

Review of Potential Funding Contributions to Accessible Nelson

High Level Briefing Note

0.0 Purpose

The purpose of this briefing note is to summarise a high-level desk review of potential viring of funding from Town Deal Programme Projects across to support the funding shortfall in Accessible Nelson.

0.1 Summary

The document outlines some opportunities to fund elements of the Accessible Nelson project through funding overlaps with other Nelson Town Deal projects, while remaining compliant with DLUHC rules.

0.2 Conclusion

The document concludes that there is the opportunity to offset the shortfall in the overall LCC programme costs for transport infrastructure improvements for Nelson Town Centre, which include Accessible Nelson.

1.0 Background

Lancashire Highways (LCC) have planned a programme of works across 7 distinct areas in Nelson Town Centre, to provide for a comprehensive programme of integrated improvement works for all modes of transport across, through and within the Town Centre.

The proposals also carry with them extensive improvements to the Public Realm.

Areas 4 & 6 of this improvement programme relate to 'Accessible Nelson' which are two projects near to the Pendle Rise Shopping Centre development (PRSC) funded by the Town Deal. The other areas in the improvement programme are funded by various sources through Lancashire County Council, including Levelling Up (LUF) funding and Active Travel Funding (ATF).

Work has been carried out jointly by LCC and Pendle Borough Council (PBC) to value engineer the overall proposed programme of works. This has resulted in all but the Accessible Nelson elements coming under budget.

The Accessible Nelson elements remain £1.32million over budget, but the programme as a whole is only £482k over budget.

The LUF/ATF and other funding being applied to the programme by LCC was all intended for use in Nelson.

PBC have made representations through the value engineering process regarding the high level of fees and contingencies applied to the cost plan by LCC, but these have not been reduced.

LCC have requested that PBC meet the shortfall in funding for the Accessible Nelson elements at £1.32m. PBC have argued that, at worst, it is the £482k that should be discussed as the LUF/ATF funding was allocated for Nelson, and if applied at programme level offsets a proportion of the shortfall for the Accessible Nelson areas.

If, hypothetically, the full £1.32m shortfall is refunded to LCC by PBC, then there will be a surplus of funding for the other LCC programme areas (1,2,3,5,7) and funding intended for Nelson will be lost and reallocated to other areas at a time when there is a shortfall on Nelson based projects (areas 4&6, Accessible Nelson).

To examine what opportunities exist to offset the funding shortfall, the Director of Place instructed the Town Deal Programme team to look at any opportunities to look at other projects that may be able to contribute to the shortfall in funding.

2.0 Funding Opportunities from other Projects.

Opportunities for utilising funding in other Town Fund Programmes have been identified in:

- | | |
|----------------------|-----------------------------|
| 1. Revitalise Nelson | Pendle Rise Shopping Centre |
| 2. Revitalise Nelson | Trafalgar House |
| 3. Revitalise Nelson | Relocation Properties |
| 4. This is Nelson | Public Realm Improvements |

These are considering in turn:

2.1 Revitalise Nelson Pendle Rise Shopping Centre

The Cost Plan produced for the Pendle Rise Shopping Centre scheme by Donald Lomax Partners shows the following allowances:

SECTION 278 WORKS	£250,000
PUBLIC REALM	£250,000

Unfortunately, these are only shown as PC sums and therefore do not provide any detail or breakdown of the works to be included in these figures.

A high-level review of the highways related proposals for Pendle Rise show some improvements at the Leeds Road / Holme Street Junction and the connection of Pendle Rise onto Broadway.

These overlap with elements of the Accessible Nelson works in areas 4 & 6 of the LCC programme.

There are also public realm improvements shown in the planning documents, which if relating to pavements around Pendle Rise, overlap with elements of areas 4,5,& 6 of the LCC programme.

However, Public Realm improvements could also apply to Place de Criel and Leeds Road near to the Shuttle, which are not within Accessible Nelson or other elements of the LCC programme, so caution is required.

