of value outlets and charity shops, both of which are indicators of a low-quality retail offer.

Like many seaside towns, Littlehampton is characterised by a deprived town centre area surrounded by more prosperous villages, and the current town centre offer is not a draw to these affluent local residents. As a local shopping centre, it is less attractive to major chains, so is reliant on independent retailers.

This project will deliver new high quality, distinctive public environment in the town centre. It will create clearer and intuitive linkages between town, seafront and riverside and will encourage people to come more often, stay longer and spend more. This increased turnover will safeguard and create new jobs in Littlehampton town centre, new businesses will be attracted to locate here and new event space will enable high quality all year-round events tackling seasonality. Visitors, residents and local businesses will all benefit from these improvements.

The new public realm will transform Littlehampton’s core retail area both visually and economically. With modern and timeless designs, stunning materials echoing the maritime heritage of the town, coastal-

themed planting and new layouts to accommodate large scale events, the economic opportunities for the town will be improved, enabling businesses to be sustained and grow.

Why public funding is required

During 2016, Arun DC funded over £100,000 public realm project development to create shovel-ready RIBA 4 designs for [town centre scheme](#) and RIBA 2 for [seafront and greens area](#)..

Arun DC does not have funds to deliver the public realm improvement schemes, nor does West Sussex County Council. The private sector will not fund or deliver this project. Public realm work is not suitable for borrowing funds to deliver as there is no financial payback or asset to capitalise for Arun DC as the land is all owned by West Sussex County Council and Network Rail.

The drivers to deliver the scheme are the regeneration and economic benefits and opportunities as already seen in Bognor Regis with a similar scheme and where there is hard evidence of the economic and regeneration benefits delivered by the uplifted public realm, and the additional public and private town centre investment it has directly catalysed – see 3.5 below.

What problem is the project intending to address?

The problems are the economic issues set out above in the case for change – reducing footfall, increasing vacancies, lower spends. These combined with the nationwide retail decline mean that the town centre is struggling economically and suffering from a range of social issues such as crime and disorder, low skills and education and lack of aspiration and social mobility.

Contribution to C2C SEP and other relevant strategies and plans

As stated in 1.3 above, this project contributes to 4 out the 8 Priorities identifies in the SEP, particularly delivering a more prosperous urban centre in Littlehampton where the case for change is compelling and the evidence of need set out above.

It also aligned all other relevant national, sub-regional and local policy as set out in 1.3 above.

2.2) Investment Objectives- detail the specific objectives to achieve the anticipated outcomes.

Anticipated outcomes

Increase footfall
Reduce vacant units
More attractive and vibrant town centre
More pedestrian-friendly town centre
More easily navigable town centre
A better place to do business

Specific objectives

Deliver a 5% increase in measured footfall from the measured July 2019 baseline by 2023
Reduce vacant units from the measured July 2019 baseline of 24 to 12 units by 2023
“After” survey shows a significant increase how well the attractiveness of the public realm is perceived
Deliver 34 town events between each year including 10 new events in 2021-22
25% of business premises invest in significant upgrades by 2023
“After” survey shows a significant increase on how pedestrian-friendly the town centre is perceived
“After” survey shows a significant increase on the June 2019 baseline around business confidence in Littlehampton

2.3) Stakeholder Engagement carried out.

Key stakeholders and their interest

All relevant stakeholders support and have approved this project.

Accountable Body and delivery lead partner - Arun District Council has extensive recent knowledge and experience of similar successful public realm projects, namely the nearby Bognor Regis town centre public realm scheme was completed between 2013 and 2017 with a total value of around £2.8m and match and co-funding totalling £9.2m. The East Bank Flood Defence scheme for Littlehampton was valued at over £22m with the public realm element being £1.96m. This project was completed in April 2015 and has

regenerated the east bank of the riverside with similar economic benefits as those seen in Bognor Regis i.e. higher footfall, lower vacancies etc.

Littlehampton Traders Partnership - Within Littlehampton there is a longstanding (20 years+) and active Traders Partnership which has championed improving the public realm to enhance the town's economic fortunes.

Littlehampton Coastal Communities Team (LCCT) - The Traders Partnership has more recently partnered with other town stakeholders to create the LCCT. It is this group that is the "owner" of the public realm improvement scheme while Arun DC is the accountable body for delivery. There is a clear and ambitious LCCT urban masterplan of which improving the public realm is one element.

