

Date of meeting:	19 February 2024
Title of Report:	Better Places Programme: Armada Way
Lead Member:	Councillor Tudor Evans OBE (Leader)
Lead Strategic Director:	Anthony Payne (Strategic Director for Place)
Author:	Paul Barnard, Service Director for Strategic Planning & Infrastructure
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Your Reference:	AW/PWB/240111
Key Decision:	Yes
Confidentiality:	Part I - Official

Purpose of Report

The purpose of the report is to consider and approve the final Armada Way scheme design, and to make financial provision within the capital programme for its implementation, having fully considered all of the representations from the 'Let's Talk Armada Way' Autumn 2023 consultation and engagement exercise.

The report sets out the history of Armada Way, the case for change, and the proposed final new scheme design, the policy framework, and various technical considerations including climate change, climate resilience, environmental sustainability, biodiversity and nature, trees and translocation, conservation and heritage, sustainable transport infrastructure, play infrastructure, public realm infrastructure, safety and security issues, and economy and business matters.

Previous Better Places Programme consultations are summarised along with the headlines from the "Let's Talk Armada Way" consultation report, which sets out the City Council's response to the comments received.

Proposed changes to the scheme in light of the "Let's Talk Armada Way" consultation and engagement exercise are set out in the report alongside recommendations for a final scheme design, subject to the considerations and any recommendations from the Growth & Infrastructure Overview and Scrutiny Panel.

The report considers alternative design options, and issues of on-going maintenance of the Armada Way and other Better Places Programme public realm projects. Recommendations include the creation of a new City Centre Public Realm Board to oversee these operational matters. An indicative timetable for the delivery of the Armada Way scheme is set out and grants authority to the Service Director for Strategic Planning & Infrastructure to approve of all subsequent design amendments (excepting any relating to the existing trees), scheme approval submissions, procurement and contract awards associated with developing and delivering the Armada Way scheme through to construction and completion in consultation with the relevant Cabinet members.

Recommendations and Reasons

It is recommended that Cabinet:

1. Notes the outcome of the “Let’s Talk Armada Way” October/November 2023 Consultation and Engagement Exercise as considered and set out in the report.
Reason: To enable consideration of the responses made to the “Let’s Talk Armada Way” Consultation and Engagement Exercise to be considered by Cabinet.
2. Agrees to the proposed changes to the Armada Way scheme in response to the “Let’s Talk Armada Way” Consultation and Engagement Exercise as set out in paragraph 11.1 of the report.
Reason: To ensure that the final Armada Way scheme design takes into account views expressed during the “Let’s Talk Armada Way” Consultation and Engagement Exercise.
3. Considers any recommendations arising from the Growth and Infrastructure Overview and Scrutiny Committee regarding the Armada Way Scheme.
Reason: To allow consideration by Cabinet of any recommendations arising from the meeting of the Growth & Infrastructure Overview and Scrutiny Committee held on 22nd January 2024.
4. Approves the Armada Way final scheme design as summarised in paragraph 1.4 of the report and Appendix L.
Reason: To enable Cabinet to agree a final scheme design for implementation.
5. Approves the indicative programme for the delivery of the final Armada Way design as set out in paragraph 6.126 of the report.
Reason: To set out the expected programme for the delivery of the Armada Way scheme in order to coordinate construction with planned events during 2024 and 2025.
6. That the Leader approves changes to the Capital Programme up to a maximum of £22,786,229 to finance the revised Armada Way scheme to enable the implementation of the final scheme design, subject to confirmation of the final construction contract. In addition to the already approved £14,001,458 this gives a maximum spend allocation of £36,787,687 to finance Armada Way.
Reason: To provide certainty for the scheme to proceed to construction as part of the approved Capital Programme. Cabinet should note that the redirection of funds ensures that the overall capital commitments are constrained within the existing Capital Programme, which will be subject to value engineering and assessment of all risks which will be fully understood following trial pits and further detailed site investigations.
7. Grants authority to the Service Director for Strategic Planning and Infrastructure to take all such action as necessary to implement the project including all subsequent design amendments (excluding amendments which impact on the retention of any existing trees or the approved translocation of trees), scheme approval submissions, procurement and contract awards associated with developing and delivering the Armada Way scheme through to construction and completion, in consultation with the relevant Cabinet Members.
Reason: To enable the efficient development and delivery of the Armada Way scheme to meet the requirements and timescales of the various funding programmes.

8. Direct the Strategic Director for Place to establish a City Centre Public Realm Board, with representatives from relevant City Council departments and the City Centre Company, to coordinate and monitor all existing public realm revenue maintenance budgets and oversee new income-generating initiatives.

