

# Public Document Pack

Legal and Democratic Services



**To: All Members of the Strategy and Resources Committee**

Dear Councillor

**STRATEGY AND RESOURCES COMMITTEE (SPECIAL MEETING) - WEDNESDAY, 24TH OCTOBER, 2018**

Please find attached the following report (s) for the special meeting of the Strategy and Resources Committee to be held on Wednesday, 24 October, 2018 marked "to follow" on the Agenda.

3. **FUNDING FOR PLAN E** (Pages 11 - 16)

To approve additional funding of £2.245m from the Council's Community Infrastructure Fund (CIL) balance to meet the costs of completing the agreed scheme for Market Place and Northern High Street.

For further information, please contact Fiona Cotter, 01372 732124 or [fcotter@epsom-ewell.gov.uk](mailto:fcotter@epsom-ewell.gov.uk)

Yours sincerely

A handwritten signature in black ink, appearing to read "K. Beldan".

Chief Executive

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## Funding for Plan E

<b>Contact:</b>	Damian Roberts, Chief Operating Officer
<b>Urgent Decision?(yes/no)</b>	No
<b>If yes, reason urgent decision required:</b>	N/A
<b>Annexes/Appendices (attached):</b>	None
<b>Other available papers (not attached):</b>	None

### Report Summary

This report sets out a proposal for utilising the Council's Community Infrastructure Levy (CIL) to enable the completion of the agreed Plan E scheme – namely the works to the Market Place and the Northern High Street.

### Recommendation (s)

To approve additional funding of £2.245m from the Council's Community Infrastructure Fund (CIL) balance to meet the costs of completing the agreed scheme for Market Place and Northern High Street.

## 1 Implications for the Council's Key Priorities, Service Plans and Sustainable Community Strategy

1.1 Plan E contributes directly to all four of the Council's Corporate Plan priorities, namely:

### 1.1.1 Keeping the Borough Clean and Green

Plan E investment provides enhancements to the Town Centre that will include new paving and street furniture that will improve the local environment and be easier to clean and maintain. The new and additional trees in the Market Place and larger tree pits will provide a more sustainable solution to ensuring that the Market Place continues to be seen as a green and vibrant place.

### 1.1.2 Supporting our Community

Plan E brings a number of significant improvements to the local community visiting and living in the Town Centre including, facilitating easier pedestrian movements, including for those who are disabled,

improving public transport, providing more accessible and less cluttered streets, reducing traffic congestion, improving air quality and providing new signage.

### 1.1.3 Supporting Business and our Local Economy

Having a functional, safe and attractive town centre environment with a distinct identity that encourages shoppers and visitor footfall is good for local businesses and a good basis for attracting further business investment. This is particularly important at a time when increasing competition and changing retail behaviour is putting pressure on Town Centres to perform better.

### 1.1.4 Managing our Resources

Plan E brought inward investment into the borough from a number of sources, including the Coast to Capital Local Enterprise Partnership (LEP) (£2.7 million), National Productivity Investment Fund (NPIF) Grant of £1.2 million, and up to £1.27million from Surrey County Council.

## 2 Background and Context

2.1 Plan E is one of the largest infrastructure schemes to be undertaken in Epsom and Ewell in recent years and has been almost a decade in gestation.

2.2 Plan E refers to the Area Action Plan (AAP) formally adopted by the Borough Council in April 2011 following significant consultation. The highway and public realm improvements included under Plan E aim to promote economic growth by:

1.1.5 Reducing traffic congestion in Epsom Town Centre

1.1.6 Addressing the dominance of the A24 traffic over pedestrian access

1.1.7 Facilitating safe pedestrian movements

1.1.8 Improving public transport

1.1.9 Providing accessible and uncluttered streets

1.1.10 Enhancing the quality and attractiveness of the town centre and encourages further investment from retailers

2.3 In 2018 these priorities are more important than ever, in the context of sustaining healthy footfall and spend in the Town Centre, given changing retail behaviour and the growing competition from other urban centres.

- 2.4 Given the importance of Plan E, it is the only scheme in the Borough to date to have been awarded funding from the Coast to Capital Local Enterprise Partnership. This was a contribution of £2.7 million. The Council has earmarked £476k from Community Infrastructure Levy (CIL) funding, plus an additional £60k from CIL for the paving outside the Playhouse.
- 2.5 The construction works for the Plan E scheme are being managed by Surrey County Council and started in January 2017. Despite significant on-going delays, the work is now more than half way implemented, with the final phase being the completion of the Market Place and Northern High Street elements. Work on the Market Place is currently due to commence from January 2019.