West Sussex County Council - The public realm improvement scheme designs were approved by the highways land owner, West Sussex County Council via their dedicated local highways group, Joint Eastern Arun Area Committee as it will improve their land. The public realm improvements are included in the Arun Growth Plan, a joint WSCC/Arun DC policy document prioritising shared economic and regeneration objectives.

Network Rail/Govia Thameslink (Southern) Railways - The franchise owner/operator of the railway station forecourt area Govia Thameslink is fully supportive of the project and designs to improve the arrival experience at the station as it will deliver some of their own aspirations for station improvement.

Littlehampton Town Council – the Town Council is a key partner in maintaining the town centre to a high standard, delivering events and community activity.

Coastal West Sussex – the Area Partnership for the Arun District, Coastal West Sussex aims to support economic growth and regeneration in Coastal West Sussex and is fully supportive of the scheme.

Beneficiaries - The public – involved and consulted on designs

Stakeholder and business engagement and support

The design process was entirely consultation-led to ensure support from relevant stakeholders. Following a series of focus groups with all relevant stakeholders (including Littlehampton CCT, community groups, local businesses and town, district and county Councillors and officers) concept designs were created using the feedback from these sessions.

These designs were put out to a widely publicised public consultation across all media in 3 weeks during 2016. Over 200 survey responses were received from the public which demonstrated high levels of support for the scheme proposals as shown below. Full consultation report available on request.

'A design reflecting Littlehampton's maritime heritage and history' (87%)

'The use of paving to provide subtle hints of the seaside' (79%)

'Creating spaces' (94%)

'Celebrating the arrival experience' (88%)

'Creating a sequential experience' (81%)

"Less is more" (79%)

'Slowing traffic' (72%).

Ongoing engagement throughout the project

All key stakeholders are fully aware and supportive of the project and will be kept informed and involved throughout. A Communications Plan is already in place for Phase 1 and 2 which identifies each stakeholder group, and the methodology for their engagement and involvement at each stage.

Evidence of support

All relevant key stakeholders have submitted letters of support for this funding bid.

2.4) List the key stakeholders and their interest areas.

Stakeholder	Interest area
Area Partnership: Coastal West Sussex	Economic growth/regeneration of area
Arun District Council	Accountable Body, delivery lead
Littlehampton Traders Partnership	Trader's representative body

Littlehampton Coastal Communities Team	Informal "owner" of the public realm improvement scheme
West Sussex County Council	Highways land owner
Network Rail/Govia Thameslink Railways	Owner/operator of station forecourt
Littlehampton Town Council	Key partner to maintain/animate town centre

2.5) What are the strategic issues, risks and constraints that may impact successful delivery of the project?

Strategic issues

Approvals - All required statutory and decision-making approvals are in hand so this is not an issue.
Resources - All resources, agreements and governance structures required to deliver the project are already in place for Phase 1 and 2 of the scheme, so this is not an issue for this project.
Traffic Regulation Order - There is a requirement for several Traffic Regulation Order (TRO) changes across the public realm scheme to amend access, loading, parking and highways rules to deliver a vehicle-free pedestrian precinct and revised on-street parking and loading bays to accommodate new pavement widths and junction changes. *Access to sites* – most of the land is West Sussex CC Highways land and they are fully supportive of the project.

Risks

Public art - A design issue that still has to be resolved is the small public art elements. The process has begun to appoint a public art specialist who will engage with the public and local art/cultural groups to undertake the designs. Delivery of the public art elements is programmed late in the phasing thus mitigating for this risk.

Constraints

Fixed budget - The delivery of the public realm scheme is dependent on grant funding and is thus a fixed budget. This is being managed by strong design and cost control, allocation of an appropriate contingency to cover design risks and unforeseen issues once in the ground.

2.6) Project Dependencies

The only outstanding dependency is the LGF funding award.
All risks and dependencies have been fully considered and, where possible, mitigation put in place.