Reason: To enable the more efficient coordination of existing revenue budgets, alongside new income-generating opportunities, to ensure the Armada Way scheme, and other Better Places Programme public realm schemes are adequately maintained.

Alternative options considered and rejected

1. Do Nothing – this was rejected as it would not be consistent with the commitments to public realm improvements and other infrastructure policies in the Plymouth Plan and the Plymouth and South West Devon Joint Local Plan. It would also leave Armada Way in an unacceptable state given the works undertaken to date.
2. Abort the Armada Way scheme in its entirety – this was rejected as this would not be consistent with the commitments to public realm improvements and other infrastructure policies in the Plymouth Plan and the Plymouth and South West Devon Joint Local Plan. It would also not be consistent with the commitments already made under the Transforming Cities Fund programme and would result in funding already secured having to be paid back.
3. Re-design the Armada Way scheme in its entirety – this was rejected as to start the whole design process from scratch would result in the loss of funding given the timescales involved in this option and would be unlikely to result in a substantively different overall design taking account of the various design objectives to which the scheme seeks to respond.
4. Implement an Armada Way scheme that retains all 20 original trees – this was rejected as although 15 of the original trees have now been incorporated in the proposed final design, 1 tree has since died, and the other 4 would have an unacceptable impact on the delivery of other scheme objectives if retained in their current position.
5. Implement a different Armada Way final scheme design to that now proposed – this was rejected, because whilst there are always other design changes that could have been incorporated in the final design, a balance has to be struck between competing scheme objectives and the various views expressed in the various consultations, leading to a final considered judgement by Cabinet as to the scheme it considers should be constructed that achieves the best overall results and value for money.

Relevance to the Corporate Plan and/or the Plymouth Plan

The delivery of the Better Places Programme and within that the Armada Way scheme is consistent with the overall vision for the city to be one of Europe's most vibrant waterfront cities, where an outstanding quality of life is enjoyed by everyone. The Better Places Programme and the Armada Way scheme also supports the Council's mission to making Plymouth a fairer, greener city, where everyone does their bit and reflects all the themes of democracy, responsibility, fairness, and cooperation. Specifically, the Armada Way scheme supports the priority for fewer public realm defects, cleaner, greener streets and sustainable transport set out in the Corporate Plan agreed by Cabinet on 12 June 2023. Over the longer-term it will also support the priority to build more homes for social and affordable rent linked to the ambitions for housing delivery in the city centre, where new homes require supporting infrastructure.

The delivery of the Better Places Programme and the Armada Way scheme is also consistent with the strategic themes of the Plymouth Plan, in relation to Plymouth being a welcoming city and a green city. The Armada Way project also supports the strategic objectives set out in the Plymouth Plan for a healthy city, a growing city, and an international city. Specifically, the Armada Way scheme directly

supports the delivery of the following Plymouth Plan policies: HEA 1, HEA 5, HEA 6, HEA 7, GRO 1, GRO 4, GRO 7, GRO 8, INT 3 and INT 6.

Implications for the Medium Term Financial Plan and Resource Implications:

The original City Council provision for the Better Places Programme approved by the City Council on 27 February 2017 was £27 Million. Council approved the current capital programme at its meeting on 27 February 2023. This included funding for the Armada Way scheme.

The current construction cost estimate from the contractors is £25,737,316. This does not include any provision for client or contractor risks; nor does it include any provision for project management and other fees which will be incurred. The current estimate under consideration for these items totals £7,333,371. There are also incurred costs to date totalling £3,717,000.

Maximum funding required for this revised scheme totals £36,787,687 of which £14,001,458 is already approved within the Capital Programme.

The increased overall funding allocation required for the Armada Way scheme will need to be constrained within the levels of the current financial envelope as set out in the MTFP through the reprofiling of the approved Capital Programme. Officers are in the process of considering the capital programme to see what adjustments will be needed to accommodate the increase in cost for the Armada Way scheme.

Financial Risks

The project has already been subject to a number of strategic financial risks which have substantially increased costs. There have been a number of costs which have significantly increased due to matters outside of the city council's control. The pandemic has impacted on the original construction programme, which in turn had implications for the original funding deadlines for the Transforming Cities Fund Programme. Brexit continues to have an impact on labour and supplies. The Ukraine war has also impacted on supplies particularly in terms of the availability and cost of critical materials such as steel, iron, nickel, chemical products, and timber. Construction contract price inflation is running at an estimated 17.5%.

Contractors, given this volatile and unprecedented macro-economic uncertainty, are pricing in risks to a level of detail and costs as never before. In the South West this is exacerbated by additional transportation costs and limited numbers of larger contractors who can undertake the scale of work required for Armada way. As a consequence, the construction price on many projects for delivery in 2024/2025 is being affected by a number of interlinked factors, including limited materials supply, increased labour costs, energy and transport costs, and a reduced appetite for risk given the uncertainty in the above factors.