### **3 Strategically Important Market Place**

- 3.1 As a key element of the Plan E scheme, the Market Place is strategically important to the borough as it:
- 3.1.1 Helps contribute to the borough's unique identity as a great place to live, work and visit
  - 3.1.2 The Market Place is a key feature of the Town Centre Conservation Area, contributing to the visual character and appearance of the area.
  - 3.1.3 Provides a focal point and destination within the main urban area and contributes to the balanced mix of uses necessary for a vibrant Town Centre, offering a place where people can meet, relax, be refreshed and enjoy the space
  - 3.1.4 Encourages pedestrian flow and spend beyond the Ashley Centre
  - 3.1.5 Provides a flexible pedestrian friendly space for activities and events

### **4 Meeting the additional costs of Plan E**

- 4.1 Surrey County Council has now advised EEBC that due to the increased costs it has incurred to date on the project and, not securing a second funding bid from the Coast to Capital Local Enterprise Partnership, it will now be necessary to allocate additional funds in order to undertake the works to Market Place and the Northern High Street (the carriageway opposite the Market Place that includes the retailer TK Maxx).

## 5 Partnerships

- 5.1 Plan E developed out of an important partnership working between Surrey County Council, Epsom & Ewell Borough Council and the Local Enterprise Partnership, although Surrey County Council is the accountable body and responsible overall for the delivery of the scheme.

## 6 Financial and Manpower Implications

- 6.1 Surrey County Council has requested £2.245m additional funding, from the 80% element of CIL, to enable it to complete works on both the Market Place and Northern High Street. A breakdown of the funding needed is set out below.
- 6.2 Surrey County Council has requested that the additional funding needed for both Market Place and the Northern High Street is met from the 80% element of CIL. A breakdown of the funding needed is set out below.

### Market Place

Surrey County Council's revised estimate of costs	£1.818m
<u>Funding already identified</u>	<u>£0.750m*</u>

Shortfall £1.068m

Note \*: this includes the Borough Council's original agreed Community Infrastructure Levy (CIL) allocation for Plan E)

### Northern High Street

Full costs of Northern High Street (ie shortfall) £1.177m

**Total funding needed to deliver the scheme £2.245m**

- 6.3 As at October 2018, the unallocated 80% Community Infrastructure Levy (CIL) balance currently stands at £2.523m. In 2018/19 to date the Council has received income from CIL of £211,000 and has billed for a further £355,000.
- 6.4 If agreed, the funding will be released in tranches based on delivery so the full amount will not be needed immediately.

- 6.5 **Chief Finance Officer's comments:** *Allocating the additional £2.245m to Plan E would reduce the Council's unallocated 80% CIL balance to £0.278m. Consequently, the availability of CIL funding to finance other projects could be restricted until additional CIL funds are received over time.*

## **7 Legal Implications (including implications for matters relating to equality)**

- 7.1 The Borough Council's Regulation 123 Statement adopted on 29 September 2015 sets out the list of infrastructure types to be funded from Community Infrastructure Levy. This includes transport improvement schemes. The proposed use of Community Infrastructure Levy set out in this report aligns with this.
- 7.2 **Monitoring Officer's comments:** *There are no comments arising from the contents of this report.*

## **8 Sustainability Policy and Community Safety Implications**

- 8.1 The public realm improvements set out in this report are designed to make a positive contribution to making Epsom and Ewell Town Centre a sustainable place in the widest sense, including addressing safety issues and maintaining the Town Centre's vitality and levels of footfall.

## **9 Risk Assessment**

- 9.1 There is risk that additional costs may arise during the procurement and construction phases of the Market Place and the Northern High Street. However, at this stage in the Plan E programme, there is greater certainty about likely costs. Surrey County Council have also indicated that they will hold the risk for this subject to any unforeseen ground works.
- 9.2 There is a risk that further delays may occur with these two elements of Plan E. However, the delivery of the work will be subject to a number of safeguards including the Borough Council having an active role on the project board, there being a clear project plan in place, and funding tranches released on the delivery of agreed milestones.

**Ward(s) affected: Town Ward and all Wards**

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