2.7) Project disruption

Potential disruption

Construction - Access to businesses for customers and deliveries.
Construction - Loss of trade through people staying away during construction work.
Construction – Dust, noise, mud etc

Planned mitigation for disruption

Construction - Access to businesses for customers and deliveries. Work will be carried out in small sections to minimise disruption. The tender documents state that all businesses must remain open throughout the works i.e. the entrance doors must be accessible during all opening hours. As the liaison with all traders has shown, most businesses have rear entrances for deliveries however some do not, and some deliveries will need to be managed through the construction site, or alternative arrangements made during the construction works accordingly.
Construction - Loss of trade through people staying away during construction work. The population locally has an elderly demographic and could be put off by the thought of going shopping in a construction site. All pedestrian access surfaces will be flat and safe and usable for wheelchair or pushchair. A joint marketing and events campaign is planned between Arun DC and Littlehampton Town Council to encourage people to keep coming into the town.
Construction – Dust, mud, noise etc. Normal Health and Safety mitigation will be required, so screening and wetting down of dusty works, clearing the site to reduce dirt/mud being trampled into businesses etc

3. The Economic Case

3.1) Please describe the options that have been considered in selecting the project proposal, completing both box 1 and 2.

Box 1:

Option Name:	Description:	Total cost:	Amount requested:	Core outputs (see 1.6)
Do nothing, minimum or status quo	Only Phase 1 & 2 of public realm will be delivered	£4,412,101	£0	Reduced by a 1/3 as only delivering 2 out of 3 phases
Proposed option	Phase 1, 2, 3 delivered	£5,788,381	£1,376,281	As above in 1.5
Ideal solution: Delivery of all 5 phases public realm	Phase 1-5 all delivered subject to additional funding becoming available	£7,595,544	£3,183,442	Increased by 1/3 by delivering 2 additional more peripheral phases

Box 2:

Option Name:	Advantages:	Disadvantages:
Do nothing, minimum or status quo	Lower cost Less disruption	Incomplete links between town, sea, river Unattractive and unintuitive linkage towards seafront remains (Beach Road) Ugly car-dominated junction E of precinct remains Less visitors, spend, turnover More vacant units
Proposed option	Intuitive link towards seafront delivered Safer pedestrian route in Beach Road New plaza style pedestrian area replaces ugly junction E of precinct More visits, spend, turnover, new jobs Reduced vacant units	More widespread disruption, but over relatively short time
Phase 1-5 (ideal solution)	All pedestrian linkages from town fully delivered More visits, spend, turnover, new jobs Reduced vacant units	LGF upper limit is £2m so out of scope LGF timescales do not allow delivery by required date No other funding available at this stage

3.2) The preferred option

Preferred option

As per this bid – Delivery of Phases 1, 2 and 3 by December 2020, with Phase 1 & 2 already funded by Coastal Communities Fund and Phase 3 funded by LGF.

Justification

To maximise deliverability – Phase 3 is an addition to existing project to deliver Phases 1 & 2

To maximise benefits listed above

To minimise disruption by having completion of Phases 1, 2, 3 by December 2020

In the ideal world all 5 Phases of public realm would be delivered thus completing the scheme, but in the real world there is no funding currently available for this option.

3.3) Issues with preferred option.

All risks have been assessed for this project and there are no major issues with the preferred option which is one of the reasons it has been selected.

3.4) What are the top 5 risks of this option?

Top 5 risks

1. Funding not awarded by LGF - benefits reduced, scheme not complete, links to seafront obscure

2. *Tender costs exceed budget available* – value engineering, negotiation, cost-control by professional team, contingency allocated for unforeseen issues. D & B approach chosen to minimise this risk.
3. *No response to D & B tenders* – Relevant contractors have been targeted by professional team
4. *Economic uncertainty causes cost inflation* – out of our control, but contingency in place, value engineering. D & B means this risk sits with the contractor
5. *Weather or unforeseen ground conditions delay works* – programme allows for some weather delays, geophysical survey completed

Please complete the boxes below, answering only those relevant for the theme of your project, referring to the guidance available.

3.5) Economic impact

Strategic impact

Delivering the public realm project will mean that Littlehampton will be a more vibrant sustainable, successful, resilient urban centre, a place that people want to live, work and visit. It will be a pedestrian-led environment with clear links to sustainable transport bus and train hubs. There will be intuitive routes to the natural assets of the River Arun and seafront. It will be the economic service centre catering for existing and planned new homes. Improvement to the town centre will also support and attract investment in the future strategic regeneration and development potential of the town, for example, the planned new road links mentioned in 2.1 above, St Martin's car park mixed use redevelopment and 1,000 home strategic housing site on the West Bank of the River Arun.