The other key financial risk is that if the Transforming Cities Fund money of £4,028,205 is not spent by March 2025 there would be at risk of that funding having to be returned. In addition, the undertaking of necessary invasive ground surveys in January 2024 in 28 locations along Armada Way will help minimise the risks associated with utility work, ground works associated with underground slabs, and potential contamination. These strategic financial risks can only partially be mitigated by provisions within the main construction contract potentially to be let under the SCAPE framework once a detailed cost plan has been prepared in early February 2024.

On-going monitoring of the capital programme will be required to ensure other costs increases do not create further budgetary pressures as part of the Medium Term Financial Plan. In the event of unforeseen revenue costs these will be fed into the preparation of the MTFP.

Carbon Footprint (Environmental) Implications:

A Climate Assessment has been undertaken in relation to the scheme. It concludes that nature is at the heart of the new scheme and climate impact has been considered throughout the design process. It indicates that the scheme aims to achieve biodiversity net gain of 20% with a variety of trees and a range of habitats, shrubs, wildflowers, and reed beds as well as bug hotels and bird boxes. It states that the two key drivers for the scheme are the installation of a Sustainable Urban Drainage Scheme (SUDS) and the principle of using water wisely, and the promotion of active travel with a new cycle path to cater for cyclists of all abilities. The assessment indicates that the additional power required for the ornamental water feature will come from solar panels ensuring increased energy demands are met from a renewable source. The assessments concludes that the benefits offered by the scheme are long-term, reaching beyond 2030. In relation to biodiversity the scheme scores 5 out of 5, meaning that it has a long lasting or extensive positive impact. In relation to Green House Gas emissions the Armada Way scheme scores 4 out of 5. In relation to renewable energy, it scores 3 out of 5, meaning it has no impact or neutral impact. In relation to ocean and waterways it scores 5 out of 5, as it does for climate change adaptation. In relation to air quality, it scores 4 out of 5. In relation to Minerals and Waste it scores 4 out of 5. Lastly, in relation to Education/Engagement and Enabling Conditions it also scores 4 out of 5.

Other Implications: e.g. Health and Safety, Risk Management, Child Poverty:

* When considering these proposals members have a responsibility to ensure they give due regard to the Council's duty to promote equality of opportunity, eliminate unlawful discrimination and promote good relations between people who share protected characteristics under the Equalities Act and those who do not.

An Equalities Impact Assessment has been undertaken and forms part of the supporting appendices to the report which demonstrates the benefits of the Armada Way scheme.

Appendices

Ref.	Title of Appendix	Exemption (if applicable)						
		If some/all of the information is confidential, you must indicate why it is not for publication by virtue of Part 1 of Schedule 12A of the Local Government Act 1972 by ticking the relevant box.						
		1	2	3	4	5	6	7
A	Better Places Programme: Armada Way Report							
B	Armada Way Equalities Impact Assessment							
C	Armada Way Climate Impact Assessment							
D	"Let's Talk Armada Way" Consultation and Engagement Report							
E	Joint Local Plan Extracts							
F	Armada Way Tree Surveys							
G	Armada Way Tree Protection Plan							
H	Armada Way Preliminary Ecological Assessment							
I	Armada Way Translocation Report							
J	Armada Way Environmental Impact Assessment Screening Report							

K	Armada Way LTN 1/20 Assessment Report and Response								
L	Armada Way Final Scheme Design								
M	SUDS Schematic Plan								
	For Cabinet on 19/02/24:								
N	Armada Way Arboriculture Impact Assessment								
O	Armada Way Biodiversity Net Gain Assessment								
P	Armada Way Habitat Regulation Assessment								
Q	Armada Way Detailed Tree Plan								
R	Armada Way Detailed Cycle Plan								

Background papers:

*Add rows as required to box below

Please list all unpublished, background papers relevant to the decision in the table below. Background papers are unpublished works, relied on to a material extent in preparing the report, which disclose facts or matters on which the report or an important part of the work is based.

Title of any background paper(s)	Exemption Paragraph Number (if applicable)						
	1	2	3	4	5	6	7
Armada Way Raw Data from Survey See Link: https://www.plymouth.gov.uk/armada-way-results							

Sign off:

Fin	N/A	Leg	N/A	Mon Off	N/A	HR	N/A	Assets	N/A	Strat Proc	N/A
Originating Senior Leadership Team member: Anthony Payne, Strategic Director for Place											
Please confirm the Strategic Director(s) has agreed the report? Yes											
Date agreed: Date.											
Cabinet Member approval:											
Date approved: Date.											