The extent to which ‘public realm’ works included the area within the footprint of the scheme has also been looked at and the cost plan shows that in addition to S278 and Public Realm works, the following allowances for ‘External works’ have been allowed for:

Hard Landscaping	£ 127,500
Car Park	£ 232,500
Soft Landscaping	£ 29,415
Trees	£ 20,000
Planting	£. 30,000
Site Furniture	£. 25,000
Total	£ 464,415

It therefore seems probable that the Public Realm £250,000 allowance is for Highways while the external works allowance is for on the site itself. However soft landscaping, tree, planting and street furniture all form part of Accessible Nelson.

In total there is £964,415 in the current PRSC cost plan for works and items, which do to some extent overlap directly or indirectly with Accessible Nelson.

If we take a conservative view and protect the external works budget as being for the site itself and accept the S278 and Public Realm budgets have to cover non Accessible Nelson / LCC Programme Areas – we perhaps could expect as least 25% of the combined S278 and Public Realm budgets to offset Accessible Nelson costs. This would provide for a figure of £215,000.

2.2 Revitalise Nelson Trafalgar House

Also included in the PRSC cost plan is an allowance for EV Charging of £25,000.

The current approved Trafalgar House scheme allows for the provision of EV charging. This could be seen as duplication for that being provided for at PRSC. Work on Trafalgar House options have already shown that providing a conventional car park rather than the one proposed which provides EVC parking saves around £500,000.

It would therefore be much more cost effective for the Trafalgar House budget to pay a contribution towards EVC parking in an extended ACE Centre car park and at PRSC than to build new duplicated infrastructure at Trafalgar House.

This could provide additional money into PRSC, releasing more money to support S278 / Public Realm improvements that offset Accessible Nelson costs.

This could provide for a figure of say £25,000 based on the EVC allowance in the PRSC cost plan.

As this is a minor move of funds from one part of the Revitalise Nelson project to another, it would be compliant with DLUHC rules.

2.3 Revitalise Nelson Relocation Properties

PBC recently purchased PRSC and have found a very limited number of tenants left in the centre.

A funding mechanism has been agreed with PBC's JV partner Penbrook to fund the purchase of relocation properties in the Town Centre.

This means that PBC only needs to provide 10% of the purchase value of each property.

With the reduced capital intervention to acquire properties and the smaller than expected number of retailers requiring relocation, it could be possible to move a small proportion of the Relocation Properties budget across to Pendle Rise – again to support the S278 / Public Realm budget and offset costs in areas 4,5,6 of the LCC programme.

A conservative 5% reduction in the Relocation Properties budget could provide for a figure of between approximately £65,000.

As this is a minor move of funds from one part of the Revitalise Nelson project to another, it would be compliant with DLUHC rules.

2.4 This is Nelson Public Realm Improvements

The This is Nelson project contains funding for £310,500 of public realm improvements.

A request for information has been made to PBC Finance Department for details on any expenditure on this budget so far.

The Programme Team have also agreed with This is Nelson managers, In-Situ, to meet to discuss using the money for Accessible Nelson and the principle of doing this has been agreed.

However, there may well be public realm improvements that sit outside of the LCC programme that need attention. One such area may be Place de Criel, although this could be covered by PRSC public realm or external works budgets.

One option for this funding may be Area 7 of the LCC programme – the gateway area into the Town Centre from Brierfield. An option could be viewed for this section to be costed by LCC in basic materials – while providing the much needed traffic calming and road re-configuration measures, with the This is Nelson funding, contributing to the up-lift in the materials palette to satisfy the aspirations of the PBC Engineering Department.

Assuming little spend has been made on the This is Nelson public realm budget so far, a conservative estimate for the use of elements of this fund could be £150,000.

This use of funding is in-line with the Town Fund bid and is therefore DLUHC compliant.

2.6 Collection

The suggested figures from Sections 2.1 to 2.5 above are as follows:

2.1	Revitalise Nelson	Pendle Rise Shopping Centre	£215,000
2.2	Revitalise Nelson	Trafalgar House	£ 25,000
2.3	Revitalise Nelson	Relocation Properties	£ 65,000
2.4	This is Nelson	Public Realm Improvements	£ 150,000

This could provide a total of £455,000 which is enough to close the funding gap across the LCC programme, even with the existing LCC fee levels.