How does the project positively affect the level of economic activity in a given area?

There is clear evidence that improving public realm brings more visitors, they stay longer and spend more. It also increases investor confidence and draws in new investment and both of these outcomes are evidenced by the Bognor Regis and Littlehampton riverside public realm schemes.

New and existing businesses will bring new jobs and operate in a busier town centre with attractive public/events spaces. Existing business premises and retail offer will be upgraded and other public facilities i.e. improvements to the railway station will be delivered. Anti-social behaviour and criminality will reduce through better CCTV and the Youth Build project, making Littlehampton a safer and more attractive place to visit, increasing footfall and engaging young people in positive activity.

Future access to full-fibre digital connectivity will enable business to work more productively.

What is the economic impact?

Evidence and evaluation from a similar public realm improvement scheme in Bognor Regis shows that uplifting public spaces generates multiple economic impacts such as premises investment, footfall, higher spend, new jobs and higher-quality new businesses. The final Evaluation Report of the Bognor Regis scheme evidenced an investment of £2.8m in public realm improvement resulted in £9.2m investment in associated projects. The project outputs reflects the evidence from Bognor Regis.

The outputs detailed in 1.6 show the following:

- 25 person/year construction jobs generated by the construction work including match funding
- 752 jobs safeguarded
- 389 new indirect jobs created, importantly including more secure and less seasonal jobs

These values cannot be an absolute count, but the principle will be tested using the "before" and "after" trader surveys.

In addition to that it is estimated that 10 new businesses will be created in vacant units, thus reducing vacant units by around half. This will be documented with regular shop audits.

3.6) Environmental Impact

The project designs use the principles of sustainable development to ensure maximum long term benefits to the economy, local people and the environment.

Positive environmental outcomes

A key design objective of the new public realm is to make the town centre more pedestrian-friendly with intuitive navigation from town towards the seafront and riverside, encouraging walking and discouraging car use, thus reducing pollution. It also creates stronger links to the public transport hubs of railway station and bus interchange encouraging more use of sustainable transport. Another key design objective is the creation of new and attractive public spaces which act as a fitting backdrop for the striking architecture in the town.

3.7) Social Impact

Positive social outcomes

Residents of Littlehampton town and surrounding villages will directly benefit from the enhanced public realm, and more employment opportunities in the town.

Evidence and evaluation from a similar public realm improvement scheme in Bognor Regis shows that uplifting public spaces generates greater vitality through new large-scale events which are particularly welcome in the very deprived town. It will also deliver a better town centre experience for people living, visiting and working there. This will be tested via “before and “after” surveys. The Youth Build project will have a positive social impact both for the young people involved and the wider town population. Deep-rooted social and economic deprivation issues will be tackled through the better economic and employment opportunities delivered by the project.

Accessibility will be improved for all, but especially those with impaired mobility as the current layout includes many kerbs, steps and sloped areas, and other hazards such as areas paved with large round pebbles that are uneven and constitute a trip hazard for an able-bodied person. Street furniture is grouped together and out of the main pedestrian flow so that visually impaired people can more easily identify and avoid the potential hazard. The lighting system has been designed to provide a sense of security and safety and encourage full day and evening use of the area.

Road crossings/junctions - rather than using drop kerbs, raised tables (crossings at the same level as the pavement) will be used to allow pedestrians to cross from the precinct into the adjoining roads to north and south without a change in surface level, removing potential trip hazards.

3.8) The number of people and businesses positively impacted by the intervention?

Number of people positively impacted

Residents of Littlehampton: around 30,000 people live in the town and 40,000 in wider Littlehampton (ONS stats)

Day visitors – 1,111,860 during 2017

Staying visitors – 532,398 during, both taken from latest available Tourism South East data 2017.

Number of businesses positively impacted

Business premises in town centre receiving non-financial support – 210 (from regular Shop Audit) This is the number of business premises in the town centre who will benefit for the improved public realm.

Enterprises receiving grant support – 20. These are the forecast recipients of the small shop front improvement grants (max £2000) which traders have to match with their own funding. This is an associated activity included as match funding within this bid because it delivers the same town centre improvement objectives.

The “before” research surveys with both traders and town centre visitors has baselined activities, perceptions and other impact-measuring data, and will be compared with the “after” surveys undertaken in 2023 to measure change.

3.9) Follow on Investment

Match funding

The Arun District Council matched funds are the actual costs of developing the public realm designs to RIBA 4 stage plus associated spend, for example wider public realm designs linking the seafront to town centre and wayfinding signage across the wider town, seafront and riverside area.

Other public funds includes the £2,452,295 Coastal Communities Fund award to deliver Phase 1 and 2 to the same timescales as LGF, plus actual contributions from Town and County Councils to the project and associated activity achieving the same outcomes.

Private sector matched funds are predominantly investments in premises improvements plus traders investment in associated initiatives delivering the same outcomes, and the values are based on evidence from a similar public realm enhancement project delivered in neighbouring Bognor Regis. Much of this matched funding is not invested until after the public realm scheme is complete and will be reported 2 years after completion i.e 2023.

The leverage ratio of LGF: other funding is 1:4.26

Follow-on investment

The award of the Coastal Communities Fund (CCF) grant has catalysed discussions with Govia Thameslink (GTR) and by extension, Network Rail regarding Littlehampton railway station. There is a commitment to invest significantly in improving passenger facilities, initially using £50,000 from the GTR Passenger Benefit Fund. A larger project conservatively estimated at £70,000 investment by GTR/Network Rail will improve passenger facilities such as toilets, seating and the ticket office area.

The successful delivery of Phases 1, 2 and hopefully (subject to LGF funding award) Phase 3 of the public realm project will encourage funders to look positively on the unfunded Phases 4 (Surrey Street linking town to the riverside) and 5 (War Memorial roundabout at the south end of Beach Road) to complete to town centre public realm scheme.

Once the town centre public realm is complete, in the longer term funding will be sought to deliver the route from the War Memorial roundabout south along Beach Road to the seafront to create an intuitive pedestrian navigation link to the seafront, and uplift the extensive seafront greens and promenade area. [Concept public realm designs](#) to RIBA 2 stage have been funded by Arun DC and were well-supported during public consultation.

3.10) Skills projects only- Impact on Skills Provision

Increasing the employability of learners

The Youth Build work experience project will provide young people at risk of criminal and anti-social behaviour the opportunity to gain experience of construction work which will improve their employability. This is a modest project with a target of 10 young people so a small strategic impact, but potentially a large personal impact on the young people involved if it supports them to focus more on positive activity. It is unknown at this stage if the young people concerned will be inspired to undertake formal college-based study.

Sector influenced

Construction, also reducing anti-social behaviour and criminality

Meets employment needs of the area?

There are shortages of all skilled labour in Arun including construction labour.

3.11) Business and enterprise projects only- Impact on business growth

Increasing turnover and jobs by 20% in next 3-5 years?

It is forecast that by increasing numbers of visits to the town by residents, day and staying visitors, and improving the town centre offer to attract people to spend more on each visit, and to shop in Littlehampton rather than neighbouring towns, that additional spend will be generated within town centre businesses creating an estimated 345 new full time jobs based on £60,000 new spend per job. Shoulder seasons will be targeted for major new events to generate a more balanced all-year-round economy. In addition, new businesses moving into vacant premises will generate another 44 new jobs.

In addition to the increased turnover the evidence from Bognor Regis is that once the public realm is improved, businesses start to invest in the premises and uplift their offer. In Bognor Regis over 50% of town centre premises received significant private investment in major internal or external premises improvements, including empty upper storey space conversions to residential.

The public realm work will also draw in other public investment such as the improvements to the railway station explained in 3.9 above which will have the same knock-on effect on local turnover.

3.12) Infrastructure and Regeneration and Housing projects only- Physical and aesthetical impact- Does the project make a positive and lasting contribution to the physical, human and cultural environment?

Positive lasting contribution to:

Physical environment

The physical environment of the town centre will be transformed to modern and timeless with subtle links to the town's rich maritime past. Obscured sightlines will be opened out to provide visual navigation clues and space for large-scale events.

Human environment

The new public realm will create a human environment designed to encourage people to spend more time in the town centre as this is a proxy for spending more.. The new events space within the precinct will house new events large and small. Outdoor tables and chairs will provide a café culture vibe in the vehicle-free pedestrian precinct as a safe space for families with children.

Cultural environment

The public art elements of the public realm improvements will be designed with full engagement from the community, including arts and cultural community groups bringing a strong community buy-in to these elements of the work.

3.13) If your project results in service and other improvements then please provide baseline data below.

Metric	Baseline		What the intervention will achieve	
	Figure	Year	Figure	By when
Public realm improve	0m2	2019	10,650m2	Dec 2020
Road resurface	0km	2019	0.750km	Dec 2020
Utilities (ducting)	0km	2019	0.75km	Dec 2020

4. The Commercial Case

4.1) Please provide details of your envisaged procurement route.

Procurement route for wider project including LGF-funded element

Procurement of the professional team for Coastal Communities Fund-funded Phase 1 and 2 has been undertaken using the Crown Commercial Service Framework. This Framework was procured using a competitive process and thus meets Arun DC Standing Orders.

Faithful+Gould, West Sussex CC MDC Contractor are appointed to provide all professional services (except public art design and delivery) to develop, tender and deliver Phase 1 and 2 to CCF timescales and budget. They are fully aware and supportive that this bid is being submitted to deliver Phase 3.

4.2) Involvement of private development partners.

Private sector partners: business premises investment

The evidence from Bognor Regis public realm showed over 50% of business premises received significant investment after the public realm works there. Uplifting the public areas catalysed significant improvement in Bognor Regis and there is no reason to believe that it will be different in Littlehampton.

Development partner: Govia Thameslink Railways

As explained in 3.9 above, Govia Thameslink are actively planning to invest in Littlehampton railway station.

Potential future private sector development:

St Martin's car park - This is a council-owned car park adjacent to the town centre north of the precinct which is an identified development site. The proposed mixed use development of this site includes retail/food and drink, leisure and housing which would support and enhance the vitality of the town centre.

Previous Waitrose building – this now vacant building is located near the bus interchange on Anchor Springs off East Street.

West Bank housing site – this is an allocated housing site in the Local Plan located on the west side of the Rive Arun and will be a prestige mixed use development delivering at least 1,000 new homes.

4.3) Procurement plan and timescales.

Procurement Plan

The procurement process is detailed above in 4.1.

Timescales

Construction work will be delivered to mitigate for disruption in the main retail centre during the peak run-up to Christmas and school holidays. More detail will be added once tendering is complete and the delivery methodology is clear.

Statutory and other consents

All necessary approvals to start work are in hand.

4.4) How will the project contribute towards social value?

Social Value Act 2012 compliance

The principles of the Social Value Act 2012 have been adhered to throughout the project development process. Social value has been considered throughout the project development process to date, and will be throughout.

Evidence of compliance with the requirements of the Act:

Social – Youth Build initiative - The requirement to work with relevant agencies to engage with young people at risk of criminal or anti-social behaviour will be written into tender documents. *Economic – Developer Partner Charter* – the requirement to sign up to this will be included within tender documents. The aim is to maximise and retain all benefits of regeneration and development work within the local area as far as possible.

Environmental – construction materials – The tender will specify materials that are strong and robust enough to withstand heavy use and the harsh marine environment, but also to use recycled materials where possible for example paving blocks.

C2C priority: Increase opportunities for SMEs

The town centre businesses are predominantly SMEs and as such they are a key beneficiary of the improved public realm and the opportunity to increase their turnover by capitalising on the increased visitor numbers coming into the town centre.

There will be increased opportunities for new SMEs to move into vacant premises as the town becomes a more attractive location to do business.

C2C priority: Increase opportunities for local residents to enhance their skills and career progression

The Youth project offers at-risk young people a work experience opportunity. The new jobs created as turnover grows will offer opportunities for advancement and career progression

4.5) State Aid Compliance.

Please refer to the State Aid summary provided with the bid application guidance and provide your justification to show that your project is state aid compliant.

Practising solicitor at Arun DC has confirmed that the project is state aid compliant

5. The Financial Case

5.1) what is the estimated total project cost and the amount of LGF being applied for? Please complete the funding breakdown tab in the supporting excel spreadsheet.

LGF financial year starts from 1st April – 31st March (Q1 would therefore be April-June). **No rounding up.**

Quarter	Matched Funding Contribution	LGF
19/20 – Q1 (previous match)	£433,379	£0
19/20 – Q2	£0	£0
19/20 – Q3	£636,794	£0
19/20 – Q4	£636,794	£458,714
20/21 – Q1	£392,902	£305,855
20/21 – Q2	£392,902	£305,855
20/21 – Q3	£493,080	£305,855
20/21 – Q4 onwards	£1,426,250	
Total	£4,412,102	£1,376,280

5.2) Please set out the project expenditure items – No rounding up.

Please state the date of this estimate-

Projects costs (delete or add as appropriate)	Total cost (£) (LGF plus Matched funding)	LGF (£) Capital items only.	Match funding (£)
Land Acquisition	£0	£0	£0
Planning and Feasibility studies	£0	£0	£0
Surveys	£0	£0	£0
Construction, inc- other fees, materials, equipment and labour	£3,288,686	£1,199,096	£2,089,590
Fit out (inc. equipment and furnishings not included in construction)	£0	£0	£0
Project management	£78,260	£27,770	£50,490
Consultancy	£138,696	£61,802	£76,894
Revenue cost Phase 1,2	£55,238	£0	£55,238
All match funding	£1,959,807	£0	£1,959,807
Contingency*	£267,695	£87,612	£180,083
Total Net Cost	£5,788,382	£1,376,280	£4,412,102
VAT	£1,157,676	£275,256	£882,420
Total Gross Cost	£6,946,058	£1,651,536	£5,294,522

Please ensure the matched funding and LGF amount to the total costs and that the LGF requested does not exceed the 50% percentage allowed.

5.3) Net Present Value cash flow analysis.

Options	NPV
Do nothing, minimum or status quo	N/A
Proposed option	N/A
Alternative option	N/A

5.4) Value for money

How the project offers value for money

This project represents good value for money and efficient delivery because it will be an addendum to an existing project, saving procurement resource and time and making the fixed costs like contractor's prelims go further.

It delivers high social value including social, economic and environmental benefits in terms of the potential costs and risks of the project.

The scheme will also deliver digital infrastructure comprising ducting for future full-fibre broadband that will support future digital technologies, help businesses become more productive and futureproof the location to enable better digital connectivity.

The match funding leverage of LGF to other funding is high at 1:4.26. The majority (c 70%) of the £4.4m match funding is secured.

There is additional leveraged funding for the railway station.

The economic outputs are good value for money. The direct jobs created are from the overall construction value of around £4.5m and delivers 25 person-year jobs. Indirect jobs created are based on increasing visitor numbers and spends plus new event footfall which it is estimated will create 389 new jobs.

Cost per job

They represent extremely good value with cost per indirect job for LGF funding £3,538 and cost per job for overall project value £14,880.

5.5) VAT status

Any VAT incurred would be 100% recoverable and should not therefore be included as part of the grant applied for/awarded.

5.6) Financial Sustainability

All delivery is undertaken in liaison with partners, and all responsible for the financial sustainability of the public realm project are aware of their responsibilities and have made funding allocations for same.

The future responsibilities are set out below:

West Sussex County Council is responsible for highway and pavement maintenance except for the station forecourt which is Network Rail and their chosen franchisee, currently Govia Thameslink.

Arun District Council is responsible for street cleansing and maintenance of the planting and some street furniture. They also host the Town Centre Manager who organises many of the town centre events.

Littlehampton Town Council is responsible for maintenance of some street furniture and town centre floral planting and lead partner for Littlehampton In Bloom, also organiser of some of the Town's events

Maintenance

To sustain the economic benefits of this project requires increased visitor numbers/spend to be maintained in Littlehampton.

Town Centre Management

Ongoing Town Centre Management is key to maintaining and growing the vibrancy and animation of the town centre.

6. The Management Case

6.1) In which financial year do you expect your project to commence?	2019-20
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6.2) In which financial year do you expect your project to complete?	2020-21
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6.3) Please set out the key milestones related to the project. Please include planning permissions, funding secured, PR and events.

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6.4) Project management arrangements

Project Management arrangements

The Project Manager is already appointed as are the whole professional team for Phases 1 and 2. If funding is awarded for this bid to deliver Phase 3, the Project Manager appointment will simply be an addendum to an existing project.

Project management processes to ensure on time and to budget

Delivery on time: Progress against project plan by the Project Manager to track progress of the bid and any slippage.

Delivery on budget: Cost control, project budgets, spend and cash flow forecasts are monitored by the Project Manager.

6.5) Key project roles and responsibilities

Key roles and responsibilities

Key project roles are already appointed to deliver Phase 1 and 2.

Project Board – Responsible for delivery of the project to required specification, timescale and budget. Provide direction and decisionmaking in respect of same.

Professional Team

Project Manager – Faithful+Gould: overall responsibility for the successful planning, delivery, monitoring, control and closure of the project.
Landscape Architect - LDA Design – technical design advice
Highways Engineer - Faithful+Gould - civils and highway requirements
Cost Control/Quantity Surveyor – Faithful+Gould – cost management of the construction works.
Road Safety Auditor – via Faithful+Gould – carry out Road Safety Audits
Principal Designer – Faithful+Gould – CDM advice, Principal Designer role
Principal Contractor - to be appointed - deliver the project and be responsible for construction phase health and safety under CDM Regs.

Arun DC Officers

Client Project Manager and
Littlehampton Town Centre Manager

6.6) Governance, oversight and accountability

All governance, oversight and accountability arrangements are already in place for delivery of Phase 1 and 2 and the same processes will be used for Phase 3 if this bid is successful.

Financial oversight is provided by Arun DC accountancy protocols and Standing Orders.
Arun DC is the accountable body for the overall public realm project and this grant application and therefore responsible for all matters therein.

6.7) Communications and stakeholder management

Communications and stakeholder management plans are already in place for the delivery of Phase 1 & 2. All design consultation and decisions are already complete with only public art design elements subject to consultation.

Communications strategy and plan including stakeholder management

A full Communications Plan including Stakeholder Management is being worked up for Phase 1 and 2 public realm project in liaison with Arun DC Communications Team and the Town Centre Manager.

6.8) Benefits management

Strategies and plans are already in hand for ensuring delivery of benefits and continuity of same.

Management and delivery of benefits

The delivery of the project to the right quality level with minimum disruption is the first stage in ensuring forecast benefits are realised. An appropriately qualified professional team and governance structures to deliver this are in place.

A Communications/Engagement Plan ensures that all relevant people are kept informed and involved, and that the public are encouraged to keep visiting the town centre during the works.

Sustaining benefits

Sustaining the benefits of this project requires increased visitor numbers/spend to be maintained in Littlehampton. This requires both the quality of the design and materials used in this project, and their maintenance to be right as well as the events and ambience in the town centre to attract people to visit, stay longer and come back soon.

Economic benefits – the economic outputs will be sustained by maintaining the public realm in good condition, and encouraging investment in town centre premises to uplift their appearance. New large-scale all year round events in the redesigned precinct will tackle seasonality and create new employment opportunities through increased footfall, dwell time and turnover. New businesses will be attracted to locate here by the incoming investment and uplifted appearance, reducing vacancy rates and improving the town's offer to attract more and higher spending visitors.

Social benefits – the enhancement of the quality of the public realm will engender civic pride, and the natural surveillance of increased footfall will encourage a reduction in anti-social behaviour.

6.9) Project evaluation – This will be a requirement at the completion of a project.

Project monitoring to measure change

All aspects of the project are monitored to evidence change. This starts with project baselines taken before the work commences and continues throughout the project and for 2 years after its completion. The methods used are listed below.

Youth Build outcomes will be measured by number of young people receiving work experience/training, studying for qualifications and employment.

Number of indirect jobs created and safeguarded. We have undertaken a survey of traders before work commences to establish a baseline for trader confidence and appetite for employing more staff should their trade improve. This will be repeated at the end of the project to establish the increase in business confidence and how that resulted in new jobs and investment.

Growth in business spend/visitor spend/visitor numbers - Based on Tourism South East annual figures to determine growth. A public survey at the start of the project will establish the average number of visits and spend/visit. This will be repeated in 2023 to establish growth.

Number of businesses supported/new businesses created/vacancy rate reduced/business premises condition – Shop Audit repeated 6-monthly until 2023 to measure impact.

Long-term impact of the project

The “after” surveys with traders and the public will be undertaken 2 years after the completion of the project. This will measure the longer-term impacts of this work.

Post-project Case Study

A final Evaluation Report will collate outputs and outcomes for this project in 2023. Good practice will be disseminated via all relevant channels.